



Vegetation Greening of Sunny Friend's New-Style Zhongbin Landfill - Climbing Fig and Boston Ivy



SUNNY FRIEND ENVIRONMENTAL TECHNOLOGY CO., LTD.
2023 Sustainability Report

2023
ESG
Report

Contents

Scope of This Report	A
Words from Chairman	1
About Sunny Friend	2
Identification of Materiality Issues and Stakeholder Engagement	8

1 Corporate Governance

1.1	Administrative Organization	16
1.2	Business Performance	22
1.3	Risk Management	25
1.4	Business Integrity, Anti-corruption and Regulatory Compliance	27
1.5	Human Rights Policy	33

2 Social Care

2.1	Caring for Employees	37
2.2	Occupational Health and Safety	45
2.3	Social Inclusion	51
2.4	Educational Facilitation	54
2.5	Social Support	64

3 Environmental Protection

3.1	Environmental Management	69
3.2	Energy Saving and Carbon Reduction	80
3.3	Environmental Investment and Expenditure	83
3.4	Climate Risks	84
3.5	Circular Economy and Technological Innovation	87

4 Partnerships

4.1	Supply Chain Management	90
4.2	Waste Disposal Management	99
Appendix 1: GRI Standard Index Table		100
Appendix 2: Major Themes Management Policy		103

Scope of This Report

Sunny Friend Environmental Technology Co., Ltd. (hereinafter referred to as “Sunny Friend” or “the Company”) is a professional waste disposing company. Since our establishment, we have been holding the philosophy of “being a new environment creator” to protect the environment and to create a healthy life for our employees in conformance with four core values: self-management; technical innovation; increasing the awareness of environmental protection; and sustainably maintaining and improving the environment. By effectively integrate supply chain from upstream to downstream, Sunny Friend provides one-stop hazardous industrial waste disposal services, and successfully navigated the growth of Taiwan’s environmental protection industry. To fulfill our Environment Social Governance and commitment to sustainable development, Sunny Friend started to prepare Environment Social Governance Report (ESG Report) since 2015 to facilitate stakeholders’ understanding of our CSR results and build a firm foundation for sustainable operations.

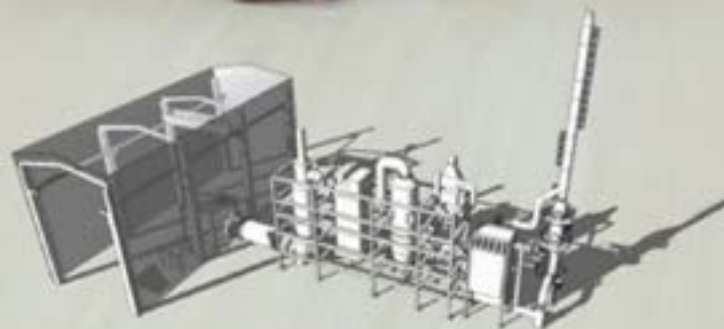
To meet the public’s expectation and ensure the uniformity of disclosure standards, this report (2023 Environment Social Governance of Sunny Friend Environmental Technology Co., Ltd.) is prepared in response to the 2021 revision of Global Reporting Initiative (GRI) and in accordance with the “core” options of GRI Standards. This year’s report is written based on the GRI standards to meet public expectation and disclose the consistency with the standards. The operational boundaries disclosed in this report cover the business operations of waste disposal in Taiwan. Sunny Friend operates at Yunlin (including Taipei Office) and Zhangbin plants, aiming to demonstrate Sunny Friend’s overall ESG performance in economy, environment, society and labor relations. In this report, Sunny Friend Environmental Technology Co., Ltd. is shortened as “Sunny Friend”, “the Company”, “SF” or “we”. The information disclosure period of this report is from January 1, 2023 to December 31, 2023, with the Company’s practice and performance data covered in the scopes of corporate governance, economy, society and environment. To ensure the integrity of project and performance integrity, some of the disclosed information is related to the Group’s affiliates and data before January 1, 2023 and after December 31, 2023. This year’s report covers the contents of previous reports and none of the reported information has changed or been revised. Some of the information is updated. Also, the Company issues the ESG report in every September for the reference of stakeholders. The current issued version is dated August 2023; the last version is dated August 2024; and the next version is expected to be published in August 2025.



Opinions and Feedback on this Report

Sunny Friend Environmental Technology Co., Ltd.
Public Relations and Legal Department

Address: No. 1-20, Yuandong Rd., Yuanchang Township, Yunlin County 655, Taiwan
Telephone: 05-788-5788 Ext. 510
E-mail: kawa@mail.sunnyfriend.com.tw
Website: www.sunnyfriend.com.tw



Words from Chairman

The consolidated revenue was TWD 3.2 billion with post-tax profit of TWD 425 million in 2023 thanks to all the hard-working employees and business teams of Sunny Friend and its subsidiaries. The reduction is (15.26%) and (50.49%), respectively, compared the year or 2021. The earnings per share after tax is TWD 3.40 this year.

In Taiwan, Sunny Friend operates Yunlin Plants 1 and 3 for medical waste disposal and Zhangbin Plants 1 and 2 for industrial waste disposal. In addition to the Beijing Plants 1 and 2 for medical waste disposal and Rizhao Panyue Plant for industrial waste disposal, the Yuncheng plant in Shanxi was awarded the 5-year hazardous waste disposal permit in Sep 2023. The medical waste disposal plant in Beijing renewed its hazardous waste operating permit in May 2023, with the approved operating capacity increasing from 40,000 tons per year to 47,450 tons per year.

This year, due to the economic conditions in mainland China and the competitive environment of the domestic waste disposal industry and market, Sunny Friend's profitability was below expectations. However, Sunny Friend continues to pursue differentiated marketing, sustain existing achievements, and seek new growth while maintaining stability, remaining poised for future opportunities.

The world's industrial ecology evolves very rapidly. Sunny Friend, as a leading firm in disposal of medical and hazardous industrial wastes in both Taiwan and China, upholds the core values of autonomous management, technical innovation, environment awareness improvement, environmental protection and continuous improvement, introduce international technologies successfully to the disposal of all kinds of domestic and international hazardous wastes, put the development guidelines of "long-term, stability, development, technology, and international" in practice, keep working on overall internationalization, and create more and greater social values.

Sunny Friend Environmental Technology Co., Ltd.

Board Chairman and General Manager **Chang, Fang-Cheng**

About Sunny Friend

Founded in 1994, Sunny Friend Environmental Technology Co., Ltd. was the country's first infectious waste disposal facility and has its first waste disposal plant established in Yunlin. Sunny Friend's plants in Yunlin primarily serve Taiwan's medical institutions, where the appropriate waste disposal methods and strict control measures thereof enable medical institutions to leave all worries behind. When the SARS firstly broke out in 2003, Environmental Protection Administration (EPA), Executive Yuan appointed Sunny Friend as the SARS waste disposal facility. This has made Sunny Friend the most trustworthy waste disposal facility in both public and private sectors.

In recent years, high-technology has become the most internationally competitive industry of Taiwan. Nevertheless, as the production capacity of technology products is proportional to industrial wastes derived thereof, how industrial wastes are legally and properly disposed has become an important issue, to which the high-technology industry pays close attention to. This is the reason that Sunny Friend stepped into the industrial waste disposal field and, upon effective integration of the upstream, midstream and downstream segments, acquired the management rights to Industrial Waste Comprehensive Processing Center of Central Taiwan, assisting high-technology industry in disposing general and hazardous industrial wastes. Sunny Friend's waste disposal competency and expertise have shown its extremely important role in the development of Taiwan's high-technology industry.

Being aware of environmental problems and the needs to prevent and control pollutions, our Yunlin Plant passed the certification of ISO 14001 Environmental management systems in July 2000 and the revision thereof (ISO 14001: 2015) in 2018; and then acquired a license, the validity period is from March 29, 2021 to March 28, 2024. On the other hand, Zhangbin Plant passed the certification of ISO 14001 in December 2009 and the revision thereof (ISO 14001: 2015) in 2017; and then acquired a license, the validity period is from Oct. 18, 2022 to Oct. 17, 2025.

SUNNY FRIEND ENVIRONMENTAL TECHNOLOGY CO., LTD.

- Date of establishment : 1994 (the 83rd year of the Republic of China)
- Headquarters : No. 1-20, Yuandong Rd., Yuanchang Township, Yunlin County 655, Taiwan
- Capital : TWD1.115 billion.
- No. of employees : 362 people
- Service items : Professional waste clearance and disposal; engineering consultancy; equipment design and manufacturing.
- Operating sites
Service items of Yunlin Plant:
Incineration treatment, monthly operating permit handling capacity of 2,088 metric tons.

Service items of Zhangbin Plant:
Incineration, with a permitted monthly disposal volume of 4,200 t.
Physical-chemical disposal, with a permitted monthly disposal volume of 1,800 t.
Solidification stabilization disposal, with a permitted monthly disposal volume of 3,600 t.
Final disposal facilities, with a permitted monthly disposal volume of 6,000 t.

◆The above items are calculated as of December 31, 2022. ◆

Sunny Friend's continuously efforts in promoting ISO 14001 certification not only facilitate our fulfillment of Environment Social Governance for environmental protection, but also help us to achieve our goals for environmental management and continuous improvement. With the implementation of ISO 14001 Environmental management system, Sunny Friend is managed to control environmental air, water and waste pollution derived from the waste disposal process while applying to the competent authority for relevant operating permits to ensure the regulatory compliance thereof. During the operations, Sunny Friend also established the waste clearance and disposal management system and real-time CCTV monitoring services, through which the customers can timely control the waste disposal conditions and direction online. Regardless of R&D, design, manipulations and system improvement, Sunny Friend has all technical capabilities and a consistent management approach for disposing waste properly. This is the reason that the Company has successfully led Taiwan's environmental protection industry to progress and become stronger.

To enhance our operational capabilities and extend our business scope, Sunny Friend became listed on the stock exchange on March 23, 2015. The conscientious review system and disclosure of public information has facilitated our high performance and assisted us in building a sound internal management system, win the hearts of our employees, and attract and retain talents. Also, all of our stakeholders, including the shareholders, government agencies, customers, local people and employees, have shown greater faith in our management team. In 2015, our Yunlin Plant initiated the facility renovation plan, where Plant 3 situated between Plant 1 and Plant 2 launched the operations in August 2017. As for Plant 1 and Plant 2, Plant 1 has upgraded the heat recovery and reuses system, and acquired relevant permits in Jun. 2020; and Plant 2 was by removing the old facilities and turning the space into a parking area surrounded by greenery, helping to facilitate the workflow while effectively reduce the carbon emission. Zhangbin Plant 2, on the other hand, was officially launched upon receipt of the approval of Industrial Development Bureau, Ministry of Economic Affairs for launching the operations of Industrial Waste Comprehensive Processing Center of Central Taiwan, assisting customers in disposing wastes properly. The construction of Zhangbin Landfill 4 started in Jan 2021 and the use permit was secured in Mar 2022. The construction of Zhangbin Landfill 3 started in May 2022 and the use permit was secured in Aug 2023. Sunny Friend reached an agreement for the environmental protection property at the Xianxi Xi 3 zone in the Zhangbin Industrial Park on 2020. The environmental impact assessment presentation was organized in Apr 2021, and concluded in the shareholders' meeting on 15 Jun 2022. As the supplies and demands of infectious medical waste are stabilizing, we are planning to develop the business of general mixed medical waste disposal for better production usage rate.

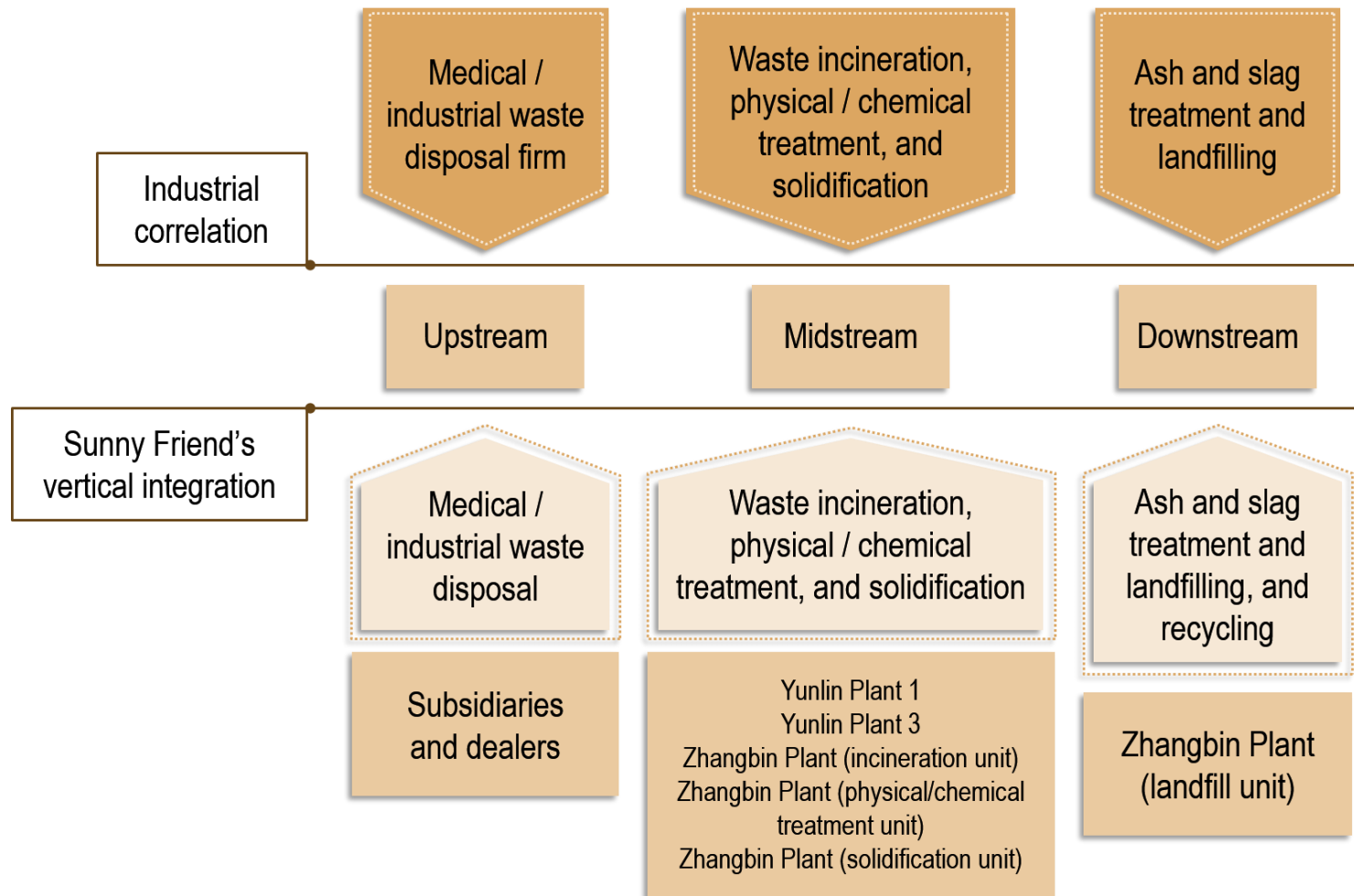


▲ Zhangbin Plant, Sunny Friend
Environmental Technology Co., Ltd.



▲ Yunlin Plant, Sunny Friend
Environmental Technology Co., Ltd.

▼ Correlation along the up-, mid- and downstream of industrial chain



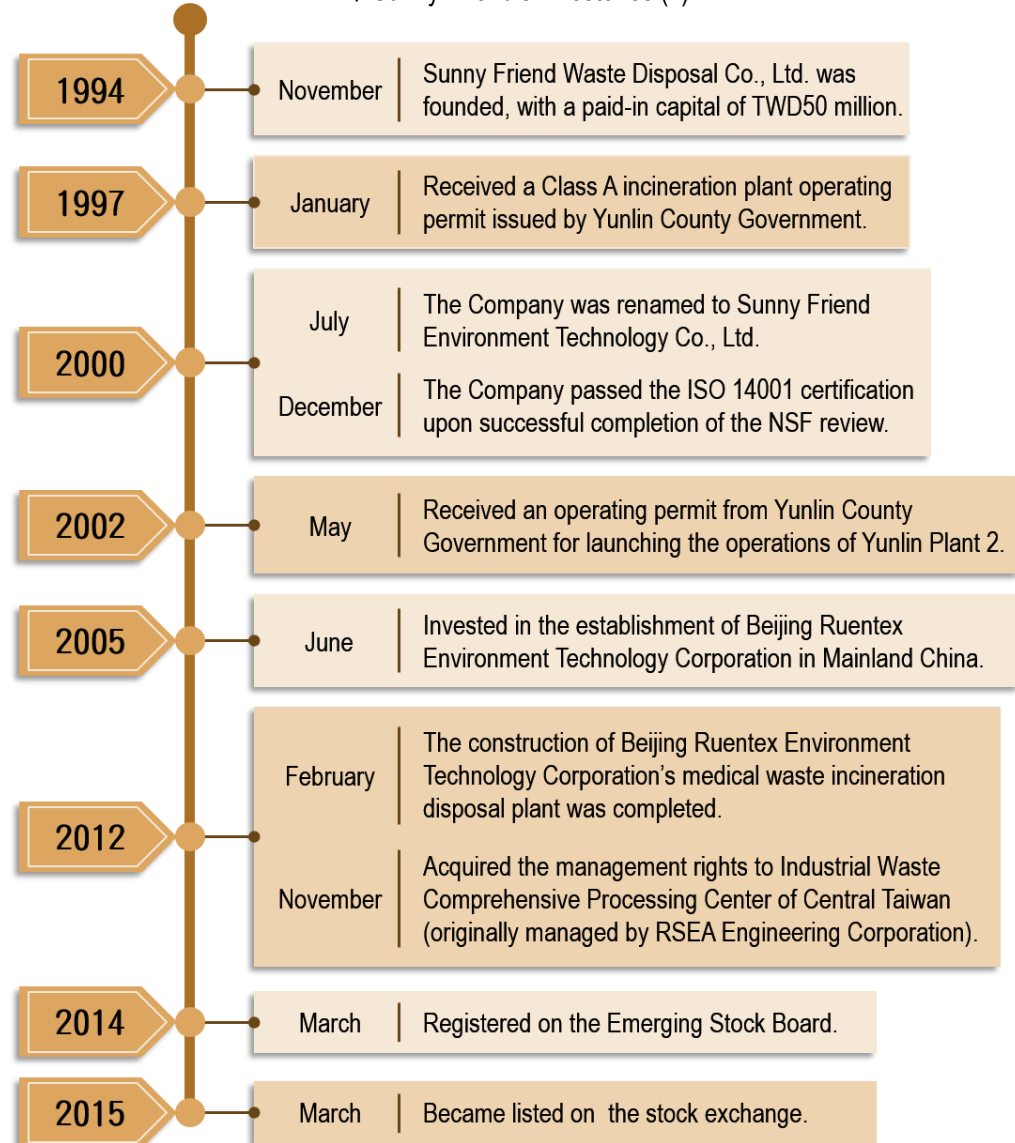


▲ Beijing Ruentex Environment Technology Corporation



▲ Rizhao Panyue Environmental Technology Co., Ltd.

▼ Sunny Friend's milestones (1)



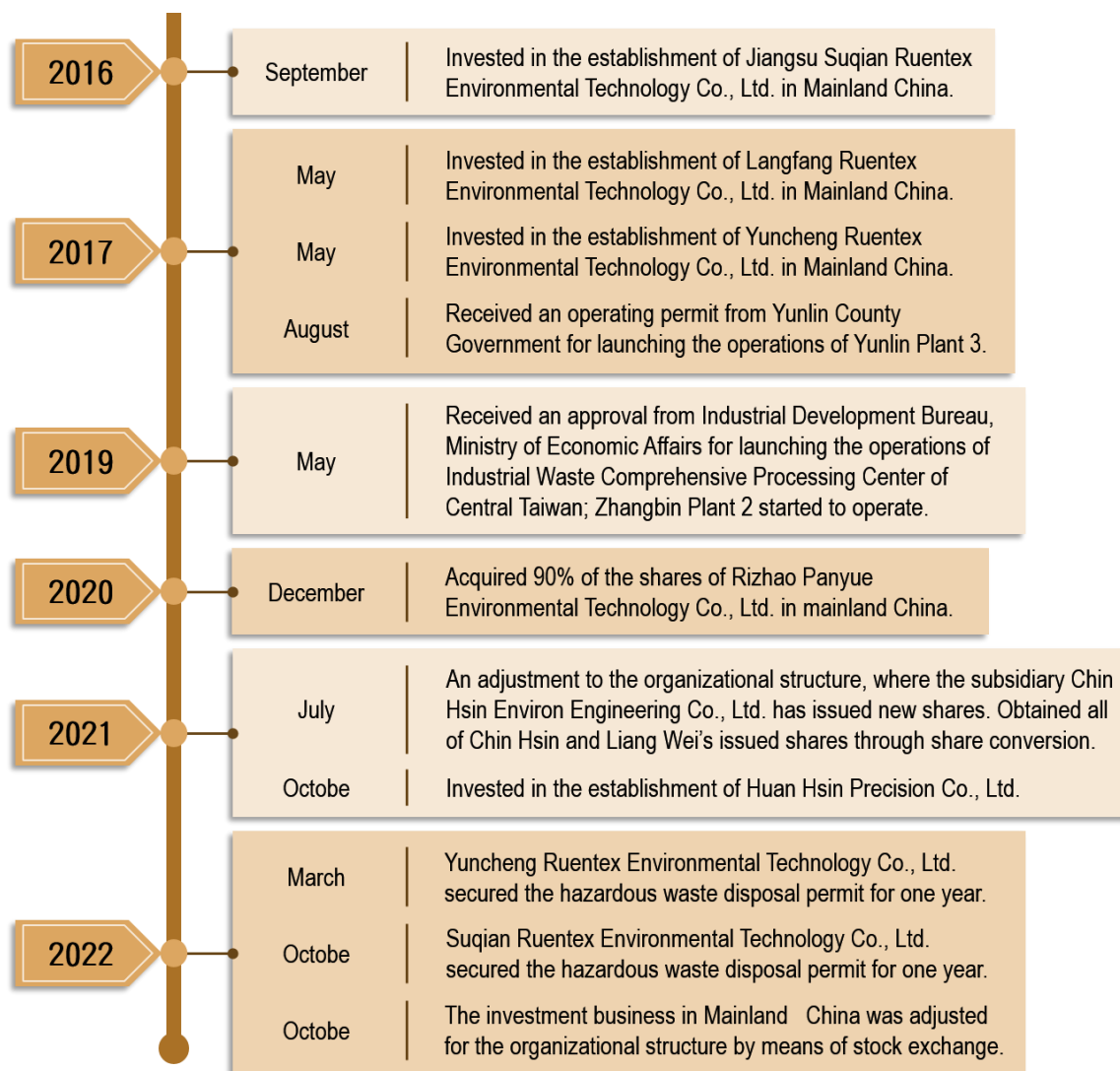


▲ Jiangsu Suqian Ruentex Environmental Control Co., Ltd.



▲ Yuncheng Ruentex Environmental Technology Co., Ltd.

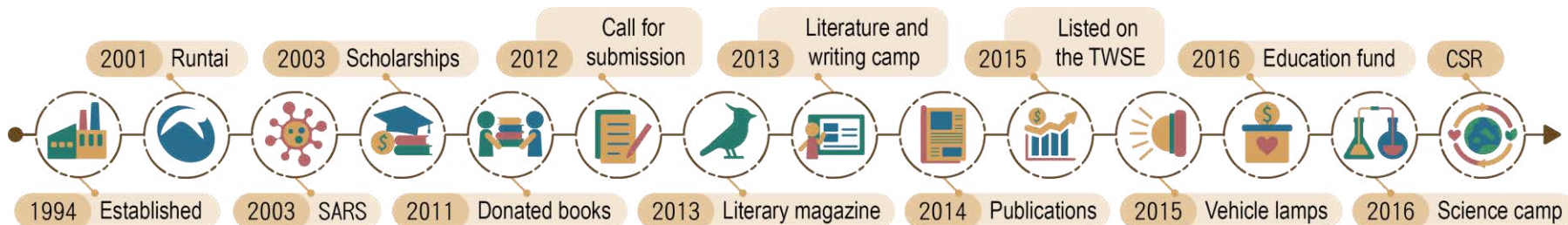
▼ Sunny Friend's milestones (2)



▼Records pertaining to social responsibility activities over the last 10 years

Year	Item	Environmental monitoring	Emergency fund for the poor	Scholarships	Environmental management system	Join road-cleaning adoption, tree planting and beach cleaning programs	Environmental protection volunteer services	Educational caring	After-school classes	Supervisory committee	Protect the safety of Yuanhang Junior high school	Circular Economy and Technological Innovation	
2023		●	●	●	●	●	●	●	●	●		●	
2022		●	●	●	●	●	●	●	●	●		●	GRI 2021 Standards incorporated.
2021		●	●	●	●	●	●	●	●	●		●	Added to the new chapter "Circular Economy and Technological Innovation" to the ESG report.
2020		●	●	●	●	●	●	●	●	●	●		Newly added risk management.
2019		●	●	●	●	●	●	●	●	●	●		Listed management policy for materiality issues; and implemented an evaluation on the impact of climate risks to the Company's operations.
2018		●	●	●	●	●	●	●	●	●	●		Promulgated the Company's human rights policy.
2017		●	●	●	●	●	●	●	●	●	●		Adopted the new version of Environment Social Governance standards: GRI Standards.
2016		●	●	●	●	●	●	●	●	●	●		Held the "Sunny Friend Environmental Protection Science Camp".
2015		●	●	●	●	●	●	●	●	●	●		Gifted bike lamps to students and prepared the ESG report.
2014		●	●	●	●	●	●	●	●	●	●		Gifted Global Kids Monthly and Global Kids Junior Monthly; and established Salary and Compensation Committee.

Note: Disclosure of records pertaining to social responsibility activities over the last 10 years.



Identification of Materiality Issues and Stakeholder Engagement

To understand materiality issues to which the stakeholders pay great attention and to focus on the Company's vision of sustainable governance, the ESG promotion team has implemented the stakeholder identification and engagement processes based on the requirements of AA1000 Stakeholder Engagement Standard and GRI Standards. The identified stakeholders and materiality issues are then used as a reference to prepare Sunny Friend's ESG report and responses; and further set the Company's primary management policy and implementation plans to meet the stakeholders' needs and expectations.

Sunny Friend has set regular and irregular communication mechanisms for stakeholder engagement; and report the status and results thereof to the board of directors on an annual basis. Also, the ESG report is also presented to the board of directors each year to demonstrate relevant results. For any negative impact on stakeholders, the Company shall report to the board of directors and propose an appropriate solution.



▲ ESG report meeting

Materiality issue identification process

I. Collect sustainability issues from international and domestic environmental protection and clean energy industry.

1. Domestic and international materiality issues and news in the same business.
2. International industrial ESG trend analysis reports.
3. Domestic regulations and policies, such as "Rules for Preparing and reporting sustainability reports for listed companies".



II. Questionnaire survey for impact assessment of materiality issues.

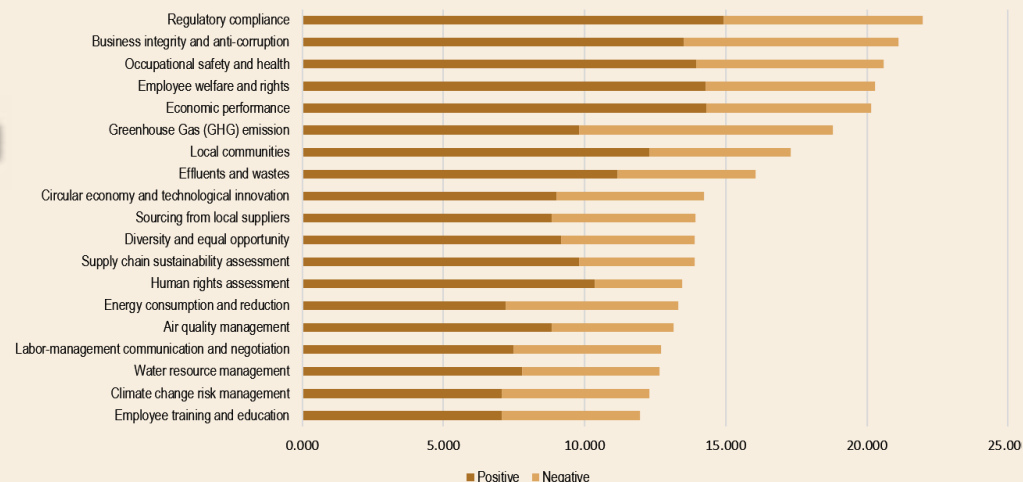
The sustainability development promotion team and its members are asked to evaluate all actual, potential, positive and negative impacts of sustainability issues on economy, environment and people, including human rights, for Sunny Friend.



III. Sorting by impact significance.

The top 9 are selected as the materiality issues of 2023 after summarizing the positive and negative impact evaluation results.

2023 Sunny Friend Impact Assessment Results for Materiality Issues



Upon review by the ESG implementation team, this year 2023 after summarizing the positive and negative impact evaluation results, stand the disclosure aspects with details and depth. Therefore, the impact map will also be retained.

IV. Take issues of external stakeholders' interests into consideration.

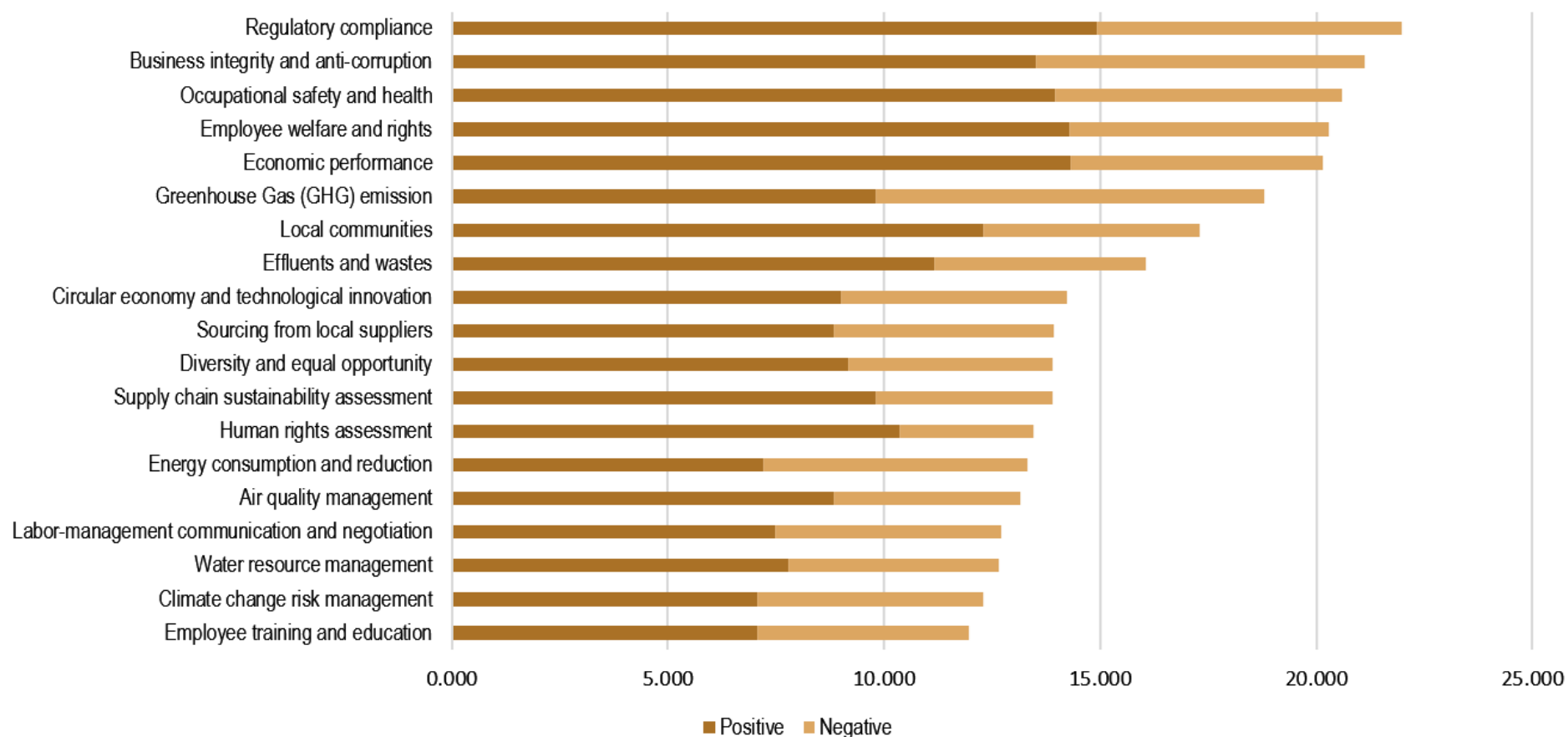
Materiality issues are added or cancelled based on previous questionnaire survey on sustainability issues of stakeholders; 91168 rests and feedback from external stakeholders during daily business activities in 2023.



V. Determine the materiality issues of 2023.

The materiality issues for this year's report are identified by the sustainable development promotion team in response to stakeholders' needs and expectations. Upon review by the ESG implementation team, this year's materiality issues will follow the themes of last year in order to understand the disclosure aspects with details and depth.

2023 Sunny Friend Impact Assessment Results for Materiality Issues



Note : Upon review by the ESG implementation team, this year's materiality issues will follow the themes of last year in order to understand the disclosure aspects with details and depth. Therefore, the impact map will also be retained.

▼2023 Supply chain sustainable management Labor Relations

Materiality Issues	Stakeholders							Corresponding chapter in the report	Corresponding GRI index	Corresponding SDGs
	Employees	Shareholders	Public sectors	Business organizations	Suppliers	Community and neighborhood	Academia / academia-industry collaboration units			
Regulatory compliance	●	●	●	●	●	●	●	1.4 Business Integrity, Anti-corruption and Regulatory Compliance	GRI 2-7	SDG8 Decent work and Economic Growth
Effluents and waste		●	●	●		●	●	3.1 Environmental Management	GRI 303 GRI 306	SDG 6 Clean Water and Sanitation
Occupational health and safety	●	●	●				●	2.2 Occupational Health and Safety	GRI 403	SDG8 Decent work and Economic Growth
Economic performance	●	●		●	●	●		1.2 Business Performance	GRI 201	SDG8 Decent work and Economic Growth
Business integrity and anti-corruption	●	●	●	●	●	●	●	1.4 Business Integrity, Anti-corruption and Regulatory Compliance	GRI 205	SDG8 Decent work and Economic Growth
Greenhouse gas emission		●	●	●		●	●	3.2 Energy Saving and Carbon Reduction	GRI 305	SDG 13 Climate Action
Local communities		●	●			●		2.3 Social Inclusion	GRI 413	SDG 4 Quality Education
Employee welfare and rights	●		●					2.1 Caring for Employees	GRI 401 GRI 404	SDG 10 Reduce inequality within and among countries
Circular economy and technological innovation		●	●	●			●	3.5 Circular Economy and Technological Innovation	-	SDG8 Decent work and Economic Growth

Note: After internal discussions and resolutions, 9 materiality issues were selected as illustrated in the diagram. Materiality issues that are related to environmental compliance and business compliance are presented as regulatory compliance in the table; no change for materiality issues of 2023.

▼ Sunny Friend's materiality issues of 2023 and stakeholder engagement (1)

Stakeholders	Concerned issues	Communication methods	Communication frequency	Specific measures	Corresponding chapter
Employees	Regulatory Compliance	Labor-management meeting Employee Welfare Committee Internal Communication Report	Quarterly Quarterly Irregularly	Hold regular labor-management meetings; two-way communication with the Employee Welfare Committee; public addressing of employees' concerns; and education and training sessions	2. Social Care
	Business integrity and anti-corruption				
	Economic performance				
	Occupational safety and health				
	Employee welfare and rights				
Shareholders	Regulatory Compliance	Shareholders meeting Annual report Financial statements Corporate website Market Observation Post System (MOPS) of Taiwan Stock Exchange (TWSE)	Annually Annually Quarterly Irregularly Monthly	Maintain legitimate management and seek stable profitability; hold shareholders' meeting on a regular basis; and proactively announce important information on the website.	1. Corporate Governance
	Effluents and waste				
	Greenhouse gas emission				
	Business integrity and anti-corruption				
	Economic performance				
	Occupational health and safety				
	Local communities				
	Circular economy and technological innovation				
Public sectors	Regulatory Compliance	Policy brief meeting Public hearings Government websites Exchanges with the authority by official documents	Irregularly Irregularly Irregularly Irregularly	Actively participate in policy brief meetings, discussion sessions on compliance and announcement clarification organized by the government.	3. Environmental Protection
	Effluents and waste				
	Greenhouse gas emission				
	Business integrity and anti-corruption				
	Occupational health and safety				
	Local communities				
	Circular economy and technological innovation				

▼ Sunny Friend's materiality issues of 2023 and stakeholder engagement (2)

Stakeholders	Concerned issues	Communication methods	Communication frequency	Specific measures	Corresponding chapter
Business organizations	Regulatory Compliance	By telephone By site visits By e-mail By official By official documents	Daily Daily Daily Monthly	Properly handle documents to be sent; let frontline personnel to interview customers or conduct customer satisfaction surveys to understand customers' feedback and satisfaction levels; and establish a dedicated point of contact.	1. Corporate Governance
	Effluents and waste				
	Greenhouse gas emission				
	Business integrity and anti-corruption				
	Economic performance				
Suppliers	Regulatory Compliance	By e-mail By telephone By site visits	Daily Daily Irregularly	Formulate procurement contracts; establish suppliers evaluation system; and participate in suppliers' showcase of new technologies.	4. Partnerships
	Business integrity and anti-corruption				
	Economic performance				
Community and neighborhoods	Regulatory Compliance	Visits to communities Visits to office of the local village chiefs Visits to township offices Local feedback and sponsorships	Weekly	Proactively visit the local communities and schools; participate in public events; donate books; issue publications; and hold activities to increase interaction.	2. Social Care
	Effluents and waste		Weekly		
	Greenhouse gas emission		Monthly		
	Business integrity and anti-corruption				
	Economic performance				
	Local communities				
	Employee welfare and rights				
Academia / academia-industry collaboration units	Regulatory Compliance	By telephone By site visits By e-mail	Irregularly Irregularly Irregularly	Irregular academia-industry collaboration projects; interpretation of regulations; drafted amendments to regulations; expression of opinions at public hearings; waste clearance and disposal related regulations; and evaluation on the impact of new technology.	3. Environmental Protection
	Effluents and waste				
	Greenhouse gas emission				
	Business integrity and anti-corruption				
	Occupational safety and health				
	Circular economy and technological innovation				

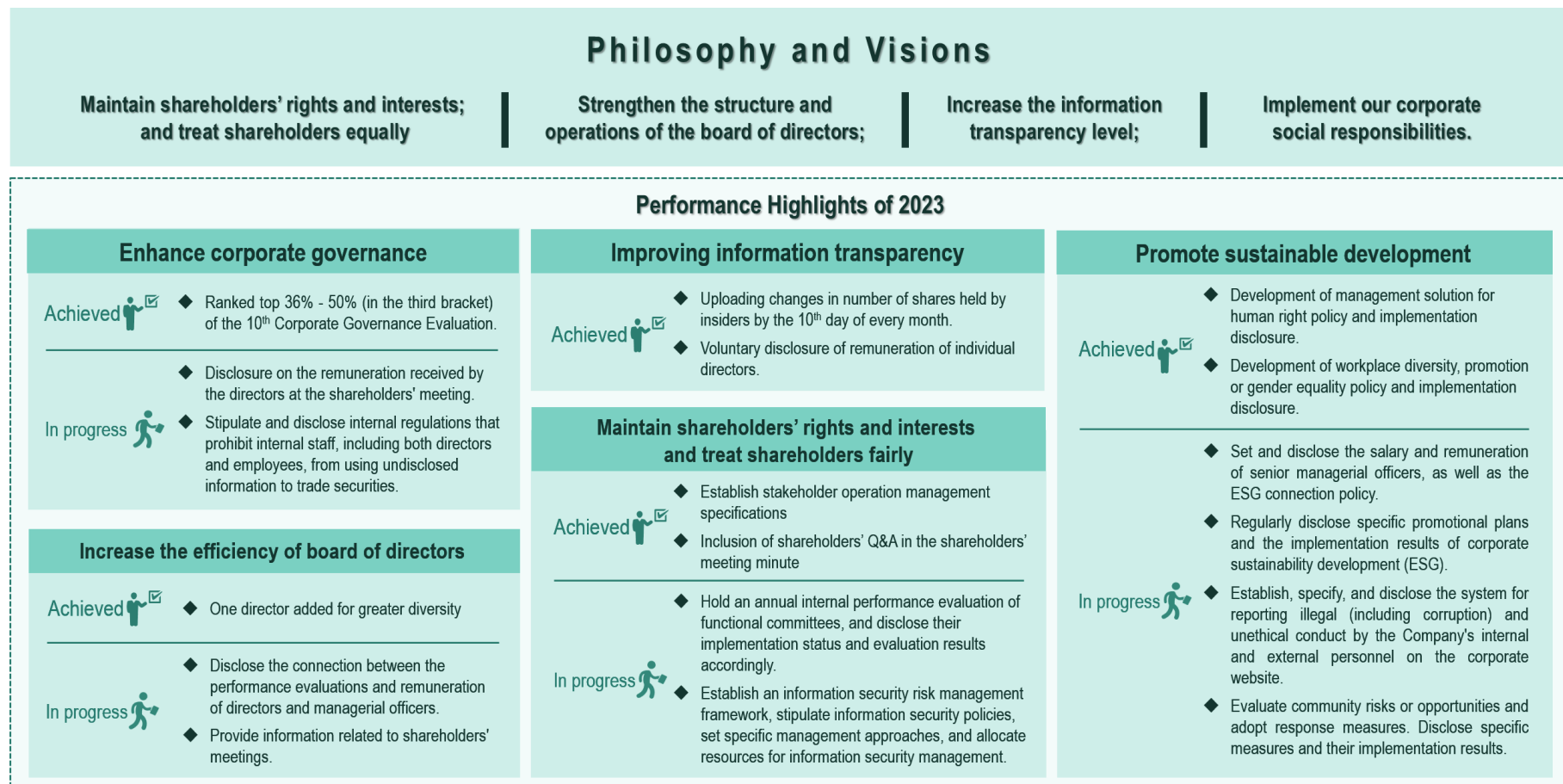
1 Corporate Governance

Upholding the philosophy of “being a new environment creator since our establishment, Sunny Friend has been assisting in disposing waste generated from economic activities to enhance people’s living quality and to prevent environmental pollution. Our conducts not only comply with local regulations, but also meet the public’s expectations. By effectively integrate supply chain from upstream to downstream, Sunny Friend provides one-stop hazardous industrial waste disposal services, and successfully navigated the growth of Taiwan’s environmental protection industry. With an insistence on the waste clearance and disposal quality, we have done our very best to protect the environment and create a healthy life for our employees in conformance with four core values: self-management; technical innovation; increasing the awareness of environmental protection; and sustainably maintaining and improving the environment. In the future, we will continue to abide by the principles of equality, honesty, promise keeping and transparency when engaging in business activities; and will adhere to the commitment of business integrity. With our greatest efforts and the integration of the Group’s resources, we will continuously and effectively ensure the regulatory compliance of our business to reduce and prevent operating risks.

To implement environmental protection and facilitate labor-management relations, Sunny Friend has been proactive in joining local organizations and participating in activities related thereto. For example, we have affiliated to Yunlin County Waste Clearance and Disposal Association and Taiwan Environmental Engineering Association in the sector of environmental protection and energy; and Yunlin Hsien Industrial Association, Chiayi Hsien Industrial Association and Changhua Coastal Park Association of Changhua County in the sector of industry. Sunny Friend is a regular member of the organizations mentioned above. Also, to maximize our efforts in protecting the environment and creating harmonious labor-employment relations, we have appointed personnel to join regulation advocacy, education/training sessions, networking events and meetings on a regular basis. After Sunny Friend became listed on the stock exchange in 2015, we have gradually adopted and continuously improve our corporate governance. Our primary mission is to meet the requirements proposed in the corporate governance evaluation while meeting the expectations of Taiwan’s competent authorities and the public. We aim not only to enhance our corporate governance system, but also to demonstrate our performance.



The objectives of corporate governance are to fulfill managers' responsibilities; protect shareholders' legal rights and interests; and guarantee other stakeholders' interests through the implementation of instructions and management mechanisms. The internal mechanisms of good corporate governance shall strengthen board of directors and supervisors' functions; implement internal control system; and implement and strengthen information exposure; and encourage shareholders' participations. As for external mechanisms, it is a must to timely discuss and amend regulations; seek for external experts' opinions and feedback; enhance the operations of self-regulatory organization; facilitate the supervisory functions of the competent authorities or stock exchange; and optimize the performance of judicial system. With respect to the management strategy, Sunny Friend upholds high standards of business integrity to regularly review and update Code of Conduct for Corporate Governance and ESG report; continuously optimize our organizational structure and the transparency of our operations; properly respond to risk variables; and enhance and implement corporate governance. It is our aspiration of protecting not only the interests of our shareholders and other stakeholders, but also the entire society and even the ecological environment of earth.



1.1 Administrative Organization

1. Board of directors

The highest governance unit of SUNNY FRIEND is the board of directors. The board of directors has nine directors (including four independent directors) has a term of three years; and is also responsible for decision-making on economic, environmental, and social topics. In order to strengthen the company's operating system, we established a remuneration committee in accordance with the expectations of the competent authority and the audit committee to help the board of directors with business supervision. A total of six board meetings were held in 2023, and the attendance rate was 96%. The salary and compensation committee under the Board of Directors, consisting of four members, has a term of three years; formulating and regularly reviewing the company's directors and managers' annual and long-term performance targets and remuneration policies, systems, standards, and structures; regularly evaluating the achievement of the company's directors and managers' performance targets, and determining their individual compensation content and amount. In 2023, the salary and compensation committee has no objection to the remuneration of directors. In 2023, a total of three salary and compensation committee is held, with an attendance rate of 91%. SUNNY FRIEND established an audit committee with four members for a three-year term. It is composed of all independent directors of the company. The company law, securities exchange law, and other laws on supervisors are used in the audit committee. The audit committee meets 5 times in 2023, with an average attendance rate of 100%.

2. Promotion of sustainable governance supervised by board of directors

Sunny Friend's corporate sustainability business is charged to Management Dept. to assemble all departments and units involved. The sustainable development team identifies materiality issues based on AA1000 Stakeholder Engagement Standard and GRI Standards for the main axis for Sunny Friend's preparation and replies of ESG report. The team identifies the materiality issues in this year's report, calls on meetings every year to review the promotion and improvement suggestions, and presents the sustainable governance results to the board of directors.

3. Nomination and election of board directors (including independent directors)

Sunny Friend's board directors for this term were elected on May 26 2023. 9 were elected, including 4 independent directors. The directors are elected based on a nomination system where the candidates are nominated in the shareholders' meeting. The candidates of board directors (including independent directors) were nominated according to Article 192-1 of the Company Act and Article 5 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies." The list of candidates was approved by the board of directors on 24 Feb 2023 and submitted to shareholders' meeting for election.

The director election procedure of Sunny Friend shall protect the interests of shareholders and treats all shareholders equally. A fair, just and open procedure shall be established to encourage the participation of shareholders, and reflect shareholders' comments by adopting cumulative voting according to the Company

Act. The members of board of directors shall be considered based on Sunny Friend's Code of Conduct for Corporate Governance. Diversity shall be a key factor for the members of board of directors. The number of directors who are also company managers should not exceed 1/3 of the board members, and appropriate guidelines for diversity are established for the needs of company operations, business model and development. The board chairman of Sunny Friend is also the company's general manager. This helps improve company's business efficiency and keep the decision-making channel smooth. Clearly, only one member of the board is an employee of Sunny Friend, and the others are external and independent directors, ensuring that Sunny Friend is not a family business.

There are 9 members in Sunny Friend's board of directors and all of them are male between the age of 51 and 70. The backgrounds of the members include master in law from National Chengchi University, MBA from National Taiwan University, master in management science from National Chiao Tung University, Dept. of Business Operations of Tatung University, and Master's degree from the Department of Business Administration of National Chung Cheng University, indicating that the members have the expertise in leadership, decision making, business management, crisis management, the knowledge of environmental protection business, and visions of international market. The independent directors, on the other hand, are members specialized in legal affairs, finance and accounting and industrial experience thanks to their backgrounds, including PhD in Accounting from Arizona State University (USA), PhD in Law from National Chengchi University, Master's Degree in Management from National Sun Yat-sen University, Master's Degree in Business from National Taiwan University and so on. The directors' expertise covers every aspect of Sunny Friend's business spectrum, and there is at least a director specialized in one of the aspects.

4. Performance evaluation of board of directors

The "Rules for Board of Directors Performance Evaluation" were established on 10 Aug 2018 to specify at least one evaluation per year on the performance of the board of directors, board members and functional committees. The performance evaluation is performed for the current year according to the Rules by the end of 1st quarter of the next year.

9 copies of "board members' self-evaluation questionnaire" were distributed in Dec 2023 and all of them were retrieved. The evaluation, together with the "board of directors self-evaluation questionnaire", "audit committee performance evaluation self-assessment questionnaire" and "remuneration committee performance evaluation self-assessment questionnaire", was prepared into the 2023 board of directors performance evaluation report and submitted to the board on 23 Feb 2024. The self-evaluation results of the 2023 board of directors performance evaluation, individual board member performance evaluation, "audit committee performance evaluation self-assessment questionnaire" and "salary and compensation committee performance evaluation self-assessment questionnaire" indicate that the overall performance was good and stable. The self-evaluation will serve as a reference for board of directors operations, adjustment, nomination and renewal in the future.

5. Management-level remuneration policy

The managers of Sunny Friend are paid in accordance with the "policy, system, standard and structure of manager remuneration." The managers are paid in a

reasonable amount by considering the salary level of the same position in the same trade of business, the scope of responsibility of the position in Sunny Friend, their contributions to Sunny Friend's business goals, and attracting and keeping professional talents for the company. The remuneration of board directors is provided according to the "Rules for remuneration for members of the board of directors, audit committee and remuneration committee." In addition to traveling expenses, independent directors are paid monthly at a fixed amount, and regular directors are paid in proportion to the company profits annually according to the Company Charters. The policy or rules above are included in the consideration of sustainable development, reviewed and approved in the remuneration committee and finalized in the board of directors for payments in reasonable amounts. The members of remuneration committee comply with the competent authority's requirements for professionalism and independence.

6.Sustainable management structure and organization

The "Code of Conduct for Environment Social Governance" was established. The economic, environmental and social issues arising from business activities are handled by company executives authorized by board of directors. The Management Department is authorized to handle the sustainable development promotion with the assistance from Public Relations and Legal Department and others. These issues are disclosed in the Sunny Friend's sustainability report and online in Sunny Friend's website. The Chairman (General Manager) is authorized by board of directors to instruct the head of Management Department to handle, and report to the board of directors. At least once a year, the business integrity implementation report and stakeholder communications report are prepared and presented. Sunny Friend's board of directors is briefed by Management Department for the sustainability development report, and provides its comments, suggestions, instructions of how to make adjustments on how the sustainable development issues were handled by Management Department, or puts it in practice if there is no objection. The sustainability report is prepared every year, submitted to board of directors for review and approval, before uploaded to Market Observation Post System and published on Sunny Friend's website.

7.Continuous education of board members

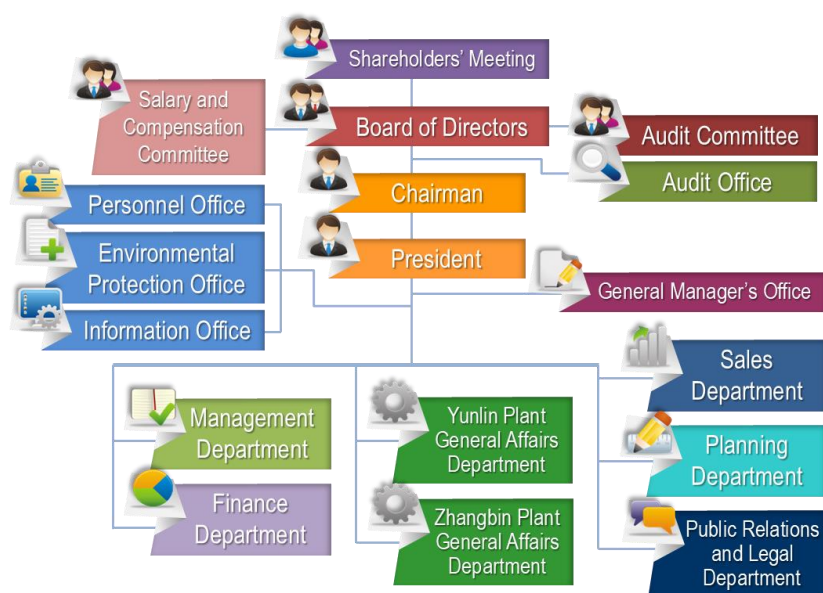
New board members are required for at least 12 hours of continuous education, and renewed members for at least 6 hours every year to improve their competency as a board member, according to Sunny Friend's Code of Conduct for Corporate Governance and Rules for continuous education for publicly listed companies, OTC companies and board supervisors. The scope of Sunny Friend's continuous education covers finance, risk management, commercial business, legal, company governance, integrity and ethics, and Environment Social Governance. External education programs are provided to improve their professionalism, help them practice duty of care as a prudent person, and bring out the best of them in terms of business management and leadership. The board of directors had 9 members in 2023. The continuing education hours are detailed in the table below.

Continuing education status of the Company's directors: (continuing education status for the year 2023)

Job title	Name	Gender	Age	Term of office	Continuing education hours	Positions currently held in this Company and other companies	Functional Committees		Note
							Salary and Compensation Committee	Audit Committee	
Chairman	Chang Fan-cheng	Male	61 to 70 years old	3 years	6	1. The Company's General Manager 2. Chairman of Cheng Shin Environmental Engineering Co., Ltd. 3. Chairman of Chin Hsin Environmental Engineering Co., Ltd. 4. Chairman of Liang Wei Environmental Engineering Co., Ltd. 5. Chairman of Huan Shin Precision Co., Ltd. 6. Chairman of Beijing Ruentex Environmental Technology Co., Ltd. 7. Chairman of Jiangsu Suqian Ruentex Environmental Control Co., Ltd. 8. Chairman of Langfang Ruentex Environmental Technology Co., Ltd. 9. Chairman of Yuncheng Ruentex Environmental Technology Co., Ltd. 10. Chairman of Rizhao Panyue Environmental Technology Co., Ltd.			<ul style="list-style-type: none"> ● The Board of Directors convened 7 meetings, with an attendance rate of 96%. ● The Salary and Compensation Committee convened 3 meetings, with an attendance rate of 91%. ● The Audit Committee convened 5 meetings, with an attendance rate of 100%.
Director	Cheng Ming-yuan	Male	61 to 70 years old	3 years	6	1. Chairman of Cosmactive Broadband Network Co., Ltd. 2. Chairman of Yuan Ting Investment Co., Ltd. 3. Chairman of Twoway Communications, Inc.			
Director	Yeh Tien-cheng	Male	61 to 70 years old	3 years	9	1. Deputy General Manager of the Finance Department, Ruentex Development Co., Ltd. 2. Director of Ruentex Bai-Yi Co., Ltd. 3. Director of Ruentex Industries Limited 4. Director of Jinghong Investment Co., Ltd.			

Job title	Name	Gender	Age	Term of office	Continuing education hours	Positions currently held in this Company and other companies	Functional Committees		Note
							Salary and Compensation Committee	Audit Committee	
Director	Li Tien-chieh	Male	61 to 70 years old	3 years	6	1. Deputy General Manager of the Fund Management Department, Ruentex Industries Limited 2. Director of Ruentex Industries Limited 3. Chairman of Ruen Tai Hsin Co., Ltd. 4. Director of Jin Hong Investment Co., Ltd. 5. Director of Ruen chen Investment Holding Co., Ltd.			
Director	Chang Yung-tien	Male	51 to 60 years old	3 years	12	1. The Company's Deputy General Director 2. Director of Cheng Shin Environmental Engineering Co., Ltd. 3. Director of Chin Hsin Environmental Engineering Co., Ltd. 4. Director of Liang Wei Environmental Engineering Co., Ltd. 5. Director of Huan Hsin Precision Co., Ltd. 6. Director of Suqian Ruentex Environmental Technology Co., Ltd. 7. Director of Jiangsu Suqian Ruentex Environmental Control Co., Ltd. 8. Director of Rizhao Panyue Environmental Technology Co., Ltd.			
Independent Director	Lin Shih-ming	Male	61 to 70 years old	3 years	27	1. Independent Director of Chunghwa Telecom Company, Ltd. 2. Independent Director of Taiwan Fertilizer Co., Ltd. 3. Independent Director of AP Biosciences Inc.	✓	✓	
Independent Director	Wang Wen-chieh	Male	51 to 60 years old	3 years	12	1. Professor of the NCCU College of Law 2. Independent Director of TOPLUS GLOBAL (TG) Co., Ltd.	✓	✓	
Independent Director	Chen Chun-chung	Male	61 to 70 years old	3 years	12	1. Supervisor of UP-Lift Enterprise Co., Ltd.	✓	✓	
Independent Director	Chiu Chin-fa	Male	61 to 70 years old	3 years	12	1. Director of Shinkong Textile Co., Ltd. 2. General Manager of Shinkong Textile Co., Ltd. 3. Director of Chyang Sheng Dyeing & Finishing Co., Ltd.	✓	✓	

▼Company governance structure (as shown) and job positions



Department	Operations
General Manager's Office	Develop operating policies, company strategy and management plans; supervise the Company's operations; and analyze financial information.
Audit Office	Study and audit internal control systems; assess various materials; and carry out audits.
Personnel Office	In charge of compensation and benefits; employment of personnel; talent cultivation; education and training; performance appraisal; and employee welfare.
Environmental Protection Office	Implement the environmental management system; assist the competent environmental authority in carrying out audits; manage factory affairs and workplace safety; arrange employee health checks; conduct education and training; apply for factory and factory affairs related certificate or amendments thereto; implement matters committed during the environmental impact assessment.
Information Office	Plan, design and integrate the information system; maintain the hardware, software and network security; and control the flow.
Management Department	In charge of item purchase; ensure internal and external environmental sanitation; manage office equipment and handle other related affairs; manage the Company's materials; and implement and maintain the Company's security system.
Finance Department	Process the Company's financial accounts; manage cashier operations; in charge of financing and fund management; generate accounting and financial information and prepare budget summary.
Sales Department	Develop business performance targets; conduct market analysis and marketing planning; supervise the Company's business operations; and manage and dispatch transportation vehicles.
Planning Department	Plan the Company's future business direction; undertake engineering projects and plans; prepare environmental protection proposals; and plan the configuration of incinerators and landfills.
Public Relations and Legal Department	Point of contact and communication with external organizations; handle legal affairs.
Yunlin Plant General Affairs Department	Manage the operations of incinerators and materials; maintain and repair the equipment; and ensure the safety incinerator operations.
Zhangbin Plant General Affairs Department	Manage the incineration, physicochemical processing, solidification and landfill operations of Zhangbin Plant; manage the materials; maintain and repair the equipment; and ensure the safety incinerator operations.

Internal Organization and Operations

Sunny Friend has established an internal audit unit that is subordinate to the board of directors to examine and evaluate the internal control system design of internal units and the implementation effectiveness thereof. The objectives are to assist the board of directors and management level in checking and reviewing the deficiency of internal control system and operational effectiveness and efficiency; and to timely provide improvement related suggestions. This can ensure the continuous and effective performance of our internal control systems; and will be used to review and make amendments to the systems. The internal audit unit draws up annual audit plan according to risk assessment results each year. As a result of the internal audit in 2023, there is no deficiency or abnormality in the internal control system.

1.2 Business Performance

Upholding professional management, Sunny Friend values shareholders and investors' opinions, and share with all shareholders our management results. To create long-term and stable business performance, we have integrated the supply chain to offer one-stop services within and outside the country. We also assist the government and public in properly disposing waste through incineration, physicochemical processing, solidification and landfill (final processing) operations. For medical waste, we owned Yuanchang No. 1 and No. 3 plants, and for industrial waste, we had Zhangbin No. 1 and No. 2 plants. The hazardous waste operating permit was renewed in May 2023, with the approved operating capacity increased to 47,450 tons per year. After the pandemic, mainland China ended quarantine restrictions and no longer generated quarantine waste. Consequently, Beijing Ruentex's annual waste disposal volume reached 40,500 tons, including 32,800 tons of general medical waste and 7,700 tons of other waste. The business goal for 2024 is to primarily focus on expanding into other waste markets, while negotiating with medical institutions for further collaboration as a secondary objective. Following the pandemic, industrial waste disposal plants in mainland China (Yuncheng Ruentex, Suqian Ruentex, Rizhao Panyue) experienced weak recovery in industrial production, with local factories' operational rates remaining low. This led to a decrease in both the volume and price of industrial waste. Due to intense industry competition, the recovery of production capacity has been slower than expected. Looking ahead to the new year, we will not only await the recovery of mainland China's economy but also concentrate on strengthening the company's competitive edge and expanding our business capabilities. Our goal is to enhance the availability factor, increase production capacity, and achieve the originally projected operational levels.

Sunny Friend has stipulated a retirement welfare benefits plan and set up a labor retirement reserve account in accordance with Labor Standards Act; and, each month, allocate an amount equal to an appropriate percentage of employees' monthly salary to the special account of Supervisory Committee of Business Entities' Labor Retirement Reserve as prescribed by law. Starting from July 1, 2005, Sunny Friend has established a defined contribution pension plan under the Labor Pension Act (hereinafter referred to as the "Act"), allocating 6% of employees' monthly salary to the retirement fund account. With respect to the amount of the said retirement fund account, employees may, according to their respective willingness, decide to go for monthly pension payment or lump-sum payment upon retirement.

Table 1-1. An overview of subsidiaries in the consolidated financial statements

Investment Company	Subsidiary
Sunny Friend Environmental Technology Co., Ltd.	Chin Hsin Environmental Engineering Co., Ltd. (Chin Hsin)
	Full Giant Resources Ltd. (Full Giant)
Chin Hsin Environmental Engineering Co., Ltd.	Liang Wei Environmental Engineering Co., Ltd. (Liang Wei)
	Cheng Shin Environmental Engineering Co., Ltd. (Cheng Shin)
	Huan Hsin Precision Co., Ltd.
Full Giant Resources Ltd.	Arise Profits Ltd.(Arise)
	Langfang Ruentex Environmental Technology Co., Ltd. (Langfang Ruentex)
Arise Profits Ltd.	Beijing Ruentex Environmental Technology Co., Ltd. (Beijing Ruentex)
Beijing Reuntex Environment Technology Corp. (Beijing Reuntex)	Suqian Ruentex Environmental Technology Co., Ltd. (Jiangsu Suqian)
	Yuncheng Ruentex Environmental Technology Co., Ltd. (Shanxi Yuncheng)
	Rizhao Panyue Environmental Technology Co., Ltd. (Rizhao Panyue)



▲ Medal presented by Chinese Institute of Environmental Engineering

The Company's business performance is presented with the data between 2021 and 2023. Based the comparison of our revenue and net profit over the last three years, we have summarized our business performance; and analyzed the proportion of direct economic values generated and distributed by the organization as follows. With respect to the information of subsidiaries in the consolidated financial statements, please refer to Table 1-1 of last page.

Table 1-2. An overview of Sunny Friend's business performance from 2021 to 2023 (Unit: TWD1,000)



Composition	Amount of 2021	Amount of 2022	Amount of 2023
Operating revenue	3,354,388	3,843,429	3,256,897
Operating costs	1,602,133	2,054,749	1,914,637
Gross Profit	1,752,255	1,788,680	1,342,260
Gross margin	52.24	46.54	41.21
Operating expenses	546,637	633,346	739,552
Operating profit	1,205,618	1,155,334	602,708
Non-operating income and expenses	(27,334)	(37,618)	(56,155)
Profit (loss) before income tax	1,178,284	1,117,716	546,553
Earnings per share (TWD)	8.47	7.72	3.4




Table 1-3. An analysis on the proportion of direct economic values generated and distributed by the organization (Unit: TWD1,000)

Composition	Amount of 2021	Amount of 2022	Amount of 2023
Generation of direct economic value	3,327,054	3,805,811	3,200,742
Operating revenue	3,354,388	3,843,429	3,256,897
Non-operating income and expenses	(27,334)	(37,618)	(56,155)
Distribution of direct economic value	2,148,770	2,688,095	2,654,189
Operating costs	1,280,400	1,644,259	1,595,639
Employees salary and benefits (EC3)	783,718	924,441	949,475
Payment to the funder(s)	50,749	75,327	73,171
Transactions with the government (EC4)	16,063	23,025	22,474
Community investment (EC7)	17,840	21,043	13,430
Retained economic value (generation of direct economic value – distribution of direct economic value)	1,178,284	1,117,716	546,553

1.3 Risk Management

Sunny Friend's risk management is managed collaboratively by the Corporate Sustainability Promotion Unit, the Management Department, and relevant units, addressing risk issues across various aspects of the Company. They follow the principle of corporate sustainability materiality to identify different risk categories and work with relevant units to develop and implement appropriate risk management policies or strategies to effectively control these risks.

Risk category	Risk description	Authority and responsibility unit	Risk management policy	Performance description and response chapter
 Financial risk	1. Risks arising from high-leverage investments, capital loans to others, endorsement guarantees, and derivative commodity exchanges. 2. The risks of interest rate, exchange rate changes, and inflation to the company's profit and loss.	Finance Department	1. The company formulates "procedures for acquiring or disposing of assets", "procedures for endorsement and guarantee" and "procedures for lending funds to others", and implements them in accordance with regulations. 2. The Finance Department closely observes interest rate trends to avoid the risk of interest rate fluctuations.	1. Based on the principle of soundness and pragmatic business philosophy, the company focuses on operating the company's business areas, and does not engage in high-risk, high-leverage investments. The main objects of fund loans to others are mainly subsidiaries. 2. The company's financial structure is sound, so changes in interest rate levels have no obvious impact on the company. ◆ For more information on financial risks, please refer to the sixth section of Chapter 7 of the 2022 SUNNY FRIEND annual report-risk management.
 Environmental risk	The direct impact of abnormal climate, such as typhoon, earthquake, flood, drought, wind disaster, etc. Environmental safety room	Operation environment management:	Operation environment management : 1. Greenhouse gas reduction: In recent years, the company has implemented in-plant treatment equipment replacement projects to reduce greenhouse gas emissions. Yunlin No. 1 Plant has carried out equipment replacement and renewal projects since 2018; and added a heat exchange system to fully utilize the heat energy of the incineration system to reduce the amount of fuel used. Simultaneously, we improve the use of diesel with less sulfur content to replace heavy oil, in order to effectively track the benefits of carbon management. In 2020, the company redefined the carbon emissions per metric ton of waste incineration as a management indicator, and set a reduction target; in 2025, the carbon emissions per metric ton of waste incineration need to be reduced by 3% compared to 2020. 2. Energy-saving goals: SUNNY FRIEND implemented central air-conditioning management and replacement of energy-saving lighting in the operating building and promoted to turn off lights when leaving, and subscribed for green power from the Ministry of Economic Affairs. The latest period is based on 2020 and is scheduled for 2025. The goal of reducing electricity consumption by about 4% can be achieved. 3. Waste management objective: In order to reduce the amount of waste generated, reduce the amount of domestic waste for office operations, and promote the reuse of reusable resources. Such as waste separation management, promoting the repeated use of paper back when copying documents to reduce the amount of paper used. In addition, the plant internally promotes the reduction of fly ash from waste incineration, based	Chapter 3, environmental protection

Risk category	Risk description	Authority and responsibility unit	Risk management policy	Performance description and response chapter
			<p>on the average amount of fly ash and bottom slag generated per metric ton of waste incineration in 2019 and 2020. It is scheduled to reach the target of 4% reduction in fly ash and bottom slag per metric ton of waste incineration in 2025.</p> <p>4. Water consumption management goal: the supply of water resources tends to be unbalanced. As a citizen of the earth, facing the increasingly scarce situation of water resources, SUNNY FRIEND operates in the office and promotes the importance of water conservation to the company's colleagues through environmental education; let the concept of water-saving into every detail of daily life. In addition, the internal water consumption per metric ton of waste incineration is based on the average water consumption in 2019 and 2020 as the base year; it is scheduled to reach a 3% reduction in water consumption per metric ton of waste incineration in 2025.</p>	
 Occupational safety risks	1. Harm caused by electricity, heat, or other energy. 2. Failure to implement occupational safety and health protection measures results in the happening of occupational disasters.	Changbin factory's occupational safety room	1. Introduce occupational safety and health management ISO45001, and actively implement employee safety and health management care. 2. Continue to promote various occupational safety and health education and training, case promotion, and work environment monitoring to enhance employees' emergency response capabilities to work environment hazards, and jointly achieve the prevention of occupational disasters and ensure the health of employees. 3. Carry out daily inspections of the factory area to improve on-site unsafe environments or behaviors to prevent occupational disasters.	Chapter 2, Social Care
 Information risk	1. The damage to the information system will cause the operation to stop and affect the normal operation. 2. Malicious attacks by destructive software may interfere with the Company's operations or require huge costs for remediation.	Information room	1. In order to ensure uninterrupted operations, a backup host and daily automatic data backup in remote locations are established, and a dedicated person is responsible for reviewing. 2. Data is automatically backed up every day. 3. Strengthen the company's network security system, establish a mail server filtering mechanism, and install anti-virus software. 4. Establish backup information equipment.	For details on information risk, please refer to Section 6 (titled "Information Security Management") of Chapter 5 in Sunny Friend's annual report.
 Equipment malfunction risk	1. A sudden power outage has resulted in an emergency shutdown or caused equipment malfunctions. 2. The frequent wear and tear or aging of certain components has led to equipment malfunctions during operations.	Factory Affair Department	1. The uninterruptible power supply (UPS) system of the equipment can prevent sudden power outages or, in the case of prolonged power failures, provide additional time to safely shut down the equipment. 2. Regularly replace and maintain equipment components, and dispatch personnel to confirm the operation of all equipment on site.	Chapter 2, Social Care

1.4 Business Integrity and Regulatory Compliance

Business Integrity

To build an integrity-based corporate culture, ensure a sound development thereof, and establish a good business model, Sunny Friend has drawn up “Code of Integrity” in accordance with “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies”; and received the approval of the board of directors. Besides, to implement business integrity requirements and prevent dishonesty, we have stipulated “Procedures for Ethical Management and Guidelines for Conduct”, which has specifically defined the integrity principles with which the Company shall comply, and are published on the Sunny Friend and Market Observation Post System (MOPS) websites for internal and external stakeholders to read and comply with.

The abovementioned two corporate rules have specified that the Corporation’s directors, managers, employees, appointees or individuals with substantive control shall not, in the engagement of business, directly or indirectly provide, commit, request or receive any improper benefits; or commit any dishonest or illegal behavior or violate the fiduciary duties to obtain or maintain interests. The said benefits refer to any valuable things and objects, including money, gift, commission, job position, service, preferential disposal or rebate in any form or name. Anti-corruption is a part of prohibiting dishonest behavior. The Corporation shall abide by the Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, rules related to exchange- and OCT-listed companies or other regulations related to other business behavior as the fundamental presupposition of implementing business integrity. The Corporation shall, oriented to the integral, transparent and responsible business philosophy, set integrity-based policy and submit it to the board of directors for approval; and shall establish good corporate governance and control risk mechanism in order to create a sustainable operating development. All contracts signed by the Corporation and our partners have specified business integrity terms and conditions. That is, in regard to partners who directly or indirectly provide, commit, agreed to give or receive any improper money, assets or other interests, the Corporation may suspend our fulfillment of contract. If such conduct or violation has been verified, the Corporation may cancel or terminate the contract without informing the other party and is not obliged to make any compensation. The internal and external business integrity training provided every year by Sunny Friend help board directors, managers, employees, assignees, those who have substantial control and workers realize and familiarize themselves with how important business integrity is and stay away from violations. In 2022, no fine or penalty has been imposed on Sunny Friend due to the violation of anti-corruption regulations.



**Complaint
Channel**

Telephone : 05-7885788 Ext. 513
E-mail : nip@mail.sunnyfriend.com.tw

To implement sound management of business integrity, Sunny Friend's Management Department is responsible for formulating business integrity policy and dishonesty prevention guidelines; supervising the implementation thereof; and reporting the practice thereof to the board of directors on an annual basis. To implement business integrity policy and proactively prevent dishonest behavior, the Corporation has, in "Procedures for Ethical Management and Guidelines for Conduct", specified matters to which our employees must pay attention in practice; relevant operating procedures; guidelines for conduct; punishment for violation; and the reporting and complaint system in our "Procedures for Ethical Management and Guidelines for Conduct". Apart from committing to implement the said measures, we have designated Public Relations and Legal Department to assist Management Department in amending, implementing and interpreting the prevention guidelines; offering consulting services; and recording reported causes and establishing a file accordingly. The purposes thereof are to provide our employees and our Corporation with an effective accounting system and internal control system; and to strictly monitor operating risks from dishonest behavior in order to ensure the implementation of business integrity. Our Audit Office, on the other hand, is appointed to timely check the compliance of the system, as to prevent conflict of interests or profiteering.

Sunny Friend's "Procedures for Ethical Management and Guidelines for Conduct" specifies that the responsible unit must hold one internal propaganda each year. The purpose thereof is to let the chairman, vice president or high-management team to emphasize the importance of business integrity to the directors, employed and appointed. Apart from it, the Company also holds business integrity related internal and external education and trainings (including courses of, including but not limited to, anti-corruption, regulatory compliance, preventive solutions, business integrity related commercial activities, education, training and assessment) at least once each year. Sunny Friend presented the business integrity implementation report to the board of directors on 29 Dec 2023. The Company arranged a one-hour integrated program on the themes of "Prevention of Insider Trading" and "Ethical Corporate Management Best Practice Principles" at the Yunlin Plant and Zhangbin Plant on 17 Aug 2023 and 26 Sep 2023, respectively. The program was made available for board directors, managers and employees. A total of 25 attendees joined the session at the Yunlin Plant, while 26 attended at the Zhangbin Plant. The attendees are categorized by gender, and the number of trainees and training hours (in hours) are summarized as follows. The program covered legal requirements applicable to Sunny Friend (e.g., Procedures for Ethical Management and Guidelines for Conduct, rules for preventing unethical conducts, and management rules for prevention of insider trading) and case studies based on news events. The rules, procedures and requirements are posted throughout the company premises for all company members to follow. Sunny Friend operates at Yunlin sites and Zhangbin sites. In total, 1,170 people from either Yunlin or Zhangbin site attended the 2023 business integrity training and regulatory dissemination (including programs of business integrity regulatory compliance, environmental protection management, health and safety management, accounting system and internal control). The training was provided for a total of 5,019 man-hours for 100% attendance.

Table 1-4. The attendees of the internal training program on the themes of "Prevention of Insider Trading" and "Ethical Corporate Management Best Practice Principles" are categorized by gender, and the number of trainees and training hours (in hours) is summarized as follows.

Gender	2021				2022				2023			
	Yunlin Plant		Zhangbin Plant		Yunlin Plant		Zhangbin Plant		Yunlin Plant		Zhangbin Plant	
	No. of trainees	No. of training hours	No. of trainees	No. of training hours	No. of trainees	No. of training hours	No. of trainees	No. of training hours	No. of trainees	No. of training hours	No. of trainees	No. of training hours
Male	7	7	0	0	6	6	0	0	19	19	13	13
Female	14	14	0	0	14	14	0	0	6	6	13	13
Total	21	21	0	0	20	20	0	0	25	25	26	26

Note: The training was not organized at Zhangbin Plant in 2021 and 2022.

To enhance the Company's ESG culture, ensure a sound business development and implement corporate governance, we have drawn up "Code of Conduct for Corporate Governance", "Code of Ethics" and "Code of Conduct for Environment Social Governance" in accordance with "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies", "Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/GTSM Listed Companies" and "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies"; and received an approval from the board of directors. Relevant legal basis and corresponding chapters in Sunny Friend's ESG report are summarized as follows:

Legal Basis	Sunny Friend's Internal Rules
Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies	Code of Integrity
Procedures for Ethical Management and Guidelines for Conduct for TWSE/TPEX Listed Companies	Procedures for Ethical Management and Guidelines for Conduct
Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies	Code of Conduct for Corporate Governance
Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/GTSM Listed Companies	Code of Ethics
Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies	Code of Conduct for Environment Social Governance

There was no violation of Sunny Friend's "Code of Integrity," "Procedures for Ethical Management and Guidelines for Conduct," "Code of Conduct for Corporate Governance," "Code of Ethics," and "Code of Conduct for Environment Social Governance" found in Sunny Friend in 2023.

Regulatory Compliance

Primarily engaged in waste disposal, the Company's scope of business includes medical waste disposal; hazardous and general industrial waste disposal; design, planning and construction of disposal facilities; and construction of incineration plants or landfills under contract. Apart from complying with the Company Act and Stock Exchanges' regulations governing listed companies, the Company also abide by "Waste Disposal Act", "Permit Management Regulations for Public or Private Waste Clearance and Disposal Organizations" and "Regulations Governing Ministry of Economic Affairs' Guidance to Enterprises for Installing Industrial Waste Disposal Facilities" enacted by central competent authorities "Environmental Protection Administration (EPA)" of Executive Yuan and "Ministry of Economic Affairs (MOEA)". Based on aforesaid waste disposal regulations, we have conscientiously regulated ourselves. Sunny Friend's criterion to disclose a major regulatory violation is a monetary penalty of TWD 60,000 or more. The Corporation does not violate any regulation in 2023.



▲ Regulatory compliance education and training

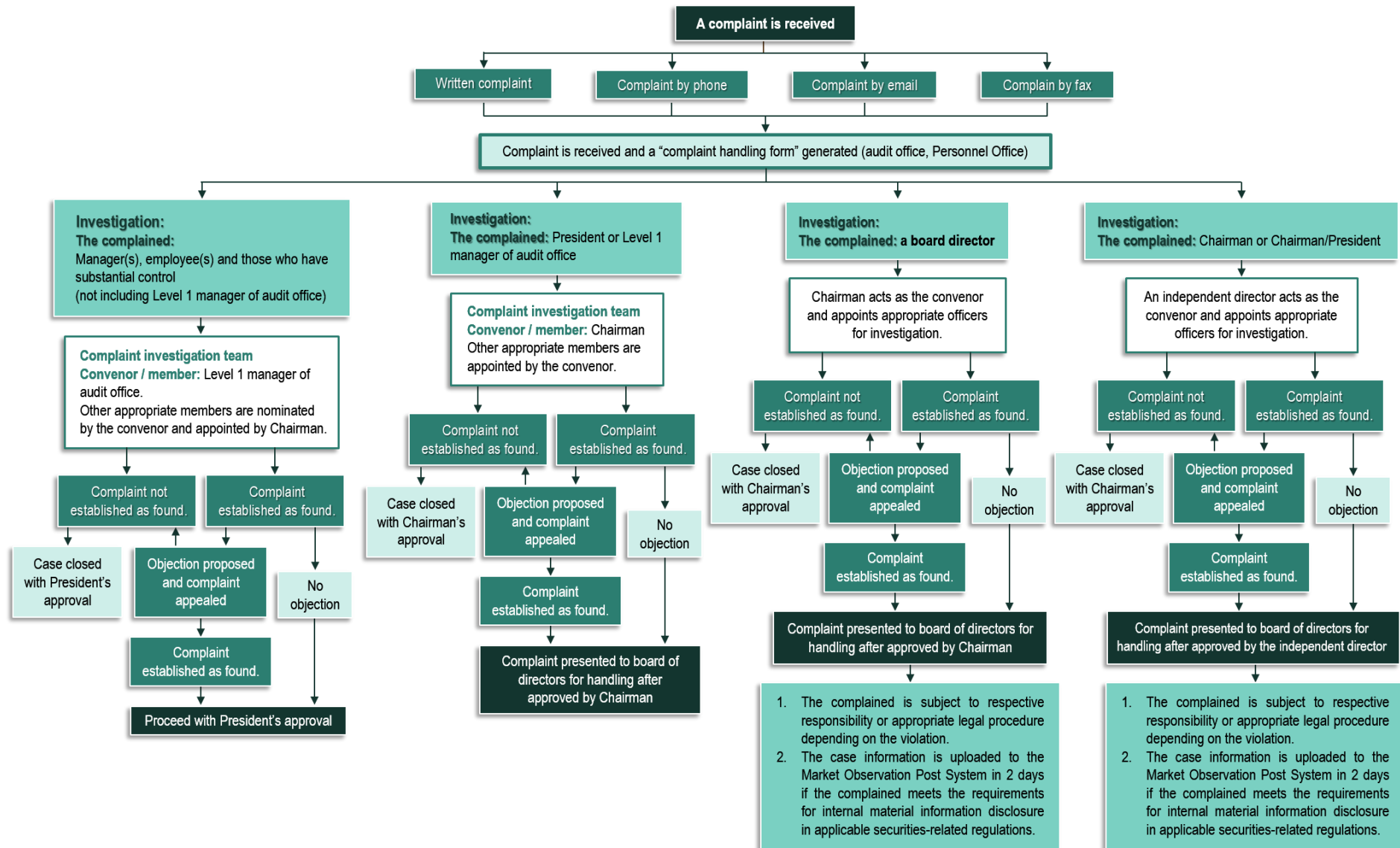
Reporting, Handling and Reporting Channels of Code of Ethics and Code of Integrity Violations

To prevent our Company's personnel from engaging in any illegal act or violating Code of Ethics and/or Code of Integrity, Sunny Friend has specially stipulated "Regulations Governing Reported Cases"; and established a reporting channel, with which reported cases can be handled in compliance.

Table 1-5. List of reporting channels

Reported to		Directors, chairman of the board, chairman and general manager, managers, employees, and persons with substantial control capabilities	First-level managers of general manager's office and audit office.
Reporting method	In writing or telephone	02-25795580 Ext.202	05-7885788 Ext.622
	Fax	0222885788	0522885788
	E-mail	report@mail.sunnyfriend.com.tw	accuse@mail.sunnyfriend.com.tw
Handling unit		Audit office accepts an incident report and fills in "Internal Incident Reporting Form"; and Personnel Office and PR & Legal Department assist in handling relevant affairs.	Personnel Office accepts an incident report and fills in "Internal Incident Reporting Form"; and PR & Legal Department assists in handling relevant affairs.

Sunny Friend's flow chart for complaints



1.5 Human Rights Policy

To provide employees a friendly workplace that enables them to bring their talents into play, Sunny Friend agrees on the objectives of United Nation's (UN) "Universal Declaration of Human Rights", "Guiding Principles on Business and Human Rights", "International Labor Organization Convention" and "International Labor Office Tripartite Declaration of Principles"; and, based thereon and domestic labor regulations ("Labor Standard Act", "Act of Gender Equality in Employment" and "Occupational Safety and Health Act"), stipulated the Company's corporate governance and human rights policy. Sunny Friend also requests our partners to comply with relevant policy to prevent any act that infringes or violates human rights, enabling our internal and external members to be treated with equality and dignity. There was no record of violating any regulation in 2023. The Company's human rights policy and management approaches, which have been disclosed on Sunny Friend's official website, are as follows:



Policy key point	Description
Compliance with the law	Commitment to fully comply with the applicable labor laws and human rights standards.
Right to work	All work should be voluntary and selective, giving employees the right to leave freely with reasonable notice, and the use of forced and child labor is prohibited.
Dignity of labor	Any form of harassment or inhuman treatment is prohibited, including sexual harassment, abuse, slavery, corporal punishment, threat, exploitation, mental or physical oppression or verbal abuse. The Company also provides an environment for employees to work in dignity.
Equal employment opportunity	Employees are hired based on their capabilities. At the time of recruiting, hiring, training, rewarding, promotion, termination, retirement or other employment circumstances, they are not assessed based on their race, social class, language, thoughts, religion, political party, native place, place of birth, gender, sexual orientation, age, marital status, appearance, facial features, physical and mental disability, past membership in the labor union or other conditions which are protected by the law. There shall not be discrimination and the Company adheres to the concept of equal pay for equal work.
Work schedule management	Comply with the working hours, rest and vacation standards specified by the labor regulations.
Salary and benefits	Provide remuneration and treatment for employees in accordance with the labor regulations, including minimum wages, paid leave, official holidays, rest days and other benefits as required by laws and regulations.
Freedom of association	Respect the rights of employees to associate freely and organize unions, and arrange labor-management meetings in accordance with the laws and regulations to provide a communication channel for employees.
Functional skills development	Committed to protecting employees' equal development opportunities, providing training programs required for their duties and continuously improving and adding employees' work abilities and skills.

Management of Human Rights Policy

To implement human rights policy, the Company has planned management measures as follows:

1. Establish rules related to right to work, work schedule management and salary and benefits. They are included in Sunny Friend's "Work Rules" which are submitted to the local labor authorities for review.
2. Regularly conduct human rights education and training for employees, such as gender equality, prevention of unlawful violations at workplace and others.
3. Establish "Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment at Workplace" to protect employees' right to work in dignity.
4. Regularly hold labor-management meetings, at least once every three months.
5. In compliance with labor laws and regulations, the Company has no labor dispute and violation of labor laws and regulations in 2023.
6. The Company complies with the "Employment Service Act" to implement equal employment opportunity.
7. To ensure employees' functional skills development, the Company continues to organize education and training programs and provide subsidies to improve employees' professional competence.

Status of Workplace Diversity Implementation

The Company employs staff based on their capabilities and does not discriminate on the basis of race, social class, language, beliefs, religion, political party, place of origin, birthplace, gender, sexual orientation, age, marital status, appearance, physical features, disabilities, previous union membership, or any other legally protected status in recruitment, hiring, training, rewards, promotions, terminations, retirements, and other employment conditions. The Company adheres to the principle of equal pay for equal work.

Besides, the Company complies with the People with "Disabilities Rights Protection Act" and the "Indigenous Peoples Employment Rights Protection Act" by hiring the required number of people with disabilities and indigenous individuals (three each as mandated). If there is a shortfall due to employee turnover, the Company then makes the legally required monetary substitution. The Company also respects the cultural practices of indigenous employees and provides leave for their indigenous rituals and ceremonies.

The Company has not experienced any violations of labor rights or human rights. For incidents of sexual harassment, the Company has established the “Measures for Prevention, Correction, Complaint, and Punishment of Sexual Harassment at the Workplace”. Complaints can be made through the Personnel Office by calling (05) 788-5788 #621 or by emailing Inss@mail.sunnyfriend.com.tw. All reported cases will be handled with confidentiality and discretion, with relevant committees and investigation teams formed to conduct investigations and protect the rights of the parties involved. If any employees experience discrimination or unfair treatment related to human rights, they can file complaints in writing, by telephone (05-788-5788 ext. 622), by fax (05-788-7933), or by email (accuse@mail.sunnyfriend.com.tw). The Company will address these complaints in accordance with the “Incident Reporting and Handling Procedures” and ensure the protection of the complainants’ rights.



▲ Continue to organize various education and training programs for employees.

2 Social Care

Sunny Friend knows that the implementation of Environment Social Governance starts from understanding the actual needs of society. We value our employees as the most important assets of our Company and an important link to social interactions. Upholding a community-based management approach and the spirit of giving back to the community, we aim to minimize social impacts to the community of where our operational sites are located through local development and education. We also tirelessly ameliorate ourselves, hoping that Sunny Friend will contribute substantial and positive values to the society. Internally, we pay great attention to the caring of our employees, continuously upgrade the work environment and enhance employees' welfare; externally, we pay close attention to community development, participate in social activities and develop local education. In the future, we will further develop the Company's policy and enhance relevant performance to ensure the consistency thereof with our ESG policy.



Upgrade the work environment

Enhance employees' welfare

- ① Diversify the development of education and trainings.
- ② Promote and implement self-checks.
- ③ Lectures themed on healthcare and caring.

In 2023

Held 25 training sessions for new employees.
Held 32 internal education/ training sessions.
Trained 141 people through external education/ training sessions.



Enhance social welfare

Giving back to the society with our best

- ① Social care and assistance.
- ② Facilitate local education.
- ③ Environmental education.

In 2023

185 people received the winter emergency fund for the poor.
90 scholarship winners.
931 writing contest award winners.
759 people participated in the Sunny Friend Literature and Writing Camp.
658 people participated in the Sunny Friend Environmental Protection Science Camp.
Adopted 4,500 m long coast of the "Xianxi Waste Section" for the coastal clearance and protection project.

2.1 Caring for Employees

Sunny Friend values our employees as the most important assets of our Company and an important link to social interactions. Upholding a community-based management approach and the spirit of giving back to the community, we employ local talents who live in the region or nearby villages at priority; and care for and take care of every employee to offer them a stable, fair and open workplace. We do not discriminate any of our employee due to their race, social class, language, thoughts, religion, political party, native place, place of birth, gender, sexual orientation, age, marital status, appearance, facial features, physical, mental disability and so on.

Sunny Friend pays close attention to employees' benefits and labor conditions and manages human resources with a well-structured training, reward, promotion and retirement system. To build an egalitarian workplace and dignity of labor, also treat our employees based on the principle of pay equality and prohibit any forms of harassment or inhuman treatment. As prescribed by the Labor Act and "Regulations for Implementing Labor-Management Meeting", the Company also holds at least one labor-management meeting and Employee Welfare Committee meeting each quarter, through which labor representatives can express employees' opinions and suggestions with respect to specific issues. Sunny Friend's employees do not reach any collective agreement, since they do not establish or join any labor union. The meetings enable labor and management representatives to reach consensus through discussion and further create a harmonious work environment. Besides, Sunny Friend also established Human Resource Management Rules and Work Rules, with which labor's labor conditions, salary and benefits comply with. The said Work Rules already reported to local county/city governments and received approvals therefrom.

Apart from offering employees a friendly workplace to optimize their work performance, Sunny Friend also complies with labor related regulations, such as Labor Standard Act, Employment Service Act, Occupational Safety and Health Act and Act of Gender Equality in Employment. According to the statistics over the last three years (2021 to 2023), there is no violation of labor acts or labor-management dispute, except an occupational accident defined in Subparagraph 1, Paragraph 2, Article 37 of the Occupational Safety and Health Act that occurred in 2021, indicating that the Corporation has built a good labor-management relation with mutual trust and good communication.

Sunny Friend always considers employees' health and safety as the top priority. Apart from offering employees a friendly, safe and healthy environment, Sunny Friend holds regular health checks for factory personnel (every half year), sales personnel (every year) and administrative personnel (every two years); offers work required protective equipment and protection; and adopts preventive and protection measures according to relevant guidelines and rules. Various activities also take place on a regular basis to release employees' pressure after work. The mid-autumn party is one of the examples, where Sunny Friend's employees in the north, center and south gather together during the Mid-Autumn Festival to enhance interdepartmental relations. Furthermore, the Company publicly commends "employee of the year" and employees with seniority of over 10 and/or 20 years; and, since 2019, offers all departments an amount of budget for arranging gathering events And the company handles departmental dinners to gather the centripetal force of the employees.

In response to the pandemic of COVID-19, the Corporate encourages employees to take COVID-19 vaccines and all employees are granted with a leave of four hours for statutory reasons. Employees who feel uncomfortable after the said four hour may apply for "vaccination leave".

Composition of Employees

The Company has 362 employees, including 140 from Yunlin Plant and 222 from Zhangbin Plant, all of whom are nationals of the country, in 2023. Among them, 2 are indigenous people and 3 are physically and/or mentally challenged. The average age of Sunny Friend's employees is 39.5 years old, where the proportions of employees aged between 30-39 and 40-49 are 36% and 28% respectively. There are 80% of male employees and 20% of female employees due to the industrial characteristics, in-house work-related processes or natural of tasks. However, no gender-related employment discrimination is found in Sunny Friend, as gender equality at workplace is one of the Sunny Friend's goals.

In 2023, Sunny Friend recruited 42 employees and 28 people resigned from the work, and there are 3 non-employee workers. Not only are Sunny Friend's employees formally recruited as a full-time employee, but also Sunny Friend has a high retention rate over the last twenty some years. In 2023, the turnover rate of Sunny Friend's employee is around 7.2%, showing that Sunny Friend's work environment and benefits are highly recognized our employees. As the population of where the operational sites are located mostly move to urban areas, Sunny Friend has 120 local employees at Yunlin Plant; and 183 local employees. The proportions thereof are 85.7% and 82.4% respectively. It is our aspiration that Sunny Friend will continue to expand and to create more local employment opportunities.

Table 2-1. Rank, age and gender analysis of Sunny Friend's employees in 2023

Personnel category		No. of people	Proportion	Male	Female	Indigenous people	Disabled people
Junior and senior management personnel (Ranks 4 and 5)		35	10%	32 人	3 人	0 人	0 人
Other management personnel (Ranks 1 to 3)		327	90%	258 人	69 人	2 人	3 人
No. of local personnel		303	84%	239 人	64 人	2 人	2 人
Age distribution	<30	69	19%	57 人	12 人	0 人	0 人
	30-39	130	36%	105 人	25 人	2 人	1 人
	40-49	103	28%	77 人	26 人	0 人	1 人
	>50	60	17%	51 人	9 人	0 人	1 人
Yunlin Plant		140	39%	105 人	35 人	1 人	0 人
Zhangbin Plant		222	61%	185 人	37 人	1 人	3 人
No. of employees in 2023		362	100%	290 人	72 人	2 人	3 人

Note: Since the Taipei Office has relatively fewer employees, its staff is included in the calculation with the Yunlin Plant.

Table 2-2 Number of non-employee workers in Sunny Friend

Year	2021		2022		2023	
Gender	Male	Female	Male	Female	Male	Female
No. of people	0	0	21	0	3	0
Proportion	0	0	100%	0%	100%	0
Percentage of the Company's employees	0%		6%		0.8%	

Note: 1. The number of non-employee workers is as of the day the reporting period ends (31 Dec 2023); these non-employee workers are contractors' workers.

There are 5 ranks of employees in Sunny Friend. The basic employees are rank 1, junior managers rank 4 and senior managers rank 5. Employees are retained or promoted according to their professional competency, experience and seniority. It is seen in the rank vs. average age analysis that employees are given fairly specific channels for promotion within Sunny Friend based on their ability and work experience.

Table 2-3. Analysis of Gender and Age for New Hires and Departures at Sunny Friend Over the Past 3 Years (2021-2023)

Year		2021		2022		2023	
Gender	Age	newly recruited	resigned personnel	newly recruited	resigned personnel	newly recruited	resigned personnel
Male	< 30	13	11	15	15	19	4
	30-45	15	18	25	23	10	10
	> 45	0	2	3	3	2	7
Subtotal		28	31	43	41	31	21
Female	< 30	1	3	5	3	4	0
	30-45	6	4	7	9	5	4
	> 45	0	0	3	0	0	3
Subtotal		7	7	15	12	9	7
Total		35	38	58	53	40	28

Salary and benefits

In 2023, the average salary of Sunny Friend's Ranks 1 and 2 employees were 1.34 and 1.59 higher than the legal minimum basic salary; and these grassroots personnel's salary requirements and benefits are in compliance with regulations. It is important to note that the salary of Sunny Friend's employees is decided based on their educational background, performance and market standards; and is not affected by the gender. However, male employees' average basic salary is slightly higher than that of female employees primarily due to the job position thereof and shift taken thereby.

Apart from aforesaid basic salary, the Company also allocates 7% of the profit of the current year as employees' compensation according to the Company Act and the Company's Articles of Incorporation. The said compensation is distributed to employees according to relevant rules of the Company.

Table 2-4. A proportional analysis on grassroots employees' average basic salary and legal minimum salary.

Year		2021		2022		2023	
Gender		Male	Female	Male	Female	Male	Female
Rank 1 personnel	No. of people	138	26	141	26	138	21
	Average basic salary / minimum basic salary	1.38	1.19	1.41	1.32	1.35	1.28
	Comprehensive basic salary in average/ legal minimum salary	1.35		1.39		1.34	
Rank 2 personnel	No. of people	81	31	79	29	88	35
	Average basic salary / minimum basic salary	1.6	1.57	1.7	1.62	1.61	1.52
	Comprehensive basic salary in average/ legal minimum salary	1.59		1.68		1.59	

Note: The legal minimum basic salary was NTD24,000 in 2021.
The legal minimum basic salary was NTD25,250 in 2022.
The legal minimum basic salary was NTD26,400 in 2023.

Sunny Friend has reported the number, salary average and salary median of non-managerial full-time employees according to relevant rules. In 2023, the number of non-managerial full-time employees was 339 people; and the salary average and median thereof were NTD 806,000 and 673,000, respectively. In the year, the highest individual salary is 14.6 times the median salary of full-time employees who are not in managerial positions.

Items	2021	2022	2023	Note: There are 13 managers excluded in the table are Sunny Friend's top management (including General Manager, Vice General Manager, Operation Manager, and Special Assistant). The highest annual total remuneration information of individuals and employees is not disclosed due to its sensitivity.
No. of non-managerial full-time employees – weighted average	345	328	328	
Salary average of non-managerial full-time employees	942,000	1,019,000	1,019,000	
Salary median of non-managerial full-time employees	705,000	828,000	828,000	
No. of employees stated in financial statements	362	347	362	
Average employee benefits cost in financial statements	1,269,000	1,340,000	1,249,000	
Average employee salary cost in financial statements	1,111,000	1,168,000	1,077,000	

Rest and Vacation

The working hours of Sunny Friend's employees comply with legal working hours. The employees are also given appropriate rest during the work period, including: at least 1 rest day in 7 days; and special leaves, holidays and rest days as prescribed by law. In the case where employees' working hours are extended, not only shall the overtime pay (1.34 or 1.67 of hourly pay) be given to the employees, but also the total of overtime working hours shall not exceed 46 hours in a month.

Maternity Protection

To protect employees' work rights during the birth-giving period, the Company offers pregnancy check-up leaves, maternity leaves and parental leaves for raising children to female employees as prescribed by law. As for male employees, 7 days of paternity leaves and parental leaves for raising children are also given thereto. Besides, whenever necessary, employees may apply for family care leaves and menstrual leaves.

Year Item	2021				2022				2023			
	Male	Female	Others	Total	Male	Female	Others	Total	Male	Female	Others	Total
No. of eligible employees for parental leave without pay in the current year (A)	18	4	0	22	20	6	0	26	23	6	0	29
Actual no. of employees applying for parental leave without pay (B)	0	0	0	0	0	2	0	2	3	1	0	4
No. of employees to be reinstated from parental leave in the current year (C)	0	0	0	0	0	1	0	1	3	1	0	4
No. of employees actually reinstated from parental leave in the current year (D)	0	0	0	0	0	1	0	1	2	1	0	1
No. of employees actually reinstated from parental leave in the previous year (E)	0	0	0	0	0	0	0	0	0	1	0	1
No. of people that are still employed 12 months after being reinstated from parental leave in the previous year (F)	0	0	0	0	0	0	0	0	0	1	0	1
Application % for parental leave without pay (=B/A*100%)	0.0%	0.0%	0.0%	0.0%	0.0%	33.3%	0.0%	7.7%	13.0%	33.3%	0.0%	13.8%
Reinstatement % (=D/C*100%)	-	-	-	-	-	100.0%	-	100.0%	66.6%	100.0%	-	100.0%
Retention % (=F/E*100%)	-	-	-	-	-	-	-	-	-	100%	-	100%

Welfare Measures

To safeguard the rights and interests of our employees, Sunny Friend has applied not only labor insurance and national health insurance for our employees as prescribed by law, but also group insurance to provide better protection to our employees. Besides, our employees can apply for wedding cash gift and funeral cash gift according to the Company's Human Resource Management Rules; and the Company holds one domestic/overseas trip or subsidizes our employees and their family members therefor every three years. Sunny Friend also established the Employee Welfare Committee in accordance with relevant regulations to offer employees the birthday cash gift; cash gifts for four important traditional festivals; scholarships; travel subsidy; and other child-birth and wedding related cash gifts and benefits.

Career Development

Employees are important assets of Sunny Friend and a bedrock, on which we have established our business. The growth of our employees, on the other hand, is the driving force that facilitate our corporate development. Our Company offers a good workplace and welfare to our employees while continuously enhancing employees' recognition to the Company. Concerning the cultivation of our employees and education/trainings offered thereto, we always do our very best and make our greatest efforts to enhance employees' competency at work; and encourage them to take on-the-job trainings and obtain professional certificates. We believe that, by enhancing quality of our manpower, we will be able to respond to market trends and environmental revolutions while increasing the competitiveness of our organization. We also allocate an amount of budget to conduct a series of comprehensive education and training programs for sales personnel each year. These programs, which are planned and implemented by our staffs, enable new employees to understand the corporate culture formed over the last twenty some years. Also, to ensure that the provided programs are in compliance with work competence requirements and that the employees can have the knowledge, skills and attitude required for reaching our business objectives, the Company has planned relevant education and training programs that are divided into three major categories: trainings for new employees; internal education/training programs; and external education/training programs. According to the statistics of 2023, each of our employees accepted at least 15.2 hours of education and training programs in average.

Trainings for new employees	Internal education/training programs	External education/training programs
The new employee training program is carried out by law to assist new employees in understanding the Company's operations, articles of incorporation and work rules. The contents thereof include: occupational safety and health; prevention of occupational accidents; the Company's internal rules; and the inheritance of corporate culture. The objectives thereof are to establish good work habit and realize the Company's sustainable development goals.	Enhance employees' core competence and ameliorate their knowledge in workplace through liberal education; professional trainings; management trainings; and advanced trainings of relevant laws and regulations. An internal lecturer training system is also established to inherit experiences and knowledge inside the organization.	Encourage employees to acquire professional certificates and/or licenses; and participate in professional trainings on a regularly basis. Subsidies for external education/training programs and license/certificate examinations are also offered to encourage employees to obtain a professional license (and increase their willingness therefor) and to enhance their professional competence.
Held 25 sessions	Held 32 sessions	Trained 144 people through external education/ training sessions

Year		2021		2022		2023	
Category/gender		Total hours of training	Average hours of training	Total hours of training	Average hours of training	Total hours of training	Average hours of training
Direct employees	Male	3716	16.4	2422	10.6	3662	15.6
	Female	473	19.7	305	13.3	261	11.9
Indirect employees	Male	531	8.7	435	8.4	885	16.1
	Female	452	9.4	580	12.6	661	13.2

Note: 1. Formula: average hours of training = total hours of training of a type / total no. of employees as of the end of reporting period.
2. Sunny Friend's employees are grouped into direct and indirect employees based on the department or the actual job descriptions.



▲ Employee training

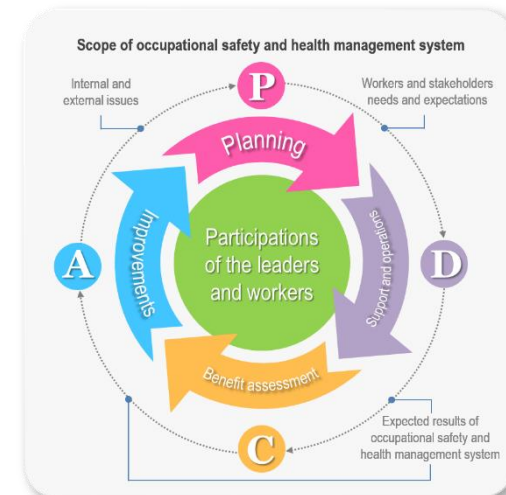
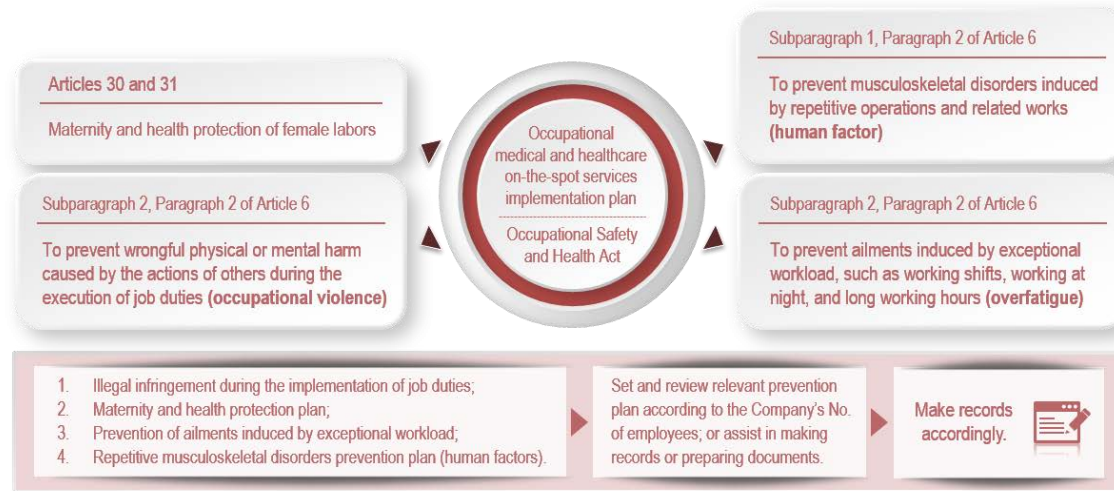
2.2 Occupational Health and Safety

The primary objective of business management is to generate profit. However, the generation of profit must be established on the basis of safety. Therefore, safety is the essential for business management and respecting life is the universal value: the generation of profit is only meaningful because of life; without the life, an enterprise will also lose its values. Therefore, to build a healthy and safe work environment, we have established an occupational safety and health management organizations: to reach the objectives of effective management, supervision and improvement, the Company's Environmental Health and Safety Office is in charge of organizing and handling occupational safety and health management and environmental protection related matters; later in July of 2016, we then further established Occupational Safety and Health Office at Zhangbin Plant to enhance the safety and health management of Zhangbin Plant and respond to Occupational Safety and Health Act. We have also drawn up Safety and Health Rules, with which our employees comply with; set occupational disaster prevention plans and emergency response plans, to which relevant departments shall implement accordingly; continuously track amendments to legal regulations; and supervise safety and health operation plans, management measures and audit works to provide employees a safe workplace. With a well-planned protection plan, it is our aspiration to enhance our employees safety awareness and concepts; and increase operating personnel's alertness while giving them the right occupational health and safety concepts. In the meantime, we also adopt various software and hardware protection measures to make sure that our employees are working in a good, safe and healthy environment. This will help to optimize their work performance and facilitate the operations and management of Zhangbin Plant.

In 2017, Zhangbin Plant established the Occupational Safety and Health Committee, which holds quarterly meetings to review safety and health related matters and to make coordination and suggestions accordingly.

In May 2019, Zhangbin Plant started to hire professional medical staffs to provide in-factory medical services; and to implement labor health education and health facilitation plans.

In November 2019, Zhangbin Plant passed ISO45001:2018 Occupational health and safety management systems. This enables the organization to eliminate potential hazards or minimize occupational safety and health risks; build up an effective management system; and continuously improve our occupational safety and health performance.



Occupational safety and health policy	<ol style="list-style-type: none"> 1. Tackle the root causes of people to build a safe environment: Make continuous improvements with a preventive thinking and proactive attitude in order to provide safe and healthy work conditions. 2. Comply with laws and abide by rules: Fulfill regulatory requirements and committed agreement. 3. Eliminate hazard to reduce risks: Identify hazards on a regularly basis to reduce occupational safety and health risks and eliminate hazards. 4. Establish a bridge through Labor-management collaboration: Encourage workers to participate in and establish counseling and communication channels.
Targets	<ol style="list-style-type: none"> 1. Continuously respond to “Occupational Safety and Health Act”. 2. Prevent major occupational accidents and incidents during business operations; or serious violations of laws that can results in penalty or fines from the competent authority. 3. Identify safety and health related hazards; and then, with respect to intolerable high-risk operations and activities, plan the corrective actions to reach the targets.
Responsibilities	Zhangbin Plant established “Occupational Safety and Health Office” dedicated thereto in July 2016; and then “Occupational Safety and Health Committee” chaired by the head of Zhangbin Plant (associate manager) in the following year.
Resources	<ol style="list-style-type: none"> 1. Zhangbin Plant established “Occupational Safety and Health Office” dedicated thereto. The Office has 5 people whose responsibility is to promote the implementation of occupational safety and health system. 2. Hire one professional medical staff; hold six in-factory services each month; and hire one professional doctor to offer medical services every two months.
Reporting and complaints mechanism	Provide counseling services and reporting channels for workplace bullying: Occupational Safety and Health Office.

Occupational Safety and Health Performance

Zhangbin Plant passed the ISO45001:2018 Occupational health and safety management systems in November 2019. The management system adopted thereby is based on the Plan-Do-Check-Act (PDCA) cycle, helping the organization to make continuous improvements. With the use thereof, Zhangbin Plant also established the following procedures: occupational safety and health policy; management reviews; occupational safety and health responsibility and authority management procedures; management of occupational safety and health objectives and implementations; planning and control of occupational safety and health operations; acquisition of regulations and compliance evaluation; procurement procedures; amendments management; occupational safety and health personnel competency training procedures; internal audits; corrective and preventive measures for incompliance; communication procedures; procedures governing the preparation of and response to occupational safety and health emergency events; accident reporting, handling and investigation procedures; procedures governing the supervision and assessment of occupational safety and health performance and so on. The establishment of the said procedures can facilitate the elimination of hazards; minimize occupational safety and health risks; construct an effective management; and further provide a safe and healthy workplace. This enables the Company not only to prevent work related injuries and damages, but also continuously ameliorate the occupational safety and health performance thereof.

Yunlin Plant

Year	2021	2022	2023
Total person-work hours	167,704	177,552	182,376
Number of general occupational injuries ^{Note 1}	0	0	1
Number of severe occupational injuries ^{Note 2}	0	0	-
Number of death	0	0	-
Total of recordable occupational injuries (person-times)	0	0	1
Lost workdays	0	0	80
Death rate of occupational injuries ^{Note 3}	-	-	-
Rate of severe occupational injury ^{Note 4}	-	-	-
Rate of recordable occupational injuries (disabling injury frequency rate) ^{Note 5}	-	-	5.48
Disabling severity rate ^{Note 6}	-	-	438.65
Frequency-severity indicator ^{Note 7}	-	-	1.55

Note 1: For those who lost less than 180 workdays.

Note 2: For those who lost more than 180 workdays (excluding the death)

Note 3: Death rate of occupational injuries = Number of death*1,000,000/ total person-work hours.

Note 4: Rate of severe occupational injury = Number of severe occupational injuries*1,000,000/ total person-work hours.

Note 5: Rate of recordable occupational injuries = Total of recordable occupational injuries person (person-times)*1,000,000/total person-work hours.

Note 6: Frequency-severity indicator = Lost workdays*1,000,000/ total person-work hours.

Note 7: Frequency-severity indicator = Lost workdays*1,000,000/ total person-work hours.ries person (p

Zhangbin Plant

Year	2021	2022	2023
Total person-work hours	456,250	426,560	445,880
Number of general occupational injuries ^{Note 1}	6	9	7
Number of severe occupational injuries ^{Note 2}	0	0	-
Number of death	1	0	-
Total of recordable occupational injuries (person-times)	7	9	7
Lost workdays	6070 ^{Note 8}	108	50
Death rate of occupational injuries ^{Note 3}	2.192	-	-
Rate of severe occupational injury ^{Note 4}	-	-	-
Rate of recordable occupational injuries (disabling injury frequency rate) ^{Note 5}	15.34	21.10	15.70
Disabling severity rate ^{Note 6}	13305.57	253.19	112.14
Frequency-severity indicator ^{Note 7}	14.29	2.31	1.33

Note 8: Descriptions on Zhangbin Plant's disabling severity rate and lost workdays

The vehicle accident of Zhangbin Plant: Solidification Section staffs suffered from a vehicle accident in front of the solidification area during road operations. Related investigations and operating procedures have been completed recently. The plant will enhance the implementation of occupational safety and health management and promote "occupational safety for everyone" to avoid the occurrence of accident again.

Improvement measures: Vehicle traffic flow control is strictly implemented in the plant. Concerning areas with intensive forklift operations, the Corporation not only delineated driving routes, but also implements regional controls and assigns a traffic controller when operations take place. Moreover, the Corporation also arranges occupational safety and health education and training session on a monthly basis to enhance all employees' awareness of occupational safety.

Yunlin Plant

Year	2021	2022	2023
Major type(s) of occupational injuries	Number of injuries (person-times)		
Commuting road-traffic accident	0	0	1
Falling down	0	0	0
Falling objects	0	0	0
Broken objects	0	0	0
Being nipped or rolled up	0	0	0
Collapsing, cave in	0	0	0
Improper acts	0	0	0
Get knocked down	0	0	0
Other	0	0	0
Major type(s) of occupational injuries	0	0	0

Zhangbin Plant

Year	2021	2022	2023
Major type(s) of occupational injuries	Number of injuries (person-times)		
Commuting road-traffic accident	3	5	5
Falling down	0	1	1
Falling objects	1	0	0
Broken objects	0	0	0
Being nipped or rolled up	1	0	0
Collapsing, cave in	0	0	0
Improper acts	1	1	1
Get knocked down	0	0	0
Other	1	0	0
Major type(s) of occupational injuries	0	2	2

Standard Operating Procedures for Employees and Inspection Management

During the operations, not only shall the employees comply with work rules, but also Environmental Protection Office shall conduct regular and irregular inspections in accordance with Occupational Safety and Health Act and relevant regulations. The inspection methods are divided into target inspections; job checks; on-site inspection tours; working environment monitoring and so on. The contents of the said inspections, checks and monitoring shall be set by the use unit and Environmental Protection Office; and then inspected, checked and monitored according to the plan. To minimize accidents resulted from equipment failure, on-site operating facilities shall also be checked and maintained on a regular basis according to relevant rules. Where the air-pollution prevention and control equipment is damaged, the said damage shall be reported according to environmental protection regulations.

High-Risk Operations and Operating Control Rules

With respect to operations with limited space and high-risk operations, such as those that can result in electrification, Sunny Friend has drawn up hazard prevention plans and regularly conducts relevant educational and training programs. These measures enable the employees who engage in the said operation not only to understand the hazards and risks thereof, but also increase their awareness during the operations, helping them to prevent the happening of occupational injuries.

For operations within a limited space, the Company has launched the "Limited Space Hazard Prevention Plan". The contents thereof include the confirmation of hazards within a limited space; ventilation methods, oxygen within a limited space; measurement of hazardous substances; preventive measures, operating procedures and safety control approaches for potential hazards during the operations (ex. oxygen deficiency; falling; electrification; fire and explosion; being nipped/rolled up; intoxication; collapsing and cave-in; having contacts with hazardous substances, such as gas and powder; falling; cutting; scratches; having contacts with high or low temperature points and so on); operation permission procedures; check points and maintenance works of provided protective equipment; operation control facilities and work safety inspection methods; emergency response and handling measures and so on.

With respect to operations involving electrification, the Company has set electrification prevention plans and electrical safety work standards. Examples like cutting off the power during electrical works; wearing protective equipment; and carrying out collaborative works, Sunny Friend already established relevant rules; and continuously carries out education/training programs related thereto. It is our expectation to provide employees a safe workplace and prevent electrification accidents from happening again.

Emergency Response Drills

Establish emergency response plans and procedures to ensure our employees' capability of timely adopting proper response measures when an accident occurs. This also helps to prevent or mitigate hazard impacts to our environment. Also, plan and implement occupational safety and health related educational and training programs. Those who engage in operations involving potential hazards, their supervisors and dangerous machinery operators shall acquire relevant certificates and take regular on-the-job trainings. In 2023, Zhangbin Plant held on-the-job forklift operators training for 39 people; specialized electrical shock prevention course for 28 people; and AED (Automated External Defibrillator) operation training for 48 people; and Yunlin Plant held AED (Automated External Defibrillator) operation training for 48 people to improve workers' workplace safety awareness while working.

To ensure our employees' ability of using extinguishing equipment accurately and cooperating with one another when a fire disaster occurs, Sunny Friend has done our very best to maintain the functions of all fire-fighting and emergency response equipment. Apart from cooperating with local fire-fighting department to hold self-defense fire-fighting drills each year, we also enhanced power failure related emergency response drills due to the unstable power supply of Taiwan Power. It is our hope that, by adopting aforesaid measures, our employees will not be harmed and the Company's damages and losses will be minimized when an accident occurs.



▲ Self-defense fire drills and emergency response training are held regularly

Physical examination and care

Sunny Friend provides regular physical examinations for employees, investigates and keeps a track on employees' health management and occupational accidents like diseases, injuries, disability and death in order to keep employees healthy. Abnormal data are investigated to provide employees a safe work environment and improve health management. In addition, local health authority is invited from time to time for health lectures for the goal of employee protection and health improvement.

Employees are provided with physical examinations at the Company's cost to provide a safe and healthy work environment, comply with applicable safety, health and environmental protection regulations, and prevent occupational accidents. Factory workers are arranged for health examination once every 6 months, drivers and sales representatives once every year, and administrative workers once every 2 years. The examination results are explained and anomalies tracked.



▲ Typical and special health examinations are provided regularly.

“Safety first” is the promise of Sunny Friend to its employees. In addition to keeping improving work environment based on ISO 45001, occupational safety and health and emergency response training programs are provided every year to help employees familiarize themselves with emergency procedures and prevention of occupational incidents. Employees are encouraged to stay safe while working hard. Employees are the most important assets of Sunny Friend. There is no healthy employee without a safe work environment. A healthy workplace is promoted to make employees feel the benefits of health improvement. Attention to workplace health and safety not only boosts employees' morale and reduce resignation rate, but also improves employees' productivity effectively and minimize work-related issues, such as accumulated occupational injuries, chronic conditions or reduced physical strength. By working health authority to promote healthy workplace, a win-win is created for both the employer and the employed.

2.3 Social Inclusion

As a local enterprise, Sunny Friend hires employees from the areas where our operations are based, providing job opportunities to enhance community engagement. Starting from our Yunlin Plant and Zhangbin Plant, we have given back to local communities and fulfilled our Environment Social Governance. Our headquarters is located in Yuanchang Township, Yunlin County. Yuanchang Township has 21 villages and people living in the region are relatively disadvantaged as their income primarily relies on farming and livestock. Over the years, Sunny Friend has been holding various charity and volunteer activities on a regular basis, such as the winter emergency fund for the poor; scholarships; and environmental volunteer programs during Ching Ming festival (Tomb-Sweeping Day). Apart from it, Sunny Friend also donates to families with emergency needs; offers funeral allowance; supports local clubs with material or monetary resources; pays great attention to the education of remote countries; distributes free magazines; and sponsors writing contest, Sunny Friend Literature and Writing Camp and Sunny Friend Environmental Protection Science Camp.

Contributions made by Sunny Friend to where Zhangbin Plant is located are primarily based on “Agreement of the Give Back Fund during the Operations of Industrial Waste Comprehensive Processing Center of Central Taiwan, Sunny Friend Environmental Technology Co., Ltd. (Zhangbin Plant)”. Not only have Shengkang Township Office and Xianxi Township Office been supporting us in handling relevant affairs, but also we have been proactive in participating in environmental protection activities held by Changhua Coastal Industrial Park.

Besides, Sunny Friend has established good communication channels with local communities. In case of having any impact, we will be able to timely communicate and exchange with local citizens. Our contributions made to the local communities can be further divided into three groups – “social care”, “education facilitation (education and literature activities)” and environmental protection – for detailed explanations.

Table 2-5. Strategy of promoting social care and giving back to local communities

Social Care	Education Facilitation	Environmental Protection
<ul style="list-style-type: none"> ● Emergency aid and funeral allowance; ● Winter emergency fund for the poor; ● Environmental volunteer programs during Ching Ming festival (Tomb-Sweeping Day); ● Support activities held by local clubs; ● Zhangbin Plant Supervisory Committee. 	<ul style="list-style-type: none"> ● Donate books to elementary and junior high schools of Yuanchang Township; ● Sponsor writing contest held in Yuanchang; ● Published iting contest held in Yuanchang;inelisHold shed iting contest held in Yuanchang;Camp shHold shed iting contest held in Yuanchang;n Science Camp”; ● Gift excellent monthly magazines: “Global Kids Monthly” and “Global Kids Junior Monthly”; ● Distribute scholarships; ● Protect students of Yuanchang Junior High Schools and ensure their safety. 	<ul style="list-style-type: none"> ● Conduct the consensus and environmental education programs for Northern Lapwing; ● Join the adoption of air-quality purification zone; ● Join coast-cleaning and adoption programs; ● Actively participate in and sponsor various activities of environmental groups. ● Assist the government in solving social and environmental protection related incidents.



▲ Make donations to disadvantaged groups to give back to local community.



▲ Received special thanks from local competent authority.

Table 2-6. Results of promoting social care and giving back to local communities

Year	Emergency aid (No. of people)	Funeral allowance (No. of people) ^{Note}	Winter emergency fund for the poor (No. of people)	Scholarships (No. of people)
2021	2	23	168	97
2022	4	22	170	90
2023	2	10	185	90

Note: The application of emergency aid and funeral allowance shall be submitted to the Company by village heads, village secretaries, or local legislators based on applicantsh local citizens. Our contributions made to the local communities can be further the actual status after the implementation.

Zhangbin Plant Environmental Protection Supervisory Committee

Our Zhangbin Plant has collaborated with Shengkang Township and Xianxi Township to jointly establish “Environmental Protection Supervisory Committee, Industrial Waste Comprehensive Processing Center of Central Taiwan”. Formed by mayors of both townships, village heads and local representatives, the Committee holds meetings on a regular basis to supervise the Center’s operations. The purpose thereof are to make sure the Company has complied with environmental regulations; implemented environmental protection works; and succeeded in maintaining local environment and the quality thereof.

Contributions made by Sunny Friend to where Zhangbin Plant is located are primarily based on “Agreement of the Give Back Fund during the Operations of Industrial Waste Comprehensive Processing Center of Central Taiwan, Sunny Friend Environmental Technology Co., Ltd. (Zhangbin Plant)”; and both Shengkang Township Office and Xianxi Township Office have been supporting us in handling relevant affairs. The agreement has specified the uses of the said give back fund, including: (1) environmental beautification and hygiene; (2) construction, management and management of public facilities; (3) environmental protection, pollution monitoring, environmental protection facilities, equipment purchase and promotion of ecofriendly education and observations tours; (4) promotions of local folklore festivals and industry; (5) enhancement on life quality, education or cultural activities; (6) welfare (ex. subsidy for national health insurance) for people living in surrounding villages.

Table 2-7. Statistics on give back funds contributed by Zhangbin Plant to local communities (Unit: NTD)

Year	2021	2022	2023
Shengkang Township Office (57.5%)	7,028,752	7,141,237	6,665,460
Xianxi Township Office (42.5%)	5,195,165	5,278,304	4,926,645
Total	12,223,917	12,419,541	11,592,105



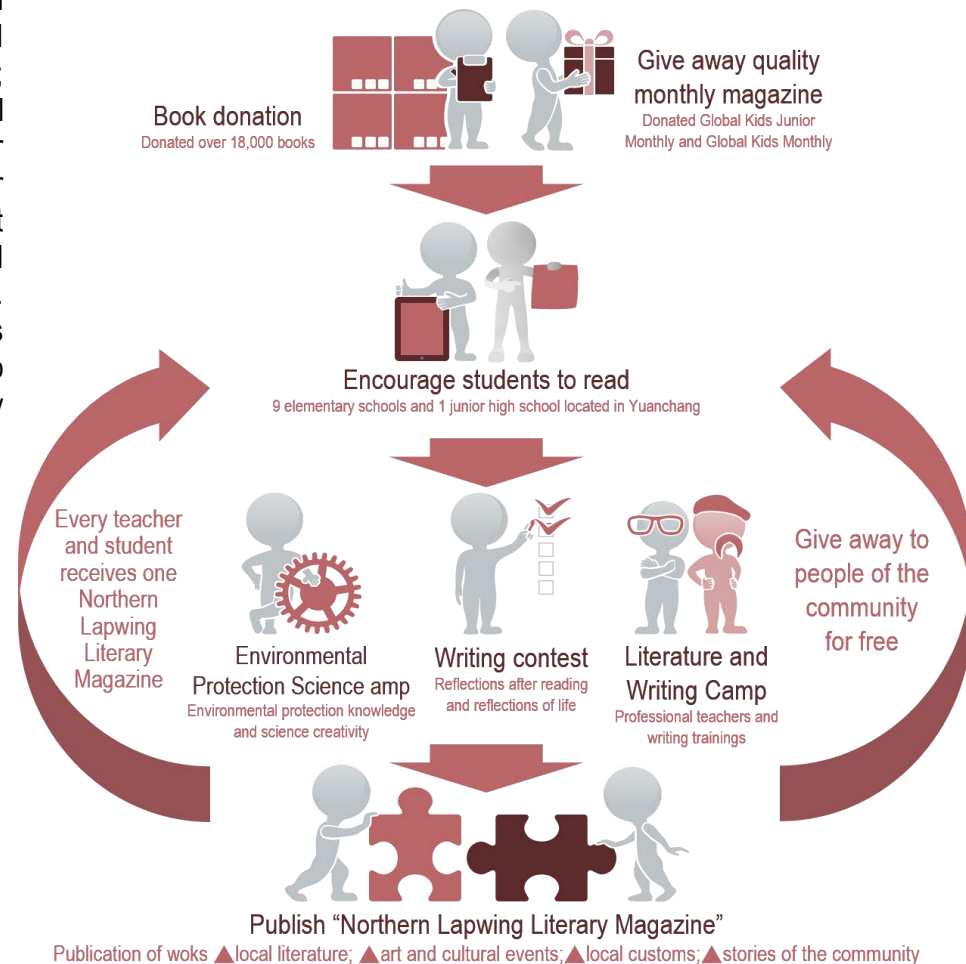
▲ Environmental Protection Supervisory Committee Meeting

2.4 Educational Facilitation

On the feeling that “the money that has not been spent on education today will be spent on building prisons in the future”. To encourage students to read more, the Company also holds writing contest, “Sunny Friend Literature and Writing Camp” and Sunny Friend Environmental Protection Science Camp; created “Northern Lapwing Literary Magazine”; and cooperated with “Global Views Educational Foundation” to make reading an interesting hobby. For example, Sunny Friend has not only been giving free “Global Kids Junior Monthly” and “Global Kids Monthly” to children living in remote countries, but also invested in a series of educational resources to enrich disadvantaged students’ resources, hoping to reverse their life and make them dream big. We also encourage students living in Yuanchang to apply for Sunny Friend’s scholarship, which is offered each year to encourage and motivate them to learn more. It is also our hope that they will be able to give back to the society and help even more students.



▲ A group photo of students who received the scholarship. It is our aspiration that the scholarships will motivate them to go up in the ladder of knowledge.



Publication of “Northern Lapwing Literary Magazine”

Sunny Friend has invested resources in supporting the cultural development in Taiwan. To encourage local students' writing skills since their childhood, Sunny Friend has been publishing an annual literary magazine named “Northern Lapwing”, a pampered guest that visits Yunlin each year. For us, this magazine not only provides local families and students a platform to share their culture, but also encourages students to learn more and to practice their writing skills starting from childhood. For children who win the writing contest held by Sunny Friend, we do not only distribute awards thereto, but also collect their writing in this magazine with other excellent works selected from Sunny Friend Literature and Writing Camp. This magazine also has various interesting contents and stories. For example, schools of Yuanchang are invited to introduce their teaching characteristics and education concepts; and some people, stories and development results of the region are also presented in the magazine. It is our aspiration that this magazine will link up students with this land and accomplish the goal of “corporation-facilitated cultural development.” For more information about this magazine, you are welcome to go to Sunny Friend's official website.

2013

No.1 Issues

2,500 Books 38 Pages



In response to Sunny Friend's book donation activity, this issue is themed on “reading promotions” and its front page is “The Book Forest”, the library of Yuanchang Elementary School. We also held the 1st reflective writing contest based on the books that we donated in the first year. The winners' works were also collected in this magazine, successfully built a good foundation for the promotion of reading.

2014

No.2 Issues

3,500 Books 72 Pages



In the 2nd issue, we started to collect excellent works selected from “Sunny Friend Literature and Writing Camp”. This issue is about participating in various activities held by the community. The front page of this issue is Pastor Tim Iverson of Amazing Grace Church who was teaching English at a Hakka elementary school.

2015

No.3 Issues

4,000 Books 108 Pages

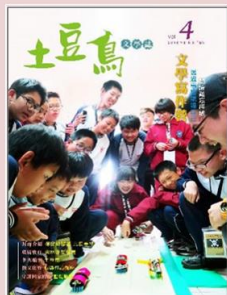


The scope of writing contest has been extended, where writers are invited to share with the readers their reflections on and feelings of local life. There are a number of excellent works that shared with us different views of life. The 3rd issue also collected works and reflections selected from “Sunny Friend Literature and Writing Camp”. All of these works have enriched the contents of the Northern Lapwing Literary Magazine.

2016

No.4 Issues

3,000 Books 128 Pages



In 2016, Sunny Friend launched “Sunny Friend Environmental Protection Science Camp”. Reflections on and stories about the Science Camp were therefore collected in this issue, making this magazine even more interesting and fun. Besides, the number of pages also increased from 38 (the 1st issue) to 128 (the 4th issue), showing Sunny Friend's success in promoting literature activities.

2017

No.5 Issues

3,800 Books 128 Pages



Students are able to freely show their thinking without page limitations. Besides, inside the back cover, we also promoted the green consumption point collection activity held by Environmental Protection Bureau, Yunlin County, showing our support to environmental protection with action.

2018

No.6 Issues

3,800 Books 128 Pages



Yuanchang Junior High School and Sunny Friend Literature and Writing Camp cooperated to produce many excellent microfilms. These microfilms even received the golden, silver, bronze and excellence awards at the “2017 Yunlin County Life Education Microfilm Contest”, showing the entire Yunlin County the efforts and growth of Yuanchang's students.

2019

No.7 Issues

3,500 Books 144 Pages



This issue introduced the graceful bearings of Yuanchang, including Tsai Chiu-Tung who was the pioneer of literature in Wukuai Community and whom was known for creating works in Taiwanese using Chinese characters; Xizhuang Community's poetic records that describes the beauty of Yuanchang; evergreen canteens that received positive feedbacks from the community; the outstanding development results of Zhangbei community; and Guoshuxia Park's grass field, which has become children's playground.

2020

No.8 Issues

3,500 Books 144 Pages



Yuanchang Township Office sets up a single window to serve new immigrants, so that they can quickly integrate into the local life, and make the foreign land become their hometown after a long time. This time, Yuanchang Characteristic community introduced Lubei village and Lunzi village. The people with lofty ideals not only inherit the community culture, but also unite the hearts of the community residents, making Yuanchang more and more beautiful and happy from top to bottom.

2021

No.9 Issues

3,500 Books 160 Pages



Sinsheng Elementary School has established a community reading station designed with a bright and warm atmosphere, hoping to facilitate parent-child communion through the sharing of reading resources. Introduction to the outcomes of Yuanchang's local communities: Yuanchang Digital Learning Center—succeeded in bridging digital divide, enhancing the information competency of people living in remote country; Young Farmers Returning to Hehe Village—succeeded in integrating multiple marketing and contemporary farming technology and encouraging more young people into farming.

2022

No.10 Issues

3,500 Books 160 Pages



"We are one big family – Yuanchang Community Theater," a theatric play increases the opportunity of interactions. It facilitates the fusion between new immigrants and community people. Lunzai, Xizhuang and Wayao Communities join hands to promote the little flagship families. The idea and objective of the little flagship families are to create a community spirit of "common good, fusion and sharing," and to achieve family members joining hands for service together. The "Taiwan Dream – children and teenagers community companion program" ensures that socially disadvantaged children in local communities are taken care of after school.

2023

No.11 Issues

3,500 Books 176 Pages



Organized "Lubei Community – Discovery Bike Tour", "Xizhuang Community – Woodcraft Workshop", and "Thinking of Bai-sha-dung-bao: Rediscovering the Memories of Yuanchang People" activities to promote community values and encourage active participation in local affairs. These activities foster community consensus and help build a distinctive identity for each local community.

Introduction to the Highlights of Issue No. 11 of Northern Lapwing Literary Magazine

The “Lubei Community – Discovery Bike Tour” brings new energy from young farmers back to their homeland, integrating the emotional connection of returning or staying local youth with their community.



The “Xizhuang Community – Woodcraft Workshop”, organized by the Xizhuang Association, featured lecturer Tsai Ming-nan, who discussed Xizhuang tile-related topics with community volunteers. Tsai used his expertise to explain the significance of Taiwanese tiles and to pass on woodcraft techniques to volunteers and students in the community.



“Thinking of Bai-sha-dung-bao: Rediscovering the Memories of Yuanchang People” preserves valuable cultural records for Yuanchang Township. Lecturer Tsai Hung-ju was also invited to speak at schools in Yuanchang Township, where he introduced local historic sites, helping the new generation of students deepen their connection to their homeland.



Book Donations to Yuanchang's Elementary and Junior Schools

As elementary and junior schools of Yuanchang are short of book resources due to the resource gap between rural and urban school, Sunny Friend has specially replenished the libraries of 10 elementary and junior schools located in Yuanchang, hoping to enhance students' reading habit. For three consecutive years starting from 2011, Sunny Friend has totally donated NTD4,276,000 and purchased around 18,000 books.

Holding the Writing Contest in Yuanchang

As it has always been our desire to enhance students' reading habit, Sunny Friend then, after the donation of books, cooperated with Yuanchang Township Office and Yuanchang District of Kiwanis International to hold writing contests. It is our aspiration that, through the process of writing, students will be able to sharpen their observation skills, improve their literary expressions and enhance their creation skills. In the meantime, Sunny Friend also holds award ceremony and gives rewards, medals and certificates to honor the winning students; and discusses with teachers from different schools about how to ameliorate contest rules and assessment standards.



Table 2-8. Statistics on the number of writing contest participants

Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
No. of participants	145	118	145	158	193	215	206	216	234	248	215	279	2,372
No. of winners	42	59	60	70	70	76	77	78	84	99	97	119	931

Holding “Sunny Friend Literature and Writing Camp”

The "Sunny Friend Literary Writing Camp" not only teaches the children how to write, but also, through various multi-faceted learning, increases students' knowledge of and passion for literature and teaches them how to incorporate current affairs in drama writing, advertising design and self-media management. The camp makes learning diverse and dynamic; opens children's senses to “feel” about life; arouse their interests; and help them to understand how literature is applied in our surrounding environment. From a detailed observation on and imaginations of small things and objects, the children can be trained to write “articles with a soul”.



Table 2-9. Statistics on the number of people joining Sunny Friend Literature and Writing Camp

Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	累計
No. of participants	38	109	95	95	90	75	80	83	0(Note)	50	44	759

Note: Due to the impact of COVID-19, the “Sunny Friend Literary Writing Camp” was cancelled in 2021.

Holding “Sunny Friend Environmental Protection Science Camp”

The Sunny Friend Environmental Protection Science Camp held by Sunny Friend in cooperation with Department of Mechanical Engineering, National Yunlin University of Science and Technology (YunTech) is highly popular among students of Yuanchang Township. This science camp specially designed by YunTech’s students not only imparts knowledge, but also has a number of group activities that enable students to brainstorm, DIY science and move their bodies. In the world of science games, the students are able not only to discover more knowledge and dreams, but also to satisfy their curiosity and build up confidence. Apart from the unforgettable memories, the students who ever participated in the camp also felt a sense of fulfillment and are looking for the arrive.



Table 2-10. Statistics on the number of people joining Sunny Friend Environmental Protection Science Camp

Year	2016	2017	2018	2019	2020	2021	2022	2023	Total
Junior-high-school students	60	74	63	61	59	49	0 (Note)	50	416
University students	33	37	44	41	39	31	0	17	242
Total	93	111	107	102	98	80	0	67	658

Note: Due to the impact of COVID-19, the “Sunny Friend Environmental Protection Science Camp” was cancelled in 2022.

Give away quality monthly magazines “Global Kids Monthly” and “Global Kids Junior Monthly”

Sunny Friend has been giving away quality monthly magazines to every class, making reading reachable to everyone. These magazines, which are regularly updated and designed with some fun elements, enables students to enlarge their scope of learning, cultivate diverse knowledge, discover their interests and further motivate them to learn. By enriching these children’s learning environment, we see that children living in remote countries also have the possibility to reverse their life.

Table 2-11. Statistics on “Global Kids Junior Monthly” and “Global Kids Monthly” that have been given away

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
Global Kids Junior Monthly (No. of issues)	26	26	25	25	25	24	24	24	24	24	247
Global Kids Monthly (No. of issues)	37	37	37	37	37	32	32	32	32	32	345



2.5 Social Support

Participation of Northern Lapwing Census and Implementation of Environmental Education

The “Census of Northern Lapwing” held by Wild Bird Society of Yunlin (WBSY) and Endemic Species Research Institute has been carried on for many years. As Yuanchang is the primary habitat of Northern Lapwing throughout Taiwan, nationwide volunteers are therefore attracted to Yunlin each year, searching for the footprints of Northern Lapwing. Many of Sunny Friend’s employees have been continuously participated in the census, showing our determination of implementing environmental education and enhancing ecological conservation concepts.



▲ Care about local environmental conservation and encourage employees to participate in Northern Lapwing Census.

Adoption of Air Purification Zone

The Changbin factory of SUNNY FRIEND has been (where the maintenance unit is Da Tung Elementary School of Shengang township) for adopting an air purification zone sized 2.6227 ha under “The Bare Land Greenery Project of Land No. 254, Shenggu Section, Shengang Township (Shengang Township Coastal Botanical Garden)”. The works include regularly watering the plants in adopted zone; and pest control and prevention related works since 2017.



▲ Assessing the air purification zone



▲ Regular watering operations in the air quality purification area



▲ Changhua County Government issued the Excellence Award for “Assessment of Changhua County Air Purification Zone” in 2023



海岸清潔認養

Our Zhangbin Plant has, since 2010, applied to Changhua County Environmental Protection Bureau for adopting beaches, hoping to guard the coast with our love and hands. The Company has adopted the 4,500-long “Waste Section of Xianxi” for regular coastal cleanup. Besides, upholding the spirit of “caring about our homelands and loving our environment”, Sunny Friend has proactively expanded the scale of coastal cleanup as it is our aspiration to protect our environment with real actions.



▲ Coastal Cleanup Adoption Activity (Regular beach cleanup)



▲ Recognition by Changhua County Government for “outstanding performance of beach cleanup and adoption” in 2023

Assistance to the Government in Properly Handling Social and Environmental Protection Incidents

Possessing professional waste disposal techniques, Sunny Friend knows that environmental protection works must be taken immediately. This is the reason that, upholding our initiative of maximizing our very best efforts for environmental sustainability, Sunny Friend has proactively assisted the government in properly handling social and environmental protection incidents; and in disposing illegally disposed wastes appropriately to prevent the increase of environmental pollution.

1. The Yunlin County Police Office entrusted the Company to demolish a batch of seized drug paraphernalia (0.05 tons), which was shipped to our plant in January 2023 and immediately disposed of through incineration under the supervision of their assigned personnel.



2. The Yunlin County Health Bureau confiscated smuggled drugs and expired masks. To prevent these items from harming public health, the Bureau seized them and entrusted the Company with their disposal. These materials (0.0907 tons) were shipped to our plant in February 2023 and were immediately incinerated.



3. To assist the Taiwan Changhua District Prosecutors Office with the disposal of seized and sealed plasticizers, the Company accepted 0.13 tons of these materials in June 2023. Personnel from the Prosecutors Office were present to oversee the immediate incineration of the materials.



4. The Yunlin County Government confiscated eggs from local farms that did not meet inspection standards. To ensure food safety for citizens, the Government required the operators to promptly remove these eggs from the market and dispose of them; and received 0.25 tons of eggs in August 2023. These eggs were immediately incinerated upon arrival on the same day. °



5. The Company was contracted to dispose of waste from a polluted site located at Fengping 2nd Road, Daliao District, Kaohsiung City. The materials, comprising copper sludge (including some with liquid), mixed waste, and waste oil sludge, totaled 32.18 tons. These were received at the plant in September 2023 and were managed according to our disposal schedule.



3 Environmental Protection

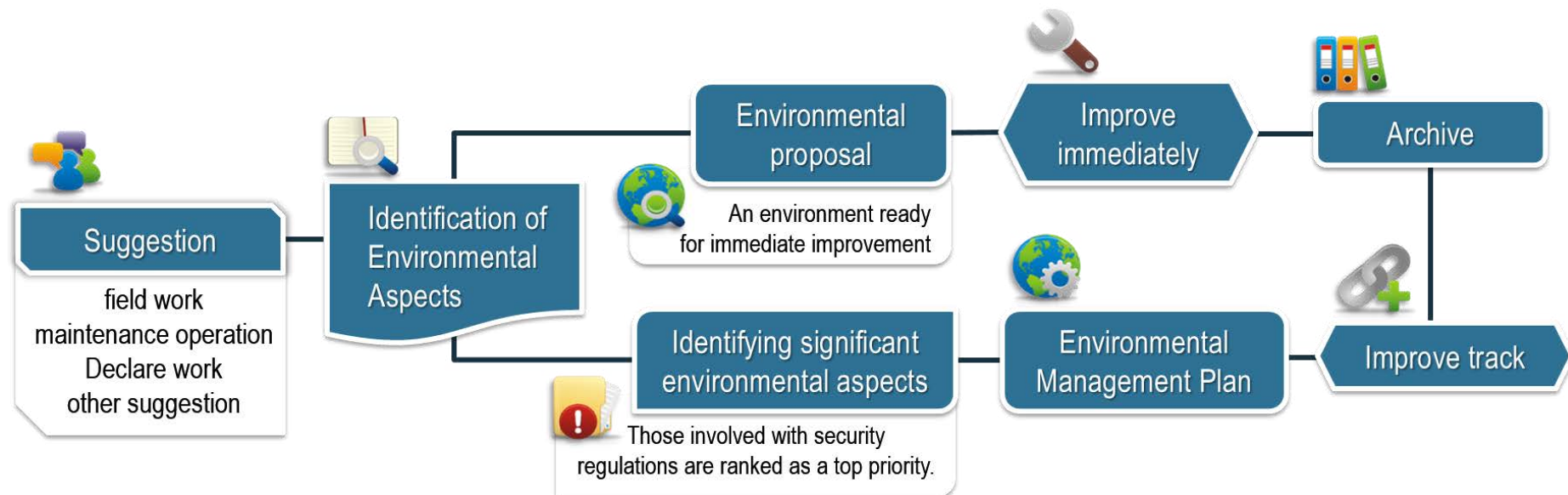
Sunny Friend firmly believes that the promotion of environmental protection and employment safety/health management goals must comply with domestic laws and international environmental protection trends. This is the reason that we set up the ISO 14001 Environmental management systems, on which our environmental management framework and appropriateness thereof are reviewed based, in 2000. Besides, Sunny Friend also set environmental management :



3.1 Environmental Management

To facilitate the tracking of system implementation, the Company holds regular environmental management meetings to discuss the implementation of environmental management solutions, regulatory compliance, amendments to environmental regulations, suggestions for environmental improvements, major environmental considerations and document reviews. Besides, through the annual environmental management review meeting held by the management team, not only is the management system implementation performance discussed, but also the annual audit plan of the following year and the implementation results of the annual education and training programs have been verified to ensure the effective implementation of on-site environmental management. In 2022, there was no environmental pollution at Yunlin Plant and Zhangbin Plant.

Sunny Friend also encourages our employees to take on-the-job trainings and acquire expertise related certificate to enhance their professional knowledge and learning ability. There are 70 colleagues in the company's public subsidy in 2022 professional personnel licenses (including air, water, waste, poison, and indoor air quality) EPA.





▲ Inspection condition for environmental management system

Table 3-1. An overview of environmental management performance

Plant	Environmental goals	Improvement solutions	Project performance
Yunlin Plant	Improve workplace safety	To prevent flooding from heavy rain that could impact vehicle and personnel safety, the Company has established retention ponds for rainwater collection.	Improvements have been completed
	Continue to pursue improvements in operations and manufacturing to achieve effective management.	Adjust the location of the weighbridge and retention pond in accordance with the overall plant layout plan.	Improvements have been completed
Zhangbin Plant	Enhance employees' emergency response capability and prevent pollutions from happening.	Implement emergency response drills every six months.	Improvements are in progress
	Put energy-saving and carbon-reduction goals into practice	Regularly monitor the structure of landfill sites and maintain the normal operations thereof.	Improvements are in progress
	Put energy-saving and carbon-reduction goals into practice	Implement garbage classification to recycle and reuse resources Plan the disposal routes and transportation capacity. Enhance the proportion of local procurement.	Improvements are in progress

Air-Pollution Prevention and Control

Apart from insisting on properly handling wastes discarded by customers to minimize impacts to our residential environment, our Yunlin Plant and Zhangbin Plant also adopted the Best Available Control Technology (BACT) to effectively prevent pollution; ensure our regulatory compliance; and monitor particulate pollutants, nitrogen oxides and sulfur oxides generated from the incineration process. We also patrol pollution prevention and control equipment on a daily basis; and commission environmental testing agencies recognized by EPA to, on a regular basis, assess whether the concentration of discharged air pollutants meets Stationary Pollution Source Air Pollutant Emissions Standards enacted by the EPA. Upon receipt of EPA's air quality deterioration warnings, the Company will conduct response measure according to the air quality deterioration warning level. The said response measures include: checking if the control/prevention equipment functions normally; confirm the opacity data; confirm the parameters of prevention/control equipment; and then record and reduce the production volume to confirm that the response measures have reached the reduction goals. When there is a concern of air quality deterioration, local environment protection authority will issue an air quality warning or severe deterioration alarm based on the weather data provided by Central Weather Bureau and the level of deterioration. Businesses within the jurisdiction are informed of the event and initiate prevention actions depending on the air quality deterioration response and control plan of the corresponding level. Sunny Friend took actions based on the "air quality deterioration response and control plan" proposed in 2022, and initiated response efforts based on the plan, including checking that the control equipment is running as expected, ensuring that the opacity data are normal and checking and documenting control equipment parameters.

Table 3-2. An overview of flue gas emissions between 2021 and 2022

Plant	Year	Particulate pollutants (t)		Sulfur oxides (t)		Nitrogen oxides (t)	
		Emission	Legal limit	Emission	Legal limit	Emission	Legal limit
Yunlin Plant	2021	0.537	1.37	2.005	16.23	28.77	39.56
	2022 ^{Note 2}	1.239	1.47	2.117	16.23	32.06	39.56
	2023	1.026	1.47	1.467	16.23	24.07	39.56
Zhangbin Plant	2021	1.222 ^{Note 1}	9.343	21.836	48.284	41.929	73.559
	2022	2.143	9.343	25.897	48.284	44.283	73.559
	2023	2.425	9.343	27.514	48.284	42.952	73.559

Note 1: The Zhangbin Plant replaced the bag filter units in 2021, which has improved the efficiency of collecting particulate pollutants.

Note 2: The Yunlin Plant received less waste in 2023 due to the easing of COVID-19. As a result, pollutant emissions have significantly decreased and are well below regulatory limits.

Water Pollution Prevention and Control

With respect to environmental regulatory compliance and implementation of pollution prevention, the Company has drawn up management measures for wastewater, which is divided primarily into process wastewater, domestic sewage and surface runoff (rainwater) based on the characteristics of incineration industry. To reach the objective of managing wastewater properly, Yunlin Plant collects all process wastewater through the sewer system and then to the wastewater storage tank, whereas the surface runoff is collected to the storage tank through the ditches. To properly dispose wastewater collected in the storage tank, the Company then commissions a qualified clearance organization to transport the wastewater to a qualified disposal organization using a silo truck as prescribed by Waste Disposal Act; regularly tracks the clearance and disposal of wastewater; and regularly tests the quality of wastewater to reach the objective of having an effective management. Since the Changbin factory is located in the Changbin Industrial zone, the process wastewater in the factory is collected through pipelines and then piped to the Changbin Industrial zone sewage treatment factory for subsequent treatment.

Water Resource Management

The Importance of Materiality Issues

During the waste disposal process, Sunny Friend is highly dependent on water. Whether the clearance of vehicles or operations of incineration and disposal facilities, water resource is indispensable in the industry. Although Taiwan has sufficient rainfall, the distribution thereof is rather uneven. Besides, torrential rain and short of water resulted from severe climate changes over the years have complicated the management of water resources unwittingly. Considering water resource management as a materiality issue of environment and business operations, we have analyzed all of Sunny Friend's operating sites using "WRI Aqueduct", a water resource risk analysis tool developed by World Resources Institute, in 2022 and discovered that none of our operating site is located in a high water intake risk area. However, in response to water resource issues, we should make early arrangements to optimize our water resource applications and efficiency. Also, to prevent water deficiency, our Zhangbin Plant has adopted a water resource management approach based on reduction, reuse and recycling; and has continuously promoted water-saving measures to contribute to environmental protection.

Management Strategy

As the water supply is becoming unbalanced, Sunny Friend has been challenged by the water resource deficiency issue. As a citizen of the earth, we have launched environmental education programs to advocate the importance of saving water and to incorporate the water saving concept into real life. In addition, the internal water consumption per metric ton of the waste incineration is based on the average water consumption in 2019 and 2020 as the base year. And it is planned to further reduce another 3% by 2025.

Table 3-3: Water resource risk assessment

Plant(s)	Risk source(s)	Risk and materiality issue(s)	Action for adaptation
Yunlin Plant	Regulations	<ul style="list-style-type: none"> ● Responses to laws and regulations ● Regulations Governing Water Conservation Charge ● Water Pollution Control Act 	<ul style="list-style-type: none"> ● Investment in and improvements to environmental protection facilities ● Regular inspections of wastewater quality
	Disasters	<ul style="list-style-type: none"> ● Water resource shortage ● Increased chance of torrential rain and floods 	<ul style="list-style-type: none"> ● Draw up natural disaster response and handling operating procedures; and hold regular education/ training programs and emergency response drills ● Establish intercepting ditches, flood detention pool and storage tank in respond thereto
Zhangbin Plant	Regulations	<ul style="list-style-type: none"> ● Responses to laws and regulations ● Regulations Governing Water Conservation Charge ● Water Pollution Control Act 	<ul style="list-style-type: none"> ● Promote the upgrade of wastewater treatment facilities; and the recycling and reuse of wastewater ● Regular inspections of wastewater quality ● Participate in government related seminars for learning experiences and receive recommendations therefrom
	Disasters	<ul style="list-style-type: none"> ● Water resource shortage ● Increased chance of torrential rain and floods 	<ul style="list-style-type: none"> ● Promote energy-saving measures in daily life and water deficiency adaptation mechanisms ● Upon receipt of an torrential rain warning, check if the rainwater ditches are blocked or have anything inside therein

Table 3-4. Water resource management objectives and controls

Plant(s)	Management objectives	Achievement rate	Major results	Following practice and objectives
Yunlin Plant	Monitor the use of water and maintain stable operations	Achieved	No water deficiency caused business loss in 2022	Continue to monitor the use of water and, whenever it is necessary, set up an emergency response team
	Enhance wastewater storage capacity	In progress	Plan to establish intercepting ditches, flood detention pool and storage tank in 2021 in response to sudden torrential rain resulted from climate change,	Upon the establishment, continue to check if the storage capacity is enough to respond to sudden torrential rain
	Reduce wasting water resources	In progress	1. Change water-cooled air conditioners to air-cooled air conditioners to reduce the use of cooling water 2. Reduce the equipment temperature and adjust the water supply thereof to reduce the use of cooling water	Continue to optimize the equipment's water supply mechanism to ensure the effective use of water resources
Zhangbin Plant	Monitor the use of water and maintain stable operations	Achieved	No water deficiency caused business loss in 2022	Continue to monitor the use of water and, whenever it is necessary, set up an emergency response team
	Regularly test water quality	In progress	Autonomously manage the Plant's wastewater quality in 2022	Continue to optimize the wastewater management mechanisms to ensure the discharge of wastewater complies with regulatory requirements
	Recycle and reuse water resources	In progress	Summarize the water use and management of 2022	Continue carry on the monitoring to ensure the effective recycling and reuse of water resources

Use of Water Resources

In 2022, Yunlin Plant totally used 1,160,000 of water collected from water plant. The Company consumed 1180,000 l more water comparing with 2022. Taking the average water consumption of 2019 and 2020 (the base year), it is expected that the water consumption per metric ton of waste incineration will reduce by 3% in 2025.

Table 3-5. An overview of Sunny Friend's water consumption between 2020 and 2022

Plant(s) ^{Note 2}	2021		2022		2023		Source of water consumption ^{Note 1}
	Total water consumption (million liters)	Unit water consumption ^{Note 3}	Total water consumption (million liters)	Unit water consumption	Total water consumption (million liters)	Unit water consumption	
Yunlin Plant	119.307	0.007	128.03	0.007	116.212	0.007	Water from a third party (tap water)
Zhangbin Plant	168.723	0.004	170.058	0.004	169.777	0.004	
Total	288.03	0.011	298.088	0.011	285.989	0.011	

Note 1: The water consumption type is freshwater (Total Dissolved Solids/TDS at $\leq 1,000$ mg/L); and is calculated according to the water charge of the year.

Note 2: According to water risk analysis tool developed by World Resources Institute, Taiwan is outside global water stress regions. Also, according to our internal evaluation, our plants do not have high water risk level.

Note 3: Unit water consumption = Total water usage (million liters) / waste disposal volume (t).

Note: To comply with GIR standards, the unit of measurement for water usage has been changed from tons to million liters. As a result, the total water usage figures for 2021 to 2023 have been updated accordingly.

Table 3-6. An overview of effluent produced by Sunny Friend between 2021 and 2023

Plant	Year	Effluents	
		Annual waste volume (million liters)	Unit output volume ^{Note 1}
Yunlin Plant	2021	31.073	0.0017
	2022	30.419	0.0016
	2023	29.900	0.0018
Zhangbin Plant	2021	26.966	0.0006
	2022	24.092	0.0006
	2023	18.169	0.0005

Note 1: The volume of effluent produced by the unit = annual effluent volume (t) / annual incineration volume (t)

Note: To comply with GIR standards, the unit of wastewater production has been changed from tons to million liters. As a result, the wastewater production figures for 2021 to 2023 have been updated accordingly.

Rainwater reclamation facility

Landfill often covers a large area, which means lots of rainfall. Wastes are buried in landfill. Once natural rainwater penetrates into the landfill, it is often considered wastewater (effluence), which is not recyclable and cannot be discharged without appropriate processing facility. This gave Sunny Friend an idea. If the rainwater is kept from seeping into the landfill, the generation of effluence will be greatly reduced and the reclaimed water can be used for certain purposes. With this in mind, the newly developed landfill was modified by replacing commonly used reinforced embankment with cantilever retaining walls, and the landfill itself was covered by a steel structure roof, hopefully to stop and collect rainwater. The landfill 4 at Sunny Friend's Zhangbin Plant (covering roughly a hectare) started operating in 2022 and no effluence has been generated since then. The landfill operates normally even in bad weathers, and dust generation is reduced while it is operating. For the rainwater reclamation, there has been shortage of rainfall in the past few years due to the violent climate change, resulting in short water supply for daily life and industrial purposes. Since the first record in June 2022, approximately 700 tons of clean rainwater has been collected thanks to the rainwater reclamation system on the steel roof, and the collected water is stored in house for process cooling and street cleaning. The design of this system will certainly be incorporated in the future landfills of Sunny Friend to hopefully improve the use of precious water resource in the gradually aggravating climate environment.

The Generation of Waste and Significant Waste-Related Impacts

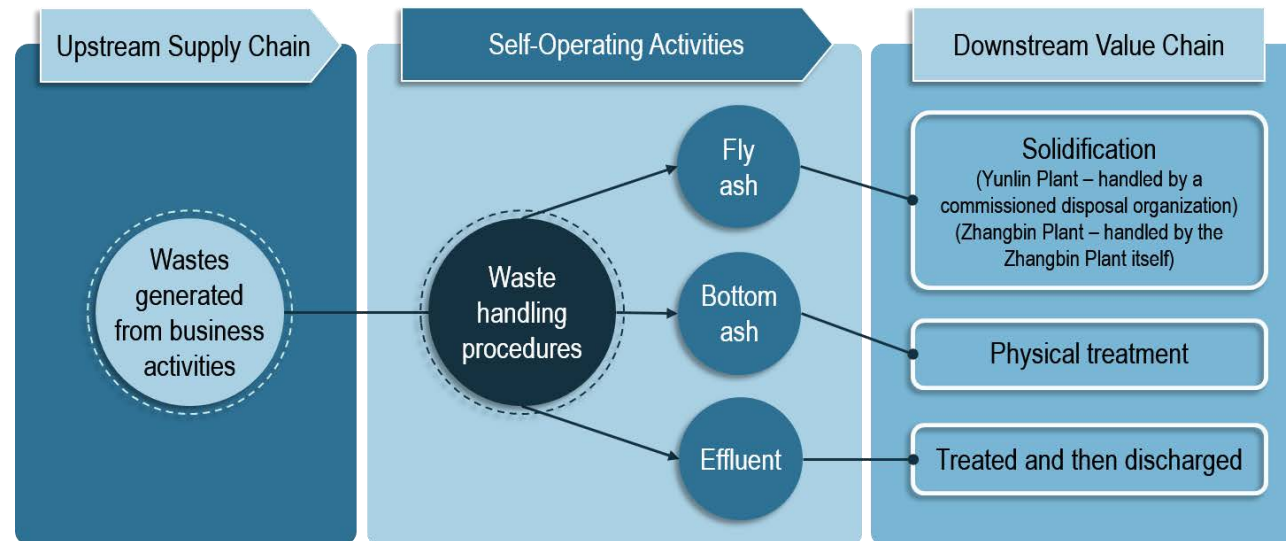
Sunny Friend's wastes are generated mainly from hazardous fly ash and incineration bottom ash. To well manage these wastes, the Company has divided the storage space into different areas in order to store these wastes in different areas according to their characteristics. Then, the fly ash released from quench tower and bag dust collector are collected and transported to bulk bag through the dust collection and transportation system for temporary storage. The bottom ash from the incineration should be firstly cooled by water, transported (using a transportation machine) to the bottom ash storage tank and then filled into the bulk bag. The fly ash and bottom ash produced by Yunlin Plant are processed by a commissioned and qualified disposal organization for solidification, whereas the fly ash produced by Zhangbin Plant is solidified by the plant itself and then be buried on landfill sites after passing the pressure test. The bottom ash is charged to a qualified firm for solidification before physical reprocessing or otherwise processed in a case-by-case basis. The ultimate waste disposal method and sites are currently the biggest challenges for Sunny Friend. Details on the fly ash and bottom ash produced by Sunny Friend are summarized in Table 3-7. An overview of Sunny Friend's total waste output between 2021 and 2023.

Management of Significant Waste-Related Impacts

The final disposal of waste is the biggest challenge for the handling of wastes. For example, fly ash can be solidified and then be buried on landfill sites after passing the pressure test. Nevertheless, it is extremely difficult to build a landfill site in Taiwan as Taiwan is small in area but densely populated. Sunny Friend's solution for this significant impact is to accelerate the establishment of Phase III and IV landfill sites. Landfill 4 started operating in 2022 and Phase IV landfill is on the design desk. The Landfill 5 received use permit in August 2023. On the other hand, Sunny Friend has proactively participated in a bidding and obtained a land sized 3.8 ha from the Industrial Development Bureau for landfill 5 in the future.

With respect to the bottom ash produced by Yunlin Plant, Sunny Friend has commissioned a qualified waste disposal organization to handle the wastes through, for example, solidification and physical treatment. As for the said commissioned waste disposal organization, Yunlin Plant has appointed personnel to survey the site (at least once a year) and to track the waste handling status.

Waste Management Process Flowchart



Waste Disposal

As the Sunny Friend's main sources of waste are hazardous fly ash and general bottom ash, their storage areas are separated for a proper management. For example, fly ash collected by quench tower, cyclone dust collector and bag filter type dust collector are delivered to bulk bags through the system and then placed in the containers for temporary storage. On the other hand, bottom ash produced after the onset of incinerator operation are firstly filtered by water and cooled down; delivered to the storage tank designated for bottom ash using the conveyor; and then filled into bulk bags. With respect to fly ash and bottom ash generated by Yunlin Plant, a qualified commissioned disposal organization will solidify the wastes, bury them and track the handling status accordingly. The fly ash and bottom ash generated by Zhangbin Plant, on the other hand, are currently solidified by Zhangbin Plant and then be buried after passing the pressure test. Some of the processed materials are reused on a case-by-case basis.

In order to reduce the amount of waste generated, the reduction of domestic waste is implemented for office operations to promote the reuse of reusable resources, such as waste classification management, and the repeated use of backing paper during document photocopying to reduce paper consumption.

In addition, the factory internally promoted the reduction of fly ash from waste incineration; based on the average amount of fly ash and bottom slag produced per metric ton of waste incineration in 2019 and 2020. It is scheduled to reach the target of 4% reduction in fly ash and bottom slag per metric ton of waste incineration in 2025. In 2023, Yunlin Plant has reached the goal of reducing 3% of fly ash from waste incineration, with the quantity of bottom slag per ton of waste incineration remaining relatively stable compared to 2022. The quality of wastes generated from waste incineration per ton increased slightly in 2022 and 2023, since the nature of wastes incinerated at Zhangbin Plant varied very widely.

Table 3-7. An overview of Sunny Friend's total waste output between 2020 and 2022

Plant(s)	Year	Fly Ash				Bottom Ash			
		Annual output volume (t)	Unit output volume ^{Note1}	Handling method	Onsite/offsite handling method	Annual output volume (t)	Unit output volume ^{Note2}	Handling method	Onsite/offsite handling method
Yunlin Plant	2021	365	0.0205	Buried	100% outsourced	2,042	0.1146	Physical treatment	100% outsourced
	2022	384	0.0202	Buried	100% outsourced	2,193	0.1156	Physical treatment	100% outsourced
	2023	319	0.0195	Buried	100% outsourced	1,872	0.1145	Physical treatment	100% outsourced
Zhangbin Plant	2021	1,778	0.0436	Solidified	100% self-disposed	177 2,076	0.0553	Dispose responsibly Physical treatment	92% outsourced
	2022	2,625	0.0634	Solidified	100% self-disposed	130 2,251 318	0.0652	Dispose responsibly Physical treatment Recycling	95% outsourced
	2023	2,647	0.0685	Solidified	100% self-disposed	120 2,477 362	0.0766	Dispose responsibly Physical treatment Recycling	96% outsourced

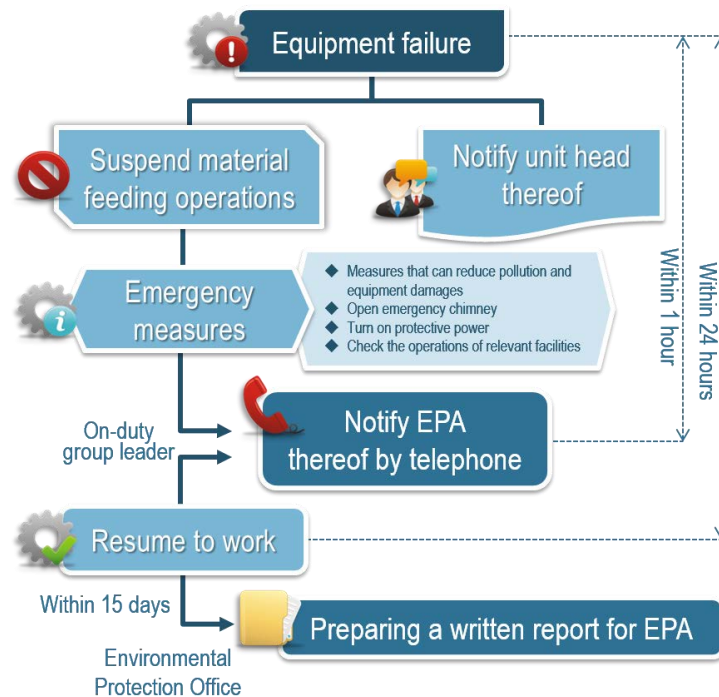
Note 1: Unit output volume of fly ash = annual output volume of fly ash (t) / annual incineration volume (t)

Note 2: Unit output volume of bottom ash = annual output volume of bottom ash (t) / annual incineration volume (t)

To maintain equipment operating efficiency and reduce accidents caused by equipment failure, the Company has abided by environmental protection, safety and health regulations to check and maintain our equipment on a regular basis. Where the air pollution prevention and control facilities break down, the Company then reports it as prescribed by environmental protection regulations. In 2023, no serious leakage or disaster occurred at our Yunlin Plant and Zhangbin Plant.

Site Monitoring and Management

To promote facility management and maintenance, our Company has stipulated various check plans and automatic checklist for facilities; and plans and supervises inspections of safety and health facilities in accordance with Occupational Safety and Health Act and relevant rules. The inspection methods are divided into periodic inspections, target inspections, job checks, on-site inspection tours, hazard labels and work environment monitoring, which are implemented according to established inspection procedures. Besides, periodic inspections on and maintenance of equipment can minimize accidents caused by equipment failure. Where the air pollution prevention and control facilities break down, the Company then reports it as prescribed by environmental protection regulations.



▲ Emergency response and reporting flowchart



▲ The competent authority carries out periodic inspections to confirm the implementation of environmental monitoring

3.2 Energy Saving and Carbon Reduction

Greenhouse Gas (GHG) Emission

In recent years, global warming issues have gradually attracted attention. The company's greenhouse gas emission sources are mainly divided into three types of emission sources: diesel, electricity, and combustion processing waste. SUNNY FRIEND further hopes to slow down the warming caused by the greenhouse gas generated by the process and the use of energy resources, achieve a balance between economic development and environmental protection, and clearly grasp the company's greenhouse gas emission status; so it conducts a greenhouse gas inventory. The company mainly inventories three types of greenhouse gas emissions: CO₂, CH₄, and N₂O. In 2020, the company redefines the carbon emissions per metric ton of waste incineration as a management indicator, and sets a reduction target. In 2023, the carbon emissions per metric ton of waste incineration need to be reduced by 1% compared with 2022. The carbon emissions derived from the incineration of each ton of waste at the Yunlin Plant and Zhangbin Plant in 2023 were similar to those in 2022.

Table 3-8. Greenhouse gas emissions from 2022 to 2023

Site	排放量(單位：tonCO ₂ e)		
	Scope	2022 GHG emission	2023 GHG emission
Yunlin Plant	Scope I	47,029.639	40,615.089
	Scope II	4,237.425	3,620.588
	Total	51,267.064	44,235.677
Zhangbin Plant	Scope I	78,201.504	72,728.189
	Scope II	8,069.890	7,605.972
	Total	86,271.394	80,334.161
All sites	Scope I	125,231.143	113,343.267
	Scope II	12,307.315	11,226.56
	Total	137,538.457	124,569.827
GHG emission intensity (tonCO ₂ e/ton of wastes processed)	Yunlin Plant	2.479	2.485
	Zhangbin Plant	1.920	1.899

Note 1:

1. GHG inventory boundaries cover 2 sites: Yunlin and Zhangbin.
 2. Scope I – direct emission: the source of emission is the quantity of wastes processed for Yunlin Plant and that of wastes collected for processing for Zhangbin Plant. Scope II – energy indirect emission: the source of emission is externally purchased power.
 3. Inventory methodology: per the instructions of EPA's Mandatory Greenhouse Gas Reporting System.
 4. Source of GHG coefficients: the emission coefficients come from the GHG emission coefficient management table, v. 6.0.4, published by EPA in 2019, and the GWP values come from the 4th IPCC evaluation report (2007).
 5. Scope of GHG inventory: there are carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O) for greenhouse gases, and the GHG emission coefficients are taken from the GHG emission coefficient management table, v. 6.0.4, published by EPA. The indirect GHG emission (externally purchased power) for Scope II in the 2023 major GHG emission table is determined based on the power emission coefficient published by Bureau of Energy, which is 0.495 kgCO₂e/kWh.
 6. Sunny Friend had a crew trained for adoption of ISO 14064-1 (Greenhouse Gases Part 1) specifications. The inventory items, details and calculations are corrected accordingly. For hazardous industrial wastes, the emission is determined as for general wastes, since there is no specific coefficient for hazardous industrial wastes. For this part, the heat values of wastes were adopted for calculation in 2022, thus the difference in GHG emissions.
 7. The GHG inventory is conducted based on the operation control method.
- Note 2: The type of GHG emission included in the intensity ratio is direct (Scope I).
Note 3: From 2022 onwards, the GHG emissions are presented in direct emission (Scope I) and energy indirect emission (Scope II).
Note 4: To comply with GIR standards, the GHG emissions unit was revised from kgCO₂e to tonCO₂e, and the data on GHG emissions for 2022 and 2023 were updated accordingly.

GHG Management

Sunny Friend dispose industrial wastes using incineration. Due to the characteristics of disposal method, the use of energy resources can be divided into two groups: for incineration facilities; and for pollution prevention and control facilities. Fuel oil (heavy oil and diesel) is required for incineration, such as starting the incinerator by increasing the temperature thereof; and, when the incinerator is shut down, maintaining the temperature thereof to properly dispose all wastes. To prevent the formation of white smokes, Yunlin Plant heats up the steam that passes through the washing tower to above dew point.

The usage of the Company's main energy resources is illustrated in Table 3-9. With the COVID-19 pandemic slowing down, the volume of pandemic prevention waste handled by the Yunlin Plant decreased in 2023. As a result, oil, electricity, and water consumption also decreased compared to 2022.

Table 3-9. Statistics on Sunny Friend's Use of Energy Resources from 2021 to 2023.

Energy/unit Plant(s)/ Year		Yunlin Plant			Zhangbin Plant		
		2021	2022	2023	2021	2022	2023
Volume of buried waste	(L)	374,545	479,120	406,560	259,261	289,335	248,824
Electricity consumption	(1000 l)	8,143,000	8,325,000	7,314,320	15,295,200	15,854,400	15,365,600
Electricity consumption per ton	(kWh/ton)	456.65	438.80	447.47	375.38	382.98	397.66
Water consumption	(kWh)	119,307	128,030	116,212	168,723	170,058	169,777
Volume of incinerator waste	(t)	17,823	18,972	16,346	40,746	41,398	38,640
Volume of solidified waste	(t)	-	-	-	14,509	16,379	15,435
Volume of materialized waste	(t)	-	-	-	6,396	7,248	6,999
Volume of buried waste	(t)	-	-	-	0	57,979	26,812

Statistical Methods: The consumption of heavy oil, diesel, externally purchased electricity and tap water are based on the usage of entire plant.

Note:1. As both Yunlin Plant and Zhangbin Plant use tap water for their prevention and control facilities, there is no problems like land subsidence or environmental impacts.

2. As the pandemic slowed down, the volume of COVID-19 waste handled by the Yunlin Plant decreased in 2023, leading to a reduction in oil, electricity, and water consumption compared to 2022.

3. Electricity consumption per ton = (Electricity consumption (kWh))/(Annual volume of incineration (ton))

Energy Saving and Carbon Reduction Project

(1) Yunlin Plant Reducing CO₂ Emissions Using Recovered Heat Energy

As white smoke can result in bad perception of people living round Yunlin Plant, Sunny Friend therefore increases the emission temperature using fuel oil before the release thereof. Nevertheless, not only have the fuel expenses increased the operating costs, but also fuel combustion can severely impact the environment as it is not eco-friendly and does not help to save energy. Therefore, to reduce GHG emission, Yunlin Plant therefore plans to launch heat recovery process in Plant 3, hoping that the recovered heat will be used as an alternative energy. This will help to reduce the consumption of fuel energy and CO₂ emission. This equipment improvement was evaluated in the 2014 environmental impact evaluation, and completed for Plant 1 in May 2020. The fuel consumption per ton in 2023 was 18.29 kg/ton for actual operations, which is better than the original design of 26.1 kg/ton. Plant 3 is not included for this comparison, since there is no data before improvement.

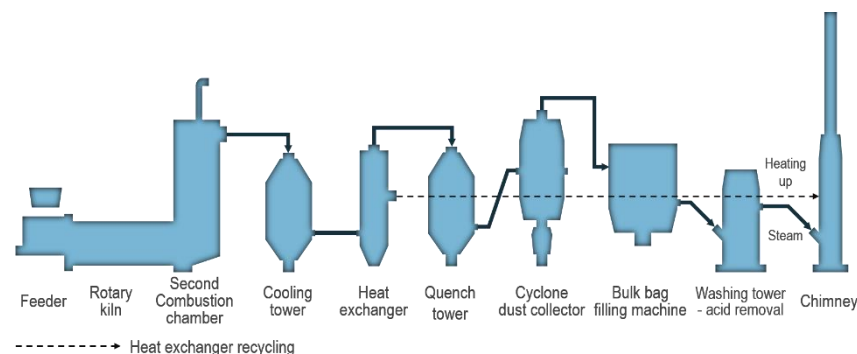


Table 3-10. Assessment of improvements to incineration facilities (Yunlin Plant)

	Waste disposal amount (ton/day)		Fuel consumption (kg/day)		Fuel consumption per waste disposal of unit (kg/ton)	
	Before the improvement	After the improvement	Before the improvement(s)	After the improvement(s)	Before the improvement(s)	After the improvement(s)
Plant 1	48	27.6	2,880	720	60.0	26.1
Plant 3	0	42	0	720	--	17.1

Note : The fuel consumption of Plant 1 before the improvement was 2,880 kg/day, which dropped to 720 kg/day after the improvement.

(2) Clearance and transportation route; and transportation capacity plan

Sunny Friend and professional waste clearance organizations with whom we are cooperating with have adopted not only the GPS monitoring system, but also the most ideal transportation route and optimized transportation capacity plan. The purposes thereof are to reduce the waste transportation distance; to decrease clearance and transportation costs; and to protect our environment.



▲ Professional waste clearance and disposal fleet

(3) Increase the local procurement rate

Local procurement is Sunny Friend's principle of purchasing raw materials. For raw materials with the same specification and quality, they are mostly purchased in nearby regions not only to support local economy, but also to shorten the transportation schedule of raw materials. For Management Department, the first priority upon receipt of a purchase order is raw material suppliers' economic delivery volume. In 2023, Sunny Friend's local procurement rate 61.06%. This not only effectively decreases the energy consumed in the delivery of raw materials, but also prevents waste of resources. Please refer to Section 4.1 Supply Chain Management for detailed information about the local procurement rate.

3.3 Environmental Investment and Expenditure

The Company's annual environmental expenditure is calculated based on air pollution control fee; soil and groundwater pollution remediation fee; water pollution control fee; commission fee derived from the disposal of bottom ash, fly ash and wastewater; and expenses derived from the monitoring and testing of air pollutant, water quality and waste.

Table 3-11. Summary of environmental expenditure

Unit: %

Expenses	Plant(s)/Year	Yunlin Plant			Zhangbin Plant		
		2021	2022	2023	2021	2022	2023
Environmental monitoring and testing fee		11.77 %	7.31 %	8.6 %	7.02 %	5.33 %	5.904 %
Pollution remediation fee		33.05 %	38.28 %	40 %	53.06 %	62.76 %	63.653 %
Waste disposal fee (Bottom ash, fly ash, wastewater)		55.18 %	54.41 %	51.4 %	39.92 %	31.91 %	30.443 %

Note: The unit of environmental protection expenses has been changed from millions to percentages, and the environmental protection expenses for 2022 and 2023 have been updated accordingly.

3.4 Climate Risks

3.4.1 Climate Governance

Regarding the promotion of climate change and sustainability management strategies, the Company's Board of Directors is tasked with overseeing climate-related issues within its governance and supervisory role. The directors are expected to exercise their duty of care as a good manager by ensuring the effective implementation of the Company's sustainability initiatives, regularly reviewing their impact, and promoting continuous improvements to uphold sustainable development policies. Focusing on economic, environmental, and social issues arising from its operations, the Board has empowered senior management to manage these aspects and report their progress. This allows the Board to stay informed about the Company's plans and results related to climate issues, thereby achieving effective monitoring and supervision.

The Company's management of climate risks is disclosed in the sustainability report. The 2022 Annual Sustainability Report was approved by the Board of Directors following a resolution on August 11, 2023.

The Company has established a GHG emission inventory team, with the General Manager serving as the team leader and the Environmental Protection Office as the executive unit, to develop the annual GHG inventory plan. This team also acts as the primary contact for all departments in preparing the GHG emission list and inventory report, handling matters related to external verification agencies, and reporting the progress of GHG inventory follow-up to the Board on a quarterly basis for effective control and management.

3.4.2 Climate Risks

With high attention to climate change issues, Sunny Friend has, with respect to impacts arising from climate changes, referred to the Task Force on Climate-Related Financial Disclosures (TCFD) issued by the Financial Stability Board (FSB) to conduct risk analysis and develop corresponding response measures. The Company also continues to plan an even more energy-saving and eco-friendly waste disposal processes to increase our market competitiveness.

Risk	Risk category	Potential operating risks (descriptions of risk impact)	Impact timeline	Financial impact path	Response measures
Transition risks	Policy (regulatory) risks	To align with global trends and address sustainable development needs, the government introduces international carbon pricing practices and implements a carbon fee, aiming to adapt to the impacts of climate change, enhance adaptation measures, and mitigate its effects.	Short-term	The carbon fee will increase operating expenses.	Continue to monitor changes in domestic and international regulations, progressively establish carbon emissions-related data and lists, and complete the GHG inventory and third-party assurance within the prescribed deadlines.
	Technical risks	Gradually adopt eco-friendly technologies and either introduce or develop renewable energy during the production process. This may lead to an increase in operating costs.	Short- and mid-term	Increase in operating costs.	1. Develop renewable energy sources, such as by installing solar panels on the roofs of company-owned landfills, to increase the use of green energy and reduce carbon emissions and pollution. 2. Invest in the research and development of eco-friendly technologies to mitigate potential corporate risks.
	Market risks	Climate change has altered the supply-demand structure and affected product and service mechanisms. Customers may increasingly demand waste processing procedures and services that produce even lower carbon emissions.	Mid-term	An increase in customer demand can lead to greater instability and reduced revenue.	Plan and develop diverse disposal and handling methods (e.g., low-carbon technologies) based on environmental protection regulations and waste disposal challenges to enhance customers' willingness to outsource.
	Reputation risks	Poor ESG implementation effectiveness can negatively impact the Company's reputation, leading to a loss of customers and reduced business performance. Failure to proactively address climate change issues, which are of significant concern to stakeholders (e.g., shareholders, customers, and suppliers), can damage the Company's image and reputation.	Short-, mid- and long-term	Decrease in reputation, resulting in a decrease in revenue.	Continue to promote ESG topics and do our best to fulfill the Company's Environment Social Governance or proactively promote collaboration with ESG suppliers. Set up communication channels for topics that stakeholders pay significant attention to or related demands. This aims to turn suppliers into allies that support our Company's sustainable development.
Physical risks	Immediate risks	Climate change may lead to increased electricity usage, and peak electricity demand during the summer could cause power outages due to electricity shortages, resulting in interruptions to operations.	Short-, mid- and long-term	Interrupted operations, resulting in a decrease in revenue.	Improve plant equipment, facility structure, and specifications. In addition to regular monitoring, the Company also strengthens monitoring following disasters (e.g., earthquakes) to effectively manage changes to hardware and facilities. Whenever it is necessary, implement reinforcement measures.
	Long-term risks	Long-term changes to the climate model can include factors, such as an increase in average temperature, changes in rainfall patterns for specific areas, rising sea levels, and response measures for incidents like earthquakes, fires, or chemical leaks.	Long-term	Increase on the power usage, resulting in a decrease in revenue.	Establish an emergency response plan and conduct regular drills to enhance emergency responders' capabilities, while mitigating the impact of sudden or unpredictable natural disasters that threaten our operational status.

Note: The impact timeline is defined as follows: short-term is within 3 years; mid-term is 3 to 10 years; and long-term is more than 10 years.

Opportunity	Name of the opportunity	Impact timeline	Scope of impact	Financial impact path	Response measures
Opportunity	Energy efficiency	Reutilization of the bottom ash from incineration	Mid- and long-term	The reutilization of bottom ash from incineration can extend the lifespan of the landfill.	Signed a letter of intent (LOI) with Ruentex Material Co., Ltd., a subsidiary of the Group specializing in cement production, to establish an R&D team. The team explores the feasibility of converting incineration bottom ash into a viable substitute for cement production. The short-term plan includes obtaining a permit from the Industrial Development Bureau for the reutilization of bottom ash following trial results. The long-term goal is to channel all bottom ash produced from the Zhangbin Plant's incineration process into recycling and reutilization."
		Reduce the use of water resources		Reduce the water usage to reduce operating cost.	Install a rainwater collection system on the steel-structured roof above the landfill. Store the collected rainwater at the plant and use it for cooling and street cleaning.

3. 4. 3 Climate-Related Indicators and Targets

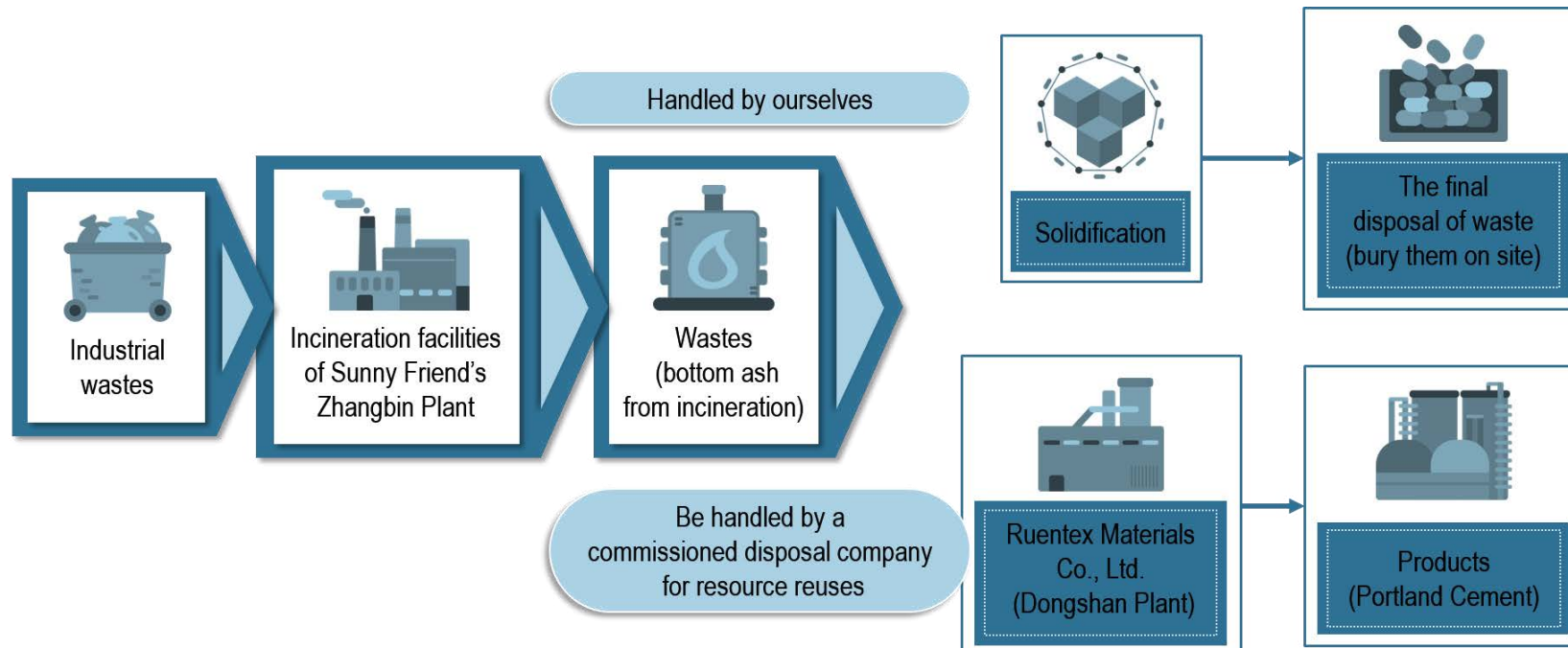
Sunny Friend has referenced climate-related guidelines and adopted the "Task Force on Climate-related Financial Disclosures (TCFD)" framework to assess the risks and opportunities that climate change presents to the company. The implementation status is regularly reported to the Board of Directors to effectively manage climate-related indicators and targets.

The Company conducts annual greenhouse gas (GHG) inventory operations in compliance with ISO 14064-1:2018 and has included our subsidiaries and companies in Mainland China in the inventory. We also ensure that all GHG inventories and certifications for entities within the consolidated financial statements are completed within the required regulatory deadlines.

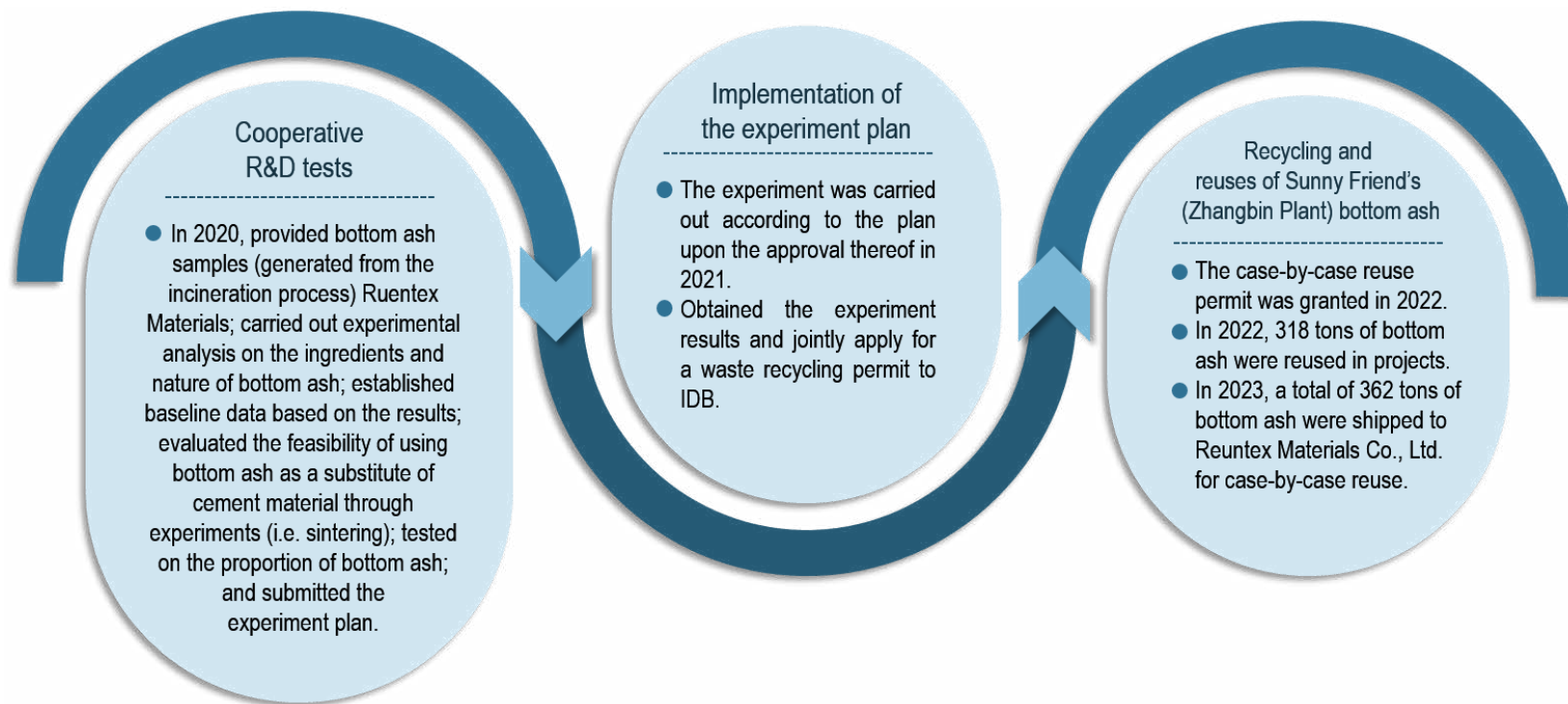
Considering environmental regulations, customer requirements, stakeholders' expectations, and external initiatives, Sunny Friend reviews various climate-related indicators and assesses the achievement of targets on an annual basis.

3.5 Circular Economy and Technological Innovation

Although the industrial wastes received by Zhangbin Plant has been processed by incineration facilities and be downsized, it is unavoidable to have wastes generated from the incineration process. Such wastes are currently solidified and then buried on landfill sites. Nevertheless, due to limited land resources (i.e., limited space of the landfill site and difficulty of obtaining a land for building landfill site) and our aspiration not to bring wastes from a cradle to the grave, Sunny Friend has proactively searching for a solution to recycle wastes and reuse them in the market. If the wastes are handled by a commissioned waste disposal organization, we can omit the waste solidification process before burying them on site. This will help us not only to reduce solidification related costs (i.e., materials and other costs), but also to effectively extend the service use landfill sites and facilitate sustainable operations and development. Moreover, as it is quite common to turn livelihood and industrial wastes into a substitute of cement material and Sunny Friend is an affiliate of Ruentex Group, we can well integrate the Group's resources, such as signing a MOU or agreement with Ruentex Materials Co., Ltd. (a company specialized in the production of cement under the Ruentex Group) or forming a R&D team therewith to evaluate the feasibility of transforming bottom ash into a substitute of cement material. The short-term goal is to launch a trial run and apply for Industrial Development Bureau's approval, whereas the long-term goal is to transform bottom ash from Zhangbin Plant into the production of cement for resource recycling and reuse.

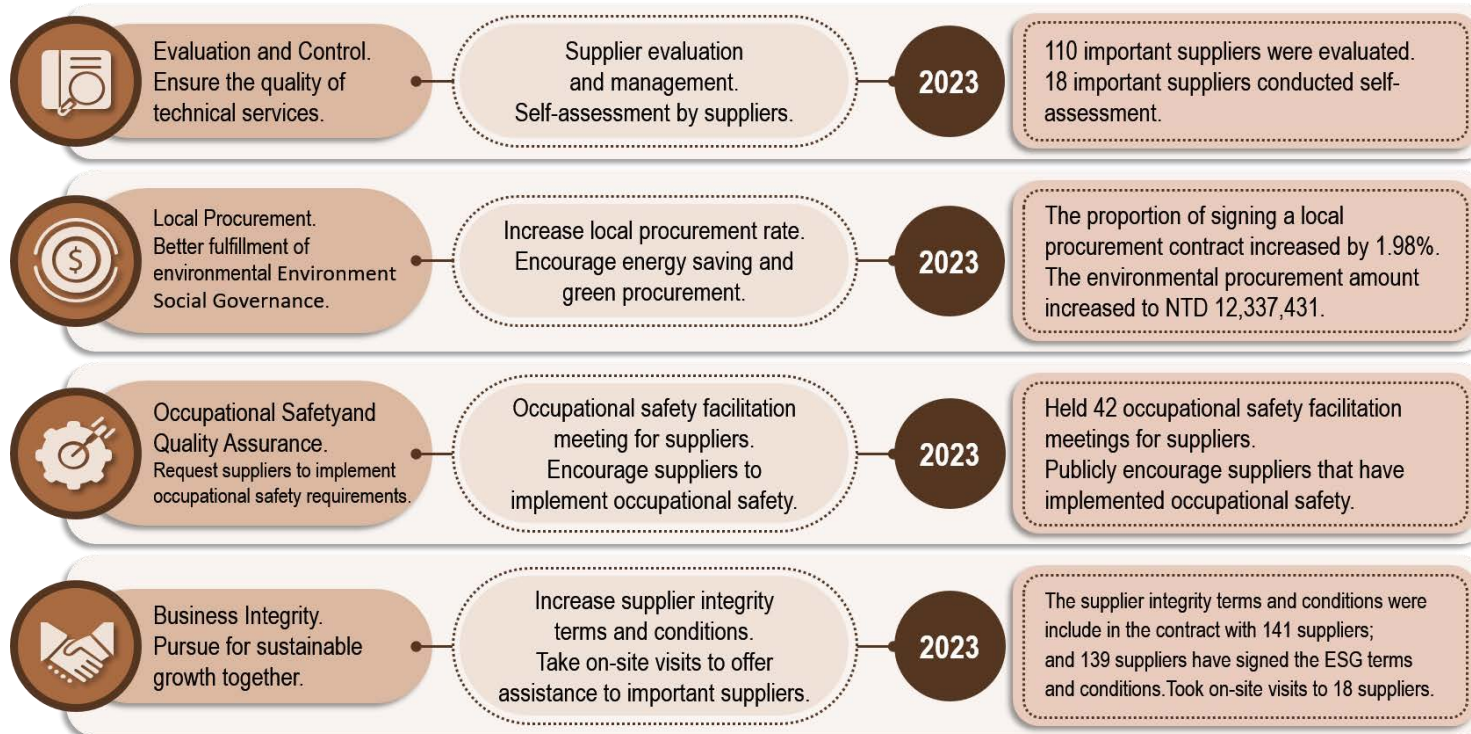


After the initiation of the cooperative R&D project in 2020, Sunny Friend's Zhangbin Plant provided various bottom ash samples to Ruentex Materials' Songshan Plant in Yilan in order to analyze the ingredients and nature of bottom ash. Then the team has established the baseline data; launched the preliminary experiment; finalized testing methods; and submitted the experiment plan. Upon approval of the experiment plan in 2021, the team launched a three-month experiment. With the experiment results secured, the application for case-by-case reuse permit was submitted to Industrial Development Bureau and the permit was granted in 2022. 318 tons of bottom ash were subject to case-by-case reuse at Zhangbin Plant in 2022. In 2023, 362 tons of bottom ash were reused in projects.



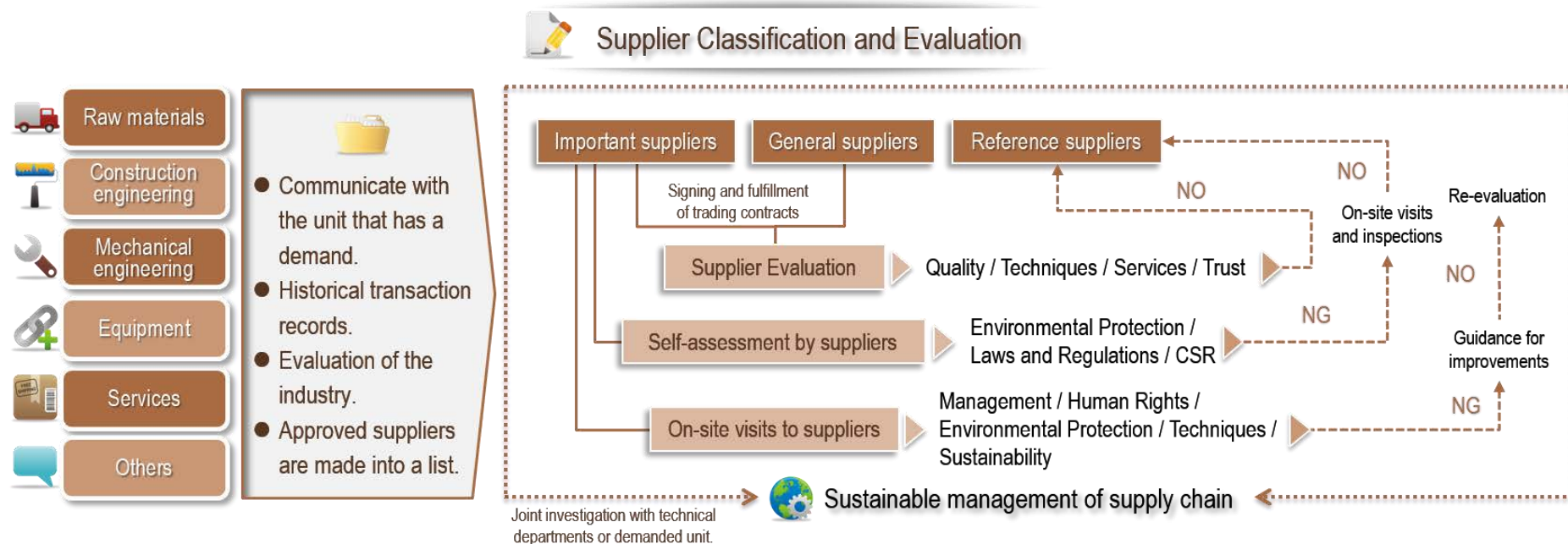
4 Partnerships

At Sunny Friend, all of the procurement of raw materials, construction works, engineering works, equipment, services and other items are provided by the suppliers. Every month, Sunny Friend conducts at least two interdepartmental production and sales meetings to review supplier services and the quality of supplied goods. Sunny Friend also conducts on-site visits, evaluations, and random inspections of suppliers to ensure compliance with our “Supplier Code of Conduct” and uses the results as a basis for supplier evaluation. As a professional waste disposal company in the country, Sunny Friend is missioned to assist enterprises and government agencies in handling wastes properly. We have been proactively looking for excellent suppliers not only to provide us with excellent products and services, but also to have a sustainable growth with us.



4.1 Supply Chain Management

The contract composition of the supply chain of the company can be divided into sales and purchase contracts, engineering contracts, lease contracts, and other types of contracts. In 2023, during the supplier's performance of the contract, the purchase and sale contracts such as raw materials, oil products, chemicals, and cement products required for the operation will total 87 pieces. The engineering contracts are construction projects, mechanical engineering, etc., totaling 29 pieces. Lease contracts such as land and houses are a total of 19 leases. The other types are contracts other than sales, engineering, and leases; such as labor services, environmental testing, waste disposal services, technical consultant appointments, industry-university cooperation, etc., a total of 55 contracts. As of 2022, Sunny Friend has 547 suppliers that are related to the operations thereof. Moreover, since 2015, SUNNY FRIEND has added integrity management clauses to its supplier contracts. Not only does SUNNY FRIEND actively fulfill its corporate sustainability responsibilities, but also it has requested suppliers to meet ESG metrics. Therefore, in recent years, for important suppliers, it has been promoted to add Environment Social Governance clauses in the contract from 2019. Because SUNNY FRIEND believes that only the joint input of suppliers can truly implement corporate responsibility with supply chain partners.




Evaluation and Control – Ensure the quality of technical services

Responsible for supply chain management, our Management Department manages over 1,000 suppliers listed in Sunny Friend's tabulation. All units with a purchase requisition can feed suppliers related matters back thereto during the entire process (ex. project communication, price inquiry/comparison/negotiation, signing a contract and implementation works). The purchase requisition and procurement units shall also frequently communicate with the suppliers to avoid mistakes and enhance the quality of supplied goods. We request not only our suppliers to abide by our supplier management policy, but also labor service or engineering contractors to comply with labor related regulations, such as "Labor Standards Act, "Occupational Safety and Health Act", to protect the rights and benefits of subcontractors' labors. We plan to screen and select new suppliers through environmental and social standards starting from 2024 and all suppliers are required to re-sign the "Supplier Code of Conduct". Apart from selecting our suppliers based on their credit records, we also conduct an evaluation on important suppliers each quarter. According to the engineering progress and our demand, we conduct on-site investigations, communicate with suppliers, arrange trainings, hold suppliers meeting and so on. We hope that, based on communication and cooperation, we will implement sustainability requirements through supplier management and lead them to pay close attention to ESG in various aspects, including the environment, labor, human rights, society and product liability impacts. It is our aspiration that we will be able to enhance our ESG together with our suppliers and promote sustainable development of the industry.

For our important suppliers, we request them to abide by and comply with the following rules:

Value sustainable operations and internal management	Respect human rights and value safety and health	Comply with environmental regulations and fulfill corporate sustainability responsibilities	Continuously enhance technology and product quality
The supplier shall be legally established; value business integrity; clarify if it has been positively/negatively reported or has any public information that can result in an indirect impact; and make continuous improvements to its operating procedures for business sustainability.	Suppliers' labor conditions shall comply with Labor Standard Act. The supplier shall establish a safe and healthy workplace; value training and growth of employee; protect employees' basic human and labor rights; and avoid child and illegal labor.	The supplier shall abide by environmental regulations and norms; shall legally dispose waste generated from the operations; reduce waste and increase the resource recycling and reuse rate; respond to green procurement; adopt products with eco-label or energy-saving label at priority; care about local communities; and fulfill CSR.	The quality of products, techniques and services provided by the supplier during the contract fulfillment period shall comply with Sunny Friend's demand. That is, the quality and price thereof shall be stable and reasonable; packing materials shall be simplified; and hazardous production processes shall be reduced.

It is our plan to gradually implement suppliers' ESG in stages. With respect to our external supply chain, we do not emphasize on suppliers' economic performance (i.e. the product quality, price and delivery), but also expect that our suppliers will be able to develop even more eco-friendly production processes and products (environmental aspect); and will pay close attention to human rights, labor's benefits and workplace safety (social aspects). To optimize our performance in CSR, we have been promoting the idea of "increasing ESG terms and conditions in important contracts" among important suppliers and communicating with them. In 2018, we have eventually included relevant terms and conditions in important contracts in 2019. The ESG terms and conditions are as follows:

- 
- The CSR terms and conditions (Party A is Sunny Friend; and Party B is the supplier):**
1. Party A and Party B shall comply with both parties' ESG policy.
 2. Where Party B violates any of both parties' ESG policy and results in obvious impacts to the environment and community of the source of supply, Party A may suspend its fulfillment of this Contract and requests Party B to take a corrective action within a prescribed period. Where Party B fails to do so, Party A may cancel/terminate this Contract without informing Party B. If the said violation results in any damage or loss to Party A, Party B shall be liable for compensation.

Due to the COVID-19 epidemic around the world in 2020 and 2021, overseas suppliers that have been cooperating for several years cannot provide immediate technical services. Therefore, the localization of the supply chain will be promoted in the second half of 2020. In addition to overseas high-quality suppliers that can be cooperated with, we continue to promote local supply chain policy domestically; actively conduct visits and technical discussions, in order to provide relevant technical services in a more efficient and diversified manner, so as to achieve the benefit of the supply chain localization.

Supplier Evaluation

To effectively manage suppliers, Sunny Friend recognizes suppliers that have a contractual amount of over NTD10 million as important suppliers since 2015. Important suppliers shall cooperate to implement evaluation and inspections. The Management Department will record purchases amounted over NTD10,000 in "Supplier Credit Record" and, together with the purchase requisition unit, evaluate suppliers on a quarterly basis. Suppliers that score lower than 70 in each quarter will be requested to make improvements accordingly; and the suppliers' level of cooperation will be taken into consideration when signing a contract in the future. In 2023, all of our suppliers' scores are above 70. And in 2024, it is planned to include environmental and social standards in Supplier Code of Conduct and request suppliers to sign the document.

The handling of violations during the contract fulfillment period:

Level of impact \ Matters of violation	Quality related matters	Occupational safety related matters	Environmental protection related matters	Business integrity related matters	ESG related matters (starting from 2019)
Minor violation, where improvements can be made	Request the supplier to take a corrective action	Request the supplier to take a corrective action	Make an improvement and propose preventive measures	Make an improvement and propose preventive measures	Make an improvement and propose preventive measures
Violation of a part of the contract, where our rights and interests are not affected	Improvement and preventive measures	Improvement and preventive measures	Make an improvement and propose preventive measures	Make an improvement and propose preventive measures	Make an improvement and propose preventive measures
Violation that seriously affect our rights and benefits; or no improvement can be made to the violation	Terminate the contract and request for compensation	Terminate the contract	Terminate the contract	Terminate the contract and refuse to cooperate in the future	Terminate the contract and refuse to cooperate in the future

日友環保科技股份有限公司
採購及付款循環
供應商評鑑表

廠商名稱: _____ 年度: _____

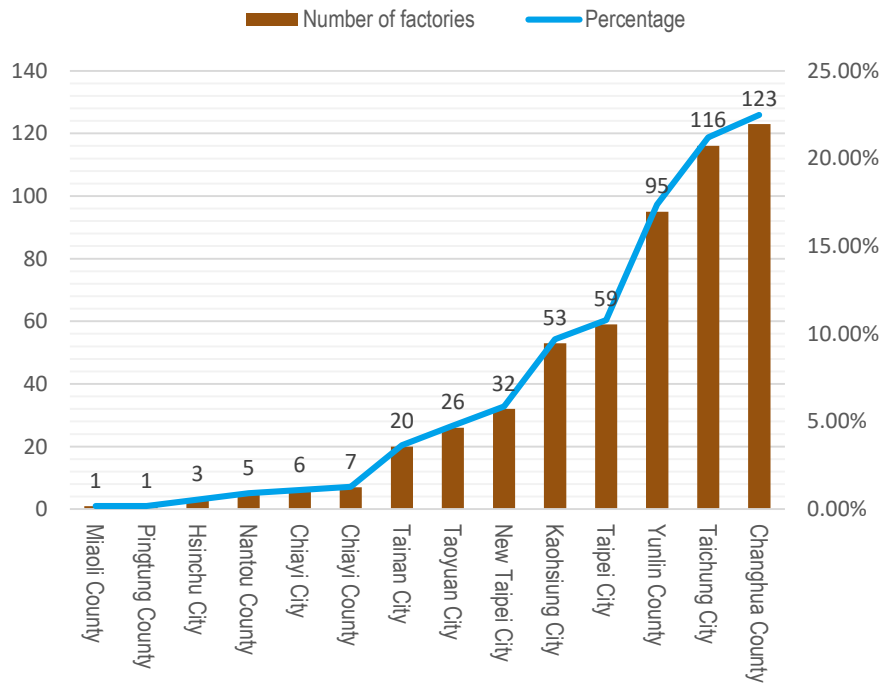
項目	品質	技術	服務	其他	屬性:	得分	評鑑人員	說明	
評鑑考 核內容	◆信用記錄/ 業界評價 ◆產品材料 品質 ◆施工品質 或廠商誠 信	◆服務與技 術支援方 面 ◆專業技術 能力 ◆專業單位 評價	◆提供之售 後服務 ◆整體服務 態度 ◆是否選擇 其他細則 協定(如 保密)	◆專案配合/ 履约能力 ◆交貨或工 程期限 ◆產品正確 度 ◆誠信經營	<input type="checkbox"/> 長期供應商 <input type="checkbox"/> 短期(一次性)廠商 <input type="checkbox"/> 合約期限: <input type="checkbox"/> 誠信經營 <input type="checkbox"/> 企業社會責任	主要採購項目: 主要使用單位:			
分數	25分	25分	25分	25分					
第一季(1-3月) 使用單位 採購單位									
第二季(4-6月) 使用單位 採購單位									
第三季(7-9月) 使用單位 採購單位									
第四季(10-12月) 使用單位 採購單位									
第一季平均分數	第二季平均分數		第三季平均分數		第四季平均分數		年度平均		
一、本表可由使用單位及採購單位指定適當人員進行評鑑。 二、合約均應載明供應商有不符合誠信經營情事，本公司得列為不合格廠商，並拒絕交易往來。 三、每季總分100分，單季低於70分時，採購單位可就缺失項目要求廠商改善，並將履約改善情形。 四、本評鑑表可列為履約之參考文件。									
管理部					使用單位主管				

Sunny Friend is an indicative environmental protection company in the country. Where any violation of environmental matters during the fulfillment of important contracts, it is a must to evaluate whether our rights and interests have been affected at priority. Where the said violation is significant, it is a must to terminate the contract. In 2023, Sunny Friend has 18 important suppliers and 95 minor occupational safety incidents, to which improvements can be made, occurred during their fulfillment of contract. Upon occurrence of the accident, we already requested the suppliers to take a corrective action and enhance patrol works to prevent the accident from happening again. As for other suppliers, there was no violation of aforesaid matter.

Local Procurement – Better fulfillment of environmental Environment Social Governance

The Company has been proactively promoting the procurement policy of “regional suppliers” to avoid long-distance energy-consuming transport, except for special suppliers, low-cost suppliers or purchases of special objects. As our Yunlin Plant is located in Yunlin County and Zhangbin Plant is located in Changhua, we have, by taking the distribution of 2023 suppliers as an example, 61.06% of local suppliers that are located in counties and cities (including Yunlin County, Changhua County and Taichung City) nearby Yunlin Plant and Zhang Plant. This type of partnership enables us not only to give backs to local communities and well-use local resources, but also to increase our interactions with local suppliers. The distribution of our suppliers in 2023 is as follows:

Table 4-1. A procurement overview of 2020-2022



▲ Distribution Map of Sunny Friend's Suppliers

	2021	2022	2023	Total	Notes
Change to recyclable materials	8, 580, 000	12, 250, 698	0	20, 830, 698	Procurement of dumpsters
ECO and energy-saving related labels	17, 052, 269	14, 653, 386	12, 217, 731	43, 923, 386	Primarily equipment, raw materials, air-conditioners, computers and so on
Eco-friendly ink-printing	115, 700	115, 700	119, 700	351, 100	Northern Lapwing Literary Magazine
Total	25, 747, 969	27, 019, 784	12, 337, 431	65, 105, 184	-

Apart from promoting local procurement, the Company also upholds the philosophy of “being a new environment creator” to minimize environmental impacts and proactively follow the government’s eco-friendly policy. For example, during the outsourcing and procurement process, we always take recyclable and reusable materials, green building materials and products with the eco/energy-saving label into the first priority. In 2023 the amount of environmental protection-related purchases is NT\$ 12,337,431 where the procured items are as illustrated in above table.

Occupational Safety and Quality Assurance – Request suppliers to implement occupational safety requirements

All of Sunny Friend's domestic and overseas suppliers are legal companies and are therefore bounded by environmental protection, fire-fighting and labor safety laws and regulations. Besides, our suppliers shall, during their operations at Sunny Friend, carry out safety related trainings and conduct irregular construction inspection works to ensure operational safety. In addition, in order to ensure the safety of contractors entering the factory, Yunlin factory and Changbin factory underwrite third-party public accident insurance to avoid risks caused by negligence in operations.

Table 4-2. List of fines for the violation of occupational safety and health regulations

Violation items	Penalty unit	Penalty amount
Subcontractors' personnel violate the rules that must be complied with when entering the plant.	Each person	NTD500
Where there is a hazard or fall risk at the construction site, the subcontractor fails to make preventive measures and remains so upon receipt of notification for improvement.	Each time	NTD1,000
Any compensations, penalty or damage of image derived from the subcontractor during the construction period.	Each time	Depends on the loss amount
Subcontractors who violate Sunny Friend's occupational safety and health rules for more than 3 times will be prohibited to undertake the Company's construction works.	More than three times of violation	Will be banned to undertake any of the Company's projects

Note: The violation penalty shall be paid by the subcontractor.



▲ Regular inspections are performed to ensure that suppliers maintain a strong focus on on-site operational safety.

Business Integrity – Pursue for sustainable growth together

Management Department requests suppliers with a contractual amount of over NTD10 million (non-trading amount) to fill in “ESG Self-Assessment for Suppliers” at the end of each year. The contents of the self-assessment includes: suppliers’ level of environmental friendliness; compliance with environmental protection policy, making sure that there is no major negative impact to the environment and no violation of environmental regulations; the priority of adopting green products, including those with an eco label, energy-saving label and water-saving labels; no discrimination against workers’ gender, race, age, marital status and family conditions, where employees’ compensation, employment conditions, trainings and promotion opportunity are determined on the same basis; compliance with occupational safety and health regulations to offer employees a safe and health workplace; protection of employees legal rights and interests; and so on.

The self-assessment shall be completed and returned to Sunny Friend at the end of each year for a statistical analysis. In 2023, 18 If-assessment forms were returned to the Company and no abnormality was found. In view of the accuracy of self-assessment, the Company also carries out on-site visits and inspections to important suppliers.



▲ To ensure the suppliers’ performance, the Company accompanies relevant units to the site for a joint inspection.

供應商企業社會責任自評表

本公司_____為日友環保科技股份有限公司之供應商。對環境保護、安全、衛生、人權與勞動實務自評如下：

項次	自評項目	是 (打✓)	否 (打✓)
一	本公司響應環境保護，進行環保節能管理措施，有效落實環境永續發展。		
二	本公司在公司營運作業與提供的產品及服務，均有特別注意不對環境產生重大負面影響或違反環保法規等情事，各項營運均應符合環保政策。		
三	本公司響應綠色採購，優先採用具有環保標章、能源標章、省水標章認證等環保產品。		
四	本公司雇用政策無性別、種族、年齡、婚姻與家庭狀況等差別待遇，落實報酬、雇用條件、訓練與升遷機會之平等。		
五	本公司提供員工相關安全與衛生的教育訓練，防止意外或事故的發生。		
六	本公司保障員工基本勞動人權，禁止聘雇 16 歲以下童工，屏除各種形式之強迫勞動，並無危害勞工基本權利之情事。		
七	本公司皆遵守職業安全衛生相關法規，致力於提供員工安全與健康之工作環境並保障員工合法之權益。		
八	其他之企業社會責任說明		

供應商基本資料	
填表人：	主要營業項目：
部門職稱：	供應日友公司之產品或服務：
聯絡電話：	2017 年供應總金額：
聯絡地址：	
填表日期：	

The purchase requisition unit shall, depending on actual needs, accompany the procurement unit to conduct on-site inspections irregularly and fill in "Supplier Site Visit Report". The said inspections aim to check suppliers' regulatory compliance from the aspects of managements, such as Company Act, Labor Standard Act and Waste Disposal Act; to evaluate suppliers' employee trainings, safety operating procedures and business integrity, ensuring that all business activities are conducted in a fair and transparent manner; and to evaluate the quality of suppliers products, techniques and services, such as the quality policy for documentation, quality audit process and evaluation on the reduction of hazardous production process. During on-site visits, it is also important to evaluate suppliers' business sustainability and partnership therewith. For example, suppliers' business sustainability; if the supplier undertakes any product, technique or service from a well-known enterprise; and if the supplier has been positively or negatively reported or has any public information. In 2023 Sunny Friend inspected 18 suppliers according to the project progress and none of.



▲ On-site visits to and communication with suppliers according to the project progress

日友環保科技股份有限公司 供應商訪廠紀錄表

廠商名稱： ☐初次訪視評核 ☐年度訪視評核

區域： ☐元長廠 ☐彰濱廠 主要採購項目：

日期	合約資料	供應商受訪人	日友訪視人員	
年 月 日	合約編號： 合約區間： 合約金額：			
項目	內容	說明	評分	
經營與內部管理 (20分)	1.是否為政府合法立案？(公司登記文件)			
	2.是否建立作業流程的標準化？			
	3.重視誠信經營，有無偽造問題？			
	4.資訊公開，有無不正當收益？			
	5.持續改善作業流程，增購新式設備？			
人權與安全衛生 (20分)	6.勞動條件各方面是否符合勞動基準法規範？是否有勞安罰單？			
	7.落實安全衛生的作業環境？			
	8.是否重視員工培訓與成長。(專業證照、教育訓練)			
	9.保障員工基本勞動人權，是否雇用童工或非法勞工？			
	10.是否有歧視，差別待遇或各種形式之強迫勞動？			
環保與社會責任 (20分)	11.應遵守環保法規及規範，是否有環保罰單？			
	12.作業中產生之廢棄物處理程序是否符合規定？			
	13.廢棄物減量並採資源回收再利用的比例？			
	14.響應綠色採購，是否優先採用環保標章、節能標章等環保產品？			
	15.是否關懷地方，盡企業社會責任？			
技術與產品品質 (20分)	16.是否有建立相關的品質政策？(適當標註管理或認證)			
	17.是否有建立內部品質稽核流程？(先進先出、品質控管)			
	18.履行契約期間之品質、技術、服務是否符合公司需求？			
	19.產品、技術、服務之品質、價格穩定合理？			
	20.訪廠期間是否關注包裝材料，減少有害製程？			
永續經營及夥伴關係 (20分)	21.業務穩定性，是否提供穩定的供貨量？			
	22.近五年是否承接知名企業之產品、技術或服務？例如：			
	23.與日友是否建立良好之溝通平台並維持夥伴關係？			
	24.供應商評鑑表及供應商企業社會責任自評表是否真實？			
	25.其他(正面與報導或公開資訊)：			
等級	<input type="checkbox"/> 優良 90分(含)以上	<input type="checkbox"/> 良好 80分(含)以上	<input type="checkbox"/> 不合格 未滿70分	總分
建議事項：				

Supplier Management Effectiveness and Penalties

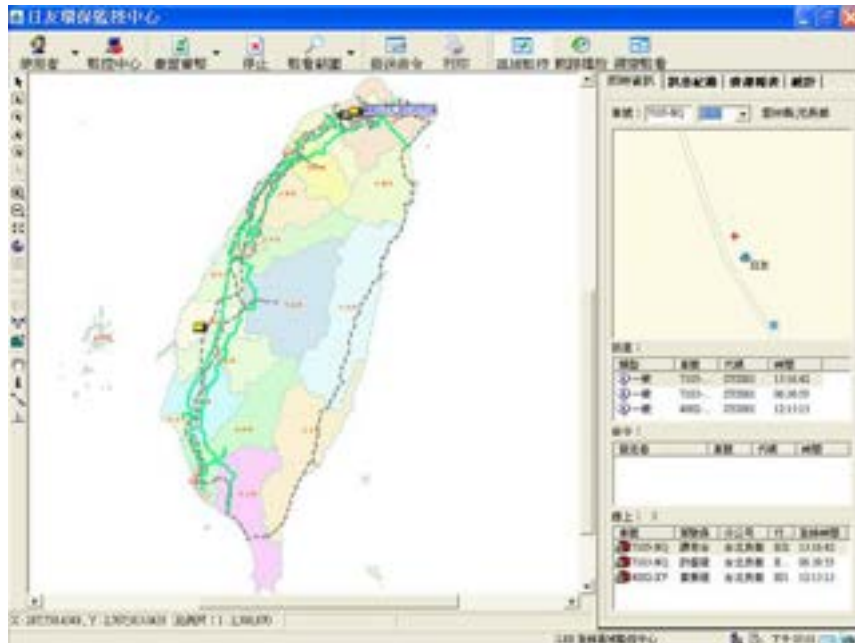
To establish a long-term partnership with suppliers, Sunny Friend is devoted to guide suppliers for a long-term partnership in order to establish a stable and sustainable supply chain and to reduce operating risks. Not only shall all of our suppliers comply with Sunny Friend's "Supplier Management Policy" and "Business Integrity Rules", but also we have stipulated "Subcontractor Evaluation and Control Procedures", hoping that our subcontractors will facilitate the growth of supply chain.

	Supplier evaluation	ESG self-assessment	On-site visits to suppliers	Communication with and trainings of the suppliers	Suppliers Meeting
Content	Management Department accompanies the purchase requisition unit to evaluate suppliers on a quarterly basis; suppliers with a score lower than 70 in the quarter will be requested to make improvements accordingly.	Management Department requests suppliers with a contractual amount of over NTD10 million (non-trading amount) to fill in "ESG Self-Assessment for Suppliers" at the end of each year; the forms are then collected for statistics	The procurement unit will, according to the contractual amount (non-trading amount), request the use unit or Management Department (or the General Affairs Office in the case of Zhangbin Plant) to visit suppliers and fill in "Supplier Site Visit Report" at the end of each year; the forms are then collected for statistics and listed in ESG report	The Supplier Site Visit Report is used to communicate with the suppliers and conduct trainings with respects to business and internal management; human rights, safety and health; environmental protection and social responsibilities; technology and product quality; and sustainable business and partnership.	Convene a meeting of suppliers or establish a consultative organization for important suppliers based on actual needs to negotiate improvement relevant matters during the subcontracting period; and publicly praise quality suppliers.
Penalties and punishments	Penalties and punishments. Suppliers that violate quality or occupational safety relevant rules during the course of performance will be imposed with penalties in accordance with "Standard Penalty Chart for Occupational Safety and Health Violation of Subcontractors". Where the said suppliers fail to make a correction will be marked in supplier evaluation form.	Such as a poor performance in ESG self-assessment. If it is the case, Sunny Friend will discuss the matter with the supplier for making an improvement accordingly.	Environmental protection is the first priority for inspections at supplier site. Where the supplier violates environmental protection during the course of performance, it is a must to firstly evaluate whether our rights and benefits will be affected. If the situation is deemed serious, the contract may be terminated.	Occupational safety trainings for suppliers who enter the site for constructions works for the first time, and announcement of relevant operations.	Work coordination and improvement meetings for construction suppliers during the construction period.

In 2023 the new "supplier integrity terms and conditions" were added to all contracts (93total); and the 18important suppliers have filled in and returned the "ESG Self-Assessment Form for Suppliers". We have included the questionnaire statistical results in the criteria of evaluating procurement suppliers. Apart from suppliers' self-assessment, "on-site visits to suppliers" were also carried in 2017. The statistical results of the said surveys will be analyzed and used to select outstanding suppliers, namely those who share the same or similar ESG philosophy with us. In response to the fourth phase of the burial site and the newly built warehouse of the SUNNY FRIEND Changbin factory. In 2023 the use unit and procurement unit cooperated to inspect 18suppliers according to the outsourcing schedule; and none of the suppliers violate regulations.

4.2 Waste Disposal Management

Sunny Friend is a Class A waste disposal company and we cooperate with tens of disposal companies. We have hundreds of disposal vehicles that travel back and forth between disposal plants. Our transportation network covers northern, central and southern Taiwan and all of our waste disposal partners possess Class A waste disposal certificate. Our scopes of services include both general industrial wastes and hazardous industrial wastes. Not only cooperate our disposal partners to adjust the clearance and transportation frequency institution-to-institution, but also all of the disposal vehicles are equipped with professional clearance machineries and tools; and equipped with global GPS device. As this device enables us to rapidly transfer all clearance, transportation and disposal records to the Monitoring Center and customers simultaneously, we are able to monitor the entire waste disposal process and maximize the transparency and safety thereof.



▲ The monitoring system of the disposal vehicle.



▲ All types of professional disposal vehicles.

Annex I : GRI Standards Index

Instructions for use	Sunny Friend followed the GRI guidelines from 1 Jan to 31 Dec 2022.
GRI 1 used	GRI 1 basis 2021
Applicable GRI guidelines	None

General disclosure

GRI Standards	Disclosure	Description	Corresponding chapter	Page	Note
Organization overview and reporting practice	GRI 2-1	Organization information in details	About Sunny Friend	2	
	GRI 2-2	Entities included in the organizational ESG report	Scope of report	A	
	GRI 2-3	Period, frequency and contact person of report	Scope of report	A	
	GRI 2-4	Information restatement	Scope of report	A	
	GRI 2-5	External warranty / assurance	Scope of report	A	
Organizational activities and workers	GRI 2-6	Activities, value chain and other commercial relationships	About Sunny Friend 4 Partnership	2 90	
	GRI 2-7	Employees	2.1 Employee caring	36	
	GRI 2-8	Non-employee workers	2.1 Employee caring	39	
Governance	GRI 2-9	Governance structure and composition	1.1 Governance organization	16	
	GRI 2-10	Nomination and election of top management	1.1 Governance organization	16	
	GRI 2-11	Chair of top management	1.1 Governance organization	17	
	GRI 2-12	The role of top management in supervising impact management	Materiality issue identification and stakeholder engagement 1.1 Governance organization	8 16	
	GRI 2-13	Person in charge of impact management	1.1 Governance organization	18	
	GRI 2-14	The role of top management in ESG report	1.1 Governance organization	16 、 18	
	GRI 2-15	Conflict of interests	1.4 Business Integrity, Anti-corruption and Regulatory Compliance	27	
	GRI 2-16	Communications of key materiality events	1.4 Business Integrity, Anti-corruption and Regulatory Compliance	30	No key materiality event in 2023
	GRI 2-17	Collective intelligence of top management	1.1 Governance organization	18	
	GRI 2-18	Performance evaluation of top management	1.1 Governance organization	17	
	GRI 2-19	Remuneration policy	1.1 Governance organization	17	
	GRI 2-20	Remuneration decision process	1.1 Governance organization	17	
	GRI 2-21	Annual total remuneration percentage	2.1 Employee caring	41	
	GRI 2-22	Statement of sustainable development strategy	Words from Chairman	1	
Strategy, policy and practice			1.1 Governance organization 1.4 Business Integrity, Anti-corruption and Regulatory Compliance 1.5 Human rights policy	21 27 33	
	GRI 2-23	Policy commitment			

GRI Standards	Disclosure	Description	Corresponding chapter	Page	Note
	GRI 2-24	Inclusion of policy commitment	2.2 Occupational health and safety 4.1 Supply chain management	45 90	
	GRI 2-25	Procedure for negative impact remediation	1.4 Business Integrity, Anti-corruption and Regulatory Compliance	30-31	
	GRI 2-26	Mechanism to seek suggestions and propose concerns	1.4 Business Integrity, Anti-corruption and Regulatory Compliance	31	
	GRI 2-27	Regulatory compliance	1.4 Business Integrity, Anti-corruption and Regulatory Compliance	30	
	GRI 2-28	Association membership	1. Company governance	14	
Stakeholder engagement	GRI 2-29	Stakeholder engagement guidelines	Materiality issue identification and stakeholder engagement	8 、 12-13	
	GRI 2-30	Collective agreement	2.1 Employee caring	37	

Materiality issue disclosure

GRI Standards	Disclosure	Description	Corresponding chapter	Page	Note
GRI 3 Materiality issues	GRI 3-1	Process to determine materiality issues	Materiality issue identification and stakeholder engagement	8	
	GRI 3-2	Materiality issue list	Materiality issue identification and stakeholder engagement	11	
	GRI 3-3	Materiality issue management	Appendix 2: Materiality issue management guidelines	103-108	

GRI Standards	Disclosure	Description	Corresponding chapter	Page	Note
Economic aspect					
Business Integrity and anti-corruption	GRI 3-3	Materiality issue management	Appendix 2: Materiality issue management guidelines	103-108	
	GRI 205-2	Communications and training of anti-corruption policy and procedure	1.4 Business Integrity, Anti-corruption and Regulatory Compliance	29	
	GRI 205-3	Identified corruption events and actions taken	1.4 Business Integrity, Anti-corruption and Regulatory Compliance	28	
Economic performance	GRI 3-3	Materiality issue management	Appendix 2: Materiality issue management guidelines	103-108	
	GRI 201-1	Direct economic values generated and distributed by organization	1.2 Business performance	22	
	GRI 201-3	Obligation to define welfare programs and other retirement programs	1.2 Business performance	22	
Environmental aspect					
Wastewater, sewage and wastes	GRI 3-3	Materiality issue management	Appendix 2: Materiality issue management guidelines	104	
	GRI 303-1	Mutual influence of shared water resource	3.1 Environment management	72	
	GRI 303-2	Management of drainage-related impacts	3.1 Environment management	72	
	GRI 303-3	Quantity of water intake	3.1 Environment management	74	
	GRI 306-1	Waste generation and waste-related significant impacts	3.1 Environment management	76	
	GRI 306-2	Management of waste-related significant impacts	3.1 Environment management	76-77	
	GRI 306-3	Waste generation	3.1 Environment management	76	
	GRI 306-4	Waste disposal and relocation	3.1 Environment management	77-78	
	GRI 306-5	Direct waste disposal	3.1 Environment management	77-78	
GHG emission	GRI 3-3	Materiality issue management	Appendix 2: Materiality issue management guidelines	104	
	GRI 305-1	Direct – Scope I – GHG emission	3.2 Energy saving and CO ₂ reduction	80	

GRI Standards	Disclosure	Description	Corresponding chapter	Page	Note
	GRI 305-7	Emission of nitrogen oxides (NOx), sulfur oxides (SOx) and other critical gases	3.2 Energy saving and CO ₂ reduction	71 、 80	
Circular economy and technical innovation	GRI 3-3	Materiality issue management	Appendix 2: Materiality issue management guidelines	108	Self-defined issues
Social Aspect					
Employee welfare and rights	GRI 3-3	Materiality issue management	3.2 Energy saving and CO ₂ reduction	107	
	GRI 401-1	New and resigned employees	Appendix 2: Materiality issue management guidelines	39	
	GRI 401-2	Welfare for all employees	Social Aspect	40	
	GRI 401-3	Parental leaves	Appendix 2: Materiality issue management guidelines	42	
	GRI 404-1	Average number of hours of training provided for every employee every year	2.1 Employee caring	44	
Occupational safety and health	GRI 3-3	Materiality issue management	2.1 Employee caring	99	
	GRI 403-1	Occupational safety and health management system	2.1 Employee caring	45	
	GRI 403-2	Hazard identification, risk assessment and incident investigation	2.1 Employee caring	47-48	
	GRI 403-3	Occupational health service	Appendix 2: Materiality issue management guidelines	45	
	GRI 403-4	Worker participation, counseling and communications related to occupational safety and health	2.2 Occupational health and safety	45	
	GRI 403-5	Worker training related to occupational safety and health	2.2 Occupational health and safety	45	
	GRI 403-6	Worker's health improvement	2.2 Occupational health and safety	50	
	GRI 403-7	Prevention and mitigation of occupational safety and health impacts directly linked to business relationship	2.2 Occupational health and safety	50	
	GRI 403-9	Occupational injuries	2.2 Occupational health and safety	47-48	
Local communities	GRI 3-3	Materiality issue management	2.2 Occupational health and safety	107	
	GRI 413-1	Business activities that have gone through communications with local communities, impact evaluation and development plan	2.2 Occupational health and safety	51	
Regulatory compliance	GRI 3-3	Materiality issue management	2.2 Occupational health and safety	103	
	GRI 2-27	Regulatory compliance	Appendix 2: Materiality issue management guidelines	30	

Other GRI Disclosures

GRI Standards	Disclosure	Description	Corresponding chapter	Page	Note
Supplier sustainability management	GRI 308-1	Selection of new suppliers based on environmental standards	4.1 Supply chain management	91-92	
	GRI 308-2	Negative impacts of supply chain on environment and actions taken	4.1 Supply chain management	92-93	
	GRI 414-1	Selection of new suppliers based on social norms	4.1 Supply chain management	91-92	
	GRI 414-2	Negative impacts of supply chain on environment and actions taken	4.1 Supply chain management	92-93	
Energy	GRI 302-1	Energy consumption within organization	3.2 Energy saving and CO ₂ reduction	80	
	GRI 302-3	Energy intensity	3.2 Energy saving and CO ₂ reduction	80	
	GRI 303-4	Reduction of energy consumption	3.2 Energy saving and CO ₂ reduction	80	

Appendix 2: Materiality issue management guidelines

Materiality issue management

Materiality issues	Importance of the issues	Policy / commitments	Goals and objectives	Responsible unit (in charge thereof)	Resources	Reporting mechanisms	Action plan	Effectiveness evaluation	Corresponding chapter in the Report
Regulatory compliance	As a listed environmental protection company, Sunny Friend not only complies with Company Act and Stock Exchanges' regulations governing listed companies, but also abides by "Waste Disposal Act", "Permit Management Regulations for Public or Private Waste Clearance and Disposal Organizations" and "Regulations Governing Ministry of Economic Affairs' Guidance to Enterprises for Installing Industrial Waste Disposal Facilities". With thorough compliance, the wastes entrusted by the business organization to be disposed of by Sunny Friend will be properly disposed of to avoid pollution, which will cause a potential positive impact on the environment and stakeholders; if not, it will cause potential negative impacts on the environment and related stakeholders. Corrective, remedial and improvement actions will be undertaken in the event of an actual negative impact.	Sunny Friend abides by government regulations and internal rules; and holds us with strict standards	Sunny Friend shall have = 0 case of major violation (with a penalty of NTD60,000 above).	All departments of the Company	The Company's operating rules are published on our website and Market Observation Post System (MOPS) websites for internal and external stakeholders to read and comply with.	Sunny Friend already stipulated "Regulations Governing Reported Cases". If the opponent of the report is the Company's director, chairman of the board, chairman and general manager, manager, employee, and a person with substantial control capabilities, the Audit office shall be in charge of the report. If the opponent of the report is general manager and level 1 managerial officer of the Audit Office, the Personnel Office shall be in charge of the case.	Sunny Friend abides by government laws and regulations, with which all amendments to our internal rules always comply. Besides, when any regulation has been amended or abolished, our departments also make timely adjustments to our internal rules to facilitate our compliance therewith. The importance and necessity of regulatory compliance shall be incorporated in training programs to prevent incompliance.	1. In response to amendments to regulations (for the promotion, consulting, coordination, communication and guidance related thereto). 2. Draw up approaches/solutions in coordination to amendments to regulations; supervise the implementation of the said amendments in practice; and review the implementation thereof. With respect to the failure in related implementation, propose a solution for improvement accordingly. 3. At least once every year, a training of "Management Rules for Prevention of Insider Trading" and "Internal Material Information Handling Procedure", and the body in charge of stock affairs will provide guidance and precautions in this regard for the compliance of new directors and managers as they arrive at their posts. 4. In 2022, the company provided a legal compliance promotion session (including programs of legal compliance, environmental protection management, safety and health management, accounting system and internal control) to the company's employees. A total of 638 persons attended the session with 1,681 man-hours. 5. It is required that the annual report and corporate sustainability report of Sunny Friend must be updated for the implementation of regulatory compliance. The company, therefore, keeps a record for tracking the implementation of regulatory compliance.	From 1. Corporate Governance to 1.4 Business Integrity, Anti-corruption and Regulatory Compliance

Materiality issues	Importance of the issues	Policy / commitments	Goals and objectives	Responsible unit (in charge thereof)	Resources	Reporting mechanisms	Action plan	Effectiveness evaluation	Corresponding chapter in the Report
Effluents and waste	Employees' emergency response capability; and ability of controlling the use of raw materials and energy resources. Therefore, the company provides employee training and practices process control to avoid negative impact on the environment due to waste of energy and resources and increased generation of wastewater, sewage and wastes.	Apart from cooperating with drills held by government agencies at all levels, the Company also holds various disaster response drills internally on a regular basis. The purposes thereof are to enhance employees' emergency response capabilities in order to control accidents and eliminate all risks; and to enhance their ability of controlling the use of raw materials and energy resources in accordance with the Company's relevant operating procedures and operations.	By controlling the use of raw materials, we are able to reduce operating costs; and, when an accident occurs, minimize all damages and shorten the post-disaster restoration period. The average amount of fly ash and bottom slag per metric ton of waste incineration in 2019 and 2020 is the base year, and it is scheduled to reach the target of 1% reduction in fly ash and bottom slag per metric ton of waste incineration in 2023. Based on the average water consumption in 2019 and 2020 (the base years), it is scheduled to reach the goal of reducing water consumption per metric ton of waste incineration by 1% in 2023.	General Affairs Department Environmental Protection Office	Hold emergency response education and training sessions	---	Reduce the improper use of energy and resources, reduce the generation of wastewater, sewage and wastes, reduce the negative impact on the environment, and increase employees' professional and response ability. 1. Enhance employees' expertise and response capabilities. 2. Hold emergency response education and training sessions on a regular basis. 3. Employees participate in Environmental Professionals Training Institute's trainings for expertise related certificate.	1. According to statistics, up to 2023, a total of 81 colleagues from the company's public subsidiaries have obtained the professional personnel licenses held by the Environmental Protection Agency (including air, water, waste, poison, and indoor air quality). 2. Taking the average amount of fly ash and bottom slag per metric ton of waste incineration in 2019 and 2020 as the base year, the target is scheduled to reach 4% reduction in fly ash and bottom slag per metric ton of waste incineration in 2025. 3. Taking the average water consumption in 2019 and 2020 as the base year, it is scheduled to reach the goal of reducing the water consumption per metric ton by 3% in 2025. 4. Determine the intensity of energy and resource usage per unit and the amount of wastewater, sewage and wastes generated, and review emission reduction measures	Chapter 3
Greenhouse Gas Emission	Financial Supervisory Committee requested to prepare "Sustainable Development Roadmap". Therefore, the company carries out the greenhouse gas inventory, and reviews the reduction measures to avoid excessive pressure in subsequent stages, resulting in failure to complete the inventory and verification result registration as scheduled and, therefore, penalties; in addition, this helps business partners avoid defects in their inventory and verification due to failure to obtain greenhouse gas emission results of self-produced wastes.	Completed GHG inventory and verification according to FSC's requirements.	Completed the schedule of promoting project items for full-time/ part-time units; and finalized complete inventory procedures.	Plant General Affairs Department, Environmental Protection Office, and Planning Department	Guidance works are carried out through external consulting organization	Citizens can file a complaint or report a case to the Company via telephone or mailbox.	Develop inventory schedule and carry out the inventory based on GHG inventory guidelines. 1. Set the schedule for carrying out GHG inventory. 2. Launch the external consulting system 3. Complete the verification through internal and external units. 4. Complete GHG inventory and verification.	1. Continue to control GHG inventory and verify the disclosure schedule and related performance. 2. Reduce the carbon emissions per metric ton of waste incineration by 1% in 2023 than in 2021. 3. Determine Sunny Friend's GHG emissions and examine the GHG reduction actions to minimize the negative impacts on Sunny Friend and environment	Chapter 3

Materiality issues	Importance of the issues	Policy / commitments	Goals and objectives	Responsible unit (in charge thereof)	Resources	Reporting mechanisms	Action plan	Effectiveness evaluation	Corresponding chapter in the Report
Business Integrity and Anti-corruption	Sunny Friend values and strengthens its sustainable corporate culture and improves its development, implements corporate governance and establishes a corporate culture of integrity management and sound development. Anti-corruption is part of the prohibition of dishonest behavior. If all directors, managers, and employees have strict compliance, there will be no dishonest behavior or even corruption in Sunny Friend's directors, managers, and employees which will compromise the positive impacts on Sunny Friend's interests and reputation. If any director, manager, or employee of Sunny Friend fails to abide by it, the company's directors, managers, and employees will earnestly abide by it, the dishonest behavior or even corruption in the director, manager or employee will compromise Sunny Friend's interests and reputation and bring negative impacts. If there is an actual negative impact, we will carry out corrections, punishments, and advocacy actions for regulatory compliance and to avoid future occurrences.	Sunny Friend already established "Code of Ethics", "Code of Integrity" and "Procedures for Ethical Management and Guidelines for Conduct" internally.	No report for the violation of Sunny Friend's "Code of Ethics", "Code of Integrity" and "Procedures for Ethical Management and Guidelines for Conduct".	Management Department Public Relations and Legal Department	The Management Department and Public Relations and Legal Department shall carry out "Code of Ethics", "Code of Integrity" and "Procedures for Ethical Management and Guidelines for Conduct" related education and training sessions.	Sunny Friend already stipulated "Regulations Governing Reported Cases". If the opponent of the report is the Company's director, chairman of the board, chairman and general manager, manager, employee, and a person with substantial control capabilities, the Audit office shall be in charge of the report. If the opponent of the report is general manager and level 1 managerial officer of the Audit Office, the Personnel Office shall be in charge of the case.	1. Enhance the propaganda of Sunny Friend's ethics and business integrated related policy; and implement internal audit and control mechanisms. 2. Engagement/communication before the board of directors meeting. 3. Abide by and comply with corporate governance regulations. 4. The importance and necessity of regulatory compliance shall be incorporated in training programs to prevent incompliance.	1. Management Department is responsible for formulating business integrity policy and dishonesty prevention guidelines; supervising the implementation thereof; and reporting the practice thereof to the board of directors on an annual basis. 2. Strictly supervise dishonest behavior to ensure the implementation of business integrity. Besides, the Audit Office shall audit the implementation and compliance of the system on a regular basis. 3. The 2023 business integrity implementation report was presented to the board of directors on 29 Dec 2023. 4. The Company arranged a one-hour integrated program on the themes of "Prevention of Insider Trading" and "Ethical Corporate Management Best Practice Principles" at the Yunlin Plant and Zhangbin Plant on 17 Aug 2023 and 26 Sep 2023, respectively. The program was made available for board directors, managerial officers, and employees. A total of 25 attendees joined the session at the Yunlin Plant, while 26 attended at the Zhangbin Plant. 5. The reports must be submitted to the board of directors every year. It is required that the annual report and corporate sustainability report of Sunny Friend must be updated for the implementation of regulatory compliance. The company, therefore, keeps a record for tracking the implementation of regulatory compliance.	From 1. Corporate Governance to 1.4 Business Integrity, Anti-corruption and Regulatory Compliance
Economic performance	Upholding professional management, Sunny Friend values shareholders and investors opinions, and share with all shareholders our management results. There is a positive impact on shareholders. Operating losses will damage the company's image, reduce	Sunny Friend has been dedicated to our operations of and development in environmental protection, hoping to meet customers' needs for environmental protection and waste disposal. It is also our aspiration that Sunny Friend will become a model among waste disposal	Dividends distributed to our shareholders shall not be lower than 50% of the net profit of the current year.	General Manager's Office Finance Department	Sunny Friend is the only environmental protection company that has vertically integrated the upstream to downstream supply chain in the country. Sunny	Sunny Friend has the spokesperson and deputy spokesperson system, helping to handle shareholders' suggestions and doubts; or	The company's performance grows steadily, enabling shareholders and investors to make stable profits, continue to invest, and work hard to expand their business territory. Declined profitability will slow down investment pace, and makes investors hesitant in	In 2023, the consolidated operating income and after-tax net profit reached TWD 3,256,897,000 and TWD425,232,000 respectively. Compared with the 2022 consolidated operating income of 3,843,429 thousand yuan and the after-tax net profit of 858,811 thousand yuan, the respective growth and decrease were 15.26%	1.2 Business performance

Materiality issues	Importance of the issues	Policy / commitments	Goals and objectives	Responsible unit (in charge thereof)	Resources	Reporting mechanisms	Action plan	Effectiveness evaluation	Corresponding chapter in the Report
	the dividends of shareholders and investors, and compromise employees' pays and protection.	organizations and will, together with our customers, reach the goal of "being a new environment creator".			Friend has a strong management team, which is capable to control the market trend and timely plan the company's future development.	any related dispute or litigation.	evaluating investment strategies.	and 50.49%. The after-tax earnings per share were TWD 3.40. The waste disposal volume decreased in 2023. Due to economic conditions in mainland China, sluggish market conditions, and the competitive environment in the domestic waste disposal industry, our company plans to enhance our competitiveness and expand our business capabilities. This will help us improve our availability factor and further increase production capacity, aiming to achieve the originally estimated normal operational levels.	
Occupational health and safety	Facilitate the organization to eliminate potential hazards or minimize occupational safety and health risks; build up an effective management system; provide a safe and healthy workplace to prevent occupational injuries and health problems; and continuously improve our occupational safety and health performance.	Occupational safety and health policy: 1. Tackle the root causes of people to build a safe environment: Make continuous improvements with a preventive thinking and proactive attitude in order to provide safe and healthy work conditions. 2. Comply with laws and abide by rules: Fulfill regulatory requirements and committed agreement. communication channels. 3. Eliminate hazard to reduce risks: Identify hazards on a regularly basis to reduce occupational safety and health risks and eliminate hazards. 4. Establish a bridge through Labor-management collaboration: Encourage workers to participate in and establish counseling and communication channels.	1. In response to new regulatory or agreement requirements, Sunny Friend continuously enhances employees' hazard awareness and protection concepts. Each year, the Company holds occupational health and safety education and training sessions. 2. Maintain the validity of ISO 45001 certification.	Occupational Safety and Health Office	Established "Occupational Health and Safety Committee" (7 members) to provide employees (of all levels and departments) with consultations and ensure their participation in the management system	Established counseling services and reporting channels for workplace bullying at Zhangbin Plant.	1. External and internal audits of the occupational safety and health management system are conducted regularly. 2. The certification of ISO 45001:2018 Occupational Health and Safety Management System was acquired. 3. The Occupational Safety Office arranges individual safety and health training for employees in the event of occupational accidents to strengthen the promotion of safety and health-related knowledge, and asks nurses to care about and consult the employees about returning to work after occupational accidents. 4. Meetings of occupational safety and health committee composed of the employer and employees are held regularly to discuss and plan occupational safety and health related issues.	Year of 2022 1. 6 sessions of occupational safety and health training were provided. 2. An emergency response drill was conducted for the accident response capability in the factory. (Due to the impact of the epidemic, the fire department said that the emergency response drill in the first half of the year may be combined with the second half of the year.) 3. A field personnel health check was provided. (Due to the impact of the epidemic, the health check in the first half of the year was combined with the second half of the year to reduce the contact of workers from different departments and, thus, the risk of infection.) 4. Number of employees who suffered from occupational injuries in 2023: 7 people. Occupational safety and health training (occupational accident case analysis and promotion) is given every year, and the number of participants and the cumulative number of participants are counted. 5. Construction contractors are invited every week for an agreement organization meeting to discuss and improve the safety of the labor working environment and the probability of slowing down the progress of the project.	Chapter 2

Materiality issues	Importance of the issues	Policy / commitments	Goals and objectives	Responsible unit (in charge thereof)	Resources	Reporting mechanisms	Action plan	Effectiveness evaluation	Corresponding chapter in the Report
Local communities	Sunny Friend recognizes that corporate sustainability starts with understanding what the society really needs. Local community engagement and impact assessment are conducted at our operating bases. We uphold the spirit of local operation and giving back to the locals. By focusing on community development and deepening local education, we help reduce the social impact on where we operate, and continue to improve, so that Sunny Friend can contribute substantial positive values to the society. We protect local communities, socially disadvantaged groups and rural schools from lack of corporate funds and care, thus reducing social problems that may happen.	It is Sunny Friend's strategy to establish good communication channels with local residents by enhancing social welfare and giving back to local communities.	As a local enterprise, Sunny Friend has, starting from our Yunlin Plant and Zhangbin Plant, given back to local communities and fulfilled our Environment Social Governance based on "social care", "education facilitation" and "environmental protection". 1. Continue to sponsor writing contest in Yuanchang. The contest is participated by at least 200 students each year. 2. Continue to publish at least 1 issue of "Northern Lapwing Literary Magazine" each year to promote local culture. 3. Continue to hold "Sunny Friend Literature and Writing Camp" and "Sunny Friend Environmental Protection Science Camp", which are participated by at least 150 students each year. 4. Continue to provide scholarships to students (at least 90 students participate in in each year).	Public Relations and Legal Department	Prepare annual budget and allocate manpower to hold and promote social care activities and to make good returns to the society.	Sunny Friend already stipulated "Regulations Governing Reported Cases".	Sunny Friend is enabled to bring substantial positive value contributions to the society. We protect local communities, socially disadvantaged groups and rural schools from lack of corporate funds and care, thus reducing social problems that may happen. Active sponsorship is provided for communities and education, so that local communities, socially disadvantaged groups and rural schools are financially supported: 1. Emergency aid and funeral allowance. 2. Winter emergency fund for the poor. 3. Support activities held by local clubs. 4. Zhangbin Plant Supervisory Committee. 5. Donate books to elementary and junior high schools of Yuanchang Township. 6. Sponsor writing contest held in Yuanchang. 7. Published "Northern Lapwing Literary Magazine". 8. Hold "Sunny Friend Literature and Writing Camp" and "Sunny Friend Environmental Protection Science Camp". 9. Distribute scholarships. 10. Adopt air purification zone and coastal cleanup works. 11. Assist government in properly handling social and environmental protection incidents.	In 2023: 1. 185 people received the winter emergency fund for the poor 2. 90 scholarship winners 3. 931 writing contest award winners 4. 759 people participated in the Sunny Friend Literature and Writing Camp 5. 658 people participated in the Sunny Friend Environmental Protection Science Camp 6. Adopted 4,500 m long coast of the "Xianxi Waste Section" for the coastal clearance and protection project. Budgets are prepared and provided every year for the needs of local region and schools, and the number of participants or cumulative number of people is counted.	Chapter 2
Employee Welfare and Rights	Employees are the most important assets of our Company and an important link to social interactions. We provide employees with a friendly workplace, enabling them to bring their full talents into play, to prevent the increase in employee turnover rate, comply with relevant labor laws and regulations, avoid relevant administrative penalties, and maintain the company's reputation and related image.	Provide employees with benefits, labor conditions, a well-structured training system, rewards, and a good promotion and retirement system. To build an egalitarian workplace and dignity of labor, we also treat our employees based on the principle of pay equality and prohibit any forms of harassment or inhuman treatment in order to build a dignified work environment.	Take a good care of every employee and provide our employees with a stable, equal and open work environment.	Personnel Office	Established welfare measures; continuously improve and update related rules in accordance with the latest regulations; and provide employees with complaint reporting channels.	In accordance with the Company's complaint filing and reporting rules.	1. Provide employees with salary and welfare in compliance with relevant regulations. 2. Allocate 7% of the profit of the current year as employees' compensation. 3. Provide employees with appropriate break times during the work. 4. Give employees parental leaves, pregnancy check-up leaves, maternity leaves and parental leaves for raising children as prescribed by law. 5. Purchase labor	1. The Salary and Compensation Committee determines and regularly assesses directors and managers' remuneration. 2. The implementation shall take place in accordance with the Company's salary and welfare management rules; and related practice shall be verified in accordance with relevant regulations and be audited by an internal unit to ensure their compliance with law. There was no violation or administrative penalty in the past three years. 3. Regularly hold labor-management meeting to provide employees a	2.1 Caring for Employees

Materiality issues	Importance of the issues	Policy / commitments	Goals and objectives	Responsible unit (in charge thereof)	Resources	Reporting mechanisms	Action plan	Effectiveness evaluation	Corresponding chapter in the Report
							<p>insurance and national health insurance for employees as prescribed by law; contribute a specific proportion of employees' salary into an individual pension account; and provide group insurance and company trips to employees.</p> <p>6. Enhance employees' work competence; encourage employees to take on-the-job education and to obtain professional certificates.</p> <p>7. Set an occupational medical system for employees as prescribed by law to maintain employees' physical and psychological health.</p>	<p>channel to share their idea or propose a question. A total of 4 labor-management meetings were held in 2023.</p> <p>4. The Employee Welfare Committee is formed by employees and committee member shall make decisions on employee welfare related affairs by their own. 4 meetings were held in 2023.</p> <p>5. Assess employees' performance, survey their interests on education and training activities, and make related planning in order to provide employees with the opportunities of enhancing their competence at work and improve the Company's deficiency in manpower. The performance evaluation is conducted quarterly, and the next year's training survey and planning are carried out at the end of the year.</p>	
Circular Economy and Technological Innovation	<p>Recycle and reuse industrial wastes (bottom ash) generated from the incineration process to reduce solidification related costs (i.e., materials and other costs); extend the service use landfill sites; and contribute to circular economy and sustainable development. However, cost and continuity must be considered for the promotion of circular economy. Excessive cost or poor circulation will lead to difficulty or even stagnation in promotion and therefor, should be avoided.</p>	<p>From the receipt to handling to reutilization of industrial wastes, the Company cooperates with related organization to recycle and reuse bottom ash generated from incineration; and to realize sustainable operations.</p>	<p>By reducing waste output with innovative technology, wastes are converted into raw materials for reduced production costs.</p>	Environmental Protection Office	Cooperated with: Ruentex Materials Co., Ltd. (Songshan Plant in Yilan).	<p>Citizens can file a complaint or report a case to the Company via telephone or mailbox.</p>	<p>An application for reuse permit was filed in accordance with the "Ministry of Economic Affairs' Management Rules for the Reuse of Industrial Wastes," since there was no previous achievement for the innovative technology.</p> <p>1. A test plan was executed based on the cooperative R&D test results. The results were submitted to Industrial Development Bureau for a case-by-case reuse permit.</p> <p>2. The materials and costs derived from the incineration bottom ash that needs to be solidified were reduced, and the service life of the landfill prolonged.</p>	<p>1. The case-by-case reuse permit was acquired in 2022.</p> <p>2. 318 tons of incineration bottom ash were reused at a case-by-case basis in 2022. In 2023, 362 metric tons of resources were reused.</p>	3.5 Circular Economy and Technological Innovation



2023 Sustainability Report

New Environment Creator

Issued by: Sunny Friend Environmental Technology Co., Ltd.

Publisher: Fang-Cheng Chang

Published on: August 2024

Contact Information

Address: No. 1-20, Yuandong Rd., Yuanchang Township, Yunlin County 655

Telephone: 05-788-5788 Ext. 510 (Public Relations and Legal Department)

E-mail: kawa@mail.sunnyfriend.com.tw



ESG

2023 Sustainability Report
New Environment Creator

