

Policies for greenhouse gas reduction, water use reduction or other waste:

The Company has been participating in the Carbon Disclosure Project (CDP) since 2010 and it reviews the direct emissions and indirect emissions GHG emissions according to the “GHG Protocol” issued by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI).

At present, the main production bases are certified by a third-party verification company to comply with ISO 14064-1 greenhouse gas verification. According to the review results:

| Item | 2020 | 2021 |
|-------------------------|---|---|
| Category 1: | 246.6657 tons Carbon dioxide equivalent | 301.0294 tons Carbon dioxide equivalent |
| Category 2: | 1623.3028 tons Carbon dioxide equivalent | 1713.9048 tons Carbon dioxide equivalent |
| Total water consumption | 35.726 thousand tons | 40.228 thousand tons |
| Total general waste | 56.25 tons | 64.09 tons |
| Total recycling waste | 2319.77 tons | 1030.29 tons |

The results of the above inspections are all verified by a third-party verification company according to ISO14064-1 and the Company has obtained the Greenhouse Gas Verification Statement.

Energy conservation and carbon reduction and water management:

| Item | Energy saving and carbon reduction | Water management |
|------------------------------------|---|---|
| Quantitative management objectives | The Company’s future quantitative management objectives for energy conservation and carbon reduction: The 2026 goal of promoting greenhouse gas reduction it to reduce 10% of total emissions or 15% in relative emissions per PCS. | With the global climate change, water supply stabilization has become a problem faced by many countries. To fulfill its social responsibilities and respond to global water shortage, the Company takes 2016 as the base year and aims to reduce the overall water intensity (total water consumption/million USD output value) by 30% before 2025. It takes action to combat the challenges of climate change with global businesses. |
| Measures to achieve objectives | <ul style="list-style-type: none"> ● Continue to implement energy conservation activities to reduce the per capita consumption of energy. Adopt energy-saving equipment to reduce energy consumption. ● Continue to maintain production equipment, improve equipment power and production efficiency, and reduce energy consumption. ● Implement energy-saving plans from air conditioning system, electric lighting, and other electricity consumption, and regularly inspect and replace energy-consuming equipment. | <ul style="list-style-type: none"> ● The Company implements water conservation internally and strengthens the wastewater discharge classification system to lay a solid foundation for water conservation and recycling during production. ● The recycling process discharges reverse osmosis (RO) wastewater, which is used for toilet flushing. ● The recycling process discharges boiler condensate water, which is reused for boiler manufacturing process and cleaning. |
| Implementation | Review greenhouse gas emissions according to the ISO 14064:2018 and reset 2021 as the base year. | Taking 2016 as the base year, the water intensity in 2021 has been reduced by 40%. |