

日勝化工股份有限公司  
EVERMORE CHEMICAL INDUSTRY CO., LTD.

# ESG Report

Environmental, Social, and Governance (ESG) Report



Environmental  
Social  
Governance

# 2021

# contents

Report Scope and Editorial Guidelines / 2
External verification and publishing cycle / 2
Contact channel / 3
Words from the Leaders / 4
SDGs in 2021 / 6
Sustainable performance in 2021 / 8

## 1. Company profile

About Evermore Chemical Industry Co., Ltd. / 10
Management philosophy / 10
Group Locations / 10
Important Events / 11
External participation / 12
Product Categories / 12
Market distribution / 13
Green products / 14

## 2. Operation governance

Operating Performance/ 18
R&D Investment / 18
Investment deduction / 18
Corporate governance / 19
Operation of the board of directors / 21
Regulatory Compliance / 22
Preventive measures / 22
Anti-corruption mechanism / 23
Internal control / 23
Risk Management / 24
ISO Management System Validation / 26

## 3. Major topic

ESG committee / 29
Identification and communication of major topics / 30
Communicating with Stakeholders / 31
Identification of Major topics / 33
Identification of ESG materiality Topics / 34

## 4. Product service

Supply Chain Management and Procurement / 40
Supplier Reviews / 40
Raw material procurement management / 41
Customer Service and Satisfaction / 42
Customer Information Protection / 43

## 5. sustainable environment

Energy Intensity / 47
Energy saving scheme / 47
Water and drainage management / 49
Greenhouse gas emission / 51
Air pollutant emissions / 52
Waste management / 53
Environmental regulations compliance / 56
Toxicity and Chemical Management of Concern / 56
Emergency response drill / 57
Environmental Penalty Incidents / 57

## 6. Occupational safety

Management policy / 61
Occupational safety and health management system / 61
Hazard identification, risk assessment, and incident investigation / 61
Environmental considerations / hazard identification and risk management process / 62
Statistical analysis of occupational disasters / 63
Occupational Health Services / 64
Worker involvement, consultation and communication regarding occupational safety and health / 65
Occupational Safety and Health Education and Training / 65

## 7. Labour and employment relations

Human resource/ 70
Staff diversity and equal opportunities / 72
Staff Communication / 73
Employee benefits / 73
Talent cultivation / 76

## 8. The value of social common prosperity

The value of social common prosperity / 78
Annexes-GRI Content Index / 79
Annex 2-SASB checklist / 83
Annex 3-Items to be disclosed by the chemical industry in Paragraph 2 of Article 4 of the TWSE's Regulations Governing the / 84
Annex 4-Accountant's Independent / 85

# Report Scope and Editorial Guidelines

The disclosure period of this report is the year 2021 (from January 1, 2021 to December 31, 2021), covering specific practices and performance data in governance, society and environment and topics of concern to stakeholders. In order to ensure the integrity of information, part of the content may cover Topics before January 1, 2021. The boundary of the report is mainly set by the factories of Evermore Chemical, excluding other reinvested subsidiaries. Since August 2021, the company has purchased one of the factories in the same industry and named it Dayuan factory of Evermore Chemical industry after it was merged into the company. Therefore, all the data in this report include the data of Dayuan factory from August 1 to December 31, 2021. Among them, the source of financial data is the financial report publicly published after being certified by a certified public accountant. Some statistical data are quoted from the annual report, information publicly published by government agencies and relevant websites, and are presented in the form of commonly used words and numbers. Exceptions will be separately explained in the report.

This report follows the core options of the Global Reporting Initiative (GRI) standards (GRI standards: 2016) for information disclosure, and corresponds to the United Nations Sustainable Development Goals (SDGs). At the same time, it refers to the "operating measures for the preparation and reporting of Sustainability Reports by listed companies" of the stock exchange as a reference basis for information disclosure in this report. For details, please refer to the comparison table of GRI standards in the annexes of this report.

## ● External verification and publishing cycle

In addition to exposing major topics, this report also focuses on the topics concerned by stakeholders as the main information disclosure focus of this report. The four most important topics in the chemical industry: energy (and water resources), greenhouse gas emissions, waste, and occupational safety and health. For the first time, Ernst & Young (EY), an independent and credible accounting firm, was entrusted to conduct limited assurance in accordance with the accounting research and development foundation of the Republic of China's Publication No. 1 of the statement of assurance standards "assurance cases that are not historical financial information audits or reviews." to ensure that the data content of this report meets the requirements of the competent authority and the expectations of interested parties.

Evermore Chemical regularly Topics a report once a year.

The last Topic date was June 2021.

The Topic is scheduled for September 2022.

Next scheduled date of Topic: June 2023.

## ● Contact channel

If you have any suggestions on Evermore Chemical's CSR Report 2021, you are welcome to contact us through the following channels; for your convenience, we have also published this report on our website.



ESG Committee of Evermore Chemical

Address: No.7, Gongye S. 2nd Rd., Nantou City, Nantou County 54066, Taiwan (R.O.C.)

Tel: 049-225-5357

Fax: 049-225-3912

Email: [csr@twemc.com.tw](mailto:csr@twemc.com.tw)

Website: <http://www.twemc.com>

Speaker: WU, PAO-HUA, Associate Manager

Email: [baohua@twemc.com.tw](mailto:baohua@twemc.com.tw)





In 2021, the whole world, which continues to be shrouded in the shadow of Covid-19, the great plague of the century, is still facing unprecedented challenges. Under the repeated policy of isolating and closing the cities, opening them up, and then isolating and closing them again, what many commercial activities can do is to only take one step at a time, and even forced to abandon their business and close down. All enterprises are operating like riding on roller coasters with unprecedented difficulty. Fortunately, with the support of employees, investors, partners and other stakeholders, Evermore Chemical has adopted the strategy of blowing away the cobwebs, breaking through the encirclement bit by bit, and reversing its disadvantages with a positive attitude.

In spite of such an adverse environment, we still work diligently and conscientiously, insist on doing the right thing, act as a link in the global chemical raw material supply chain, and shoulder corporate social responsibility with the original intention. In response to the concerns and cares of stakeholders, this report gives a full response, especially in terms of environmental safety, business performance, compliance with laws and regulations, forward-looking research and development, risk management, talent development, etc. We look forward to moving towards a sustainable enterprise through efforts in the proper use of energy resources, emission reduction and waste reduction in manufacturing processes, and green R & D that is environmentally friendly.

In terms of core technology, Evermore Chemical continues to focus on the development and application of products extended from polyurethane resin, such as wood products, 3C, optoelectronics, coatings, building materials, electronics, automobiles and other related industries. In order to be close to brand customers in the sports industry, we continue to develop products with low pollution and low energy consumption in the process, and deepen the application market of functional textile lamination and solvent-free PU synthetic leather. R&D of green energy and environmental protection products is our focus. In 2021, we successfully developed environmentally friendly solvent-free single liquid foaming adhesives for woodworking, polyurethane coatings for textile materials, polyurethane coated insoles for biological materials, polyurethane foam materials for biological materials shock absorbers, polyurethane midsole materials recycled from recycled PET reproduction materials, etc. to show our determination as a Green Enterprise with practical actions.

Although the severity of epidemic prevention measures in various regions has varied from tight to loose, making all enterprises in the world face unprecedented difficulties in operation, Evermore Chemical has adopted a resource integration plan to strengthen communication and coordination among all points in the group, so as to cope with transnational production scheduling and promote multinational delivery capacity. At the same time, in line with the government's southward policy, we continue to invest resources in the Southeast Asian market. In addition to market development, we also invest in the construction plan of the Vietnamese production base, with a view to giving full play to the comprehensive effects of Taiwan, Dongguan, Vietnam and Thailand.

As a chemical industry, we know more about the hidden risks and environmental hazards in the process than the general public, which makes us pay more attention to environmental protection and safety. While the environmental protection awareness of all countries continues to rise and the development of chemical industry is limited, Evermore Chemical gradually reduces its dependence on high pollution energy, strengthens the reuse of waste in the plant, and continues to develop environmental protection products to meet the future market development needs; Internally, it is to strengthen its own capabilities, develop products according to customers' special specifications to seize the market share.

Evermore Chemical is no longer just a traditional industry, but is developing towards the direction of "manufacturing service industry". It develops new products with high added value and improves its internal core technology according to industrial trends and customer needs; And in response to environmental protection awareness, we focus on developing green products and do our part for the earth.

Of course, we are also committed to the sustainable development of the enterprise, hoping that this report will serve as a bridge to promote stakeholders to further understand Evermore Chemical and spur us to continue to move forward.

**Chairman** 13. 2. 2

**General manager** 黄长祥



## ● Corporate governance

### SDGs objectives correspondence:



Company objectives	Specific actions in 2021	Corresponding SDGs item targets	Corresponding chapters
Research and innovation, sustainable operation, and independent research and development of green products	Evermore Chemical's sales of green products in 2021 exceeded NT \$860 million, accounting for more than 52% of the total sales. In 2022, it is expected that the sales proportion of green products will continue to grow, accounting for more than 55% of the sales amount, which proves the company's determination to sustainable development, environmental protection and innovation.	9.4	Green products
Enhance the diversified market and echo The New Southbound Policy	In 2021, the Taiwan market sales increased to 63%, reducing the risk of over reliance on the single market. The sales in the Asia Pacific sales market ranked the second.	12.6	Market distribution
In response to climate change and energy supply risks, actively identify the risks brought by climate change, and continuously control the impact and damage of extreme climate on operations.	Develop adaptation policies and solutions for equipment and facility operation, fire, explosion, poisoning accidents, floods, dampness, personnel safety, carbon emissions and other risks, actively implement relevant countermeasures, and actively formulate adaptation strategies.	13.1	Internal audit

## ● Social aspect

### SDGs objectives correspondence:



Company objectives	Specific actions in 2021	Corresponding SDGs item targets	Corresponding chapters
Diversity and Equal opportunity, High quality work attracts high-quality talents	Our company is superior to the overall salary system regulated by Labor Standards Act and regulations. The salary of new employees is more than 1.2 times of the basic salary	10.2	7 Labour and employment relations and Employee benefits
Promote self-management measures for occupational safety and health to prevent disasters and reduce risks in the plant.	Implement various automatic inspections according to "ISO 45001 occupational safety and health management system" to eliminate hazards and pollution factors in the workplace; Enhance the safety and health awareness of all employees and promote a healthy workplace environment and health management.	3	Occupational safety

## ● Environment aspect

### SDGs objectives correspondence:



Company objectives	Specific actions in 2021	Corresponding SDGs item targets	Corresponding chapters
Promote energy conservation	Continuously replace the old equipment, reduce the temperature of the ice water machine, replace the LED lights in the office, and achieve a total power saving of 102,947 Kw/h	13	Energy saving scheme
Start greenhouse gas inventory and verification	Take measures to reduce and control greenhouse gases. Research and development of green technologies to reduce the impact of greenhouse gases generated by production activities on the environment.	13	Greenhouse gas emission

# Sustainable performance in 2021

---

## ● Corporate governance

Consolidated revenue  
in 2021  
3,201,106,000(NTD)

R&D investment  
(merged)  
70,427,000(NTD)

Customer satisfaction  
86.4 \*note  
maintaining a certain  
leve

\* Note: This is a percentage calculation, but in the past, customer satisfaction was 5-level scale, that is, the full score was 5 points, and in 2021, we got 4.32 points.

---

## ● Social performance

A total of 11 supervisors  
received training on  
Prevention of Workplace  
Malpractice in 2021

number of labor  
dispute cases in  
2021: 0

Total number of new  
staff to be trained in  
2021  
\* note

\* Note: colleagues of Dayuan factory who are merged in 8 / 1 are not included.

---

## ● Environmental performance

Saved compared with  
that of previous year  
102,947 kWh

Environmental  
investment  
14,887,000(NTD)

Greenhouse gas  
emission density  
down to 0.428 \* note

\* Note: greenhouse gas emission intensity = [carbon dioxide emission per kilogram of output] kg CO<sub>2</sub> / kg

---

# 01 Company profile

- **Major topic: product responsibility**

**What it means to Evermore Chemical:** Evermore Chemical is committed to independent research and development of green products as its research and development strategy, hoping to be an important member of the industry's green supply chain and to make outstanding contributions to the industry's energy saving and carbon reduction achievements.

## **Policies and Core Objectives**

Evermore Chemical adheres to the business philosophy of simplicity and perseverance, research and innovation, sustainable management and profit sharing", and we are constantly innovating our products to meet the needs of our customers.

## **Action Programme**

With polyurethane (PU) technology as the core foundation, we are actively developing in various fields.

## **Assessment / Feedback Mechanism**

Develop environmental friendly, solvent-free, water-based series and other green products without volatile organic compounds, which meet RoHS specifications and EU REACH requirements.

## **Performance results**

Evermore Chemical's sales of green products in 2021 exceeded NT \$860 million, accounting for more than 52% of the total sales.

## **Future goals**

In 2022, it is expected that the sales proportion of green products will continue to grow, accounting for more than 55% of the sales amount, to prove the company's determination to sustainable development, environmental protection and innovation.

## ● About Evermore Chemical Industry Co., Ltd.

Evermore Chemical Co., Ltd. (hereinafter referred to as "the company"), located at No.7, Gongye S. 2nd Rd., Nantou City, Nantou County 54066, Taiwan (R.O.C.), was established in 1989. After the company was listed on the OTC market in 2000, it was listed on the Taiwan Stock Exchange in 2002; The main business activities are the manufacturing and sales of synthetic resins and synthetic chemical raw materials, and the operation and reinvestment of related businesses.

AICA Kogyo Company Limited ("AICA"), located in Aichi, Japan, became the parent company of Evermore Chemical in January 2018 by acquiring 50.1% of the Company's ordinary shares.

## ● Management philosophy

Evermore Chemical believes that on the road to sustainable development, enterprises should first combine corporate social responsibility with business strategy; Therefore, Evermore Chemical adheres to the concept of "simplicity and perseverance, research and innovation, sustainable management, and profit sharing", invests in corporate governance, operates the company in a down-to-earth manner and strives for perfection, and starts from the professional chemical field and honest operation to meet the needs of customers. Based on honesty, we will continue to innovate, share profits with employees, shareholders, customers and other stakeholders, and give back the results to the society to realize the maximum value of polymer industrial materials.

## ● Group Locations



(GRI 102-1) (GRI 102-2) (GRI 102-3) (GRI 102-5) (GRI 102-7)

## ● Important Events

- August 2021: Purchase of the Dayuan factory in Taiwan.
- October 2020: OHSAS 18001 is revised to ISO 45001:2018 International Occupational Safety and Health Management System.
- July 2020: Increase in the shareholding of TOP WELL ELASTIC
- July 2020: Purchase of SUM YAD TECHNOLOGY LIMITED. in Vietnam.
- April 2020: Purchase of U-BEST VIETNAM POLYMER INDUSTRY COMPANY LIMITED.
- January 2018: AICA Kogyo Company Limited of Japan holds a 50.1% stake in the Company.
- October 2017: Conversion to ISO 9001 (2015 version) and ISO 14001 (2015 version) quality and environmental management systems to improve overall quality standards.
- April 2017: Establishment of Leadership (Shanghai) Co. Ltd.
- December 2015: Patent granted in Mainland China for the "Manufacture of foamed film assemblies".
- March 2015: Obtained a new patent in Taiwan for the "Manufacture and Assembly of Foamed Films".
- February 2015: paid in capital was NT \$993,880,000.
- March 2014: increased the shareholding of Chem-Mat Technology to 100%.
- August 2009: purchased Giant Star Trading Co., Ltd.
- December 2008: held the equity of Dongguan Pou Chien Chemical Co., Ltd.
- April 2017: invested and established Topco (Shanghai) Co., Ltd.
- August 2002: the stock was listed.
- October 2000: OTC trading.
- July 2000: passed the ISO-14001 environmental protection system certification.
- September 1998: ISO-9001 : 1994
- September 1997: public offering of shares.
- May 1989: the company was established, focusing on R & D, production and sales of PU resin.



## ● External participation

In addition to engaging in the synthetic resin industry, Evermore Chemical participates in various organizations in different ways in order to keep close contact with all walks of life and cooperate for sustainable development. The main participating organizations are as follows:

Participating organizations	Position in Evermore chemical
Taiwan Synthetic Resins & Adhesives Industrial Association, R.O.C.	General Supervisor
Taiwan Synthetic Resins & Adhesives Industrial Association, R.O.C.	Member
Nantou County Industrial Association	Member
Nantou County Industrial Association	Member
The Central Disaster Prevention Council	Member
Dimethylformamide (DMF) Tri-Aromatic Disaster Prevention Organization	Member
Toluene Diisocyanate (TDI) Evermore Toxic Disaster Prevention Group	Member
National Joint Defense Organization of Evermore Plasticizer	Member



## ● Product Categories

Evermore Chemical mainly focuses on polyurethane (PU) technology and is actively developing into various fields. Currently, the main product applications of it can be divided into two main areas.

### Two main areas of application

#### Coating & Special Chemicals:

The main focus is on products used in the industrial sector, as well as special chemicals, including LFT and ultraviolet (UV) cured coating products.

#### Sport & Lifestyle:

The main applications are in the garment, footwear and outdoor sporting goods industries, including PUR, PE, PUS and TPU.

### Main applications

Wood coatings, UV coatings, industrial adhesives.

Leather, textiles, sports and leisure footwear, functional clothing, sports equipment and protective gear, food packaging adhesives.

Coating and special chemicals

35%

Product sales  
volume share  
in 2021

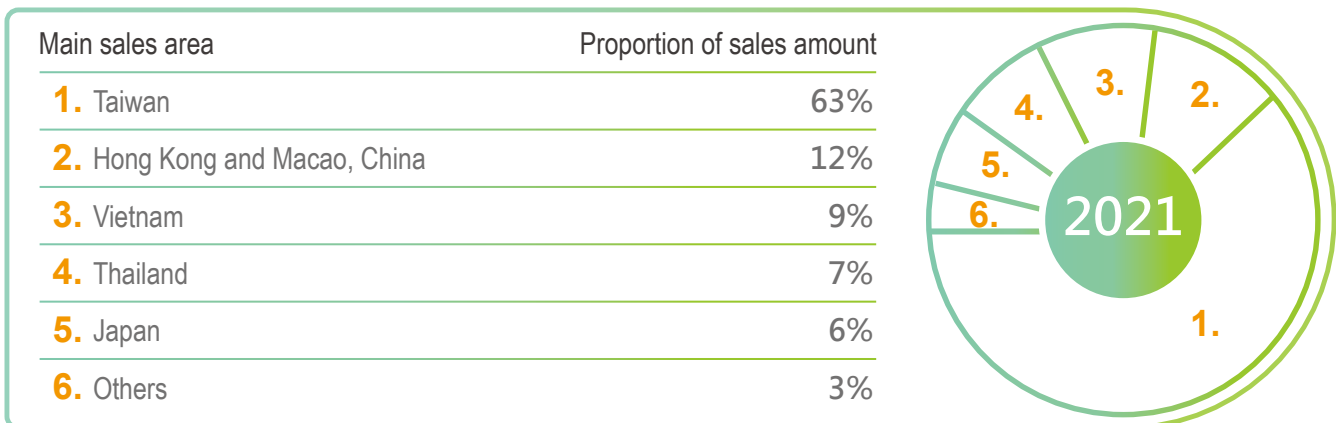
Sports and leisure

65%

## ● Market distribution

"Deeply rooted in Taiwan and marching towards the world" is the objective of Evermore Chemical. Since its establishment, the group has never stopped its efforts to dig deep into the Taiwan market. After the acquisition of Dayuan factory in August 2021, it has successfully integrated UV curing products into its business, presenting a more complete product line and diversified choices for customers. In addition, the sales of Northeast Asia such as Japan, and Southeast Asia such as Vietnam and Thailand, is improving day by day, which fully shows that our steps towards the international market are firm and steady.

During Covid-19 in 2021, our products are still sold stably to Northeast Asia, Southeast Asia, South Asia, Europe and other countries. Our company is a trusted supplier of internationally famous brands. Also because of the epidemic, the proportion of Taiwan market sales increased to 63% in 2021, significantly reducing the risk of excessive reliance on the single market, and the risk of exchange rate fluctuations and accounts receivable, and effectively helping to promote economic performance. The Asia-Pacific region is the second largest sales area of Evermore Chemical due to its close proximity and more flexible supply.



## ● Green products

Adhering to the business philosophy of research, innovation and sustainable operation, Evermore Chemical is committed to independent research and development of green products as the company's R & D strategy, and continues to develop green products without volatile organic compounds such as environmental protection, solvent-free and water-based series. Some of them have reached the RoHS specifications and meet the requirements of the European Union REACH. It is expected to make outstanding contributions to the efficiency of energy conservation and carbon reduction of the industry with the goal of being an important member of the industrial green supply chain. Evermore Chemical's sales of green products in 2021 exceeded NT \$860 million, accounting for more than 52% of the total sales. In 2022, it is expected that the sales proportion of green products will continue to grow, accounting for more than 55% of the sales amount, to prove the company's determination to sustainable development, environmental protection and innovation.

Evermore Chemical adheres to the business philosophy of "simplicity and perseverance, research and innovation, sustainable operation and profit sharing", and constantly innovates in the product side to meet the needs of customers. The product packaging complies with the United Nations Standard - globally harmonized system of classification and labeling of chemicals (GHS). When preparing for shipment, the company also provides product labels and documents required by laws and regulations, including safety data sheet (SDS), chemical label regulations required at home and abroad, warning notes, etc. The font size and language use of the labels meet the specifications and customer requirements. Meanwhile, the company's quality inspection report and product guarantee are attached. The products shipped are fully guaranteed in terms of quality within the correct range of use by customers, so that customers can use them free of concern.

There was no incidence of failure to comply with laws and regulations regarding information and labeling of products and services.

(GRI 416-2) (GRI 417-1) (GRI 417-2)

# 02 Operation governance

## ● Major topic: Operational performance

What it means to Evermore: sustainable profitability to achieve sustainable business goals and create new employment opportunities.

### Topic Management

#### Policies and Core Objectives

We specialize in the chemical industry and operate with integrity to meet the needs of our customers.

#### Action Programme

Continuous growth and innovation, with active investment in research and development activities and low-pollution, high-value green products and technologies

#### Assessment / Feedback Mechanism

The proportion of Taiwan market sales increased to 63% in 2021, significantly reducing the risk of excessive reliance on the single market.

#### Performance results

After the acquisition of Dayuan factory in August 2021, the UV curing product line is more complete, providing customers with diversified choices.

#### Future goals

Continuous supply to Japan in Northeast Asia, Vietnam and Thailand in Southeast Asia

## ● Major topics: legal compliance and ethics

What it means to Evermore: Compliance with laws and regulations is fundamental to the practice of corporate social responsibility.

### Topic Management

#### Policies and Core Objectives

Compliance with laws and regulations is the basis for practicing corporate social responsibility. Evermore Chemical attaches importance to compliance with laws and regulations in all fields and abides by laws and regulations from top to bottom.

#### Action Programme

Participate in the publicity meeting, and strengthen the knowledge and ability of colleagues in business related policies and regulations.

#### Assessment / Feedback Mechanism

Publicize the latest regulatory information and trends through regular meetings, and strengthen colleagues' knowledge and ability of policies and regulations related to business.

#### Performance results

No violation of laws and regulations

#### Future goals

Comply with laws and regulations and reduce the impact of changes in laws and regulations on the company's operations.

## ● Major topic: corporate governance / honest operation

What it means to Evermore: Implementation of the company's integrity management policy and establishment of a good governance system.

### Topic Management

#### Policies and Core Objectives

Comply with relevant government regulations and develop internal management rules with reference to international standards such as IFRSs.

#### Action Programme

In the code of conduct for good faith, the company clearly stipulates that when there are transactions or contracts between the company and its related parties and shareholders, it is strictly prohibited to directly or indirectly offer, promise, demand or accept any improper benefits.

#### Assessment / Feedback Mechanism

Relevant procedures and codes were formulated, and in 2021, the "code of ethical conduct for directors, supervisors and managers", "code of conduct for good faith", "operating procedures and guidelines for good faith operation", "code of practice for governance", "operating procedures for internal major information processing", "operating procedures for whistle-blower channel and protection system" were revised according to law.

#### Performance results

In 2021, Evermore Chemical had no corruption incidents

#### Future goals

Zero violation record is the ultimate goal.

## ● Major topic: innovative technology and services

What it means to Evermore Chemical: Evermore Chemical is committed to independent research and development of green products as its research and development strategy, hoping to make outstanding contributions to the industry's energy saving and carbon reduction achievements.

### Topic Management

#### Policies and Core Objectives

We will continue to develop green products such as environmental protection, solvent-free and water-based series, and expect to be an important member of the industrial green supply chain.

#### Action Programme

Committed to independent research and development of green products as the company's R & D strategy, we continue to develop green products such as environmental protection, solvent-free and water-based series.

#### Assessment / Feedback Mechanism

Independent research and development of green products

#### Performance results

Evermore Chemical's sales of green products in 2021 exceeded NT \$860 million, accounting for more than 52% of the total sales.

#### Future goals

In 2022, it is expected that the sales proportion of green products will continue to grow, accounting for more than 55% of the sales amount.

## ● Major topic: risk management / climate strategies and actions

What it means to Evermore: Evermore Chemical believes that rigorous risk management is not only the best way to fulfill social responsibility, but also the key to sustainable business.

### Topic Management

## Policies and Core Objectives

In the face of the operational and environmental risks faced by global businesses, it is important to have a risk management mechanism in place that can respond quickly to reduce losses and sustain the interests of stakeholders.

## Action Programme

- Develop green products and green processes to reduce the environmental impact of chemicals.
- Analyze the actual and potential impact of extreme weather on operations, and formulate appropriate operational adaptation strategies such as energy saving and carbon reduction, and greenhouse gas reduction.
- Strengthening plant safety and security: actively developing adaptive strategies to reduce risk-induced disaster damage.

## Assessment / Feedback Mechanism

- Regular assessment of regulatory compliance.
- Regularly conduct a new version of greenhouse gas inventory, and develop a wastewater recycling mechanism.
- Implement the occupational safety management system according to law.

## Performance results

The disaster risk management mechanism is established with a preventive management attitude, and the "emergency preparedness and contingency operation management procedure" is formulated to avoid or reduce the possible loss of personnel injury, system equipment damage, property loss, etc., which may lead to operation shutdown.

## Future goals

- Comply with laws and regulations and reduce the impact of change and regulations on the company's operations.
- Reduce energy use and carbon emissions in the process.
- Strive to reduce or recycle water through various improvements, and reuse precious water resources for many times.

## ● Operating Performance

The actual business performance of Evermore Chemical in 2021 (merger) is as follows:

Unit: NT \$1000

Item	2019	2020	2021
Operating income	3,174,698	2,363,415	3,201,106
Operating profit	200,484	137,490	31,289
Net profit before tax	175,061	77,584	6,408
Earnings per share (NT\$)	1.19	0.74	0.10
Dividend per share (NT\$)	0.65	0.50	Not Dividend

## ● R&D Investment

For further growth and innovation, Evermore Chemical actively invests in R & D activities every year to drive the sustainable development of Evermore Chemical with low pollution and high-value green products and technologies. Despite the poor global market conditions in 2021, the R & D department has continued to invest in the current and future markets with a forward-looking perspective, which also meets the expectations of stakeholders for R & D and innovation. The R & D expenditure invested in the past three years is shown below:

Unit: NT \$1000



2019	2020	2021
46,112	46,191	46,903

## ● Investment deduction

In addition, thanks to the continuous innovation, research and development of Evermore Chemical, it is entitled to a project grant (credit) from the government for its expenditure on profit-bearing business income tax, shown as follows :

Unit: NT \$1000

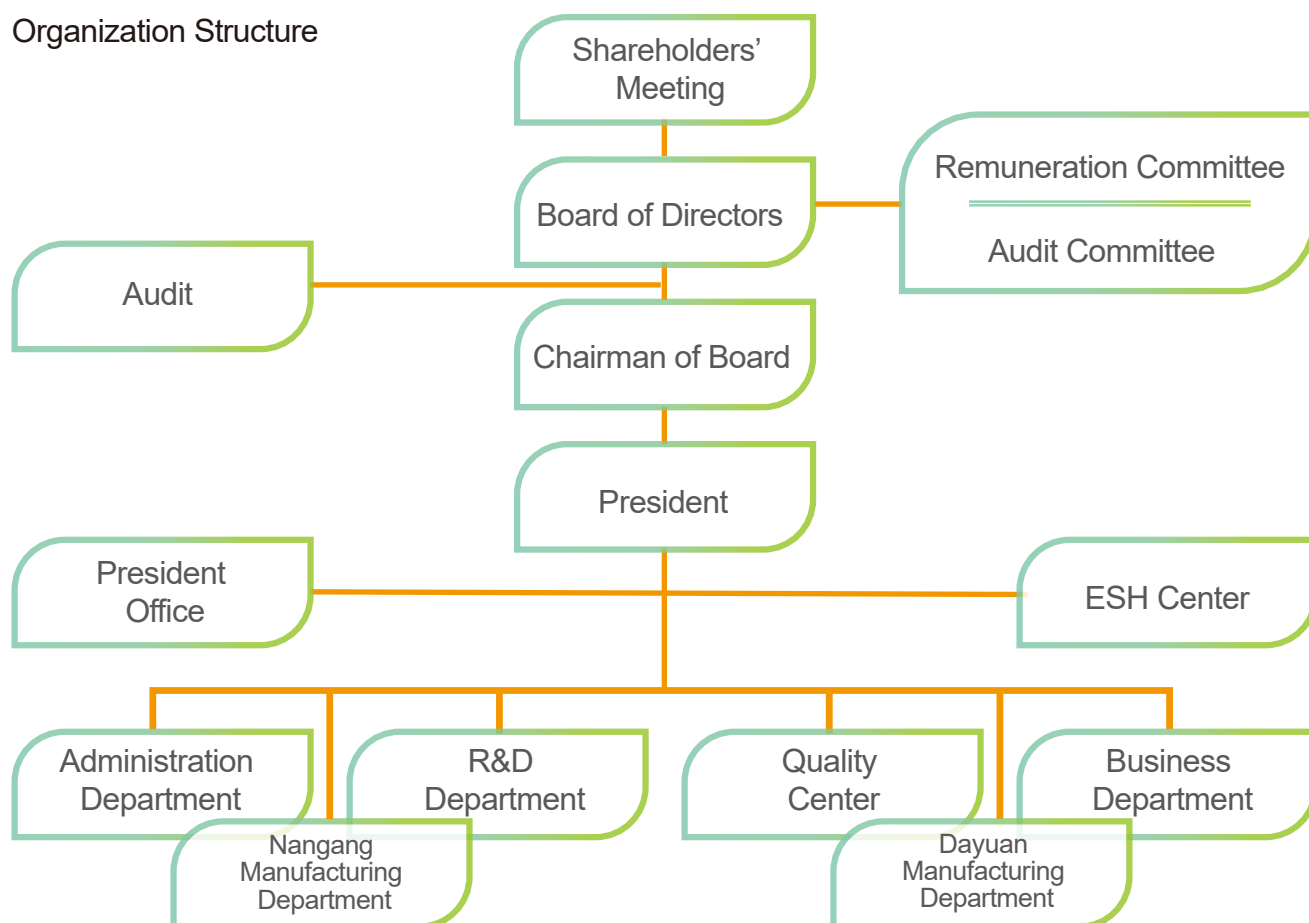
### Credit for R&D investment approved in 2021

R & D: Project Title	Total personnel and consumables credits	Total
Highly workable/highly weather-resistant solvent-free environmentally friendly reactive polyurethane woodworking adhesives	8,562,427	17,159,291
High temperature RCPP/high barrier solvent free flexible packaging adhesives	8,596,864	

(GRI 102-7) (GRI 201-1) (GRI 201-4)

## ● Corporate governance

### Organization Structure



### Board members

Position	Name	Date of election (appointment)
Director	HO, WEN-CHIEH	2021.08.10
Director (general manager of Evermore Chemical)	HUANG, CHANG-TSE	2021.08.10
Corporate director	AICA Kogyo Company Limited	2021.08.10
Representative of AICA Kogyo Company Limited	Kenzo Sawada	2021.04.18
Representative of AICA Kogyo Company Limited	Nobuyuki Omura	2021.08.10
Representative of AICA Kogyo Company Limited	Mori Yousuke	2021.04.18
Corporate director	YUE DEAN TECHNOLOGY CORPORATION	2021.08.10
Representative of Yue Dean Technology Corporation	TSAI, NAI-YUNG	2021.08.10
Independent director	Toyama Mitsuo	2021.08.10
Independent director	CHUEH, LIANG-WU	2021.08.10
Independent director	CHEN, CHUN-CHENG	2021.08.10

**Current term**

August 10, 2021 to August 9, 2024

**Age distribution**

2 under 50 years old and 3 between 51 - 60 years old

3 from 61 to 70 years old and 1 above 71 years old

**Gender**

male

**Professional background of directors**

In accordance with the company's code of practice on corporate governance, the board of directors shall guide the company's operational strategy, supervise the management, exercise its powers in accordance with laws and regulations, and be responsible to the company and shareholders. Based on the above responsibilities, the composition of the members shall take into account the company's operational structure, business development direction, future development trend and other aspects, and shall consider the gender, nationality, age, cultural professional knowledge and skills (such as law, accounting, industry, finance, marketing or technology) and industrial experience of the directors in a diversified manner.

The company's development strategy is to expand outward based on its own products and technologies. The business development process needs the support of leadership and management, industrial experience, R & D and innovation, finance, law and other related professional knowledge, skills and experience. The board members should include these abilities as a whole. At least one director of each profession or background should have one kind of ability accordingly

Based on diversification considerations, the directors of the company are all employees with many years of experience in domestic or Japanese multinational companies and related industries, with industry related experience and executive ability. The diversification results are as follows:

Name	Professional background				Executive capability				
	Business	Legal affair	Financial accounting	Chemical	Leadership and management	Industry experience	R & D innovation	Financial analysis	Legal practice
HO, WEN-CHIEH				●	●	●	●	●	
HUANG, CHANG-TSE				●	●	●	●	●	
Kenzo Sawada				●	●	●	●		
Nobuyuki Omura	●				●	●		●	
Mori Yousuke	●		●		●	●		●	
TSAI, NAI-YUNG					●	●		●	
Toyama Mitsuo	●				●	●		●	
CHUEH, LIANG-WU			●			●		●	
CHEN, CHUN-CHENG		●				●			●

## Operation of the board of directors

The primary responsibility of the board of directors is to supervise and listen to the reports of the management team, understand the problems encountered in actual operation through dialogue with the management, and urge the management team to make adjustments if necessary. In order to provide more opportunities for directors to communicate and exchange and fully discuss the company's operation Topics, the board of directors should hold at least one meeting every quarter. In 2021, the board of directors held six meetings, with an average of 97% actual attendance. \* Note:.

Board members	Number of meetings in 2021	Average attendance
9	6	97% * note

Note: the board of directors was re-elected on August 10, 2021, and the average here includes the last term.

## Avoidance of conflict of interest of directors

The company has provisions on the avoidance of directors' interests in the rules of procedure for board meetings and the code of good faith business practice. Directors who have an interest in the matters of the meeting with themselves or the legal persons they represent shall exercise a high degree of self-discipline and explain the important contents of their interest at the current board meeting. If there is a risk of harming the interests of the company, they shall not participate in discussions and voting, and shall withdraw from discussions and voting, They shall not exercise their voting rights on behalf of other directors. If they have disclosed relevant acts to interested parties in the company's annual report, they may refer to the relevant information of Evermore Chemical on the market observation post system.

## Functional Committee

In order to strengthen the supervisory function of the board of directors, the board of directors of Evermore Chemical has established two functional committees, namely, "Audit Committee" and "Salary and Remuneration Committee". In 2021, the audit committee met twice and the salary and remuneration committee met four times, with an average attendance rate of 100%.

### Operation of the Audit Committee

Position	Name	Number of meetings in 2021	Attendance rate * (note)
Independent director	Toyama Mitsuo	2	100%
Independent director	CHUEH, LIANG-WU	2	100%
Independent director	CHEN, CHUN-CHENG	2	100%

\* Note: The audit committee was established in August 10, 2021.

#### Remuneration Committee (applicable to the situation):

Position	Name	Number of meeting afterded	Attendance rate	Remarks
Convener	CHUEH, LIANG-WU	2	100%	Newly elected after re-election on August 10, 2021
Members	CHEN, CHUN-CHENG	2	100%	Newly elected after re-election on August 10, 2021
Members	Toyama Mitsuo	4	100%	Newly elected after re-election on August 10, 2021 (Convener of the last committee)
Members	CHEN, CHAO-HUI	2	100%	Newly elected after re-election on August 10, 2021
Members	TAO, HUNG-WEN	2	100%	Newly elected after re-election on August 10, 2021

### ● Regulatory Compliance

Evermore Chemical strictly requires its employees, supervisors at all levels and members of the board of directors to abide by laws and regulations with acting in accordance with the law as the highest operating principle. It pays close attention to changes in laws and regulations that have an impact on the company's operation, and then conducts internal publicity and communication. At the same time, we actively participate in relevant courses such as the law promotion meeting and honest operation of the competent authority, and revise internal management rules when necessary.

### ● Preventive measures

With zero record of violation as the ultimate goal of preventive measures, we not only formulated relevant procedures and codes, but also revised the "code of ethical conduct for directors, supervisors and managers", "code of good faith business", "code of good faith business operation procedure and guide to conduct", "code of governance practice", "internal major information processing operation procedure", "Whistler channel and protection system operation procedure" according to law, and published them on the company's website for all colleagues to abide by it.

The above-mentioned relevant codes are also used for education and training during the monthly meeting of the whole staff, and relevant information and management rules are put on the cloud. All colleagues can use computers or mobile apps to check the relevant codes. In 2021, "avoid insider trading" was used as the publicity topic once to remind employees to abide by laws and regulations so as not to violate the law by mistake.

● **Anti-corruption mechanism**

In the code of conduct for good faith, the company clearly stipulates that when there are transactions or contracts between the company and its related parties and shareholders, it is strictly prohibited to directly or indirectly offer, promise, demand or accept any improper benefits. Maintain smooth communication channels with banks and other creditors, suppliers, communities or the company's stakeholders, and respect and safeguard their legitimate rights and interests. When the legitimate rights and interests of the stakeholders are infringed, the company will properly handle them in accordance with the principle of good faith.

The "working rules for employees" also clearly stipulates that "employees shall not take advantage of their authority to seek benefits for themselves or others, nor shall they accept entertainment treatment, gifts, rebates or other illegal benefits due to their official acts or acts against their duties". At the same time, through participating in external training and taking trainees as seed teachers, we strengthen the concept of laws and regulations of all colleagues internally.

In 2021, Evermore Chemical had no corruption incidents.

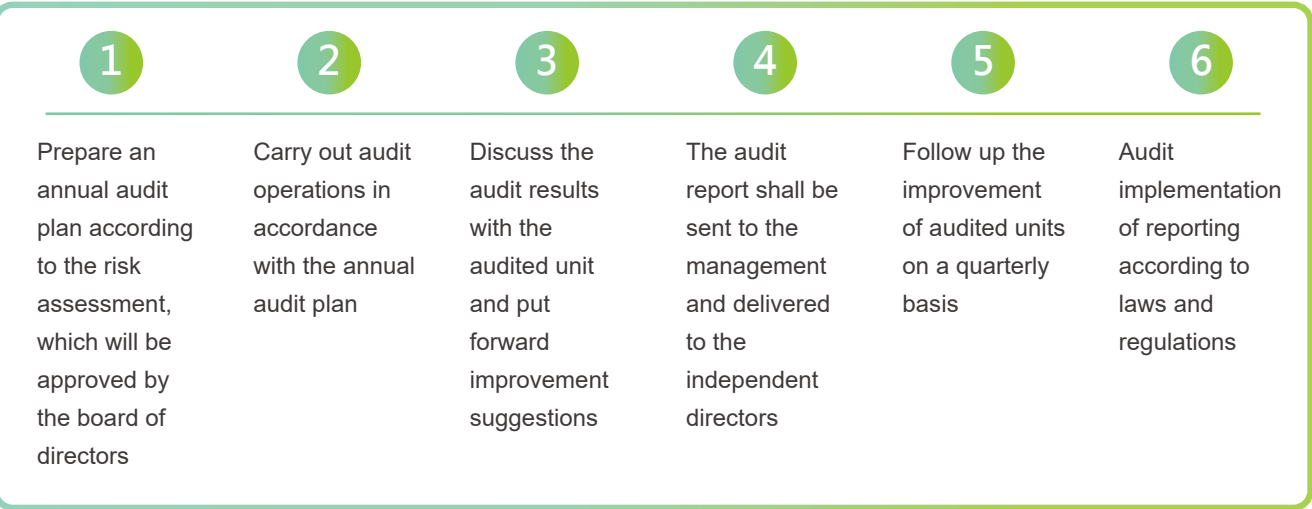
● **Internal control**

In order to ensure the implementation of corporate governance and strengthen internal control and audit operations, Evermore Chemical has set up an audit office, which is directly subordinate to the board of directors to assist the board of directors and managers in inspecting and reviewing the internal control system and measuring the effectiveness and efficiency of operations.

If you are a member of the board of directors, please email: [supervisor0@twemc.com.tw](mailto:supervisor0@twemc.com.tw)

If you are not a member of the board of directors, please email: [chairman0@twemc.com.tw](mailto:chairman0@twemc.com.tw)

**Internal audit process**



In 2021, there was no major internal control deficiency, and the effective statement of the internal control system was disclosed in the annual report.

## ● Risk Management

Evermore Chemical firmly believes that rigorous risk management is not only the best portrayal of implementing social responsibility, but also the key to sustainable operation. The company has long complied with the relevant laws and regulations of the competent authority and formulated the operation standards of each unit to fully implement the risk control of daily operations. The main risks faced in 2021 include: the impact of the global Covid-19 epidemic, cargo congestion, exchange rate fluctuations, supply and demand imbalance caused by extreme climate change, etc. we have comprehensively reviewed the possible risks, frequency and severity of the impact on the operation of Evermore Chemical. At present, we can identify and measure risks according to the risk management process, and effectively control and take appropriate response measures, ensuring that all risks can be controlled within the acceptable range.

The company identifies relevant risks that may affect the sustainable development of the enterprise from its daily operation, manages various risk aspects, and formulates crisis response steps in the hope of minimizing the uncertainty of the enterprise's operation. Relevant departments shall take corresponding measures to implement PDCA management cycle and strengthen risk management so as to achieve continuous improvement. The challenges and countermeasures of various risks at this stage are as follows:

### 1.Operational risks

For Evermore Chemical, the problem of large fluctuations in the price of raw materials required for operation or insufficient supply of materials is the biggest operational risk.

#### **Risk management measures:**

The raw materials required by Evermore Chemical are high-quality products manufactured by world-class factories. In order to reduce the risk of interruption in the supply of raw materials, the procurement, materials, business and other units formed a special group. We monitor the inventory quantity according to the order demand through the strategy of non-single supplier, and conduct quarterly, monthly and even weekly discussions to improve the accuracy of demand forecasting. Although there were significant fluctuations in raw materials in 2021, the company did not have supply chain disruptions.

#### **Strategies and practices for reducing raw material supply risks:**

Potential risks	Strategy	Measures
Supply interruption	Decentralized procurement	Actively seek new qualified manufacturers at home and abroad
	Make contracts	Sign contracts with manufacturers for bulk and important raw materials
	Procurement strategy and establishment of safety stock	Establish safety stock and pay attention to market trends at any time. Timely adjust the procurement strategy, and purchase and prepare materials in advance if necessary

## 2. Financial risk

The risk caused by the uncertainty of the time and amount of the recovery of accounts receivable.

### **Risk management measures:**

investigate the financial situation of customers, adopt credit sales for better customers, and control the accumulated credit sales amount within the credit limit; step up collection or litigation against customers who have not settled their arrears within the time limit. In addition, pay attention to interest rate changes, use funds flexibly, and reduce financial risks.

## 3. Disaster risk

We adopt a preventive management attitude to establish a disaster risk management mechanism, and have formulated "emergency response management procedures" to avoid or reduce the possible loss of personnel injury, system equipment damage, property loss, etc., which may lead to operation shutdown. In addition to actively cooperating with and participating in various drills organized by authorities at all levels, two disaster prevention and rescue drills are held regularly every year. Through the participation of all employees in fire drills, the emergency response ability is strengthened to control accidents and eliminate hazards.

The action to respond to climate change has reached an urgent moment. Enterprises are faced with risks such as high temperature, typhoon, lightning and rainstorm caused by extreme climate, which may affect the operation of the whole plant area and expose the plant area to high risks. Therefore, the development of products and processes towards energy saving and carbon reduction and the drill of natural disaster response are the key points of risk management and control of Evermore Chemical.

### **Risk management measures:**

- A** Develop green products and processes to reduce the impact of chemicals on the environment.
- B** Analyze the actual and potential impact of extreme weather on operations, and formulate appropriate operational adaptation strategies such as energy saving and carbon reduction, and greenhouse gas reduction.
- C** Strengthen safety protection in the plant area: actively formulate adaptation strategies to reduce disasters and losses caused by risks. In 2021, the company conducted a war game exercise under the scenario of the natural disaster simulation topic designated by the parent company AICA - a 7.3 magnitude earthquake. Assuming that the storage tank is deformed, the pipeline is damaged, and a large amount of solvent is leaked, the company immediately established a response command center in case of emergency to evacuate staffs for refuge, contain the spill, judge the water and electricity supply situation, provide support from government units, contact partners, and fully communicate the follow-up action plan. The natural disaster war game will become an important exercise of risk management for Evermore Chemical every year.

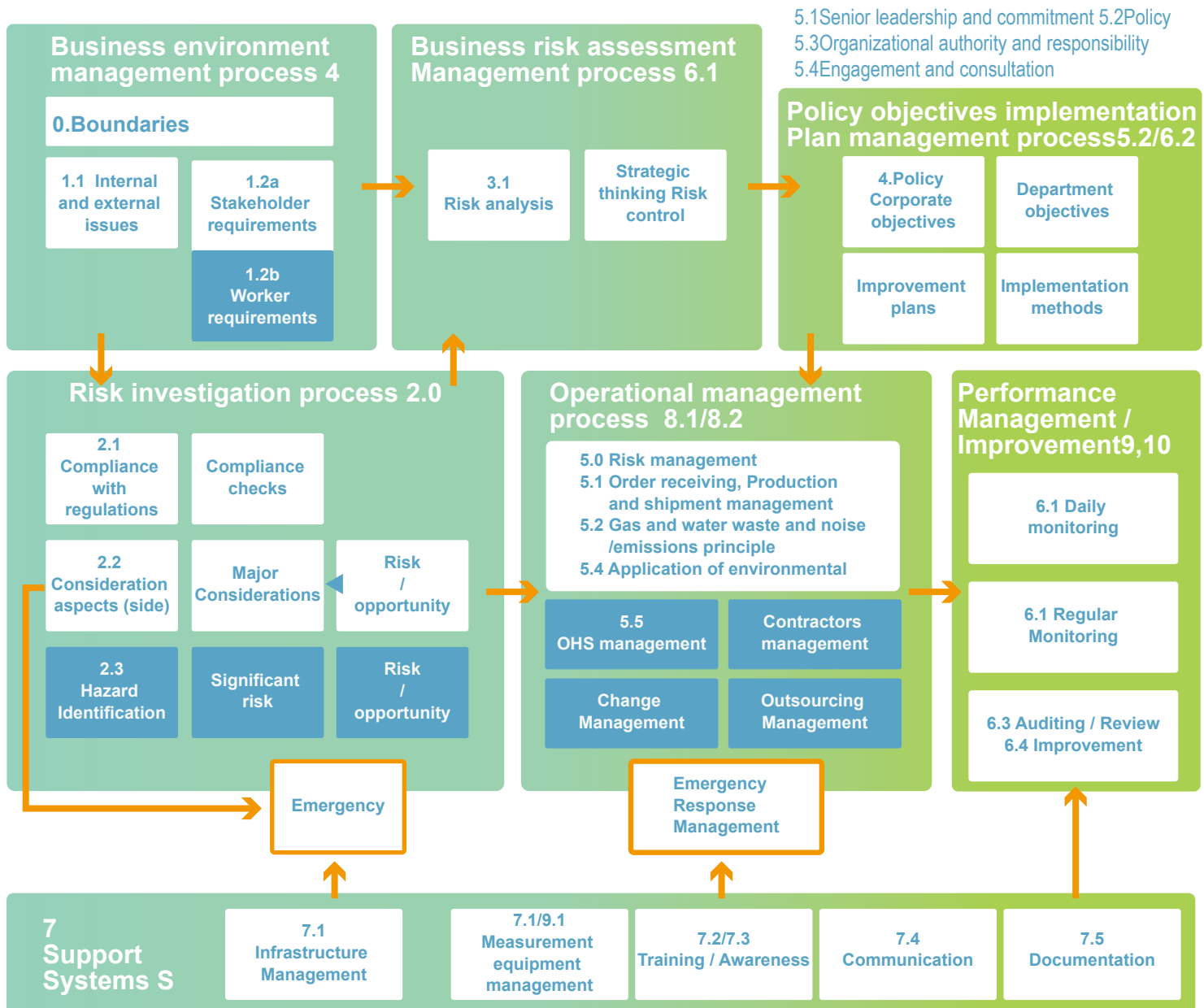


## ● ISO Management System Validation

We attach great importance to quality. In 1998, we passed the ISO 9001 quality certification, which, in 2017, was converted to ISO 9001:2015. We passed the ISO 14001 environmental management system certification in 2000, which was converted to ISO 14001:2015 in 2017. In 2005, we passed the certification of "OHSAS 18001:2001 occupational safety and health management system", which was converted to ISO 45001:2018 in 2020.

We make good use of the ISO high-level structure. In addition to allowing all organizations to integrate multiple management systems, promote Q (quality), e (environment), O (occupational safety and health), and import C (cost) management, re-examine our own documents and procedures, and centralize and readjust the relevant content. This can save manpower and financial resources for implementation, create comprehensive efficiency between the group and departments, and promote quality improvement, environmental protection, waste reduction, and safety and health, making the organization's operation more effective.

### Integration diagram of quality / environment / occupational safety and health management systems



The contents of this table refer to the teaching materials provided by Jianfeng Enterprise Management Consulting Co., Ltd.

# Quality Policy



"Quality is the very essence of corporate survival and dignity, and I am the one to defend it."

In order to continue to meet the expectations of our customers, the products produced by Evermore Chemical are based on the management philosophy of "simplicity and perseverance, research and innovation, sustainable performance and profit sharing". All staff work together to achieve the policy of "Quality is the very essence of corporate survival and dignity, and I am the one to defend it."

We take the following actions:

- Implement total quality management and grant the right to stop all operations that may cause poor quality.
- Continue to improve our quality system and produce high-quality products to meet our customers' needs.
- Do a good job in independent management, independent inspection and independent quality assurance to ensure that the products meet the requirements.
- Emphasize quality planning before mass production, with emphasis on the prevention of defects.
- Continuously improve the quality awareness and quality policy of all employees to improve the competitiveness of products.
- Conduct regular management review to establish and review quality policy and quality objectives to achieve customer expectations.

## Environmental safety and health policy

Recognize environmental safety, implement improvement, green production and zero disaster

### Cognition of environmental safety

"Cognition of environmental safety" refers to our "attitude" towards environmental safety and health, our concern for "people and environment", and our responsibility for our work. Supervisors at all levels shall regard environmental protection and the work safety and health of their colleagues as their own responsibilities, and provide necessary resources for the implementation of environmental safety and health business; Not only should we ensure that our colleagues work under the conditions that comply with the labor safety and health laws and other relevant requirements, but also that all the company's operations, products and services comply with the environmental protection laws and other relevant requirements. We also need to use economic and effective methods for continuous improvement and pollution prevention.

### Implement improvement

"Implementing improvement" refers to our "practice" in environmental safety and sanitation. Safety work is everyone's responsibility, which requires all employees participate in it. Therefore, we will build a mechanism for colleagues to participate in the management of environment, safety and health, ensure that the publicity, announcement, implementation and maintenance of environment, safety and health cover all colleagues. All colleagues have the obligation to receive education, training, health inspection and teach according to the company's articles of association. They are also responsible for actively responding to the discovered environmental safety and health problems to the supervisor to seek improvement together, and the supervisors at all levels should regard environmental safety and health as a part of the overall performance.

### Green production

We are committed to developing low-pollution green products and maintaining improvements to achieve our green production goals.

### Zero disaster

"Zero disaster" is our "goal" in environmental safety and health management. In order to ensure that the objectives can be achieved, we will establish a complete safety and health management system based on ISO 45001 and ISO-14001. Besides, we will also regularly audit the implementation of the environment, safety and health system, regularly review the environment, safety and health policies, objectives and management systems, and improve the deficiencies to achieve the goal of continuous improvement.

# ISO Management System Validation



ISO9001:2015  
Quality Management System



ISO45001:2018  
Occupational Health and  
Safety Management Systems

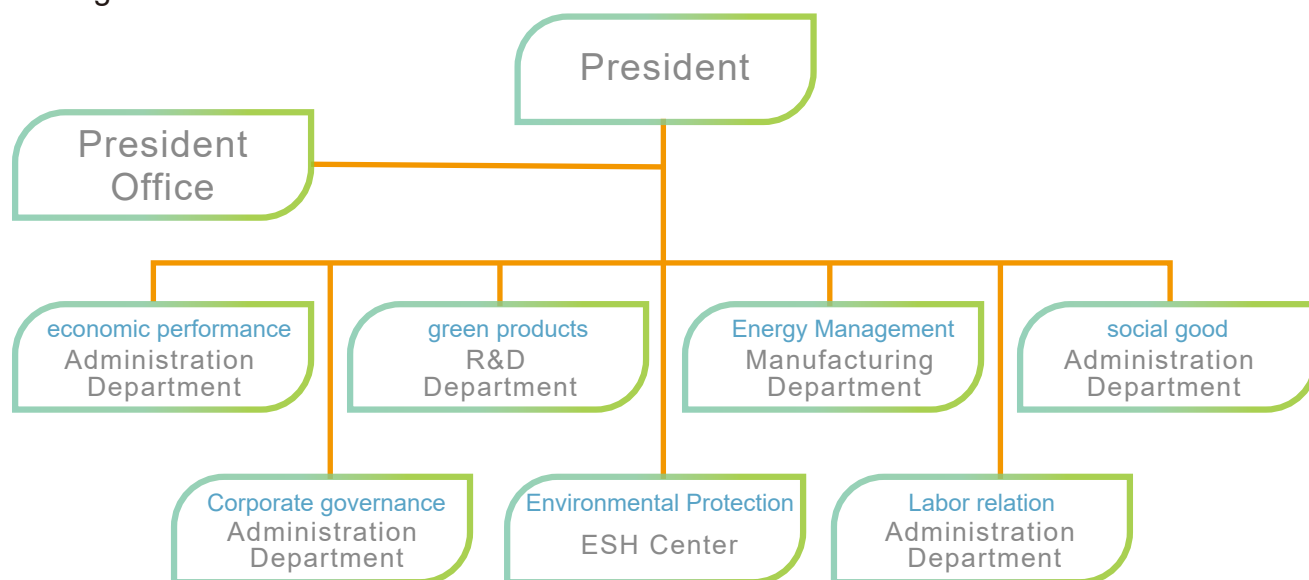


ISO14001:2015  
Environmental Management

# 03 Major topic

## ● ESG committee

In order to ensure the implementation of the sustainability strategy, the functional ESG committee was established in 2015, which is the highest level enterprise sustainability organization within Evermore Chemical. Its members include the general manager, the general manager's office and the heads of various departments. It effectively integrates resources, integrates corporate social responsibility into business strategies, and performs corporate social responsibility in a systematic and organized manner.



The ESG committee operates in accordance with the "P-D-C-A" (plan-do-check-action) management mode, and gradually completes the sustainable development strategy of Evermore Chemical in a systematic way.

### Sustainable Development Strategy

#### Economic aspect

Integrate customers, products and industries, give full play to the maximum comprehensive effect, provide green, reliable, innovative and cost-effective products, and create the highest value for all stakeholders.

#### Environment aspect

Implement clean production, develop green products and achieve environmental sustainability.

#### Social aspect

Create a happy and safe workplace and an inclusive society.

## ● Identification and communication of major topics

In order to understand the Topics concerned by stakeholders and self-examine the effectiveness of promoting enterprise sustainability within the organization, Evermore Chemical identified the topics of concern through a major analysis process; We identify stakeholders through the actual objects faced by each unit.

We identified the main stakeholders as follows:

Employees / senior management, partners, shareholders, customers, government agencies, financial institutions and suppliers are our main stakeholders.

All stakeholders can use special ESG mailbox: [csr@twemc.com.tw](mailto:csr@twemc.com.tw) , tell us your opinions, and Evermore Chemical will respond to your suggestions as soon as possible.

### Identification and analysis process of stakeholders and major topics:

- 1 Identified the stakeholders
- 2 Conduct a questionnaire survey
- 3 Collect the scores of the topics concerned
- 4 The ESG Committee discussed the impact of the topic on operations
- 5 Identify significant considerations
- 6 Determine the focus of disclosure and response



## ● Communicating with Stakeholders

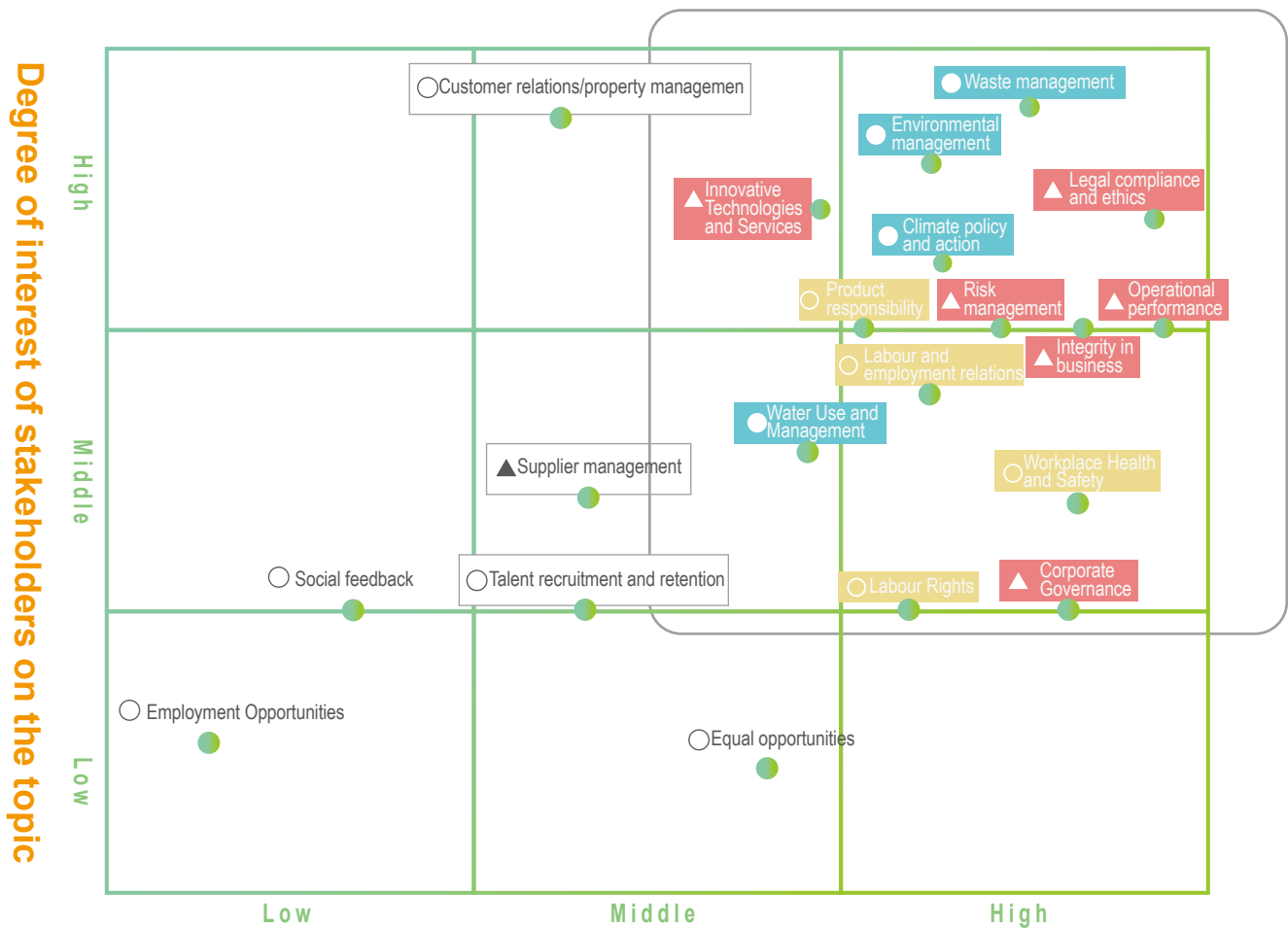
Importance of stakeholders to Evermore Chemical	Topics of concern	Communication channel	Communication frequency
<b>Evermore Chemical's</b> Senior Operations Core Key driving force to promote corporate sustainability and social responsibility	<ul style="list-style-type: none"> <li>• Corporate governance</li> <li>• Operational Performance</li> <li>• Honest operation</li> <li>• Legal compliance and ethics</li> <li>• Innovative technology and services</li> <li>• Risk Management</li> <li>• Environmental management</li> <li>• Talent recruitment and retention</li> </ul>	<ul style="list-style-type: none"> <li>• Performance appraisal interview</li> <li>• Labour Conference</li> <li>• Education and trainingMonthly mobilization meeting</li> <li>• Staff Email/Email</li> <li>• Complaint and consultation hotline</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly</li> <li>• Quarterly</li> <li>• Irregular Monthly</li> <li>• Irregular</li> <li>• Irregular</li> </ul>
<b>Employee</b> asset and the foundation of creating competitiveness. Through sound education and training and a friendly working environment, we can enhance the cohesion of employees	<ul style="list-style-type: none"> <li>• Operational Performance</li> <li>• Labour human rights</li> <li>• Labour and employment relations</li> <li>• Equal opportunity</li> <li>• Employment opportunities</li> <li>• Workplace health and safety</li> </ul>		
<b>Partner</b> Adhering to integrity management, committed to sustainable governance, and creating sustainable value for partners	<ul style="list-style-type: none"> <li>• Operational Performance</li> <li>• Corporate governance</li> <li>• Honest operation</li> </ul>	<ul style="list-style-type: none"> <li>• Shareholders' meeting</li> <li>• Legal person briefing</li> <li>• Financial report</li> <li>Shareholders mailbox</li> </ul>	<ul style="list-style-type: none"> <li>• Annually</li> <li>• Annually</li> <li>• Quarterly</li> <li>• Irregular</li> </ul>
<b>Shareholders</b> Evermore Chemical will continue to seek long-term benefits for shareholders with the attitude of honest operation and sustainable operation	<ul style="list-style-type: none"> <li>• Operational Performance</li> <li>• Corporate governance</li> <li>• Honest operation</li> </ul>	<ul style="list-style-type: none"> <li>• Shareholders' meeting</li> <li>• Legal person briefing</li> <li>• Financial report</li> <li>Shareholders mailbox</li> </ul>	<ul style="list-style-type: none"> <li>• Annually</li> <li>• Annually</li> <li>• Quarterly</li> <li>• Irregular</li> </ul>

Importance of stakeholders to Evermore Chemical	Topics of concern	Communication channel	Communication frequency
<b>Customer</b> An important business partner to meet customer needs and create a win-win situation	<ul style="list-style-type: none"> <li>• Supplier Management</li> <li>• Use and management of water resources</li> <li>• Climate strategy and action</li> <li>• Labour human rights</li> <li>• Labour and employment relations</li> </ul>	<ul style="list-style-type: none"> <li>• Major information release (MOPS)</li> <li>• Customer Satisfaction Survey</li> </ul>	<ul style="list-style-type: none"> <li>• Irregular</li> <li>• At least once a year</li> </ul>
<b>Government agencies</b> In addition to abiding by relevant laws and regulations, Evermore Chemical has two-way communication with the government to jointly promote the sustainable development of the industry	<ul style="list-style-type: none"> <li>• Waste management</li> <li>• Use and management of water resources</li> </ul>	<ul style="list-style-type: none"> <li>• Explanatory Meeting</li> </ul>	<ul style="list-style-type: none"> <li>• Irregular</li> </ul>
<b>Financial institution</b>	<ul style="list-style-type: none"> <li>• Social feedback</li> <li>• Product Responsibility</li> <li>• Customer relationship / property management</li> </ul>	<ul style="list-style-type: none"> <li>• Document</li> <li>• Invoice issuing</li> <li>• Symposium</li> </ul>	<ul style="list-style-type: none"> <li>• Irregular</li> <li>• Quarterly</li> <li>• 1-2 in a year</li> </ul>
<b>Supplier</b> Suppliers provide stable and high-quality products and services, and establish a mutual trust supply chain relationship	<ul style="list-style-type: none"> <li>• Customer relationship / property management</li> <li>• Supplier Management</li> <li>• Product Responsibility</li> </ul>	<ul style="list-style-type: none"> <li>• Meeting, interview, telephone, email</li> <li>• Supplier score</li> <li>• In-depth supplier evaluation</li> <li>• Interview and telephone</li> </ul>	<ul style="list-style-type: none"> <li>• Irregular</li> </ul>



## ● Identification of Major topics

Evermore Chemical identifies major topics, and determines the importance of the topic by the score of the degree of concern of stakeholders and the degree of impact on operations. This time, 20 sustainable topics are listed to sort Major topics; Among them, a total of 16 major topics have been identified, which we use as a reference for operational policies and strategies and as the focus of this report. Other topics have been responded to to meet the positive concerns of stakeholders.



### Impact on corporate governance, society and environment

▲ Corporate governance	▲ Major topic
● Environment	● Major topic
○ Society	○ Major topic
	General topics

## Explanation of Major topics scope

The company is expected to respond to the concerns of important stakeholders. The concern degree is as follows:

## ● Identification of ESG materiality Topics

### Corporate governance

Degree of involvement: ● direct / ○ indirect (facilitation or business relationship)

Major topic	▲ Legal compliance and ethics						
Corresponding chapters	(2) operation governance / compliance with laws and regulations; (5) sustainable environment						
Corresponding GRI indicators	307 compliance with environmental laws and regulations / 419 compliance with social and economic laws and regulations						
Boundary impact	Employee/ senior executive	Partner	Shareholders	Customer	Government agencies	Financial institution	Supplier
Involvement degree	●	●	●	●	●	○	●

Major topic	▲ Operational Performance						
Corresponding chapters	Operating Performance						
Corresponding GRI indicators	2 operation governance / 201 economic performance						
Boundary impact	Employee/ senior executive	Partner	Shareholders	Customer	Government agencies	Financial institution	Supplier
Involvement degree	●	●	●	●	●	○	●

Major topic	▲ Honest operation						
Corresponding chapters	(2) operation governance / compliance with laws and regulations						
Corresponding GRI indicators	205 Anti-corruption						
Boundary impact	Employee/ senior executive	Partner	Shareholders	Customer	Government agencies	Financial institution	Supplier
Involvement degree	●	●	●	●	●	○	●

Major topic ▲ Risk Management

Corresponding chapters | (2) operation governance / internal audit

Corresponding GRI indicators | 201 economic performance

Boundary impact	Employee/ senior executive	Partner	Shareholders	Customer	Government agencies	Financial institution	Supplier
Involvement degree	●	●	●	●	●	○	●

Major topic ▲ Corporate governance

Corresponding chapters | (2) operation governance / compliance with laws and regulations

Corresponding GRI indicators | 205 Anti-corruption

Boundary impact	Employee/ senior executive	Partner	Shareholders	Customer	Government agencies	Financial institution	Supplier
Involvement degree	●	●	●	●	●	○	●

Major topic ▲ Innovative technology and services

Corresponding chapters | 1. Company profile/ green products

Corresponding GRI indicators | 201 economic performance

Boundary impact	Employee/ senior executive	Partner	Shareholders	Customer	Government agencies	Financial institution	Supplier
Involvement degree	●	●	●	●	●	○	●

Major topic ▲ Supplier Management

Corresponding chapters | (4) product service / supply chain management and procurement

Corresponding GRI indicators | 419 compliance with social and economic laws and regulations / 204 procurement practice

Boundary impact	Employee/ senior executive	Partner	Shareholders	Customer	Government agencies	Financial institution	Supplier
Involvement degree	●	●	●	●	●	○	●

## Environment aspect

Major topic ● Waste management

Corresponding chapters | (5) sustainable environment / waste management

Corresponding GRI indicators | 306 waste

Boundary impact	Employee/ senior executive	Partner	Shareholders	Customer	Government agencies	Financial institution	Supplier
Involvement degree	●	○	○	○	●	○	●

Major topic ● Environmental management

Corresponding chapters | (5) sustainable environment

Corresponding GRI indicators | 302 energy / 305 emissions

Boundary impact	Employee/ senior executive	Partner	Shareholders	Customer	Government agencies	Financial institution	Supplier
Involvement degree	●	○	○	○	●	●	●

Major topic ● Use and management of water resources

Corresponding chapters | (5) sustainable environment / waste management

Corresponding GRI indicators | 303: water and drainage water

Boundary impact	Employee/ senior executive	Partner	Shareholders	Customer	Government agencies	Financial institution	Supplier
Involvement degree	●	○	○	○	●	○	○

Major topic ● Climate strategy and action

Corresponding chapters | (5) sustainable environment / energy-saving scheme, greenhouse gas

Corresponding GRI indicators | 302 energy / 305 emissions

Boundary impact	Employee/ senior executive	Partner	Shareholders	Customer	Government agencies	Financial institution	Supplier
Involvement degree	●	○	○	○	●	●	●

## Social aspect

Major topic ☐ Workplace health and safety

Corresponding chapters | 6 Occupational safety

Corresponding GRI indicators | 403: occupational health and safety

Boundary impact	Employee/ senior executive	Partner	Shareholders	Customer	Government agencies	Financial institution	Supplier
Involvement degree	●	○	○	○	●	○	○

Major topic ☐ Labour and employment relations

Corresponding chapters | 7 Labour and employment relations

Corresponding GRI indicators | 401 : Labour and employment relations

Boundary impact	Employee/ senior executive	Partner	Shareholders	Customer	Government agencies	Financial institution	Supplier
Involvement degree	●	○	○	○	●	○	○

Major topic ☐ Product Responsibility

Corresponding chapters | Green products

Corresponding GRI indicators | 416: customer health and safety / 417: marketing and labeling

Boundary impact	Employee/ senior executive	Partner	Shareholders	Customer	Government agencies	Financial institution	Supplier
Involvement degree	●	○	○	●	●	○	○

Major topic ☐ Customer relationship / property management

Corresponding chapters | 4 Products service / customer service and satisfaction

Corresponding GRI indicators | 418: customer privacy

Boundary impact	Employee/ senior executive	Partner	Shareholders	Customer	Government agencies	Financial institution	
Involvement degree	●	○	○	●	○	○	○

Major topic      ☐ Talent recruitment and retention

Corresponding  
chapters

7 Labour and employment relations / talent cultivation

Corresponding  
GRI indicators

404 Training and education

Boundary  
impact

Employee/  
senior  
executive

Partner

Shareholders

Customer

Government  
agencies

Financial  
institution

Supplier

Involvement  
degree



# 04 Product service

## ● Major topic: supplier management

What it means to Evermore: to ensure stable and normal supply of raw material supply quality, so as to effectively control risks.

### Topic Management

#### Policies and Core Objectives

Manage customer and supplier relations, implement social responsibility, enhance sustainable competitiveness, and create a sustainable future.

#### Action Programme

Regular supplier evaluation, including whether it attaches importance to green procurement, whether there is illegal employment of child labor, factory manufacturing and technology, quality, process management, environmental protection and implementation of 6S, so as to ensure future cooperation. Only when the evaluation results of the production factories are above grade B can it be purchased for a long time.

#### Assessment / Feedback Mechanism

Annual audit and quarterly evaluation results of suppliers meet the company's requirements

#### Performance results

The results of the evaluation of factories, distributors and trading companies in 2021 are all 100% in line with the requirements of the company's procurement standards.

#### Future goals

Maintain a stable cooperation with the supply chain.

## ● Major topic: Customer relationship

What it means to Evermore: improve customer satisfaction, loyalty and goodwill, and then improve the willingness of new customers to cooperate with Evermore, so as to jointly create the maximum income and profit of the enterprise.

### Topic Management

#### Policies and Core Objectives

Let customers recognize the brand value of "Evermore Chemical" and enhance their trust in products.

#### Action Programme

In addition to using quality management methods, customers' dissatisfaction with products will be immediately reported and reviewed in the meeting, and the following principles will be followed to continuously pursue to meet customers' needs:

Revise product quality standards timely

Strictly follow the process to prevent negligence

Implement education and training to achieve high quality

#### Assessment / Feedback Mechanism

Customer Satisfaction Survey

## ● Supply Chain Management and Procurement

In order to ensure the stable and normal supply of raw material supply quality, Evermore Chemical makes various evaluations on suppliers to effectively control risks.

### ● Supplier Reviews

In order to pursue the company's product quality, improve the product image and provide long-term stable supply to customers' needs, the company not only regularly scores and evaluates suppliers and third parties according to ISO9001 "supplier management procedure" and "supplier evaluation form", but also requires manufacturers to provide assurance of restricted substances for necessary raw materials to ensure product safety.

Every year, the supplier's production factories are evaluated. An evaluation team composed of personnel from the administrative, quality assurance, R & D, production management, environmental safety and other departments conducts in-depth evaluation on one or two supplier factories every year. The factory evaluation covers the operation and management of the factory, including whether it attaches importance to green procurement, whether there is illegal employment of child labor, factory manufacturing and technology, quality, process management, environmental protection and the implementation of 6S, so as to ensure future cooperation, Only when the evaluation results of the cooperative production plants are above grade B, can they be purchased for a long time.

Dealers and trading companies are required to improve their deficiencies through the scoring method. Manufacturers are required to score three items: delivery date, quality and short delivery, which are scored quarterly. The results of the evaluation of factories, distributors and trading companies in 2021 are all 100% in line with the requirements of the company's procurement standards.

#### Supplier evaluation form:

Audit items	Examples of the content
Operating management	Whether it attaches importance to environmental protection and green procurement
Manufacturing and technology	● Standard operation process of product production
Quality management	● Whether the delivery records are complete, well-kept and traceable
Production management	● Whether to execute 6S or other

## Supplier survey form:

Operation investigation project	Examples of survey items
Compliance with business ethics	<ul style="list-style-type: none"> <li>Whether intellectual property rights are respected</li> </ul>
Whether human rights are valued	<ul style="list-style-type: none"> <li>Use child labor</li> </ul>
Whether to disclose relevant reports	<ul style="list-style-type: none"> <li>CSR or ESG</li> </ul>
Land type of the company	<ul style="list-style-type: none"> <li>Whether the land is illegally used</li> </ul>
Whether it has passed international certification	<ul style="list-style-type: none"> <li>ISO or other</li> </ul>
Applicable pollution prevention and control regulations	<ul style="list-style-type: none"> <li>Air pollution control, waste cleaning, etc</li> </ul>

## ● Raw material procurement management

Since the main raw materials used by the company, such as TDI (Toluene Diisocyanate) and AA (Adipic Acid), are not manufactured in Taiwan and must be imported from South Korea, mainland China, Japan and other places, Evermore Chemical signed long-term contracts to ensure the stable supply from the partners.

## Supply of main raw materials

Location / raw materials	2021 / TDI	2021 / AA
Taiwan	0%	0%
Not in Taiwan	100%	100%
Source of supply	3 overseas	3 overseas

## ● Customer Service and Satisfaction

Evermore Chemical provides a professional service team, which can understand the needs of customers at any time, give professional assistance and technical support immediately, and constantly provide more diversified services, so that customers can trust and feel more secure.

We expect to enable customers to recognize the brand value of Evermore Chemical and enhance their confidence in products. In addition to visiting customers and communicating with them at any time, we also conduct customer satisfaction surveys every year to understand whether customers are satisfied with our products and services in the past year. On the whole, the customers are still very satisfied with the evaluation of Evermore Chemical. We strive to improve the suggestions reflected by customers to Evermore Chemical, and work towards the goal of 100% customer satisfaction.

The customer satisfaction survey is conducted according to the ISO 9001 procedure, focusing on the manufacturers that have transaction records with Evermore Chemical in the past year.

The evaluation items of the survey include two major items and several sub-items, including :

### **Service Satisfaction**

Business service attitude, business problem-solving ability, business professional knowledge, speed of business staff in cooperation processing, after-sales technical service.

### **Products Satisfaction**

Product quality, R & D innovation, R & D timeliness, product customization, product packaging quality.

We use the 5-grade scale with a full score of 5 as the standard for satisfaction evaluation and investigation. In 2021, our customer satisfaction score reached 4.32, which is a little higher than that in 2020. We will strive to achieve 100% customer satisfaction by adhering to the direction of continuous improvement

2019

3.76

2020

4.19

2021

4.32

In addition to using quality management methods, customers' dissatisfaction with products will be immediately reported and reviewed in the meeting, and the following principles will be followed to continuously pursue to meet customers' needs:

- Revise product quality standards timely
- Strictly follow the process to prevent negligence
- Implement education and training to achieve high quality

## ● Customer Information Protection

The company also attaches great importance to the protection of customers' data and the confidentiality of information related to their privacy. The company is duty-bound to sign confidentiality agreements according to customers' needs. In addition, in terms of information security, it implements authority control, uses firewalls to block hacker intrusion, uses filtering software to filter viruses and spam, downloads abnormal status warnings, updates anti-virus software to prevent various viruses, regularly backs up, and so on, to avoid leakage of customer information caused by human errors.

As of 2021, there have been no complaints about the loss, leakage or infringement of privacy rights of customers.



# 05 Environment management

- **Major topic: environment management**

**What it means to Evermore: to protect the earth's environment, fulfill the corporate social responsibility, coexist and prosper with the environment, and achieve the goal of sustainable operation.**

## **Policies and Core Objectives**

In the face of changing environmental trends and tightening regulations, we regularly review and implement improvements to achieve compliance with environmental requirements.

## **Action Programme**

Take action, promote and strengthen programmes to achieve sustainable operations and corporate responsibility.

## **Assessment / Feedback Mechanism**

We have a wide range of pollution control equipment, including: liquid injection incinerators, wastewater treatment equipment, organic waste gas biofilters and wastewater solids separation and reuse improvement equipment, as well as developing energy saving solutions.

## **Performance results**

Continuously replace the old equipment, reduce the temperature of the ice water machine, replace the LED lights in the office, and achieve a total power saving of 102,947 Kw/h

## **Future goals**

We regularly review and implement improvements to achieve compliance with environmental requirements.

Research and develop green products, so as to increase the proportion of their sales, and take the initiative to take actions, promote and strengthen them, so as to achieve sustainable operation and corporate responsibility.

## ● Major topic: Waste Management

What it means to Evermore: with the improvement of environmental protection Topics and the development of environmental protection technology, through modern and advanced environmental protection technology, we are committed to reducing the impact of production processes on the environment, implementing environmental management, and protecting our earth.

### Topic Management

#### **Policies and Core Objectives**

Waste reduction and recycling mode

#### **Action Programme**

Establish scheme of source reduction, production waste reduction and classification and recovery / recycling

#### **Assessment / Feedback Mechanism**

- Waste Reduction Enforcement Promotion
- Production Waste Reduction and Separation and Recycling
- Recycling of finished product packaging barrel

#### **Performance results**

- PE film recycling in raw material packaging reached 510kg in the fourth quarter of 2021, with a recovery rate of 18.3% [PE film / (D-0299 clearing volume + PE film)]
- Establish the recycling mechanism of stainless steel ton barrel / IBC packaging barrel / 50 gallon barrel and finished product packaging barrel

#### **Future goals**

Continue to promote waste reduction and introduction of recycling and reuse mode

## ● Major topic: Water use and management

**What it means to Evermore:** to reduce or recycle water through various improvements in response to climate change, to relieve the impact of production processes on the environment, to implement environmental management and to keep the planet healthy.

### Topic Management

#### **Policies and Core Objectives**

In line with the national water resources policy, implement normal water conservation in the plant area, and take the lead in water conservation with practical actions

#### **Action Programme**

The plant area implements the normal water-saving mechanism to reduce the use of water resources and recycle water

#### **Assessment / Feedback Mechanism**

Recycling of process cooling water

#### **Performance results**

The process cooling water is reused as dilution water for liquid alkali, with a reuse rate of more than 70%

#### **Future goals**

Improve the normal water-saving mechanism and reduce the use of water resources

Evermore Chemical firmly believes that environmental protection and enterprise development are linked to each other. With the improvement of environmental protection Topics and the development of environmental protection technology, it has gradually moved from the end treatment of waste gas, wastewater and waste in the early days to the source prevention and treatment of waste reduction, pollution prevention and clean production in the process. The company actively applies modern and advanced environmental protection technology, and is committed to reducing the impact of production processes on the environment, implementing environmental management, and making the earth healthy. We follow a set of ISO 14001:2015 environmental management mechanism, constantly demand ourselves to improve standards, and advance towards a sustainable enterprise.

## ● Energy Intensity

Item	Year	2019	2020	2021 (total)	2021 Plant Information	
					Nangang	Dayuan
Product electricity consumption (kwh)		10,331,000	9,133,220	9,973,020	9,512,520	460,500
Diesel for power equipment (litres)		16,970	15,000	17,085	16,351	734.06
Natural gas consumption (M³)		1,583,862	1,567,169	1,674,079	1,674,079	0
Water consumption (degrees)		30,100	32,429	42,476	39,051	3,425
Unit product electricity consumption (kwh/tonne)		528.71	528.59	519.80	544.66	267.56
Unit product oil consumption (litres/tonne)		0.87	0.87	0.89	0.94	0.43
Unit product gas consumption (M³/tonne)		81.06	90.70	87.25	95.85	0
Unit product water consumption (litres/tonne)		1.54	1.88	2.21	2.24	1.99
Product output (tonnes)		19,540	17,279	19,186	17,465	1,721

2021 vs. 2020:

The decrease in the total natural gas consumption per unit product of the two plants is mainly due to the inclusion of Dayuan from August to December as Dayuan uses purchased steam.

The scope of disclosure in 2021 only includes the production activities in the plant.

The energy consumption of freight cars and official vehicles will be disclosed in the future (freight cars are only available in Nangang Factory)

## ● Energy saving scheme

Follow the spirit of the energy management law; To strengthen energy management and promote rational and effective use of energy.

The central competent authority formulates an energy development program in order to ensure the stability and security of the country's energy supply, consider environmental impact and take economic development into account.

Energy users who use energy up to the amount prescribed by the central competent authority shall report the information on energy use to the central competent authority.

Risheng chemical completes energy declaration in January every year; The declaration of energy efficiency indicators was completed in March. In recent years, there have been obvious energy-saving achievements, as shown in the following table:

Item	Year	2019	2020	2021
Save more than 1% of the total electricity		3.08%	1.29%	1.11%
Total kWh saved		328,650	114,837	102,947

### Energy Saving Action Plan

Year	Item	Energy saved (kWh)
2019	Change the fixed frequency type of air compressor to variable frequency air compressor	315,868
	Replace warehouse lighting with LED lamps	12,782
2020	The cooling water motors were replaced by new ones	73,771
	Increased water temperature from ice water dispenser	41,066
2021	Replaced the utility motor of the Production Division 3	23,701
	Reduced the pressure of the air compressor in the utility area	9,847
	Replaced the mercury lamps of office T5 with LED lamps	14,809
	Reduced the temperature of cooling water tank to reduce the energy consumption of ice water dispensers	13,406
	Increased the temperature of ice water dispensers in division 2	41,184

We will replace inefficient boilers, review whether there are improper local exhaust pipes that increase pressure loss and reduce efficiency, and consider replacing process equipment such as air compressors, pumps, freezers, cooling water towers, etc. that reduce efficiency due to aging, as well as gradually replacing lighting equipment with LED lamps and evaluating green power.

## ● Water and drainage management

### Water Usage

Item	Year	2019	2020	2021
Tap water (litre)		30,100	32,429	42,476

The water source of the company is tap water, which is mainly used for production (as raw material or solvent), cooling water for equipment during process operation, water for steam boilers, and domestic water for colleagues in the factory.

In response to climate change and in line with the national water resources policy, the plant implements normal water conservation, confirms and installs water-saving faucets, reduces or recycles water through various improvements, takes the lead in saving water with practical actions, and follows and coordinates the goal of entering a water-saving society.

#### Water saving taps



9 litre

#### Non-water saving taps



12 litre

Taps	Water saving type	Non-water saving
Standard flush volume (L/min)	9	12
Water saving (T/year)	26.3	--

Data source: Ministry of Economic Affairs, Water Conservation Information Network

When liquid alkali is used in UM process, 70% of the diluted water is used as process cooling water.

Reuse project	Year	2019	2020	2021
Process cooling water (MT)		180.860	171.745	216.096

(GRI 303-1) (GRI 302-2)

The company's business wastewater is discharged into the Nangang Industrial Zone wastewater treatment plant, which belongs to the industrial zone, and monitored by the plant. The recent wastewater discharge status is as follows:

Item	Year		Nangang				Dayuan	
	2019		2020		2021		2021	
	First half of the year	Second half of the year	First half of the year	Second half of the year	First half of the year	Second half of the year	Average value from Aug. to Dec.	
PH value	8.4	8.8	8.7	7.9	8.3	8.1	7.06	
Water Temperature	26.1	27.8	29.2	29.5	28.1	29.7	28	
Biological oxygen demand	114	155	116	125	30	22.7	--	
Chemical oxygen demand (mg/L)	233	553	241	185	176	75.2	102.86	
Suspended solids (mg/L)	112	113	109	106	19	4	12.1	
ADMI	357	149	127	130	63	78	--	
Free and effective residual chlorine	--	0.06	0.06	0.03	--	--	--	
Ammonia nitrogen	4.74	1.98	0.5	2.67	0.31	0.47	--	
Oil and grease	<0.5	1.3	1.0	0.8	<0.5	1.4	--	
Nitrate nitrogen	40.1	19.7	5.06	9.63	1.43	2.35	--	
Fluoride salt	0.23	0.17	0.23	0.44	0.25	0.21	--	
Anionic surfactant	ND	0.13	ND	<0.1	<0.1	<0.1	--	
Phenols	ND	0.0092	ND	0.0126	0.0078	ND	--	
Discharge (m <sup>3</sup> / year)	10,617		10,084		9,051		2,887	

\* Water quality specifications:

1. Discharge standard of wastewater treatment plant in Nangang Industrial Zone: suspended solids (SS) less than 320 mg / L; Chemical oxygen demand (COD) less than 640mg / L

2. Wastewater treatment plant in Dayuan Industrial Zone: the suspended solids (SS) is less than 240 mg / L; Chemical oxygen demand (COD) less than 480mg / L

\*The water pollution prevention and control license of Dayuan Plant was obtained on August 6, 2021, and the data was based on the average value of sampling and testing fees from August to December of Dayuan Industrial Park Wastewater Treatment Plant.

In accordance with the "measures for the administration of the review of water pollution prevention and control measures plans and permit applications", the company completed the change and extension of water pollution prevention and control measures plans and permit documents in September 2021, and reported the operation status in January and July in accordance with the relevant provisions.

According to the "chemical industry discharge water standard" of the water pollution prevention and control measures and the measures for the administration of testing and application announced in March 2018, the testing items include 44 water quality control items such as general water quality, specific water quality (1), specific water quality (2), etc. The main testing items include hydrogen ion concentration index, water temperature, biochemical oxygen demand, chemical oxygen demand, suspended solids, ADMI, free and effective residual chlorine, ammonia nitrogen, oil, nitrate nitrogen fluoride salts, anionic surfactants, phenols, etc. the items declared for regular testing are far lower than the standards of discharge water or the detection limits of methods.

In 2021, Evermore Chemical did not violate water pollution related regulations.

(GRI 306-1) (GRI 306-5)

## ● Greenhouse gas emission

The law on greenhouse gas reduction and management was promulgated and came into effect in July 2015. According to paragraph 1 of Article 16 of this law, the emission sources announced by the central competent authority shall conduct an annual emission inventory, and register in the emission source account opened on the information platform designated by the central competent authority before the prescribed time limit. The emission inventory and related information shall be verified by the inspection institution every three years.

It has been announced that "the first batch of emission sources that should be checked and registered for greenhouse gas emissions" is listed as the main greenhouse gas emission source as the control basis for subsequent greenhouse gas reduction measures. We are not within the regulatory threshold.

The initiative will launch greenhouse gas inventory and verification in 2022, further carry out greenhouse gas reduction and control measures, actively start greening, energy conservation and carbon reduction, reduce the impact of greenhouse gases generated by production activities on the environment through low-carbon energy and green technology research and development, and move towards the green economy development mode of mitigating climate change, showing the action of corporate social responsibility.

Item	Year	2019	2020	2021
<b>Direct greenhouse gas emissions (Scope 1) tonCO<sub>2</sub>e</b>		2,980.592	2,949.640	3,152.051
<b>Energy indirect greenhouse gas emissions (Scope 2) tonCO<sub>2</sub>e</b>		5,258.479	4,584.894	5,056.146
<b>Total tonCO<sub>2</sub>e</b>		8,239.071	7,534.534	8,208.197
<b>Product output (MT)</b>		19,539.9	17,278.6	19,186.2
<b>Greenhouse gas emission intensity</b> [carbon dioxide emissions per kilogram of output] (kg CO <sub>2</sub> / kg)		0.422	0.436	0.428

Note: this statistical data is the converted greenhouse gas emissions tonCO<sub>2</sub>e of natural gas consumption, power consumption and purchased steam.

Generally, the greenhouse gas emissions converted from power consumption account for about 50-60% of the total emissions. Therefore, when the power is turned on and the output is high, the greenhouse gas emission intensity converted is relatively low.

(GRI 305-1) (GRI 305-2) (GRI 305-4)

## ● Air pollutant emissions

Unit: kg

	2019	2020	2021
<b>Particulate pollutants</b>	1,229.10	1,942.71	1,141.20
<b>Sulfur oxide</b>	192.36	311.40	177.00
<b>Nitrogen oxide</b>	2,696.01	2,837.41	2,839.97
<b>Volatile organic compounds (VOCs)</b>	10,334.01	8,167.80	8,761.49
<b>Total emissions</b>	14,451.48	13,259.32	12,919.66

In the production process of the company, the main air pollutants are particulate pollutants, sulfur oxides (SOx), nitrogen oxides (NOx) and volatile organic compounds (VOCs).

For volatile organic compounds (VOCs), biofilter microbial treatment and humidification tower are used to effectively control the humidity, facilitate the growth of microorganisms, and the equipment is indeed maintained and operated to give full play to the best treatment efficiency, do a good job in pollution prevention and control, and comply with the requirements of the "air pollution control and emission standards for volatile organic compounds".

To prevent VOC emission and meet the requirements of air pollution control and emission standards of VOCs, for example, wastewater treatment facilities adopt closed or enclosed gas gathering systems to collect VOCs and then send them to the air pollution control equipment of biofilter bed for treatment.

When all processes comply with the contents of the Topicd fixed pollution source operation permit, if there is a change or expansion of the fixed pollution source equipment, a change in the process, raw materials, fuels or products, or a change or change in the fixed pollution source setting operation, the plastic and synthetic resin (PU resin) manufacturing process (M01) and the plastic and synthetic resin (polyester resin) manufacturing process (M02) in 2021 are as specified above, It shall be handled in accordance with the application regulations for operation permit. Implementing compliance with the law and doing our part in environmental protection is the basic principle of sustainable operation of enterprises.

(GRI 305-5)

## ● Waste management

### Unit waste treatment status

Year	2019		2020		2021	
Item	Clearing volume	Proportion	Clearing volume	Proportion	Clearing volume	Proportion
<b>General waste</b>	517.47	85.05%	429.06	91.40%	563.85	92.44%
<b>Hazardous waste</b>	1.67	0.27%	0	0	1.99	0.33%
<b>Recycling waste</b>	89.28	14.68%	40.61	8.60%	44.12	7.23%
<b>Total (unit: MT)</b>	608.42		466.99		609.96	

### Classification of waste streams to treatment

General / hazardous waste	Waste code	Incineration	Landfill	Heat treatment	Reuse	Total
General waste	D category	140.37	132.69	290.79	--	563.85
General waste	R category	--	--	--	1.92	1.92
	C-0301	1.99	--	--	--	1.99
Hazardous waste	B-0399	--	--	--	35.46	35.46
	B-0347	--	--	--	6.737	6.737
<b>Total</b>		<b>142.36</b>	<b>132.69</b>	<b>290.79</b>	<b>44.117</b>	<b>609.957</b>

\*General wastes mainly include D-0202 waste resin (except D-0202) and D-0299 waste plastic mixture, D-1801 general waste generated from business activities, D-0901 organic sludge, D-1504 non-harmful organic waste liquid or waste solvent.

\*Hazardous waste C-0301 shall be consigned to a qualified cleaning and transportation company and treatment plant.

\*Hazardous waste B-0347 is mainly used as raw materials of products that do not affect the quality after washing the tank with dimethylformamide.

There were more general wastes in 2021 than in 2020, mainly due to the increase of UM production (UM net output was 1767.3 tons in 2020; 2140.7 tons in 2021). In addition, the esterification water of UM process is caused by the high output of wastewater per unit product of some product items.

The Company acquired Dayuan Factory in August 2021. During the handover period, the original owner carried out waste management on behalf of the Company. Since 2022, the Company has managed its waste storage and removal affairs, which are proposed to be disclosed in the ESG report in 2022

Incineration, heat treatment, landfill treatment and recycling should be adopted according to the disposal methods in the waste disposal plan. We sign a tripartite agreement with qualified waste removers and treatment plants, sort out the list of validity periods, and implement control measures. The waste shall be entrusted to an environmental inspection and measurement institution approved by the environmental protection administration to provide a test report to prove the compliance of classification.

### ● Effectiveness management:

- The cleaning contractor shall log in the access control operation before entering the factory, and the environmental safety and health personnel shall monitor the actual situation during cleaning and transportation; Topic a declaration form in accordance with regulations.
- The GPS positioning system installed on the waste disposal vehicle is used to track the removal route and confirm whether the location of the waste disposal vehicle is consistent with the location of the waste disposal plants.
- The "criteria for determining the due diligence obligation of enterprises entrusted with cleaning" establishes an enterprise's internal independent inspection and audit waste system: regular inspection and audit every quarter, making inspection and audit records, tracking missing improvements, and incorporating them into the focus of independent inspection and audit.
- Visit the treatment plant regularly every year to implement waste removal and treatment management.

## ● Waste reduction and recycling mode:

- Establish a multi-pronged plan for source reduction and improvement, production waste reduction and classification, and recovery / recycling.
  - The PE film in the raw material packaging, which was originally a general waste of waste plastic mixture, was outsourced for cleaning and transportation. After promotion, classification and discrimination, and classification, the PE film was recycled. In the fourth quarter of 2021, the actual recycle amount was 510kg, and the recovery rate was 18.3% [PE film / (D-0299 clearing and transportation volume + PE film)]
  - After cleaning and treatment in the factory, select products that do not affect the quality.
  - The solvent for washing the tank shall be the product that does not affect the quality.
  - The number and quality of tank washing solvent are controlled and tested by customers.
  - Recycling of finished product packaging barrel:
1. Stainless steel barrel: carried back by the customer after use, and reused after confirming the quality of the barrel.
  2. IBC packaging barrel: for the use of fixed customers and then carried back for reuse in the original product items.
  3. 50-gallon barrels: some customers re-purchase fixed items of products, carry them back after use, and reuse them in the original products item.
  4. Initiation of waste classification

### Packing straps of other colors



### PE film recovery



1. Compress to avoid excessive puffiness.
2. Put them in the jumbo bags and bind them properly to avoid scattering.
3. It cannot be recycled if being stained with resin.

- **Environmental regulations compliance**
- **Toxicity and Chemical Management of Concern**

Measures for registration of new chemical substances and existing chemical substances: for new chemical substances and existing chemical substances that have been approved for registration, the registrant shall, from April to September of each year after approval for registration, declare the quantity information of new chemical substances or existing chemical substances manufactured and imported in the previous year. The declaration shall be handled through the network transmission system specified by the central competent authority. Up to now (June 30, 2022), 290 registration codes have been applied for, and have been completed with in the time limit as required.

Measures for registration of new chemical substances and existing chemical substances  
Item 106 of the announcement specifies the list of existing chemical substance standards to be registered, the order of magnitude and the time limit for registration; The standard registration should have been obtained before December 31, 2021, but due to practical needs and the impact of serious special infectious pneumonia epidemic, it is revised to be before December 31, 2024.

Evermore Chemical started its application in 2021 and successively obtained the standard registration and issuance code.

Application process	Standard Registration Levels	Standard Registration Completion Code
Acrylic acid (cas no 79-10-7)	Level 3	ESR100000268-002
Methacrylic acid (cas no 79-41-4)	Level 3	ESR110001719
Isocyanic acid 3-isocyanatomethyl-3,5,5-Trimethylcyclohexyl ester (cas no 4098-71-9)	Level 3	ESR110001495
4,4'-methylene diphenyl diisocyanate (cas no 101-68-8)	Level 4	ESR110001642
Propylene glycol triacrylate (cas no 42978-66-5)	Level 3	ESR110001552

Evermore Chemical regularly checks the changes in laws and regulations, implements them, and completes them within the validity of the laws and regulations.

- **Environmental Penalty Incidents**

There were no environmental penalty events in 2021.

## ● Emergency response drill

### No-alarm test for operators of toxicity and chemical substances of concern

Nantou County listed operators / operation sites of toxic chemical substances for joint testing on July 13, 2021,

The joint prevention organization of Evermore plasticizer conducted a no-alarm test exercise on August 2, 2021

Simulated accident: the competent authority Topicd a test notice in Taichung port area: the packaging container was broken during the transportation of goods, resulting in the leakage of the toxic substance DBP.

Activation of the joint prevention organization: the toxic chemicals operation plant staff immediately notified the environmental protection bureau and the central district environmental incident group, requested support from the Evermore joint prevention organization and arrived at the scene within 2 hours to deal with the situation.

Activate the emergency response mechanism: the external support team, Xiangmeng express company and drivers, conducted on-site control and evacuation. Evermore plasticizer joint prevention organization and the company carried emergency equipment to the scene for rescue after receiving the support request. The central environmental accident professional technical team rushed to the scene to assist in poison sampling and analysis, environmental monitoring and poison disaster response consultation. After the accident operator completed the DBP gallon bucket leakage prevention and personnel decontamination, the personnel of the environmental protection bureau and the central district environmental accident professional technical team carried out the DBP concentration detection and inspection in the polluted area and the water quality monitoring of the nearby ditches, confirming that there was no danger. The on-site commander notified the emergency command center and announced the removal of the accident situation.

### No-alarm test results of Evermore plasticizer joint prevention organization



Leakage of DBP barrel transported by Changde



Immediately inform the environmental protection bureau and the environmental accident team of the central district and request the support of joint prevention organizations



Members of the joint prevention organization arrived and dressed quickly



Went to deal with it after finishing the dress



Detected and divided cold, warm and hot areas, and decontamination personnel set up decontamination tents



Detected and divided cold, warm and hot areas, and decontamination personnel set up decontamination tents



Decontamination personnel set up decontamination tents



The rescue team is ready to enter to stop leakage



Carry out leakage prevention with kit AE



Completion of anti-leakage operation



Decontamination after completion of the task



Decontamination after completion of the task



# 06 Occupational safety

- **Major topic: Workplace health and safety**

What it means to Evermore: Evermore regards its employees as its most important business partners and provides them with a safe, comfortable and efficient working environment.

## Topic Management

### **Policies and Core Objectives**

Provide a safe, healthy and high-quality working environment for employees and a safe working environment for contractors, effectively prevent occupational disasters and ensure the health and safety of workers.

### **Action Programme**

Current version of ISO 45001

Meeting of occupational safety and health committee

### **Assessment / Feedback Mechanism**

Promote the "occupational safety and health management system", implement various automatic inspections, and eliminate hazards and pollution factors in the workplaces; Enhance the safety and health awareness of all employees, promote a healthy workplace environment and health management, eliminate occupational disasters, and ensure labor safety and health.

### **Performance results**

Maintain ISO45001 certification system

### **Future goals**

Continuously provide a safe, healthy and comfortable working environment.

## ● **Management policy**

Promote the "occupational safety and health management system", implement various automatic inspections, and eliminate hazards and pollution factors in the workplaces; Enhance the safety and health awareness of all employees, promote a healthy workplace environment and health management, eliminate occupational disasters, and ensure labor safety and health.

## ● **Occupational safety and health management system**

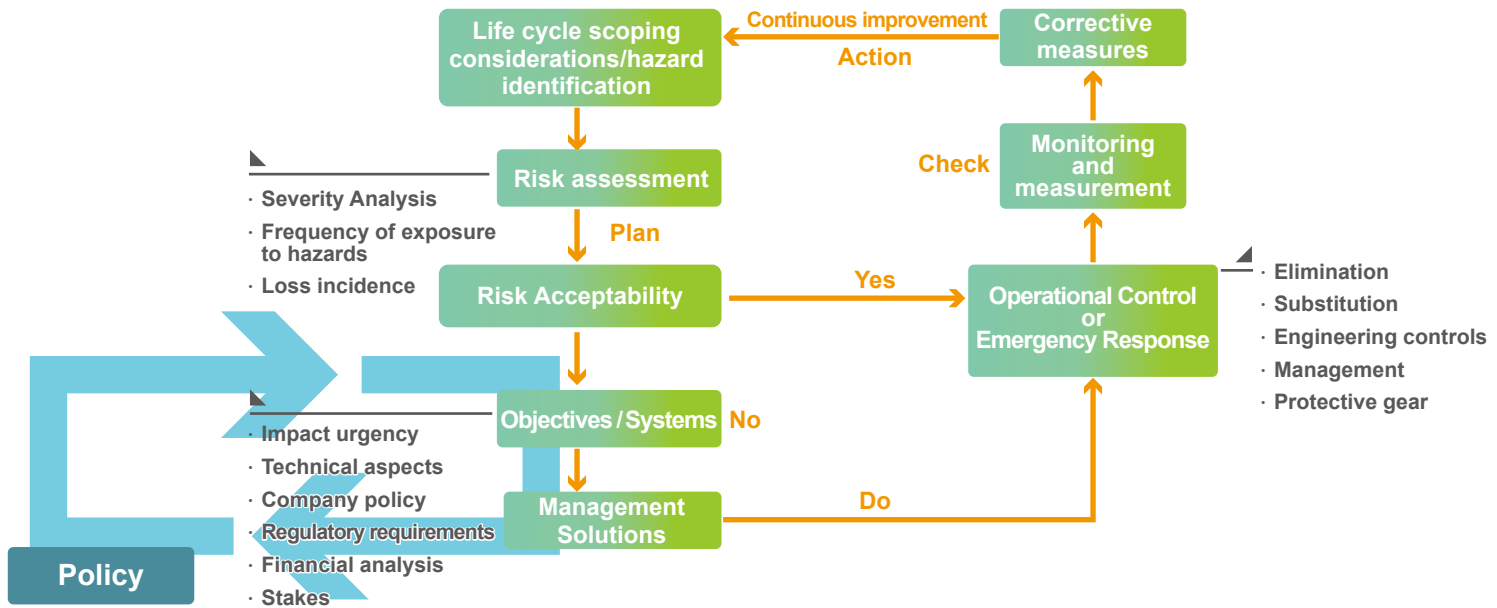
Integrate the ISO 45001:2018 occupational safety and health management system and the ISO 14001:2015 environmental management system into the operation of the environment, safety and health management system, including 16 items of the identification, assessment and control of the working environment or operational hazards, the management of machinery, equipment or appliances, the classification, labeling, communication and management of hazardous chemicals, the sampling strategy planning and monitoring of the operating environment, etc., with PDCA cycle, and by conducting regular reviews and continuous improvement at the occupational safety and health committee and management review meeting, the safety of work and environment and promote the health of employees is enhanced.

## ● **Hazard identification, risk assessment, and incident investigation**

All operation activities and facilities provided in the workplace, including routine and non-routine work, or occupational safety and health hazards to employees, stakeholders (including contractors, suppliers, agents, visitors, neighboring factories and other stakeholders), equipment, facilities and production environment are included in the risk assessment scope of hazard identification.

Risk management refers to the use of systematic safety management and management technology to calculate or estimate the possibility and severity of hazards in the workplace, and then propose effective management control and engineering improvement plans, so as to achieve the management goal of the lowest reasonable risk.

## ● Environmental considerations / hazard identification and risk management process



The contents of this table refer to the teaching materials provided by VMTA Consulting Co., Ltd.

In case of occupational disaster, in addition to analyzing the causes, the company shall develop and implement improvement plans, and re-examine the hazard identification and re evaluate the risk level. After informing all units of the accident investigation report, the competent and responsible units should also publicize the disaster in the monthly meeting to avoid similar recurrence.



In 2021, through the two indicators of active ones (false alarm accidents, safety and health proposals) and passive ones (accident experience, punishment by the competent authority, audit results), and incorporating them into 6S inspection, the audit intensity was increased, potential unsafe conditions were found, and the case listing and implementation was improved. The "occupational safety and health and environmental protection operation management plan" is formulated at the end of each year, and it is set as zero major occupational disasters in 2021. The statistical analysis data of Evermore Chemical's occupational disasters are based on the statistical indicators of important occupational disasters published by the Ministry of labor, and the statistical basis (excluding commuting traffic accidents) is the disabling injury frequency rate (F.R. average number of disabled injuries per 1 million working hours in the workplace) and the disabling injury severity rate (S.R. average number of lost working days per 1 million working hours in the workplace)

## ● Statistical analysis of occupational disasters

Item	Year	2019	2020	2021
Annual average number of people		165	168	212
Sick leave hours		1031	460	676
Absence rate% <small>*Note 3</small>		0.28	0.13	0.17
Occupational injury (number) <small>*Note 1</small>		1	1	0
Occurrence of occupational diseases (number of cases)		0	0	0
Lost working days (days)		3	4	0
Total working hours (HR) <small>*Note 2</small>		374,550	374,568	402,819
Injury rate (IR,%)		0.53	0.53	0
Incidence of occupational diseases (%)		0	0	0
Injury rate (IR,%)		2.67	2.67	0
Severity rate (SR,%)		8	10	0
Number of deaths on duty		0	0	0

The 2021 data includes that of the Dayuan plant area (August December 2021)

Note 1: occupational injuries exclude commuting traffic accidents

Note 2: total working hours include overtime hours

Note 3. Absence rate%=[Absence days (occupational injury leave+sick )/total working days] X100%; It does not include commuter traffic accidents

## ● Occupational Health Services

According to the labor health protection codes, to enable workers to fully receive occupational health care services, public institutions handle "temporary health services for medical staff" according to law. If the total number of workers in a public institution is between 100 and 199, it shall come into effect as of January 1, 1999; As the company is a class I enterprise, its on-site service frequency is: Doctor: 4 times / year; Nursing staff: 4 times / month.

In 2021, "the health consultation and guidance rate of medical and health staffs' temporary health services reached 47.4% (83 people / year, 175 people on average) of the whole factory, and 12 health publicity materials were provided.



This picture is taken from the poster provided by Tai'an Hospital Shuang Shi Branch



### Analysis and evaluation of worker physical examination results, health management.

Review the 2021 Staff Health Screening Report for abnormalities such as high blood pressure (immediate risk), abnormal chest x-ray and thyroid (cancer risk), and abnormally high blood fats (metabolic syndrome) for interview health education and follow-up to avoid the hazards.

### **Select workers for suitable jobs by employers**

In 2021, there were 12 medical reports of new employees and 10 interviews were conducted (2 others are basically normal during examination), as the abnormalities did not affect their work, they kept working in the same unit and there was no need to select other people for the jobs. In addition, nursing staff regularly track their abnormal improvement.

### **Follow-up management and health guidance for abnormal health examination results**

In 2021, 81 people were interviewed and health education was implemented.

## ● **Worker involvement, consultation and communication regarding occupational safety and health**

An occupational safety and health committee was established in accordance with the provisions of the occupational safety and health law, specifying the personnel, formulating, planning, supervising and promoting safety and health and other management matters, and guiding the relevant departments to implement them concretely.

Held quarterly meetings to make suggestions on safety and health policies, and reviewed, coordinated and recommended safety and health related matters. In the occupational safety and health committee set up by the company, 12 topics related to occupational safety and health were discussed in the committee, accounting for 100% of the total topics.

Employees were encouraged to improve the potential unsafe conditions through active proposals. 23 items were listed in the category of safety and health in the year, and bonuses were awarded at the monthly meeting.

## ● **Occupational Safety and Health Education and Training**

According to the requirements of laws and regulations, ensure that everyone is familiar with the relevant laws and regulations on occupational safety and health and the company's safety and health management mechanism, arrange education and training related to occupational health and safety, so as to introduce the company's safety, health and health culture and concept. Every year, the training is carried out according to the education and training plan, and the training is related to safety, health, environmental protection and fire fighting. The courses include respiratory protection plan, PPE use and regulations, accident prevention of stacker, emergency response in the plant area, operations or specialized personnel with certificates required by occupational safety and health or environmental protection laws and regulations. In 2021, the total number of trainees is 561 (509 for internal training; 52 for external training).

## ● Employee health promotion

Implementation of employee health management plan and necessary safety and health measures:

Prevention of musculoskeletal diseases caused by repetitive work:

The results of the Musculoskeletal Symptom Survey conducted in August 2021 (149) showed that 24 people had symptoms without any risk; 3 people were suspected of having a risk. An interview was arranged with one worker suspected to have risk to provide health and fitness promotion (e.g. stretching exercises for the head, neck and wrist during rest time to relieve the discomfort of muscle pain). Afterwards, the occupational safety and health team visited the site again to check the work contents according to the human factors of the hazards and propose improvement plans for the hazards.

Prevention of diseases caused by unusual workloads such as shift work, night work and long working hours:

In August 2021, 149 copies of the personal and work fatigue scale were Topicd. The statistical analysis of chronic diseases, smoking, and abnormal work load was as follows, and interviews and guidance were arranged.

Risk classification and interview suggestions	Risk of brain and cardiovascular diseases		
	Low<10%	Middle10-20%	High>20%
Low	No interview required (88 persons)	No interview required (11 persons)	Interview suggested (2 persons)
Workload risk Middle	No interview required (27 persons)	Interview suggested (8 persons)	Interview required (1 persons)
High	Interview suggested (11 persons)	Interview required (1 persons)	Interview required (0 persons)

## ● Prevention of physical or mental unlawful infringement due to the acts of others while performing duties:

Revise and promote the announcement of "written statement on workplace violence" and "implementation process for handling physical or mental unlawful infringement in the performance of duties".

The supervisors of each unit shall evaluate the "hazard identification and risk assessment form for prevention of illegal infringement in the workplace"; The characteristics of the company and the nature of the workplace shall be assessed by the heads of all departments in the "hazard identification and risk assessment form for prevention of illegal infringement in the workplace"; After statistical analysis, further reduce the risk and improve the control.

The company provides channels for employees to report and appeal, suggestion boxes, and 2 related posters for occupational protection, which are publicized and announced at the monthly meeting.

(GRI403-4) (GRI403-5)

## ● Maternal health protection program:

In 2021, there were 2 employees within one year after maternal protection was accepted for maternal health protection. After arranging interviews, they adopted independent health management and closed the case.

According to the provisions of the occupational safety and health law and the labor health protection rules, enterprises must carry out special physical examinations for new workers to understand their health and fitness. In order to take care of employees, the company carries out employee health examination every year, which is better than the frequency and examination items stipulated in laws and regulations.

In August 2021, the number of health checkups was 149, accounting for 85% of the total employee. Due to the impact of the Covid-19 epidemic, employees stationed abroad could not be arranged to return for the checkup.

## ● Preventing and mitigating occupational safety and health impacts related to the company

The contractors are regarded as important working partners of us. In order to ensure the work safety of the contractors' personnel, the contractors shall be informed to follow the company's "safety, health and environmental protection regulations" before contract awarding or construction, and the contractor is required to abide by and publicize them to its employees. When signing the contract or the contractor enters the plant for construction, it is required to complete the "outsourcing works safety contract". In addition to hazard notification and supervision in accordance with relevant laws and regulations on occupational safety and health, all production units also promote various management mechanisms to strengthen the safety and health management of contractors.

Work safety permit mechanism: for hot work, confined space, overhead, hanging, pipeline interruption, excavation, storage tank area, etc., an application for "safe work permit" is required to ensure the effective management and operation of various hazardous operations, avoid accidents, casualties and reduce the impact on the environment.

In 2021, 39 chemicals were screened and listed as priority controlled chemicals, including 9 CMR substances. The chemicals used were reported to the safety committee in the third quarter of 2021 to publicize and remind employees of workplaces.

For newly used chemical raw materials, the project will be included in the assessment and check of material and product establishment, and high hazard chemicals will be identified. In the first three batches of meetings, it was specially emphasized that safety protective equipment should be worn, and it was reported to the safety committee.

Operational environment monitoring is implemented every six months, mainly for specific chemical substances, organic solvents, noise and dust operations. The results in 2021 were classified as level I management: for those whose exposure concentration was less than half of the allowable exposure standard, in addition to continuing to maintain the original control or management measures, when the process or operation content changes, appropriate change management measures were taken.

# 07 Labour and employment relations

- **Major topic: labor employment relationship**

What it means to Evermore: We regard our employees as our most important business partners and strive to provide competitive remuneration packages to attract and retain talents from all walks of life and reward them for their hard work and contribution to the company.

## **Policies and Core Objectives**

Build a friendly working environment to enhance staff satisfaction

## **Action Programme**

Provide equal opportunities superior to the Labor standards Act

## **Assessment / Feedback Mechanism**

Hold Works Council meetings every three months

Monthly meeting

Set up an employee mailbox to facilitate employees to put forward relevant opinions.

## **Performance results**

The number of human rights related complaints of our company was 0.

Build a friendly working environment to enhance staff satisfaction

No complaints of discrimination against employees were received

## **Future goals**

Build a employee-friendly environment to enhance staff satisfaction



- **Major topic: talent recruitment and retention**

**What it means to Evermore:** to meet the needs of corporate development and organizational manpower planning, and to enhance the knowledge, attitude and skills required by practitioners to achieve team and individual work goals

## **Policies and Core Objectives**

Evermore Chemical has developed its training policy with the aim of satisfying customer needs and fulfilling its corporate social responsibility.

## **Action Programme**

Follow the TTQS of the labor development department, strengthen the PDDRO management loop of training planning, design, implementation, audit and results, and establish a complete and systematic strategic training system.

## **Assessment / Feedback Mechanism**

Arrange pre-service training, general training, professional training, quality system training and management training

## **Performance results**

In 2021, the total training hours of Evermore Chemical reached 2087 hours, and each employee received about 9.7 hours of training on average.

## **Future goals**

Improve the knowledge, attitude and skills required by employees to achieve team and individual work goals, increase the production efficiency and work quality of employees, and enhance the profits and brand image of enterprises. Since 2022, there has been a great shortage of workers in the whole world and Taiwan, in addition to continuing to strengthen talent recruitment and training, we will strive to improve employee satisfaction in the future.

## ● Human resource

By the end of 2021, Evermore Chemical had 215 employees, mainly in Taiwan, accounting for about 92% of the total, and 100% of the Taiwanese colleagues were non-fixed term contract employees.

### Employee distribution structure

Year		2019		2020		2021	
Category		Number	Proportion	Number	Proportion	Number	Proportion
Indefinite contract employee	Male	113	76%	119	78%	153	78%
	Female	36	24%	33	22%	44	22%
Fixed-term contract employee	Male	16	100%	19	100%	18	100%
	Female	0	0%	0	0%	0	0%

### Age structure of the employee in 2021

Category	Male		Female		Total	
	Number	Proportion	Number	Proportion	Number	Proportion
Under 30	18	8.37%	3	1.40%	21	9.77%
31 ~ 50 years old	126	58.60%	31	14.42%	157	73.02%
Above 51	27	12.56%	10	4.65%	37	17.21%
Subtotal	171	79.53%	44	20.47%	215	100.00%

### Personnel rank structure in 2021

Position level * (note)	Male	Female	Under 30	31 ~ 50 years old	Above 51
Senior Executives	14	1	0	9	6
Mid-level officers	37	16	0	36	17
Grassroots staff	87	16	25	66	12
Total	138	33	25	111	35

\*Note:

- The Senior Executives: Chairman / General Manager / Vice President / Assistant Manager / Manager / Plant Manager...etc.
- The Mid-level staff: Deputy Plant Manager / Assistant Manager / Chief / Deputy Chief...etc.
- The grassroot staff: team leader / chief operator / clerk / operator / quality inspector...etc.

## New entrants in the last 3 years

			2019	2020	2021
Male	Under 30	Number	11	7	11
		Its proportion in new recruits	45.8%	35%	18.3%
	31 ~ 50 years old	Number	10	8	37
		Its proportion in new recruits	41.7%	40%	61.7%
	Above 51	Number	0	4	1
		Its proportion in new recruits	0%	20%	1.7%
Female	Under 30	Number	2	1	2
		Its proportion in new recruits	8.3%	5%	3.3%
	31 ~ 50 years old	Number	1	0	8
		Its proportion in new recruits	4.2%	0%	13.3%
	Above 51	Number	0	0	1
		Its proportion in new recruits	0%	0%	1.7%
	Total number of new recruits		24	20	60 <sup>*note</sup>
	Its proportion in new recruits		14.5%	11.7%	27.9% <sup>*note</sup>

\*Note: since Dayuan factory joined in August 2021, there is a significant difference in the number of personnel compared with the previous two years.

## Resignation of personnel in recent 3 years:

Age		2019	2020	2021	
Male	Under 30	Number	4	4	9
		Its proportion in new recruits	15.4%	28.6%	56.6%
	31 ~ 50 years old	Number	17	5	7
		Its proportion in new recruits	65.4%	35.7%	43.8%
	Above 51	Number	2	1	0
		Its proportion in new recruits	7.7%	7.1%	0%
Female	Under 30	Number	0	3	0
		Its proportion in new recruits	0%	21.4%	0%
	31 ~ 50 years old	Number	3	1	0
		Its proportion in new recruits	11.5%	7.1%	0%
	Above 51	Number	0	0	0
		Its proportion in new recruits	0%	0%	0%
	resigned personnel number		26	14	16
	Proportion to all employees		13.9%	8.2%	7.4%

## ● Staff diversity and equal opportunities

The company's human resource management system is governed by labor related laws and regulations, and the rights and interests of employees are legally protected. Diverse employees can enrich the corporate culture, so Evermore Chemical also employs disabled and aboriginal colleagues. Except for the physically demanding work, women are employed in all other jobs. In terms of labor practice, we fully demonstrate employee diversity and equal opportunities.

## ● Staff Communication

Evermore Chemical maintains good communication with its employees. All employees can take part in the company's operation activities in the spirit of caring for the company. Evermore Chemical also holds labor management meetings and monthly meetings every three months. During the meetings, senior executives will report to employees and discuss activities such as enterprise operation overview, labor conditions and labor welfare. In addition, we have set up an employee mailbox to facilitate employees to put forward relevant opinions.

## ● Employee benefits

Evermore Chemical regards employees as its biggest asset and knows talents are the foundation of the enterprise. It expects to attract excellent talents to join the work team through the overall salary system with market competitiveness, and promises to provide high-quality work platform and challenging tasks, so as to accumulate a group of excellent talents who agree with the company's mission, vision and core values, and move towards the goal of success together.

### Salary system

The current work rules are all based on the Labor standards Act, and some of the provisions and benefits are even better than the Labor standards Act; In terms of bonus, we have attendance bonus to encourage attendance, year-end bonus and quarterly bonus related to business performance, inventory, quality, safety, etc. If there is surplus, we also have employee compensation according to the company's rules and regulations. These have been listed in the rules and regulations or the company's articles of association, and there are laws and regulations to follow.

### Employee salary

The ratio of the salary of the company's grass-roots employees to the local basic salary is shown in the following table according to the gender ratio. It is obvious that the salary of grass-roots employees in our company is higher than the local basic salary, which fully shows that they are competitive in talent retention.

Item	2019		2020		2021	
	Male	Female	Male	Female	Male	Female
Average standard salary of grassroots personnel	1.42	1.50	1.40	1.50	1.47	1.52
Local minimum salary	1	1	1	1	1	1

\*Note: grass-roots personnel: team leader / chief operator / clerk / operator / quality inspector, etc.(1-3 grades do not include deputy section chief)  
Minimum salary in 2019: NT\$23100; minimum salary in 2020: NT\$23800; minimum salary in 2021: NT\$24000

In 2021, the average full-time salary for non-executive positions was \$685,000, a decrease of 3.9% compared to 2020, and the median full-time salary for non-executive positions was \$610,000, a decrease of 6.7% compared to 2020.

The following information shall be disclosed in accordance with the norms for the preparation of ESG reports by listed companies:

### Average salary and median salary table

Item	2019	2020	2021	Difference between 2021 and the previous year
Number of full-time employees not holding executive positions	144	148	155	7
Average salary of full-time employees not holding executive positions (\$000/person)	728	713	685	-28
Median salary for full-time employees not holding executive positions (\$000/person)	686	654	610	-44

\*Note: the definition of "full-time employees not holding executive positions" by the stock exchange refers to the number of full-time employees (including Taiwanese and foreign employees) of all employees of the enterprise after deducting those who are in charge of executive positions (managers), employees of overseas branches, part-time employees and those excluded from statistics.

### Employee retirement benefits

Since July 1, 2005, in line with the implementation of the new pension ordinance, those who are applicable to the new system will be allocated to the labor insurance bureau at the rate of 6% of the monthly wages of workers in accordance with the provisions of the Labor Pension Act, and all employees will participate in the retirement plan.

### Full-time employee benefits

In order to further protect employees, all employees of Evermore Chemical enjoy group insurance. At the same time, to improve the welfare of employees, the company regularly allocates welfare funds every month, and the employee welfare committee composed of labor and capital representatives is responsible for the movement and expenditure of welfare funds, and handles the following measures:

Benefits	
Domestic and international travel	Group insurance
Subsidies for weddings and funerals	Subsidies for training courses such as skills, hobbies and sports
Maternity Benefit	Outdoor activities such as family days
Bonus for the three major festivals	Parental leave
Birthday Benefit	Quarterly dining
Assistance for staff hospitalization and injury	Grants for clubs activities

In addition, the company provides food allowance on weekdays, quarterly bonus and employee compensation according to business performance, and provides ESOP trust scheme for middle-level staff and above, which shows that our staff benefit are rich and diverse welfare.

## Parental leave

In line with the government's policies and the principle of caring for colleagues, we promote the parental leave program. Colleagues in need of parental leave can apply for the parental leave and stay in the current position without pay before the children reach the age of three, up to two years. After the parental leave expires, in order to ensure the smooth return of employees and to implement the concept of a happy workplace, a nursing room is set up in the factory to create a friendly office environment and provide employees with the need to nurse (collect) milk during working hours. In 2021, the reinstatement rate of parental leave was 100%.

### Application for suspension of pay and reinstatement of parental leave personnel in the company

Item	2019			2020			2021		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Actual number of applications for parental leave	0	0	0	0	0	0	1	0	1
Number of persons to be reinstated in the current year (A)	1	0	1	0	0	0	1	0	1
Number of people applying for reinstatement in the current year (B)	0	0	0	0	0	0	1	0	1
Reinstatement rate (%) (B / A)	0	--	0	0	--	--	100	0	100
Retention rate (%) <sup>*Note</sup>	--	--	--	--	--	--	--	--	--

<sup>\*Note:</sup> "retention rate" refers to the retention rate of employees who have been reinstated after the parental leave for more than one year. If the number of people reinstated in the previous year is 0, it is represented by --.

## Minimum notice period for change of labor contract

If we terminate the labor contract in accordance with Article 11 or the proviso to Article 13 of the Labor standards Act, the notice period shall be subject to the following provisions:

1. Those who continue to work for more than three months but less than one year shall give a notice 10 days in advance.
2. Those who continue to work for more than one year but less than three years shall give a notice 20 days in advance.
3. Those who continue to work for more than three years shall be notified 30 days in advance.

## ● Talent cultivation

### Training policy and category

To meet the needs of enterprise development and organizational manpower planning, we arrange pre-service training, general training, professional training, quality system training, management training and other subjects, improve the knowledge, attitude and skills required by employees to achieve team and individual work goals, promote the production efficiency and work quality of employees, and improve the profits and brand image of the enterprise. Evermore Chemical aims to meet customer needs and fulfill social and corporate responsibilities in developing training policy.

### Talent cultivation and training

In 2021, the total training hours of Evermore Chemical reached 2,087 hours, which means each employee received about 9.7 hours of training on average. In comparison, the number of training hours in 2021 has decreased a lot, mainly because of epidemic prevention considerations and all courses try to adopt online mode or postpone the start of courses, but the effect of online courses is not as good as expected; another reason is that the staff of the Dayuan factory joined in August, and its training records start from August, so the denominator (total number) is diluted, and there is a large distortion.

The company has established a complete and systematic strategic training system in accordance with the requirements to improve the efficiency of the training system, the quality of human resources and increase the competitiveness of the company.

### Average hours of staff education and training in recent three years

	2019	2020	2021
<b>Female</b>	<b>59.4</b>	<b>28.3</b>	<b>9.5</b>
<b>Male</b>	<b>24.0</b>	<b>20.1</b>	<b>9.8</b>

### Average hours of staff education and training in 2021

<b>Position</b> <small>*Note</small>	<b>Senior Executives</b>	<b>Mid-level officers</b>	<b>Grassroots staff</b>
<b>Female</b>	<b>59.4</b>	<b>28.3</b>	<b>9.5</b>
<b>Male</b>	<b>24.0</b>	<b>20.1</b>	<b>9.8</b>

\*Note:

Senior executives: Chairman / General Manager / Deputy General Manager / Assistant Manager / Manager / Factory director, etc

Middle level officers: Deputy factory director / Deputy manager / section director / deputy section director, etc

Grass roots staff: Team Leader / chief operator / clerk / operator / quality inspector, etc

(GRI 401-2) (GRI 401-3) (GRI 402-1) (GRI 404-1)

# 08 The value of social common prosperity

## **Community communication: open, transparent and immediate response**

Evermore Chemical's Nangang and Dayuan factories are both located in the industrial zone. Although they are a distance away from residential areas, we believe that only by reducing all pollution during production, striving to make the factory environment with low noise, less smell and purify to a certain extent before sewage discharge, can we maintain good relations with neighboring communities and operate smoothly. Therefore, we actively communicate with the nearest residents, and listen to the opinions of these stakeholders.

Due to the characteristics of the industry, the public can not help but have an fixed impression that the chemical plant must have chemical odor or sewage discharge during operation. In order to avoid impact on the community and maintain the health of employees and the life of the community, the company entrusts a credible testing unit to test the air quality of the plant every year; The Management Office of Nangang Industrial Park conducts two no-alarm tests for wastewater every month. In 2021, there was no failure to pass the tests, which clearly shows that there were no operation activities with significant actual or potential negative impact on the local community.

In addition, Evermore Chemical has clearly formulated emergency response management procedures and conducted regular drills to avoid the impact of accidents on the surrounding communities; At the same time, telephone, e-mail and other communication channels shall be opened to neighboring communities to provide clear communication channels for residents, so as to safeguard residents' rights and interests and reduce negative impact on the environment or society.

## **Enterprise afforestation and mountain-clean hiking family day**

Since 2010, Evermore Chemical has adopted a hectare of land in the Jiulinban section of the National Taiwan University Experimental Forest for enterprise afforestation. In addition to "visiting" the trees planted by employees of Evermore Chemical, the annual hiking activities held by the afforestation department are also annual family days. The mountain cleaning activities also carried out along the 8-kilometer hiking path to train our colleagues in physique, fully demonstrating the "green enterprise" spirit of caring for the environment, living a healthy life, and balancing life and work.



## Plant trees in the plant to green the environment and relieve the mood

In order to break the impression that the chemical plant is built with cold lines and pollutes the environment, the plant continues to plant trees inside it. In addition to showing Evermore Chemical's unshakable responsibility for the environment, it also attempts to create an ecosystem of "enterprise oasis" and "factory park", so that all employees, visitors and partners can relax their tension and increase their work efficiency in a lush environment.



## Donate blood to save life and encourage employees to participate enthusiastically

In order to continue the concept of "corporate social responsibility", we hope to make "a bag of blood donated to save one life" as the goal, and encourage employees to use their own strength for public welfare with the concept of "make every droplet trickle down into a river". We regularly cooperate with the Taichung blood donation center to conduct blood donation activities in the factory twice a year during working hours. More than 1 / 3 of the employees enthusiastically donate blood when conditions permit. For those who have successfully donated blood, Evermore Chemical will give them gift certificates, which fully proves that Evermore employees are basically in good health, and the company also encourages colleagues to participate in public welfare activities and actively create a win-win situation.



## Community interaction, consideration for the physical and mental health of employees

In order to establish a good interactive relationship with the community while taking into account the physical and mental health of employees, Evermore Chemical signed up to participate in the "Nantou County Labor Games" every year, actively participated in local events, and fully displayed the grace of "A gentleman has nothing to compete with others except archery" in a happy and healthy atmosphere. At the same time, Evermore Chemical has good interaction with local organs and groups, and won multiple medals.



# Annexes 1 GRI content index

## GRI 101: Base

### GRI 102:2016 General Disclosure

Disclosure	Description	Chapters	Page	Remarks
102-1	Organization Name	About Evermore Chemical	10	
102-2	Events, Brands, Products & Services	About Evermore Chemical	10	
102-3	Head Office Location	About Evermore Chemical	10	
102-4	Operating Locations	Group Locations	10	
102-5	Ownership and Legal Form	About Evermore Chemical	10	
102-6	Markets Served	Market distribution	12	
102-7	Organization Size	About Evermore Chemical. Important Events. Operating Performance	10/11/18	
102-8	Information for employees and other workers	Human resource	70	
102-9	Supply Chain	Supply Chain Management and Procurement	40	
102-10	Significant changes in the organization and its supply chain	Supply Chain Management and Procurement	40	
102-11	Early warning principles or guidelines	Risk Management	24	
102-12	External Initiatives	--	--	Unsigned Initiatives
102-13	Membership of the Association	External participation	12	
102-14	Statement of the decision maker	Words from the Operator	4	
102-15	Key impacts, risks and opportunities	Risk Management	24	
102-16	Values, principles, standards and codes of conduct	Regulatory Compliance	22	
102-18	Governance Structure	Corporate governance	19	
102-20	Management level is responsible for economic, environmental and social topics	ESG committee	29	
102-21	Consultation with stakeholders on economic, environmental and social topics	ESG committee	29	
102-27	Group intelligence of the highest governing unit	Operation of the board of directors	21	
102-28	Performance evaluation of the highest governing unit	Operation of the board of directors	21	
102-32	The role of the highest governing unit in the sustainability report	ESG committee	29	
102-40	Stakeholder Groups	Communicating with Stakeholders	31	
102-41	Group Agreements	--	--	None
102-42	Identified the stakeholders	Identification and communication of major topics	30	
102-43	Guidelines for Communicating with Stakeholders	Communicating with Stakeholders	31	
102-44	Key topics and concerns raised	Identification and communication of major topics	33	

Disclosure	Description	Chapters	Page	Remarks
102-45	Entities included in the consolidated financial statements	About Evermore Chemical	10	
102-46	Define the content and subject range of the report	Identification of ESG materiality Topics	33	
102-47	Major Topic List	Identification of ESG materiality Topics	33	
102-48	Information reprogramming	Report Scope and Editorial Guidelines	2	
102-49	Reporting changes	Report Scope and Editorial Guidelines	2	
102-50	Reporting Period	External verification and publishing cycle	2	
102-51	Date of the last report	External verification and publishing cycle	2	
102-52	Reporting Period	Report Scope and Editorial Guidelines	2	
102-53	Contact person who can answer questions about the report	Contact channel	3	
102-54	Declaration of compliance with GRI guidelines	Report Scope and Editorial Guidelines	2	
102-55	GRI Content Index	Annex 1	78	
102-56	External assurance	Annex 4	82	

## GRI 103: management policy

Disclosure	Description	Chapters	Page	Remarks
103-1	Explaining major topics and their ranges	Please refer to the contents of various topics	--	
103-2	Management and its elements		--	
103-3	Evaluation of management approach		--	

## Subject specific guidelines

### GRI 200: economic series

Series	Disclosure	Description	Chapters	Page	Remarks
<b>Economic performance</b>	201-1	Direct economic value generated and distributed by the organization	Operating Performance	18	
	201-2	Financial impact and other risks and opportunities arising from climate change	Risk Management	24	
	201-3	Defined benefit plan obligations and other retirement plans	Employee benefits	72	
	201-4	Financial subsidies from the government	Investment deduction	18	
<b>Indirect economic impact (2016 edition)</b>	203-1	Development and impact of infrastructure investment and support services	The value of social common prosperity	77	
<b>GRI 204: Procurement practice</b>	204-1	Proportion of procurement expenditure from local suppliers	Raw material procurement management	41	
<b>GRI 205: Anti-corruption</b>	205-2	Communication and training on anti-corruption policies and procedures	Anti-corruption mechanism	23	

## GRI 300: E - Environment Series

Series	Disclosure	Description	Chapters	Page	Remarks
<b>GRI 302: Energy</b>	302-1	Energy consumption within the organization	Energy Intensity	46	
	302-3	Energy Intensity	Energy Intensity	46	
	302-4	Reduce energy consumption	Energy saving scheme	46	
<b>GRI 303: Water</b>	303-1	Source-dependent water intake	Water and drainage management	49	
	303-3	Recycled and reused water	Water and drainage management	49	
<b>GRI 305: Discharge</b>	305-1	Direct (scope I) greenhouse gas emissions	Greenhouse gas emission	51	
	305-2	Energy Indirect (scope II) greenhouse gas emissions	Greenhouse gas emission	51	
	305-4	Greenhouse Gas Emission Intensity	Greenhouse gas emission	51	
	305-5	Greenhouse gas emission reduction	Air pollutant emissions	52	
	306-1	Waste generation and waste-related significant impacts	Waste management	53	
<b>GRI 306: sewage and waste</b>	306-2	Management of significant impact of waste	Waste management	53	
	306-3	Waste generation	Waste management	53	
	306-4	Disposal and transfer of wastes	Waste management	55	
	306-5	Direct disposal of waste	Waste management	53	
<b>GRI 307: Environmental regulations compliance</b>	307-1	Violation of environmental protection regulations	Environmental regulations compliance	56	



## GRI 400: Society

Series	Disclosure	Description	Chapters	Page	Remarks
<b>GRI 401: Labour and employment relations</b>	401-1	New Employees and Former Employees	Human resource	70	
	401-2	Benefits provided to full-time employees (not including temporary or part-time employees)	Employee benefits	73	
	401-3	Parental leave	Employee benefits	75	
<b>GRI 403: Occupational Safety and Health</b>	403-1	Occupational safety and health management system	Occupational safety and health management system	61	
	403-2	Hazard identification, risk assessment, and incident investigation	Hazard identification, risk assessment, and incident investigation	61	
	403-3	Occupational Health Services	Occupational Health Services	64	
	403-4	Worker involvement, consultation and communication regarding occupational safety and health	Worker involvement, consultation and communication regarding occupational safety and health	66	
	403-5	Worker training on occupational safety and health	Occupational Safety and Health Education and Training	66	
	403-6	Employee health promotion	Employee health promotion	67	
	403-7	Preventing and mitigating occupational safety and health impacts directly related to business relationships	Preventing and mitigating occupational safety and health impacts related to the company	67	
<b>GRI 404: Training and education</b>	404-1	Average number of hours of training per employee per year	Talent cultivation	76	
<b>GRI 416: Customer health and safety</b>	416-2	Violations of health and safety regulations related to products and services	Green products	14	
<b>GRI 417: Marketing and labeling</b>	417-1	Product and service information and labeling requirements	Green products	14	
	417-2	Failure to comply with laws and regulations regarding information and labeling of products and services	Green products	14	
<b>GRI 418: Customer privacy</b>	418-1	Complaints of proven invasion of customer privacy or loss of customer information	Customer Information Protection	43	
<b>GRI 419: Social and economic laws and regulations compliance</b>	419-1	Violation of laws and regulations in social and economic fields	Regulatory Compliance	22	

# Annexes 2

## SASB checklist

Disclosed topic	Indicator number	Disclosed indicator	Chapter Correspondence
Greenhouse gas	RT-CH-110a.1	Scope 1 greenhouse gas emissions (tons CO <sub>2</sub> e); Scope 1 Percentage of greenhouse gas emissions subject to emission limit regulations (%)	Greenhouse gas emission
	RT-CH-110a.2	Management strategies or plans for greenhouse gas emissions in scope 1, including emission reduction targets, performance analysis, etc.	Greenhouse gas emission
Air quality	RT-CH-120a.1	1.Nitrogen oxides 2.Sulfur oxide 3.Volatile organic compounds (VOCs) 4.Hazardous Air Pollutants (HAPs)	Air pollutant emissions
Energy Management	RT-CH-130a.1	Total energy consumed	Energy saving scheme
Water management	RT-CH-140a.1	1.Total water intake 2.Total water consumption	Water and drainage management
	RT-CH-140a.2	Number of cases of non-compliance with water quality-related discharge permits, standards and regulations	Water and drainage management
	RT-CH-140a.3	Describe water resource management risks and strategies, and risk mitigation practices	Water and drainage management
Hazardous waste management	RT-CH-150a.1	Total amount of hazardous waste generated by the company and the percentage recovered	Waste management
Community Relations	RT-CH-210a.1	Discuss the risks associated with participation in the management of community benefits	NA
Occupational health and safety	RT-CH-320a.1	1. Accident Rate (TRIR) Formula : (number of accidents x200,000) / total working hours 2. Mortality rate	Environmental considerations / hazard identification and risk management process
	RT-CH-320a.2	Description of the assessment and monitoring of (reducing long-term / chronic exposure) he health risks of employees	Hazard identification,risk assessment,and incident investigation
Chemical safety and environmental management	RT-CH-410 b.1	1. Percentage of revenue from products containing chemicals classified by GHS as health and environmental hazards and classified as 1 and 2 (%) 2. Proportion of relevant products for which hazard analysis has been conducted (%)	Green products
	RT-CH-410b.2	Strategies for the development of high concern chemicals and alternative products that reduce human and environmental impact	Green products
Genetically Modified Organisms	RT-CH-410c.1	Proportion of genetically modified products in overall revenue	The company has no such products
Law and monitoring management	RT-CH-530a.1	On environmental and social Topics, the company's position on government supervision and policy planning	sustainable environment

# Annexes 3

**Items to be disclosed by the chemical industry in Paragraph 2 of Article 4 of the TWSE's Regulations Governing the Preparation and Reporting of Perpetual Reports by Listed Companies:**

Content	Corresponding chapters	Page
Total energy consumption.	Energy Intensity	<b>47</b>
Total water intake and discharge of waste (sewage) water required by laws and regulations or disclosed voluntarily.	Water and drainage management	<b>50</b>
The total amount of hazardous waste produced in the production process of products according to the requirements of laws and regulations or voluntarily disclosed.	Waste management	<b>83</b>
Describe the categories of injuries suffered by employees, and calculate the injury rate, occupational disease rate, lost workday rate, absence rate and number of deaths due to work.	Hazard identification, risk assessment, and incident investigation	<b>63</b>
Operating activities that have significant actual or potential negative impacts on local communities	Community communication: open, transparent and immediate response	<b>77</b>
Specific and effective mechanisms and actions taken by the enterprise itself and its suppliers to reduce the negative impact on the environment or society.	Supplier Reviews	<b>40</b>

# Annexes 4

## Accountant's Independent Assurance Report



安永聯合會計師事務所

40756 台中市市政北七路 186 號 26 樓  
26F, No. 186, Shizheng N. 7th Rd., Xitun Dist.,  
Taichung City, Taiwan, R.O.C.

Tel: 886 4 2259 8999  
Fax: 886 4 2259 7999  
www.ey.com/tw

### Assurance Report of Independent Auditors

To: Evermore Chemical Industry Co., Ltd.

#### 1. Scope

We have been engaged by Evermore Chemical Industry Co., Ltd. to perform a limited assurance engagement in relation to and report on selected sustainability performance indicators included in Evermore Chemical Industry Co., Ltd.'s 2021 ESG Report ("the ESG Report").

Regarding the sustainability performance indicators selected by Evermore Chemical Industry Co., Ltd. and their applicable criteria, please refer to Appendix 1.

#### Management Responsibility

Evermore Chemical Industry Co., Ltd. is responsible for the preparation of the ESG Report in accordance with adequate criteria, including referencing to Global Reporting Initiatives Standards ("GRI Standards") issued by Global Reporting Initiative (GRI), and the content that should be disclosed in the provisions of Subparagraph 2, Paragraph 1, Article 4 of the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies", and for the design, execution and maintenance of internal controls in regard with report preparation to support the collection and presentation of the ESG Report.

#### Independent Auditor's Responsibility

Our responsibility is to plan and perform limited assurance engagement in accordance with *Assurance Engagements No.1 – "Assurance Engagements Other than Audits or Reviews of Historical Financial Information"* issued by the Accounting Research and Development Foundation.

#### 2. Assurance

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

To conclude for limited assurance, our procedures performed included:

- Interviewing with Evermore Chemical Industry Co., Ltd.'s management and personnel to understand the Evermore Chemical Industry Co., Ltd.'s implementation of overall sustainable responsibility and reporting process;

# Accountant's Independent Assurance Report



- Performing analytical procedures on selected sustainability performance indicators; gathering and checking other supporting documentation and management information obtained; testing on sample basis if necessary.
- Reading Evermore Chemical Industry Co., Ltd.'s ESG Report to ensure the implementation of overall sustainable responsibility and reporting process is consistent with our understanding.

### 3. Limitations

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

### 4. Quality and Independence

We are in conformity with *Statements of Auditing Standard No. 46 "Quality Control for Public Accounting Firms"* to establish and maintain a sound system of quality control, including code of professional ethics, professional standards and those written policies and procedures in applicable regulations. We are also in conformity with related independence and other ethics requirements in *The Norm of Professional Ethics*, which basic principles are integrity, objectivity, professional competence and due care and professional behavior.

### 5. Conclusion

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

Ernst & Young

Chen, Ming Hung

September 28, 2022

#### Notice to Readers

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

# Accountant's Independent Assurance Report



Appendix 1 : Information on the subject matter selected by Evermore Chemical and its applicable standards. In accordance with Paragraph 2, Article 4 (hereinafter referred to as the " Rules ") of the " Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies ", emphasize the disclosure of information and the summary of selected subject matter information.

#	Page	Content title	Subject matter information	Applicable criteria	Rules												
1	47	Energy intensity	<div>Evermore's energy usage is as follows :</div> <table><tr><td>Quantitative indicators</td><td>2021</td></tr><tr><td>Product electricity consumption (kwh)</td><td>9,973,020</td></tr><tr><td>Diesel for power equipment (litres)</td><td>17,085</td></tr><tr><td>Natural gas consumption (M³)</td><td>1,674,079</td></tr></table>	Quantitative indicators	2021	Product electricity consumption (kwh)	9,973,020	Diesel for power equipment (litres)	17,085	Natural gas consumption (M³)	1,674,079	Evermore's 2021 energy usage statistics	Items 1, Subparagraph 1				
Quantitative indicators	2021																
Product electricity consumption (kwh)	9,973,020																
Diesel for power equipment (litres)	17,085																
Natural gas consumption (M³)	1,674,079																
2	49 、 50	Water and drainage management	<div>The water usage of Evermore is as follows :</div> <table><tr><td>Item</td><td>2021</td></tr><tr><td>Water Usage(litre)</td><td>42,476</td></tr></table> <div>The water Discharge of Evermore is as follows :</div> <table><tr><td>Item</td><td>Nangang</td><td>Dayuan</td></tr><tr><td>Discharge (m³)</td><td>9,051</td><td>2,887</td></tr></table>	Item	2021	Water Usage(litre)	42,476	Item	Nangang	Dayuan	Discharge (m³)	9,051	2,887	Evermore's 2021 water and wastewater discharge statistics	Items 2, Subparagraph 1		
Item	2021																
Water Usage(litre)	42,476																
Item	Nangang	Dayuan															
Discharge (m³)	9,051	2,887															
3	53	Waste management	<div>Waste treatment status :</div> <table><tr><td>Item</td><td>Disposal method</td><td>2021 (MT)</td></tr><tr><td rowspan="2">Hazardous waste</td><td>Incineration</td><td>1.99</td></tr><tr><td>Reuse</td><td>42.20</td></tr></table>	Item	Disposal method	2021 (MT)	Hazardous waste	Incineration	1.99	Reuse	42.20	Evermore's 2021 hazardous waste disposal statistics	Items 3, Subparagraph 1				
Item	Disposal method	2021 (MT)															
Hazardous waste	Incineration	1.99															
	Reuse	42.20															
4	63	Statistical analysis of occupational disasters	<div>The occupational injury status of Evermore's employees is as follows :</div> <table><tr><td>Item</td><td>2021</td></tr><tr><td>Absence rate%</td><td>0.17</td></tr><tr><td>Lost working days (days)</td><td>0</td></tr><tr><td>Injury rate (IR,%)</td><td>0</td></tr><tr><td>Incidence of occupational diseases (%)</td><td>0</td></tr><tr><td>Number of deaths on duty</td><td>0</td></tr></table> <div>Note. Absence rate%=[Absence days (occupational injury leave + sick leave due to occupational disasters)/total working days]×100%; It does not include commuter traffic accidents.</div>	Item	2021	Absence rate%	0.17	Lost working days (days)	0	Injury rate (IR,%)	0	Incidence of occupational diseases (%)	0	Number of deaths on duty	0	Evermore's 2021 employee occupational injury statistics	Items 4, Subparagraph 1
Item	2021																
Absence rate%	0.17																
Lost working days (days)	0																
Injury rate (IR,%)	0																
Incidence of occupational diseases (%)	0																
Number of deaths on duty	0																



ESG Committee of Evermore Chemical

Address: No.7, Gongye S. 2nd Rd., Nantou City, Nantou County 54066, Taiwan (R.O.C.)

Tel: 049-225-5357

Fax: 049-225-3912

Email: [csr@twemc.com.tw](mailto:csr@twemc.com.tw)

Website: <http://www.twemc.com>

Speaker: WU, PAO-HUA, Associate Manager

Email: [baohua@twemc.com.tw](mailto:baohua@twemc.com.tw)

