

2020 CSR REPORT



統一實業股份有限公司
TON YI INDUSTRIAL CORP.



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Messages from the Management

In the past year, we slowed down our pace, ruminating how to adapt to the new structure of the economic chain. We are grateful for the trust and support extended to the management team by the shareholders and the hard work of our colleagues in these difficult and transformative times, allowing us to brave these risks and challenges and therefore remain profitable. We shall enforce the management philosophy of “Integrity, Diligence, Innovation and Progress to the Future” to truly satisfy customer requirements, establish good quality control management, optimize product structure consistently, strengthen market competitiveness and bring new continuous growth momentum to the Company.



Food safety, quality, and customers' satisfaction are the top priorities to build a reliable relationship.

Ton Yi Industrial is a professional company starting from consumer staples, and reaches out to the packing materials and beverage products more relevant to consumers gradually. The strategy is “One Core + Four Advantages,” in which the core is “Quality Management,” and the four edges include the “Group Advantage,” “Competitive Advantage,” “Capital Advantage,” and “Industry Advantage,” to develop aggressively. By obtaining various certifications such as ISO 9001 for quality, ISO 14001 for environmental safety, ISO 22000 & HACCP for food safety, ISO 45001 & TOSHMS for occupational safety, and the certifications of JIS G3303 and CNS, as well as establishing a TAF laboratory to conduct more stringent inspections to the suppliers, raw materials, production processes, and products, In the future ,we continuously inputs resources, enhances the control mechanism, and establishes the trustworthiness the society has towards Ton Yi Industrial.

ECO - Friendly & green biz, respect life, and emphasis on safety for sustainable development

Our company culture stays true to good faith, and makes all possible efforts to the environment, society, and economy. To respond to the sustainability development goals, and promote SDGs, we have introduced the occupational health and safety management system, implemented the equality and care; to mitigate and accommodate the climate changes, we established the systemized environmental protection, and all employees participate the energy-saving and carbon reducing activities to create a friendly and safe working environment.

We also require our suppliers to provide a working environment that meet ethical and regulatory standards. With all the stakeholders including employees, clients, vendors, and society, we proceed on the path of sustainability and sharing.

In the current economic environment, in addition to listening and communicating to turn experience into nutrients for continuous growth, we strengthen and deepen organizational discipline, improve internal management systems, and use a more rigorous and transparent corporate governance structure to stimulate response strategies to changes in the overall business environment, keep improving and make continuous progress, and strengthen the market position and competitiveness.

Operation perspectives

In the post-epidemic era, climate change, geopolitics and other risk factors, the global supply and demand structure and lifestyles are constantly changing. In the face of opportunities and challenges, we are always vigilant to maintain awareness and integration capabilities. Based on the original solid foundation, we have intensively deployed and maintained flexible operating strategies to create a win-win situation.

Chairman Chih-Hsien Lo

Chapter One Corporate Social Responsibility Management

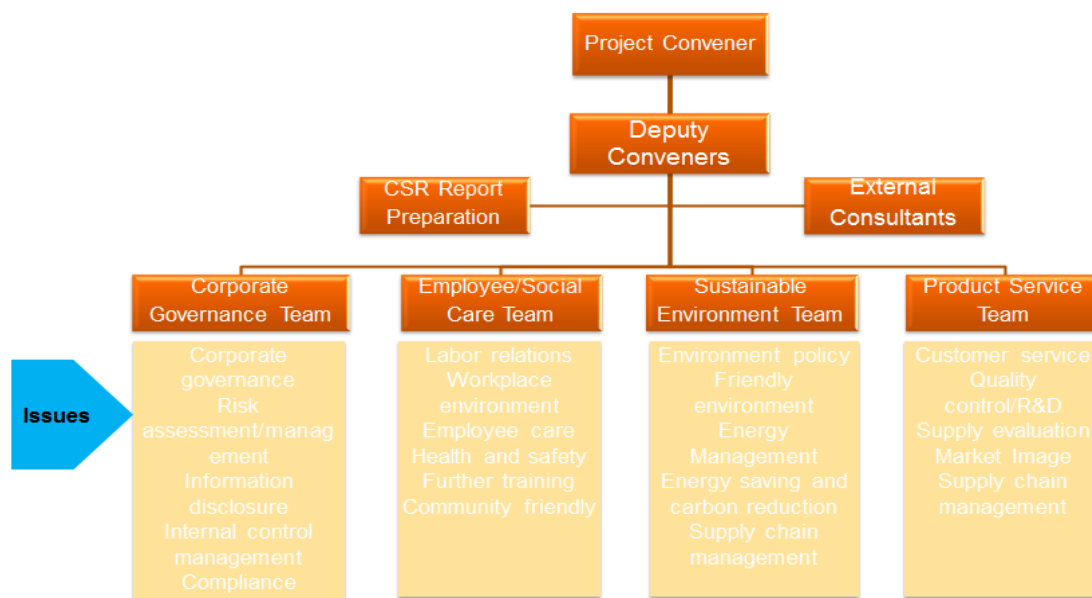
CSR Task Force

Ton Yi Industrial sets up a CSR Task Force in 2010 which coordinates all issues and strategies relating to corporate responsibility. It is managed by the Planning Department under the direct supervision of the President. The task force consists of cross-departmental units, which are the Corporate Governance Team, Employee/Social Care Team, Product Service Team, and the Sustainable Environment team which handles various issues relating to internal and external communication and management, and reports the plans and execution results to the President through management and project meetings. The implementation of plans and performances of the CSR Task Force are escalated to the Board of Directors regularly, and there are 2 reports for 2020, in March and in June.

Policy

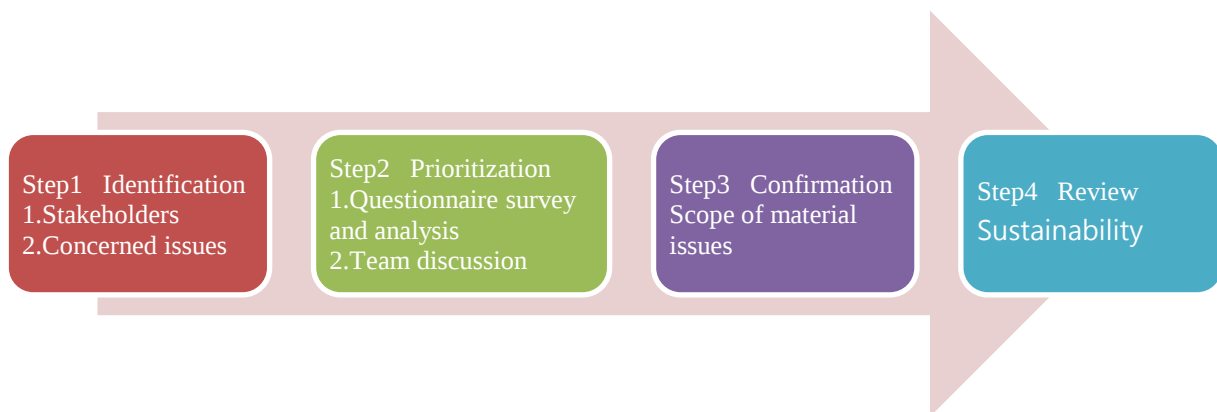
- (1) Enforce corporate governance and culture of integrity;
- (2) Enforce shareholders' interest and transparency of business information;
- (3) Provide safe products for customer needs;
- (4) Reduce energy and waste to facilitate green business;
- (5) Respect health, safety and friendliness of the environment;
- (6) Participate in charity and fulfill corporate responsibilities.

Promotion group



1. Material Issues

For filtering out the material issues and understanding the needs and expectations of stakeholders, we complete the identification of stakeholders and material issues through the following four steps (Identification, Prioritization, Confirmation, Review), and conduct regular (two years/time) questionnaire surveys. The material issues in 2020 continue the results of last year's questionnaire and include the material issue of risk management to strengthen the prevention of the epidemic COVID-19 in 2020. We look forward to understanding the concerns of our stakeholders and responding to them by presenting concrete results and promoting improvement plans in this year's report.



Step 1 Identification

1. Stakeholder identification: Based on the experience of our departments and peers and by following the principles of dependency, responsibility, tension, influence and diverse perspective of AA1000SES Stakeholder Engagement Standards, we have identified seven categories of stakeholders, which are: fund provider, employees, customers, collaborator, banks, communities and government agencies.
2. Identification of concerned issues: Based on an overall assessment of stakeholder expectations, future prospects, sustainable strategies, impacts on the supply chain, GRI guidelines and common issues of concern among local and foreign peers, we identified 17 issues that are relevant for reporting.

Step 2 Prioritization

1. Questionnaire survey and analysis: We arranged a questionnaire survey for stakeholders to analyze how concerned stakeholders stand with respect to each issue. A total of 88 valid responses were recovered from the survey. These questionnaires were analyzed by the Company's senior managers to determine the level of economic, social and environmental impacts.
2. Project team discussion: Based on levels of stakeholders' concerns and extent of economic, social and environmental impact, we have identified 10 material issues.

Step 3 Confirmation

After conducting materiality analysis for the relevant issues, various task forces are to evaluate the completeness, scope and boundary of information disclosure, and gather key information and performance data for the reporting period that are relevant to stakeholders' concern. Each department has contributed to the preparation of this report by following principles of completeness, responsiveness and inclusivity, thereby ensuring that information pertaining to material issues is duly disclosed in the report.

Step 4 Review

The annual CSR Report is continuously reviewed after it is prepared. Doing so would ensure that the disclosed information and performance is free from inappropriate and incorrect statement, while allowing improvements to be made in subsequent reports.

Stakeholders

Fund provider(Banks, shareholders, Professional investors) :

- We create the best profits for the Company and shareholders through a complete and transparent corporate governance.

Employees:

- Employees are the Company's most important asset and the foundation of the Company's sustainability. Focus on employee training and inheritance that shall grow and flourish together.

Customers:

- We provide good quality, good credit, good service, fair prices that will become your trusted business partner.

Collaborator(Suppliers, Contractors, Verification units):

- Treat business partners in a justified, open and fair manner. in order to achieve the goal of sharing profits and sustainable growth.

Government:

- To comply with regulations is a basic requirement. Always pay close attention to international trends and follow regulations.

Social(Inhabitant 、 School 、 Industry Association):

- Participate in charities and engage in neighboring activities are the basic corporate responsibilities.

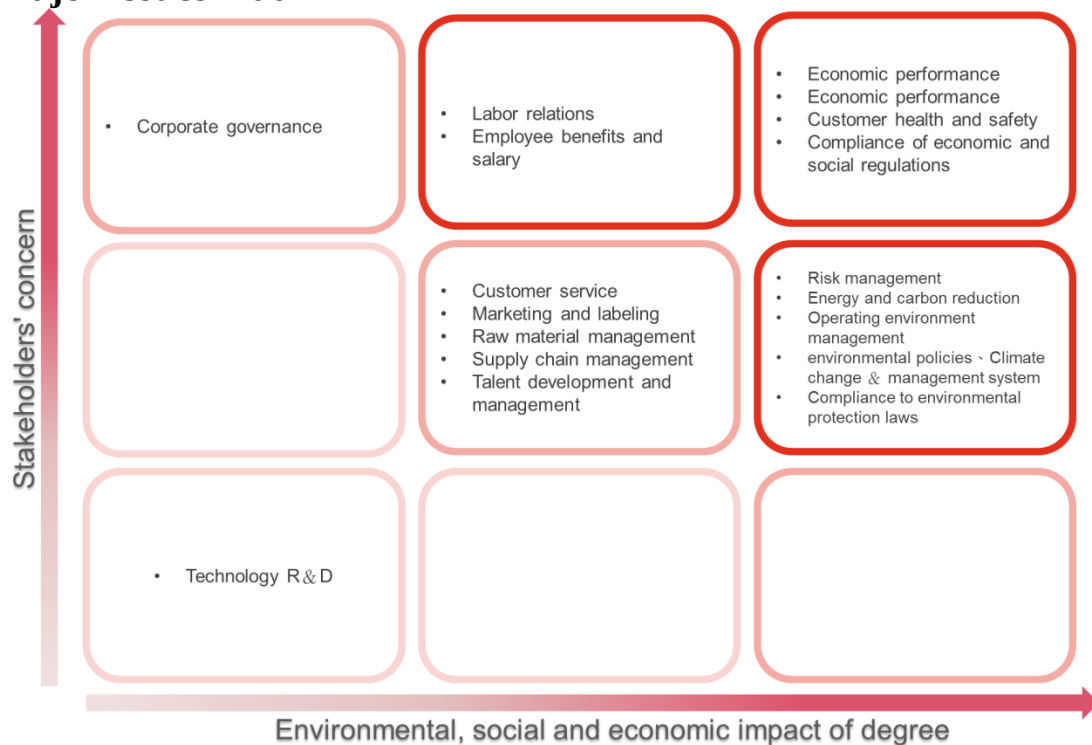
Topics of material concern as follow:

102-46

According to the internal selection of the 17 topics as follows, major themes are identified:

Economic performance ; Governance: Corporate governance 、 Risk management ; Environmental: Compliance to environmental protection laws 、 environmental policies 、 Climate change & management system 、 Energy and carbon reduction 、 Operating environment management 、 Raw material management ; Social: Customer health and safety 、 Marketing and labeling 、 Compliance of economic and social regulations 、 Labor relations 、 Employee benefits and salary 、 Talent development and management 、 Occupational health and safety ; Product services 、 Technology R&D 、 Supply chain management 、 Customer service.

Major issues matrix



Topics of material concern			
Economic and Governance	Economic performance	Social	Customer health and safety
	Risk management		
Environmental	Compliance to environmental protection laws		Compliance of economic and social regulations
	Environmental policies 、 Climate change & management system		Occupational health and safety
	Energy and carbon reduction		Labor relations
	Operating environment management(Air Pollution 、 Water/Wastewater 、 Waste)		

Material Issues Impact Boundary

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Aspects	Material issue	Significance	Corresponding chapter	Impact boundary						
				organization						
				Ton Yi	Employees	Fund provider	Customers	Suppliers	Social	Government
Economic	Economic Performance	Consistent and sustained profits are the foundations of a sustainable business. It is also the management's goal to improve operating performance.	Corporate governance	●	●	●	●	●	●	●
				Direct impact on internal operations		Direct impact on operations of borrowers or investees.				
	Risk Management	Carry out risk management in all aspects for the purpose of sustainable management and development of the Company	Corporate governance	●	●	●	●	●	●	●
				Impact on operating activities and corporate image		Affect the company's reputation, revenue, operational stability and impact on the local environment				
Environmental	Compliance(environmental protection, social economy)	Comply with laws and reduce operating risks.	Corporate governance	●		●	●		●	●
				Impact on operating activities and corporate image		Affect the company's reputation, revenue, operational stability and impact on the local environment				
	environmental policies 、 Climate change & management system	Improve and control environmental risks and hazards through the management of each system.	Sustainable environment	●	●	●	●			
				Impact on operating activities		Affect the company's sustainable operation				
	Energy and carbon reduction	Strive for a sustainable environment and reduce environmental damage.	Sustainable environment	●	●	●				●
				Impact on operating activities and corporate image		Affect the company's sustainable operation				
	Operating environment management	Implement the management system in accordance with the rapid changes in the environment.	Sustainable environment	●	●	●	●			●
				Impact on operating activities		Affect the company's sustainable operation				
Social	Customer health and safety	Construct a perfect control mechanism and do a good job of gate-keeping with a strict attitude.	Product service	●	●		●	●		
				Impact on operating activities and corporate image		Direct impact on external customers and suppliers' activities.				
	Occupational health and safety	Eliminate work hazards so that employees can work in a safe and secure environment and their families can rest assured.	Product service	●	●	●			●	
				Impact on corporate image		Impact on the Company's reputation.				
	Labor relations Employee benefits and salary	Employees are valuable assets. Having the right people for the right tasks can help improve the employer-employee relationship and create a win-win situation.	Mutual prosperity	●	●	●	●		●	
				Impact on corporate image		Impact on the Company's reputation.				
	Compliance	Comply with laws and reduce operating risks.	Corporate governance	●		●	●		●	●
				Impact on operating activities and corporate image		Affect the company's reputation, revenue, operational stability and impact on the local environment				

Stakeholders' Engagement

Stakeholders	Concerned issues	Communication and Frequency
Fund provider (Banks, shareholders, Professional investors)	Economic performance, Corporate governance, Customer health and safety, Technology R&D	Annual shareholder meetings, annual Business Reports, annual CSR reports, monthly announcements- financial statements, regular investor conferences, company website, in-person visits or phone calls
Customers	Customer health and safety, Marketing and labeling, Product services	Technical quality consultation services, customer satisfaction survey, client visits, Company website,
Employees	Labor relations, Employee benefits and salary, Compliance of economic and social regulations	Company announcements, union platform, seasonal labor and employment meetings, pension supervision committee meetings and employee welfare committee meetings, internal website information, functional training courses, etc.
Collaborator (Suppliers, Contractors, Verification units)	Compliance to environmental protection laws, Compliance of economic and social regulations, Occupational health and safety, Corporate governance, Supply chain management	Annual suppliers' evaluation, on-site audit, safety promotion, regulation audit, safety and health committee meetings and others, management system certification, etc.
Government agencies	Economic performance, Corporate governance, Raw material management, Supply chain management, Product services	Participation in conferences, regular compliance inspection, training courses, seminars, education and training sessions, Company website
Social (Inhabitant 、 School 、 Industry Association)	Compliance to environmental protection laws, Compliance of economic and social regulations, environmental policies, Climate change & management system	Visiting itinerary, group activities, community activities, corporate social responsibility reports, Company website

2. Sustainable Development Goals

We are concerned about the United Nations sustainable development goals (sustainable development goals, SDGs), the mission of thinking and challenges to sustainable development of enterprises. We constantly take into consideration the sustainability of our future, and the following table summarizes Ton Yi Industrial's responses to UN SDGs.



SDG		Promote situation
SDG 03	GOOD HEALTH AND WELL-BEING	1. Safety culture promotion, participation in Tainan City Labor Bureau safety and health family. 2. Continuous operation of the occupational safety and health management system. 3. Employee health checkups, with a 95% check rate.
SDG 06	CLEAN WATER AND SANITATION	1. The process water is recycled and reused with 95% efficiency. 2. Automatic monitoring facilities are set up to ensure that the treated and discharged water quality meets the discharge standards and is regularly sent to testing institutions for inspection.
SDG 08	DECENT WORK AND ECONOMIC GROWTH	1. The proportion of local procurement was 73%, and the number of Taiwan-made products was 28.
SDG 12	RESPONSIBLE CONSUMPTION AND PRODUCTION	1. To promote industrial sustainability, the response rate of suppliers' "Social Responsibility Pledge" reached 99.4% and "Environmental Pledge" reached 100%. 2. Promote the safety of the working environment and propose improvements for 730 pieces. 3. Promote new aluminum bottles and cans with dry molding technology, no need to clean and drain during the production process. 4. To ensure the safety of the product, the cost of sending the product for inspection was NT\$2,157,000.
SDG 13	CLIMATE ACTION	1. Achieved 1.49% average electricity savings in 2020 and Carbon reduction 1,442,607 kg CO₂e. 2. Invest NT\$4,243,000 in energy-saving equipment. 3. Establish an interdepartmental environmental management and energy management committee to be responsible for and manage the management of energy efficiency and greenhouse gas emissions of each plant. 4. To enhance the resilience in response to the risk of climate change, the production and logistic units rehearse various disaster management measures and training from time to time, and establish operational standard procedures.

3. Performances

Aspects	Topics	Item	Unit	2018	2019	2020	The same period
Economic	Economic Performance	Stand-alone (consolidated) revenue	NT\$ Million	19,013 (35,103)	16,845 (32,528)	14,307 (29,935)	↓
		Stand-alone (consolidated) gross margin	NT\$ Million	1,674 (3,351)	1,202 (3,017)	1,053 (3,424)	↑
		Stand-alone (consolidated) net profit	NT\$ thousands	1,486 (1,540)	536 (441)	921 (889)	↑
		Net profit per share	NT\$	0.94	0.34	0.58	↑
		Cash dividend per share	NT\$	0.47	0	0.53	↑
	Board operation	Attendance	%	95	95	95	-
	Corporate governance evaluation indicators	Ranking	%	Top 20%	Top 20%	Top 35%	↓
Environmental	Energy	Power intensity	GJ/ton	0.696	0.714	0.722	↑
	Water	Water intensity	Unit/ton	1.17	1.27	1.20	↓
		Process water recovery rate	%	95.7%	96.1%	96.1%	-
	Emission of green house gases	Emission intensity	%	15.1	14.9	14.5	↓
	Sewage and waste	General waste recycling rate	%	90	85.8	87.3	↑
	Power saving	1%<power saving	%	1.32	1.93	1.49	↓
	Environmental expenditure	The amount of environmental expenses	NT\$ thousands	70,266	61,149	60,566	↓
Social	Environmental investment	Environmental protection investment	NT\$ thousands	4,220	8,490	4,243	↓
	Customer satisfaction survey	Satisfaction in percentage	%	86.7	87.4	90.1	↑
	Domestic purchase amount	Percentage of purchase	%	68	75	73	↓
	Supplier check	Numbers	Count	3	11	3	↓
	Disabling injury frequency rate	Numbers of disabling injury/million hours	Hour	5.64	3.92	1.71	↓
	Disabling injury severity rate	Loss days of work/million hours	Hour	16	26	14	↓
	Occupational safety violation ticket	case	case	4	1	0	↓
	Labor relations	Employee count	Male	1,094	1,073	1,058	↓
			Female	120	119	116	↓
	Educational training	hour/employees	Hour	33.6	32.1	25.8	↓

4. Report Profile

This report discloses the perspectives and actions of Ton Yi Industrial Corporation (referred to as Ton Yi Industrial below) with regards to material issues over the course of sustainability development. The report is also intended to respond to stakeholders' concerns on numerous sustainability issues

Report Period: Information presented in this report is dated between January 1 and December 31, 2020, and has been clearly addressed in the content.

Data gathering process and measurement: Data in this report was gathered from daily management, training, discussion, and interviews with relevant departments. The above data was compiled using GRI guidelines and requirements to present Ton Yi Industrial's performance in economic, social and environmental aspects.

Data required by GRI indicators was gathered, measured and calculated in manners that comply with local regulations. Where local regulations do not specify, appliline international standards (such as ISO) were used; and where no international standard was appliline, the industry stand or industry custom was adopted instead.

Preparation guidelines: This report is based on GRI Standards published by Global Reporting Initiative, GRI, and is prepared according to its "core" disclosure level for sustainability performance disclosure.

Publication: CSR reports are published annually, and have been made available on the Company website.

Current issue: published July 23, 2021 (precious issue: published July 10, 2020)

Contact method: Feel free to contact us through the following if you have any questions or suggestions concerning this report:

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Department	Yongkang District., Tainan City
TEL: (06) 253-1131 (ext118)	FAX: (06) 253-5222
E-mail : csr@tonyi.com.tw	Company website : www.tonyi.com.tw

Reporting boundary: Performance information, material aspects and boundaries of this report were disclosed within the scope of Ton Yi Industrial. There had been no significant change in the size, structure or ownership of Ton Yi Industrial during the reporting period, and neither had there been any significant occurrence that would affect the content of this report. For future reports, Ton Yi Industrial aims to progressively include overseas operations for a more comprehensive presentation of CSR management.

External assurance: The Company has engaged PricewaterhouseCoopers Taiwan (PwC Taiwan) to provide limited assurance to the content of this report using Statement of Assurance Principles No.1 – "Audit and Review of Non-financial Information" published by the Accounting Research and Development Foundation. A copy of this limited assurance report has been included in p.88~p.89of this report.

Chapter Two Corporate Governance

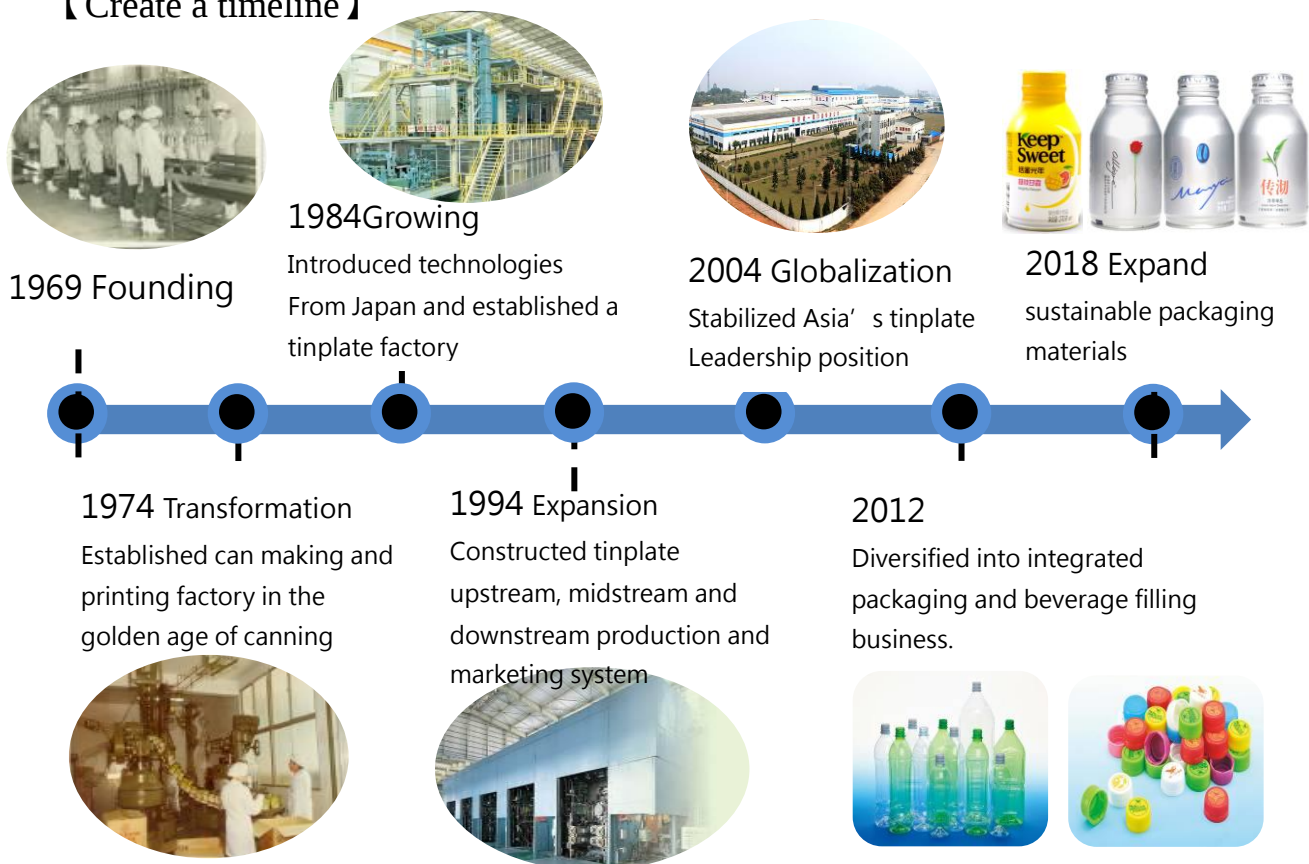
1. About Ton Yi Industrial

1-1 Company Profile

Ton Yi Industrial Corp. is a member of Taiwan's largest food enterprise group – Uni-President Corp. Ton Yi Industrial Corp., established in 1969, is one of the few successful enterprises that integrate tinplate manufacturing, plating, color printing, canning, middle and downstream metal packaging materials in the world. The Company demonstrates the vitality of sustainable development of the enterprise, makes strategic deployment with the Group, and enters into the field of beverage production and various beverage packaging manufacturing to provide more diversified services to customers. We also have a beverage filling plant that uses the most advanced aseptic filling technology and can provide a full range of services from packaging materials to finished cans, providing strong production and sales support for our brand customers and optimizing the efficiency of resources.

We continue to develop high-end beverage packaging materials, which are environmentally friendly, safe, recyclable, and reusable with screw caps, in line with modern drinking habits. We have invested in the new aluminum bottle and can (NBC) business with a Japanese manufacturer to create more choices for our customers

【Create a timeline】



Company name	Ton Yi Industrial Corp.
Date of establishment	April 14, 1969
Company address	No. 837, Zhongzheng N. Rd., Yongkang Dist., Tainan City
Industry category	Fabricated metal product industry
Employee count	1,174
Net sales	NT\$14.3 billion
Total assets	NT\$29 billion
Total equity	NT\$188 billion
Share capital	NT\$157 billion
Overseas offices	Mainland China (16), Vietnam (1)

Note: As of December 31, 2020

Composition of Shareholders	Number	Quantity of shareholding	Proportion of shareholding
Natural persons	62,612	477,047,191	31.639%
Foreign institutions and foreign nationals	195	222,047,800	14.612%
Financial institutions	1	6,885	-
Other institutions	84	880,042,720	53.749%
total	62,982	1,579,145,342	100%

Note: As of April 30, 2021

1-2 Product description

- Tin Mill Black Plates (TMBP), Cold Rolled Steel (SPCC).
- Tin Plates, Tin Free Steel (TFS).
- Printed Tinplates, Tin cans (round or rectangular) for packing food, beverages, oil and chemical.
- New Bottle Can (Variety of beverage type including coffee, tea, juice, carbonated drinks, drinks including milk, sports drinks, functional drinks, alcoholic drinks).
- Various PET Bottle Lids, and Beverage Filling (PET Bottle, Tetra Pak and New Bottle Can). With advanced aseptic filling technique, we can provide products in integrated from packaging containers to catering of drinks.

Main iron related products



Cold Rolled Steel

Cold Rolled Steel Products :

The hot rolled steel coils are rolled to 0.13~0.80mm without heating, then electrolytic cleaned, annealed and tempered by calendaring.

Cold rolled steel products are easy to be stamped into various products because of their thin thickness, precise dimensions, roughness grading, easy to paint and plating, and good mechanical and processing properties.

Application :

Electronic parts, household appliances, steel furniture, containers, building materials.



Tin

Tinplate (tin-plated steel)Products :

Tinplate has been used by humans as a packaging container for preserving food for more than 100 years.

Advantages: rust resistance, corrosion resistance, non-toxic, good processability, easy to process into a variety of aesthetic cans.

Application :

Beverage and food containers, chemical containers (motor oil, resin, paint), stationery (pencil cases, toys), battery cases, small hardware, electronic parts.



Tin can product

Tin can product :

The sealing and opaqueness characteristics can maintain the quality of the contents and enable consumers to enjoy safe and hygienic food. The tin cans can be easily recycled after use, and can be oxidized and decomposed in nature to return to the original state of iron oxide and return to nature without causing environmental pollution.

It can meet the three major demands of environmental protection, such as "low pollution", "recyclable", and "resource-saving", and tin cans can meet the increasingly stringent requirements of environmental conditions.

NBC



Soft (PET bottles) and hard (metal cans) capabilities
Innovative packaging containers

The new packaging material using laminated aluminum, with a number of leading technology and patents, recyclable, more in line with the current strict environmental requirements, the most in line with food safety (laminated aluminum, explosion-proof points, the whole box to check ...) It is suitable for filling coffee, tea, carbonated drinks, fruit juices, sports drinks, functional drinks, alcoholic beverages, etc. It meets the needs of customers and future development.

1. Benefits of metal cans

- The metallic luster creates a stylish image.
- Opaque, airtight, keeps freshness and preservation.
- recyclable and environmentally friendly.
- Good heat transfer, can be sold with heating.

2. Convenience and safety compliance

- It has the same advantages of easy opening and resealing as the PET bottle.
- Can lid with anti-theft ring function, safe and secure.

3. Variety + added value

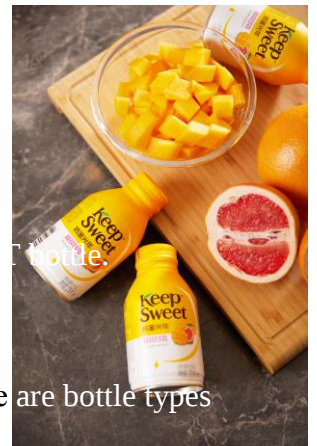
- The bottle mouth can be chosen from $\phi 28\text{mm}$ or $\phi 38\text{mm}$, and there are bottle types with 290~500ml capacity for selection.
- High-pressure sterilization ensures hygiene and safety. (Eg: dairy products)
- We can meet the customer's printing requirements for high-detail designs, with the option of no printing, matching labels or labeling.

4. Made of laminated aluminum

- Compared to regular Bottle Can, it reduces the risk of coating leaks and meets higher food safety requirements. It is applicable to warm the product before drinking.

5. Eco-friendly

- We use dry molding technology, so there is no need to clean and drain during the production process, therefore more water is saved.



1-3 Business area (Entities included in consolidated financial statements)

Area	Company	Production project	Customer category
Taiwan	Ton Yi Industrial Corp.	Tin plates Tin mill black plates (TMBP) Coated Steel Tin cans, etc.	Electronic parts, hardware supplies, canning factory, ultra-thin cold-rolled steel, electrical steel and other advanced manufacturers
Mainland China	Fujian Ton Yi Industrial Co., Ltd., Jiangsu Ton Yi Tinplate Co., Ltd.	Manufacturing and sales of Tin plates	Electronic parts, hardware supplies, canning factory
	Chengdu Ton Yi Industrial Packing Co., Ltd., Wuxi Ton Yi Industrial Packing Co., Ltd., Changsha Ton Yi Industrial Co., Ltd.	Manufacturing and Sales of Tin cans	Beverage brands
	Ton Yi (China) Investment Co., Ltd. Zhangzhou Ton Yi Industrial Co., Ltd., Taizhou Ton Yi Industrial Co., Ltd., Chengdu Ton Yi Industrial Co., Ltd., Huizhou Ton Yi Industrial Co., Ltd., Kunshan Ton Yi Industrial Co., Ltd., Beijing Ton Yi Industrial Co., Ltd., Sichuan Ton Yi Industrial Co., Ltd., Zhanjiang Ton Yi Industrial Co., Ltd.,	Manufacturing and sales of PET packages	Beverage brands
	Wuxi Tonyi Daiwa Industrial Co., Ltd., Tianjin Ton Yi Industrial Co., Ltd.	Manufacturing and sales of New Bottle Cans	Beverage brands
Vietnam	Tovecan Corporation Ltd.	Manufacturing and sales of Tin plates	Beverage brands

NT\$ million

Product \ Year	Consolidated revenue in 2020		Distribution by marketing region	
	Amount	Percentage	Mainland China	Outside Mainland China
Tinplate packaging products	17,489	58.4%	39%	61%
Plastic packaged beverage products	12,446	41.6%	100%	0%
Total	29,935	100%	64%	36%

2. Economic Performance

2-1 Business strategy

Ton Yi Industrial Corporation started out producing staple necessities and gradually becoming a professional manufacturer in packaging materials and beverage packaging which are common consumer products. Using the management strategy of “One Core + Four Advantages,” that is “product management” as the strategic core and “enterprise advantage,” “competitive advantage,” “capital advantage” and “industry advantage” as the four advantages, the Company actively develops and grows, acquiring ISO 9001 on quality management system, ISO 14001 on environmental management system, ISO 22000 and HACCP on food safety, ISO 45001 and TOSHMS on management systems of occupational health and safety and the JIS G3303 Japanese industry standard and CNS national standard on tinplate products, as well as establishing a TAF laboratory to uphold the quality of the suppliers, raw materials, fabrication processes and products to a higher standard. We shall continue to invest more resources and strengthen control mechanisms to secure the trust that the society bestows upon Ton Yi Industrial Corporation.

Business Development Plan in the Long and Short Run

1. Short-term business development plans:

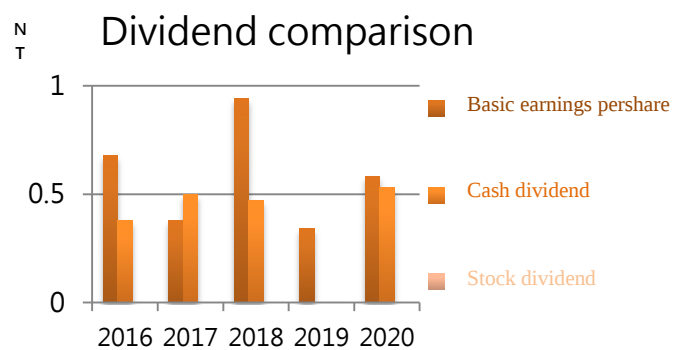
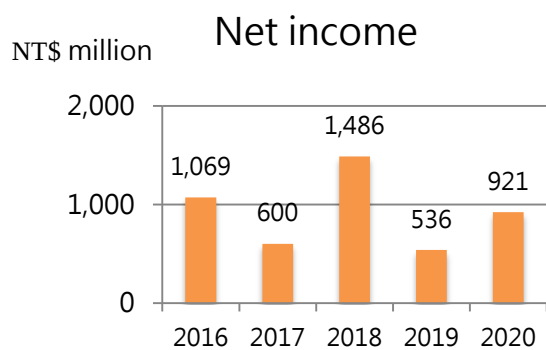
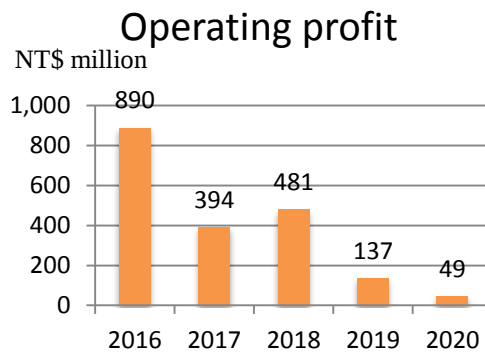
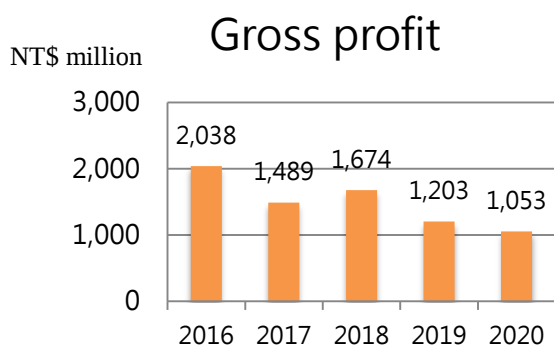
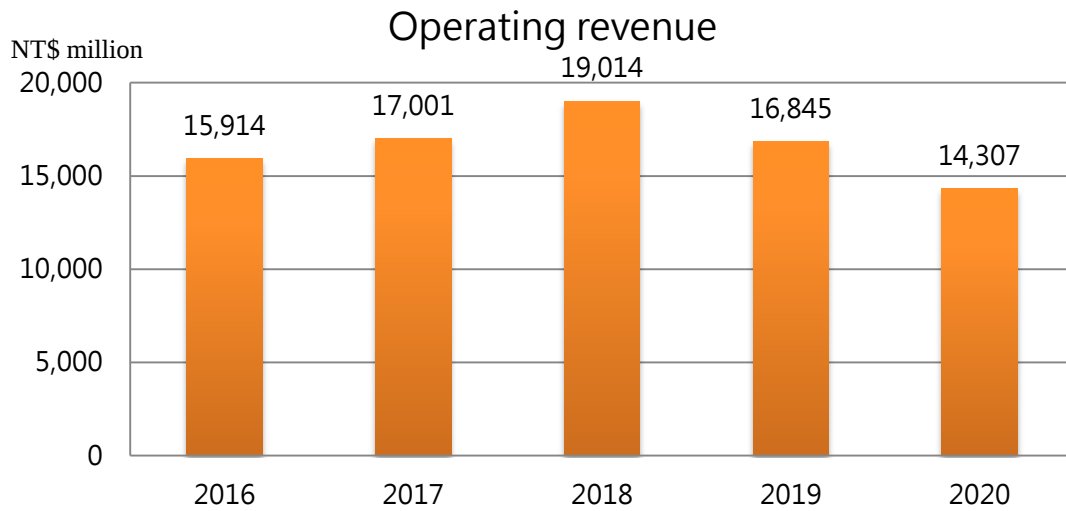
Integration of the production bases in Taiwan, Mainland China and Vietnam to perform the best in division of labor in production and sales.

2. Long-term business development plans:

In response to various global and regional economic and trade agreements and economic integration and the increasingly frequent international trade barriers in the future., the Company diversifies risks for maximum benefits by having production bases in Taiwan, Mainland China and Vietnam and cooperates with upstream and downstream raw material suppliers and product customers for a tight supply chain system.



2-2 Financial Performance (stand-alone)



Direct Economic Value Generated and Distributed by the Organization*2

201-1 · 4

Unit: NT\$ thousands

Year		2018	2019	2020
Item				
Direct economic value generated		20,204,146	17,496,535	15,344,658
Operating revenues	Net sales	19,013,654	16,845,390	14,306,713
	Realized (unrealized) gain on sales to affiliated companies	(26,967)	81,444	(13,763)
	Interest income	908	755	163
	Dividend income	5,510	4,176	0
	Rental income	5,372	5,359	5,398
	Other income	21,674	21,765	15,973*1
	Other gains and losses	48,479	18,482	(41,812)
	Investment gains	1,135,516	519,164	1,071,986
Direct economic value distributed		19,460,091	16,960,151	15,260,345
Operating cost	Operating activities costs incurred	17,402,676	15,797,241	13,317,390
Employee salary and benefits	Employee welfare expenses	1,091,754	981,889	1,013,667
Payment to providers of capital	Cash dividend	742,198	0	836,947
	Interest expense	127,556	156,444	109,652
Transactions with government	Business income tax + duties (expenses)	95,897	24,567	(17,321)
Community investments	Donation	10	10	10
Economic value retained		744,055	536,384	84,313

*1 : Other income – government subsidies: includes a subsidy of NT\$180,000

The Youth Employment Program grant is NT\$292,000..

*2 : Detailed financial figures can be found in the website of Ton Yi Industrial Corp.

(<http://mops.twse.com.tw>) or MOPS (<http://mops.twse.com.tw>)

3. Corporate governance

In order to establish a good corporate governance system and respond to the government's corporate governance blueprint plan, the Company has established a code of corporate governance practices with reference to the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" jointly formulated by the Stock Exchange and the Over-the-Counter (OTC), and has set up an effective corporate governance structure, which is disclosed on the Market Observation Post System. In addition, the Company has established a functional committee and a head of corporate governance, published CSR reports on a regular basis, improved the disclosure and timeliness of English information, nominated candidates for directors, strengthened compliance with laws and regulations, and implemented the Board of Directors' performance evaluation method, etc. In terms of actual performance, the "Corporate Governance Evaluation" has been awarded to the top 35% of companies in recent years, indicating that the Company has achieved significant results in various indicators.

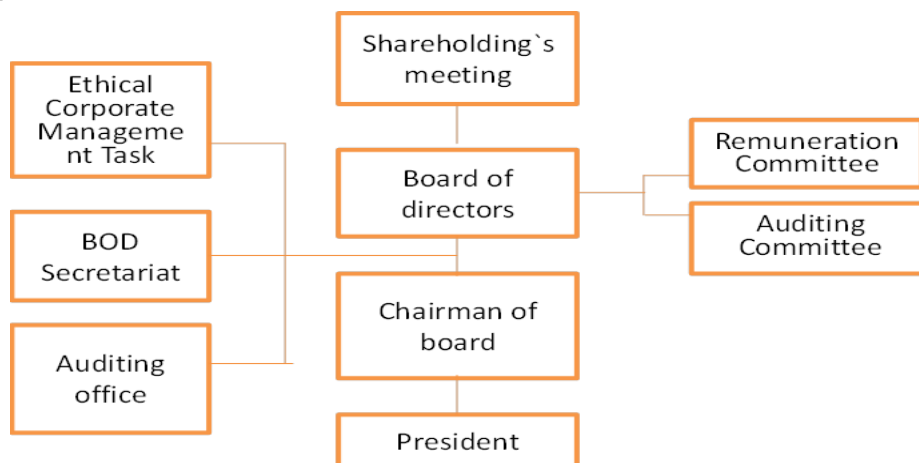


The Company has established the following policies to establish and improve its corporate governance system and implementation.

Code of Conduct	Summary of content
Ethical Code of Conduct	We refer to the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies to establish these measures in order to foster a corporate culture of ethical management and sound risk management system and refine sustainable operations and development. (Amended on May 6, 2015).
Integrity Procedures and Behavioral Guidelines	The company engages in commercial activities following the principles of fairness, honesty, faithfulness, and transparency, and in order to fully implement a policy of ethical management and actively prevent unethical conduct, these procedures and guidelines for conduct are adopted pursuant to the provisions of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, with a view to providing all personnel of the company with clear directions for the performance of their duties. (Established on May 6, 2015)
Corporate Social Responsibility Code of Conduct	These guidelines have been developed in accordance with the provisions of the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies in order to put corporate social responsibility into practice and promote progress in economic, environmental and social causes. (Amended on March 26, 2020)

Note: For more details, please refer to the Corporate Governance section of the Ton Yi Corporation website (www.tonyi.com.tw).

3-1 Corporate Governance Framework



3-2 Board of directors

For overall Board Composition, we consider the diversity of members, 10 directors, with a service term of 3 years, are needed in accordance with the Articles of Incorporation. The board member nomination approach is adopted to elect 7 directors and 3 independent directors, including 1 female director. Details regarding board members' diversity, academic background, career experience, professional knowledge and remuneration can be found in the annual report (available from MOPS or Investor Relations Section of the Company website). The board held 6 meetings in 2020; directors' attendance rate averaged 95%. For improvement of governance capability, directors were subjected to 78 hours of training. The courses covered a number of subjects including: How the Companies Prevent Corruption, Prevention and Response of Insider Trading, Group Governance and Performance Management, The Response and Application of the Board of Directors to Corporate Governance Evaluation, Strategy and Management of Corporate Upgrading and Transformation, the Advent of Digital Economy, How the Companies Embrace the Transformation of the Talented People in the Next Decade, Internal Control and Auditing and Information Technology, analysis and Application Practice of International Taxation Trend Under the New Version of Corporate Governance Blueprint, Strategy of Responding Company Changes, Ten Compulsory Courses of Corporate Governance.

3-3 Remuneration Committee

The Company has empowered its "Remuneration Committee" to "set and review performance evaluation and compensation policies, systems, standards and structures applicable to directors and managers" and "regularly assess and determine directors' and managers' compensation." Proposals made by the Remuneration Committee are submitted for discussion and resolution by the board of directors. The committee held 2 meetings in 2020 with an attendance rate of 83%, which conformed to the requirements. Directors, managers and the head of human resources were invited to participate in the meeting and provide information where necessary. Committee members have maintained good communication with management; any documented objections, qualified opinions or written statements made by committee members are announced publicly according to law, but no such situation had arisen in 2020.

Remuneration Committee(since 2011.09.30)

The 4th Committee(2019.06.28~2022.06.19)All members are independent directors

Member name: Ming-Long Wang(Convener) 、Chin-Cheng Chien 、Bin-Eng Wu

3-4 Auditing Committee

The Auditing Committee assists the board of directors in various duties by monitoring: the fairness of financial statement presentation, CPA's independence (at least once a year), effectiveness of internal control system, compliance practice, and potential risks within the Company. The committee held 6 meetings in 2020 and with an attendance rate of 94%. Directors, managers, the chief auditor and external CPA were invited to participate in the meetings and provide information where necessary. Committee members have maintained good communication with the management; any documented objections, qualified opinions or written statements made by committee members are announced publicly according to the law, but no such situation had arisen in 2020.

Auditing Committee (since 2011.09.30)

The 3th Committee(2019.06.20~2022.06.19)All members are independent directors.

Member`s name: Chin-Cheng Chien (Convener) 、Ming-Long Wang 、Bin-Eng Wu

3-5 Auditing Office

By offering independent and objective confirmation and consultation, ensuring that the internal control policy is implemented effectively for the purpose of maximizing profitability while preventing fraud. In doing so, they help improve the Company's performance, minimize risks, enhance crisis management, and assist the board of directors and the management in accomplishing the prescribed goals.

By adopting risk-based audit, the Auditing Office helps the Company's departments and subsidiaries identify medium and high-risk elements that they may affect their ability to accomplish goals. These departments and subsidiaries were further guided to review the adequacy and effectiveness of their internal control systems with respect to the risk elements they had identified, and were aided towards redesigning policies and procedures in ways that enhance risk management and contribute values to the organization. In 2020, the Auditing Office found no significant weakness with regards to internal control.

3-6 Ethical Corporate Management Task Force

The Ethical Corporate Management Task Force is responsible for the execution of integrity-related practices. The task force regularly reports to the board of directors and has implemented defined rules such as "Ethical Code of Conduct", "Integrity Procedures and Behavioral Guidelines" for employees to follow as well as organizing internal awareness promotion and training programs from time to time. In 2020, a training of ethical corporate management business was held internally and externally with an attendance of 16,268 people that totaled 15,771 hours. The task force ensures that all deals with external parties are contracted with integrity clauses (Sunshine Clause) in place. Communication and misconduct reporting channels have been implemented, while all informants are protected against retaliation. No report of misconduct of any kind was received in 2020.

4. Risk Management

4-1 Risk management

The Board of Directors formulated the "Risk Management Policy" on March 23, 2021, and the President will hold regular meetings with the supervisors, and the supervisors of each unit will communicate with each other through this communication platform to strengthen corporate governance and improve the risk management practices of the Company and achieve the purpose of sustainable operation and development of the Company.

Policies and Procedures:

The Company regularly evaluates risks each year and formulates a risk management policy for each risk, which covers mechanisms such as management objectives, organizational structure, attribution of authority and responsibility, and risk management procedures. Through the implementation of the risk policy, the Company effectively identifies, measures and controls each of the Company's risks to keep the risks arising within an acceptable range.

Management:

The Company's risk management policy covers all potential strategic, operational, financial and hazard risks that may affect operations and profitability, including but not limited to: operational risk, market risk, financial risk, legal risk, climate risk, information security risk and other risks that may cause the Company to incur significant losses.

4-2 Risk Descriptions and Countermeasures

The risk management of Ton Yi Industrial Corp. covers governance, environmental and social aspects, and we identify, analyze and measure the potential risks of each relevant unit. We respond through appropriate management methods, monitor and improve risk management plans, and centralize and implement them according to the characteristics and levels of impact of risks, so that they can be effectively controlled at all times.

Risk category	Risk Description	Risk Control Procedures	Response Chapter
Market Operational Risk	Global epidemics, politics, extreme weather and other linked effects, rapid economic and trade changes, resulting in the impact on business performance.	In addition to the strategies formulated and implemented by each business unit and functional unit in accordance with their business authority and responsibilities, the Company also takes various countermeasures based on the analysis and evaluation of laws, policies and market changes, and the president convenes a crisis management committee for each business group to control and deal with possible market risks and crises.	Chapter two Corporate Governance
Environmental Risks (Environmental Safety)	1. The tightening of environmental regulations has led to the transformation risks faced by enterprises, such as carbon reduction and energy-saving measures, which may affect their operations and financial planning. 2. The increase in extreme weather events may cause disruptions to business	Business Environment Management 1. We adopt a coordinated management approach and use various ISO environment-related management systems as the basis for management. 2. Periodic workflow audits are conducted by a third-party verification unit to ensure the effective operation of the environmental management system. Climate Change and Energy Management 1. Establish an interdepartmental environmental management and energy management committee to be responsible for and manage the management of energy efficiency and greenhouse gas emissions of each plant	Chapter four Sustainable Environment

	operations or loss of resources.	2. In conjunction with the ISO management system, we manage risk control, current situation inventory, and energy saving and carbon reduction projects to enhance our ability to adapt to the possible risks of climate change. Water Resources Management 1. The Energy Management Committee will promote water resource related issues and develop relevant control procedures and water saving performance. 2. The concept of water conservation is integrated into the company's daily operations through announcements, education and training.	
Occupational Safety (Work Safety)	Improper operation of machinery and equipment or work environment safety measures are not properly implemented, resulting in occupational hazards.	1. There is a safety and health committee that meets quarterly to review safety and health management issues. 2. We have introduced the occupational safety and health management system ISO 45001 and TOSHMS to actively implement employee safety and health management and care, and continue to promote various types of occupational safety education and training, and case studies to strengthen employees' occupational safety concepts. 3. Regular construction safety inspections are conducted to prevent occupational hazards by means of counseling and auditing.	Chapter five Mutual Prosperity-Health and Safety
Food Safety (Food Safety)	1. Failure to take good care of container sealing and harmful substance management, resulting in deterioration or abnormality of the contents. 2. Failure to update the information on the regulations related to the packaging of food utensils and containers, resulting in labeling that does not comply with legal regulations.	1. There is a Food Safety Committee that meets regularly to review and resolve issues related to food safety and quality management. 2. Implementation of source and classification management of direct-contact materials, supplier evaluation system. 3. The impact of changes in relevant laws and regulations and the preparation of countermeasures to ensure that all of the company's products comply with the laws and regulations.	Chapter three Product and Service
Financial Risk (Financial Safety)	Market risk, credit risk and liquidity risk may adversely affect the Company's financial condition and financial performance.	1. The Board has written principles for overall risk management and also provides written policies for specific areas and issues. 2. The Finance Department follows the policies approved by the Board of Directors and works closely with the Company's internal operating units to assess and manage financial risks.	Please read 4-2-1 Financial Risk Management below.
Information Security (Information Safety)	1. Improper use of computers leads to leakage of company information. 2. Hacking to obtain personal information.	1. Establish an information security risk management framework, formulate information security policies, and establish an information security management team and division of authority and responsibility to enhance the safe and stable operation of information operations. 2. Establish information security notification procedure and perform regular information security audits to ensure that information security incidents and management procedures can be effectively implemented.	Please read 4-2-2 Information Security below.

4-2-1 Financial Risk Management

1. The Company's daily operations are subject to a number of financial risks, including market risk (including exchange rate price risk, price risk and interest rate risk), credit risk and liquidity risk. In order to reduce the adverse impact on the Company's financial performance due to uncertainty, the Company enters into forward exchange contracts to hedge the exchange rate risk.
2. Risk management operations are performed by the Company's Finance Department in accordance with the policies approved by the Board of Directors. The Company's Finance Department is responsible for identifying, evaluating and hedging financial risks by working closely with the Company's operating units. The Board of Directors has written principles for overall risk management and also provides written policies for specific areas and issues, such as: exchange rate risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments, and investment in residual liquid assets.

For more information on financial risk, please refer to the Unity Enterprises Annual Report.

4-2-2 Information Security Management

1. Strengthen information security management, enhance protection capabilities, and establish a safe and reliable information operating environment.
2. Ensure the confidentiality of relevant information and to protect confidential information from leakage.
3. Ensure the availability and completeness of relevant information to improve operational efficiency and quality.
4. Ensure the continuous operation and uninterrupted access to relevant information.

Establish an Information Security Framework :

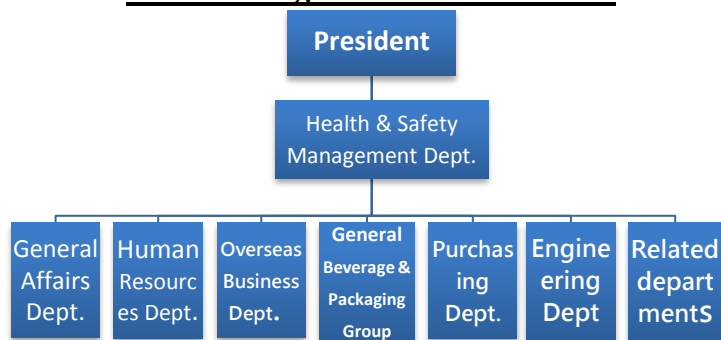
Measures	Protection Functions
Spam Prevention System	Spam and threatening emails detection, filtering and defense to reduce the risk of various email attacks.
Network Segmentation	Each factory network segment is independent, and the host network segment is independent, so that the user and the host system traffic are separated from each other and the network security is improved.
Build firewalls	Separate internal and external networks, network traffic control, intrusion prevention, virus protection, web content filtering, data leakage protection and application control, confidential host virus protection, external user access to the internal network via SSL VPN encryption protocol.
Set up network management and control system	Use Pontus monitoring software to monitor network system resources in real time, record usage logs, and send email alerts in case of abnormalities
Build endpoint protection system	Protect terminal devices with OfficeScan, virus protection, malware detection, real-time monitoring and regular scheduled scanning.
Regular information security vulnerability detection	Once a quarter, the company performs vulnerability detection on all IP devices that can be scanned in the company's network environment, including: scanning for uncorrected vulnerabilities in the operating system, scanning for vulnerabilities in common applications, scanning for network service programs, scanning for Trojans/backdoors, testing for account password cracking, detecting insecurity and misconfiguration of the system, scanning for network communication ports, and implementing remedial measures based on the scan results.
Visitor Usage Network Management	When a visitor needs to use the company's network, the visitor can use the company's network to connect to the external website after the visitor submits a request form and the network administrator provides the password for the day. The password is automatically changed once a day.

4-3 In response to COVID-19 epidemic

◆ Set up a crisis management team

In response to the outbreak of COVID-19, the Group established the COVID-19 Crisis Management Group, formulated the "Points to Note during the COVID-19 Epidemic", kept abreast of the information and regular meetings of the Central Epidemic Command Center, and coordinated the epidemic prevention operations among affiliated companies to maintain information flow and mutual sharing. The Group also keeps in touch with the Ton Yi Corporate Crisis Management Team to implement various epidemic prevention measures and notifications.

Crisis Management Team Structure



Duty of the COVID-19 Crisis Management Group

- Convener : Coordinate, communicate, collect information and submit reports.
- Health & Safety Management Dept. : Integrate information and stay on top of the situation to respond in real time.
- Human Resources Dept, Overseas Business Dept, General Beverage & Packaging Group : Announcement of personnel attendance and cross-border status.
- General Affairs Dept : Personnel access control, environmental sanitation and maintenance.
- Purchasing Dept : Provide guidance to raw material suppliers to establish relevant corresponding measures and assist in purchasing protective equipment, etc.
- Engineering Dept, Purchasing Dept, General Affairs Dept : Control and negotiation of contractors (including transportation firms) operation management.

◆ Disease Prevention Subsidy

In accordance with the development of the epidemic, the crisis management team immediately reviewed and revised the precautions to be taken during the epidemic, and announced epidemic prevention measures, asking all employees to maintain "epidemic awareness" at all times and to do their personal epidemic prevention acts in order to stop the spread of the virus.

In order to sympathize with employees' compliance to the company's epidemic prevention policy, the company offers "compensation for cancellation of overseas travel" to all employees who cancel their private overseas trips; those who have visited the 11 alert sites and the Pangshi ship during the Tomb Sweeping holidays and received alert messages will be assigned for working from home or be given paid epidemic prevention leave.

In addition, in response to the possible rise of the influenza epidemic in the fall and winter, we have asked the Tainan City Health Bureau to send staff to our company to administer the vaccine to employees who are eligible with public funding, and we also encourage employees who are not eligible for public funding to administer the influenza vaccine at their own expense, and then the company will subsidize the cost.

For Taiwan cadres stationed overseas, in addition to having dedicated staff to care for their physical condition and provide relevant epidemic prevention information, the company subsidizes the cost of staying in epidemic prevention hotels and nucleic acid testing during home visits to Taiwan; the total cost of various epidemic prevention measures in 2020 is NT\$5,551,000.

◆ Disease prevention process



•1/22 •In response to the rapid spread of COVID-19 in mainland China before the Spring Festival, cadres returning to Taiwan need to manage their own health for 14 days, taking their body temperature and recording it twice a day in the morning/evening.	•1/28 •The General Manager convened an epidemic prevention meeting and immediately set up an epidemic crisis management team to maintain information contact with the Ton Yi Industrial Corp. and start various epidemic prevention and notification.	•1/31 •Convene an epidemic prevention meeting of the epidemic prevention team to formulate precautions during an epidemic in accordance with the Group's epidemic prevention precautions and travel control for unified enterprises.	•3/31 •In response to the increasing severity of the COVID-19 epidemic, district offices are implemented, and this phase of district offices ends on 5/24.	•6/10 •In response to the new life of epidemic prevention after 6/7 by the Central Epidemic Command Center, frequent hand washing, taking body temperature, keeping social distance/wearing masks are the key points of epidemic prevention.	•12/1 •The Central Epidemic Command Center has launched the "Fall/Winter Epidemic Prevention Program", which mandates that people should wear masks when entering "eight types of venues".
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◆ Key Points for Epidemic Prevention

Highlights for Epidemic Prevention	Description
Temperature measurement	Staff temperature measurement twice a day: ❶ Home measurement (until 6/10). ❷ Access control measurement at work.
Cleaning and disinfection	❶ Public areas (e.g. elevators, meeting rooms, floors, etc.) are regularly cleaned and eliminated. ❷ Personal desks, chairs, computers, etc., are cleaned at least once a day.
Visitor Control	❶ Set up a meeting area, forbidden to enter the factory. ❷ Control measures: Declaration, taking temperature, wearing a mask.
Access Control	❶ The company will take the temperature and prohibit those who have fever or cough from entering.
Floor Control	❶ No one not on that floor is allowed to enter the office area of that building. ❷ Implementation period: March 31-June 10.
Epidemic prevention promotion	❶ Set up an <u>epidemic prevention area</u> website. ❷ On April 10, colleagues signed a <u>declaration of epidemic prevention</u> and took precautionary measures and refrained from entering or leaving crowded places during the epidemic period (the announcement was lifted on June 11). ❸ Announcement of common epidemic prevention: During the epidemic period of Pangshi Site, before the Labor Day holiday and before the New Year's Day holiday, the announcement asks colleagues to take common epidemic prevention measures.
District office work	❶ Implementation of district offices in response to the outbreak departments to ensure normal operation of key operations. ❷ Implementation period: March 31-June 10.
Working from home	On March 31, in response to the Tomb Sweeping holidays, the Group started to test out working from home, completed the website clocking in and out of work, held video conferences, and rewarded employees for their daily health and work.
Overseas colleagues	❶ When returned, employees will be quarantined at home or intensively quarantined for 14 days, and will not be allowed to enter the company during this period. ❷ A negative nucleic acid test report is required for those who need to enter the company for official business. ❸ Employees must wear a mask throughout your workday.
Epidemic protection masks	❶ 12,000 pieces of standing epidemic-proof masks.
Domestic travel	❶ When attending an outside event for official business, employees must submit an application.

【Epidemic prevention measures photos】



Inductive body temperature measurement



Door labeling for epidemic prevention



Epidemic Prevention TV Wall



Epidemic-proof partitions in dining areas

COVID-19 新冠狀肺炎防疫專區

COVID-19 新冠狀肺炎防疫專區

[全部資料](#)

COVID-19 新冠狀肺炎宣導資料

COVID-19 新冠狀肺炎公司防疫措施

COVID-19 新冠狀肺炎防疫表單

關鍵字搜尋 送出查詢

NO.	公告單位	公告內容	公告日期
1	安全衛生管理室	COVID-19 新冠狀肺炎宣導資料(外籍員工)	2020-02-03
2	安全衛生管理室	COVID-19 新冠狀肺炎防疫宣導資料	2020-01-31
3	安全衛生管理室	COVID-19 新冠狀肺炎疫情流行期間注意事項	2020-01-31
4	安全衛生管理室	COVID-19 新冠狀肺炎防疫表單	2020-01-31

1

COVID-19 Epidemic Prevention Zone in the internal website

5. Compliance

307-1 · 419-1

5-1 Compliance situation

Ton Yi Industrial adopts the principle of complying strictly with all local and foreign regulations. It has specialized units in place to constantly monitor any changes in law, and takes steps toward ensuring compliance of its rights and obligations.

Aspect	Prevention measure
Environmental protection	The Company has employees assigned specifically to gather legal information from the Environmental Protection Administration (EPA). Any new laws gathered are evaluated to determine their relevance, and are raised for discussion during quarterly review meetings with conclusions published onto the intranet.
Corporate governance	The Company participates in regulatory seminars organized by Taiwan Stock Exchange Corporation and government agencies. Proposals are raised in board of director meetings from time to time to discuss establishment or amendment of existing policies from compliance reasons.
Health and safety of products and services	The government has recently required certain food producers to develop traceability for food items, following the outbreak of major food safety incidents. Since the Company's tinplate cans are used as a form of food package, it is also required to participate in the food safety disclosure by uploading supplier information onto the common platform maintained by Food and Drug Administration.
Workers' human rights	The Company complies with the Labor Standards Act and has introduced human rights protection principles into its "Employee Manual," "Work Rules" and "Sexual Harassment Prevention Policy." No official complaint was raised against the Company for hiring of child labor, discrimination, violation against freedom of association, or forced labor.

In 2020, a fine was imposed for violating the Paragraph 1 of Waste Disposal Law. The reason is that the waste in the vehicle was found to contain flammable volatile organic compounds exceeding the standard when the general garbage was removed, which was in violation of Article 36, Paragraph 1 of the Waste Disposal Law and Article 43 of the Rules for Storage, Removal and Treatment of Business Waste and came with a fine of NT\$6,000. Ton Yi Industrial Corp. has strengthened its efforts to promote the collection of waste rags and other business waste generated from the maintenance of manufacturing processes in the factory, and not to mix them with household garbage, and entrust qualified business waste disposal vendors to handle them properly. Except for the above, there is no violation of social or economic regulations in 2020.

6. Participation in External Organizations and Initiatives

6-1 The situation of Participation in External Organizations and Initiatives

Through the integration and leadership of the platform, we will continue to promote the development of the industry and advance common interests through mutual assistance and cooperation.

Name of organization	Organization purpose	Location	Position held
Taiwan Steel and Iron Industries Association	For the unity and development of the steel industry, the goal of the company is to help the government build the economy and earn foreign reserves, coordinate relations between industry peers and explore mutual benefits. Review the website: https://www.tsiaa.org.tw/	Taiwan	Member
Taiwan Metal Industry Association	1. Investigation, statistics, research, improvement and development of the metal industry at home and abroad. 2. Investigation of the source of raw materials from industry peers and assistance in the deployment of raw materials. 3. Manufacturing, investigation of shipping and marketing, statistics and promotion for members. Review the website: https://www.trmsa.org.tw/Default.aspx	Taiwan	Member
Tainan County Importers Exporters Chamber of Commerce	1. Investigation, statistics, research and development of commerce at home and abroad. 2. Coordination, introduction and promotion of international trade. 3. Assistance in promotion and research for the government's economic policies and business laws. Review the website: http://www.tiea.com.tw/index.html	Taiwan	Member
Tainan County Industrial Association	1. Coordinate relations between industry peers, explore mutual benefits. 2. Seek improvement and promote economic development. Review the website: https://www.tncia.org.tw/	Taiwan	Member

Chapter Three Product and Services

The most significant value we offer in beverage packaging is to provide food and beverage plants with safe, hygienic and visually appealing products made from tinplate and a broad variety of beverage packaging materials. Trust our products and have peace of mind. We lead by example and rigorously collaborate with our upstream and downstream partners to continue refining our manufacturing technology and equipment and reducing the environmental and cost impact. We create added value to products through our after-sales and technical services to achieve sustainable operations.

1. Customers' Health and Safety

1-1 Management policy

Purpose: To manage product quality and food safety risks effectively and to meet national standards and customers' needs as the Company's goals.

Responsibility: The technical deputy president is responsible for the quality of the Manufacturing Department that plans quality management. It also reports the implementation situation of quality management to the Board of directors on a regular basis.

Resource: Establish relevant task forces and invest relevant software, hardware facilities and optimize the environment.

Grievance: It applies the same as customer complaint management method. Customers may make a complaint to the business department using meetings, phone, or E-mails.

※In 2020, the company did not have violations of health and safety regulations or information and labeling with respect to products and services, and there were no records of penalty or fine.

Quality Policy: Impecline quality, satisfied customers

Quality Commitment:

1. Achieve the right quality in the first attempt.
2. Quality process makes quality products.
3. Respect the next production stage like customers.
4. Always aim to improve quality standards.
5. Small problems tend to deteriorate into crisis.
6. Prevention over treatment.
7. Quality definition must "conform to customers' requirements".
8. Process determines quality.
9. Quality is everyone's responsibility.
10. Quality education is fundamental to every organization.

Food safety: Food safety and quality as the top priority

Food Safety Commitment:

1. Bring food safety awareness and spirits into the work details of all employees.
2. Respect, learn and satisfy customers' needs, and satisfy mutually agreed food safety requirements.
3. Enforce stringent control over food safety, and continually develop and innovate new technologies.
4. Develop systematic management, set goals, and regular review performance for the improvement of food safety.
5. Develop and implement food safety information; maintain all records of communication.
6. Out of commitment to sustainable business, the Company shall operate and ensure food safety in compliance with regulations.

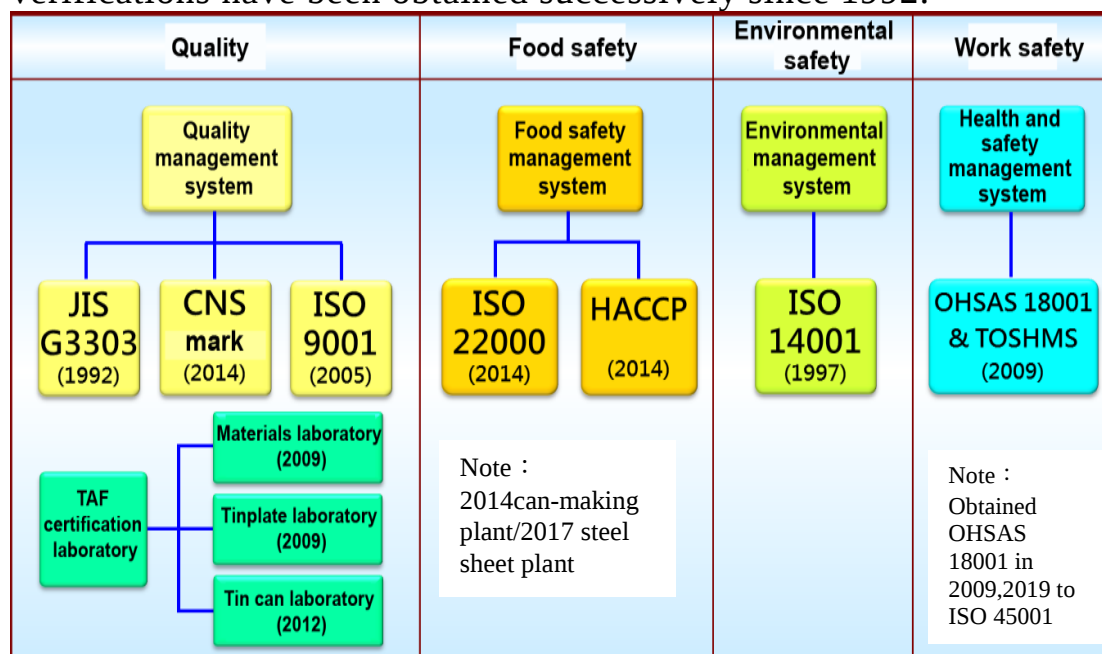
Approved by: President 2017.08.07

Approved by: President 2020.02.13

1-2 Production Management System and Lab

Management system

Quality, food safety, environmental safety and work safety have always been our core values. The following certifications / verifications have been obtained successively since 1992.



Percentage of product having passed management system and product testing – by category

Item	Quality			Food safety		Environmental safety	Work safety	
	ISO 9001	JIS G3303 SPTE JQTW08007	SGS	SGS	SGS	ISO 14001	ISO 45001	TOSHMS
鍍錫用底片 Tin Mill Black Plate	100%	—	99.7%註	—	—	100%	100%	100%
一般冷軋鋼板 Cold-Rolled Steel Sheet	100%	—	—	—	—	100%	100%	100%
鍍錫鋼片 Tinplate	100%	65.5%註	57.5%註	100%	100%	100%	100%	100%
電解鍍鉻無錫鋼片 Chromium coated tin free steel	100%	—	75.4%註	100%	100%	100%	100%	100%
馬口鐵圓罐 Tin Can (ROUND)	100%	—	—	100%	100%	100%	100%	100%
馬口鐵角罐 Tin Can (REC TANGULAR)	100%	—	—	100%	100%	100%	100%	100%

Note: The labeling ratio less than 100% mainly due to customer's requirements and the US and Malaysia specifications are not displayed.

JIS G 3303

Ton Yi Industrial first earned its JIS (Japanese Industrial Standards) certification in the tinplate category in December 1992, which made it the first company outside Japan to be certified for JIS in the tinplate category. This certification not only signifies excellence in the products made by Ton Yi Industrial, but also implies that the Company is capable of producing tinplates in quality comparable to the best in the world.

To apply for JIS, a company must undergo layers of stringent reviews. Obtaining the initial certification is already a challenging task, but what makes things more difficult is the requirement to be re-examined every 3 years thereafter. For this reason, the Company must constantly ensure compliance with JIS and develop effective quality management practices and standardized procedures, or the JIS certification can be voided at any time.

ISO 9001

ISO stands for International Organization for Standardization. 9001 is the standard number, and the 9000 series such as 9001m 9004 are the standard provisions relating to the quality management.

Having been certified for ISO 9001 Quality Management System indicates that the company is at least on par with international standards in terms of product, engineering or service quality. This certification is a testament to the Company's ability to deliver products or services to customers' expectations. At Ton Yi Industrial, we place quality and customer satisfaction at the top of our focus. We manage performance in ways that improve the Company's adaptability and competitiveness to future challenges, thereby achieving sustainability.

In order to respond to customers' demand for quality, Ton Yi Industrial cares a great deal about the quality control of the Company's internal processes. All is based on the principle of meeting customers' demands, and expect to provide products that satisfy customers.

Lab Certification

TAF (Taiwan Accreditation Foundation) evaluates laboratories using international standards (ISO 17025). TAF-certified laboratories are able to print the TAF label on the report they produce as a proof of credibility.

The Company Quality Assurance, Research and Development Department use advanced laboratory and precision equipment to perform quality tests. It constantly engages in new research projects to refine production process, and hence assure product quality. Each product item is tested and passed at the laboratory before shipment.

ISO22000 & HACCP



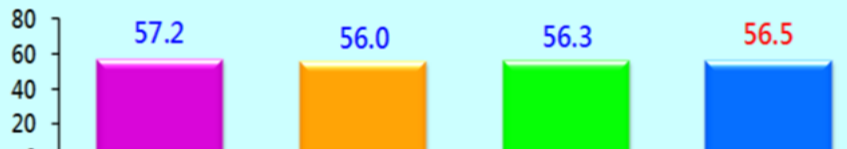
ISO 22000 is applicable to any organization within the food production chain that has a need to develop its own food safety system, regardless of size, business category or the products they offer. This standard covers an entire supply chain from raw materials, food service, processing, transportation, storage, retail to packaging, and thereby ensures food safety from the beginning of the supply chain up to the point of consumers' purchase.



HACCP(Hazard Analysis and Critical Control Points)

For the food industry, HACCP is used for identifying, assessing, controlling, and preventing food hazards. It has now been recognized worldwide as a food safety standard.

ISO 22000 and HACPP certifications provide customers with extra confidence in the food supply chain. Both of them are common elements in the world's food safety standard, and have been adhered strictly in exchange for the trust of world's consumers. Together, they represent the Company's ability to control food safety risks.

Type	Tin mill black plate	Tin-coated steel/chromium-coated tin-free steel plate	Tin can (container)										
Responsible for testing laboratories	Materials laboratory	Tin plate laboratory	Tin can laboratory										
TAF Number	2091	2092	2625										
Item	Mechanical Properties analysis(hardness and stretch test)	Tinplate coating layer analysis(tin content and chromium content test)	Tin can leak-proofing test(seam overlap ratio)										
Expenses incurred	(百萬元)支出費用  <table><thead><tr><th>Year</th><th>Expenses (百萬元)</th></tr></thead><tbody><tr><td>2018年</td><td>57.2</td></tr><tr><td>2019年</td><td>56.0</td></tr><tr><td>2020年</td><td>56.3</td></tr><tr><td>2021年(預算)</td><td>56.5</td></tr></tbody></table>			Year	Expenses (百萬元)	2018年	57.2	2019年	56.0	2020年	56.3	2021年(預算)	56.5
	Year	Expenses (百萬元)											
2018年	57.2												
2019年	56.0												
2020年	56.3												
2021年(預算)	56.5												

1-3 Hazardous substance management

Hazardous substance management

Hot rolled materials

- Hot rolled materials are mainly purchased from world-renowned steel refineries such as CSC, JFE (Japan), Nippon Steel & Sumitomo Metal Corporation (Japan), and POSCO (Korea). All of which have stringent controls over hazardous substances, and have complied with EU (RoHS) ^{Note1} and REACH (SVHC) ^{note 2}. These suppliers are able to provide test reports as proof.

TMBP, tinplate, cold rolled tinplate

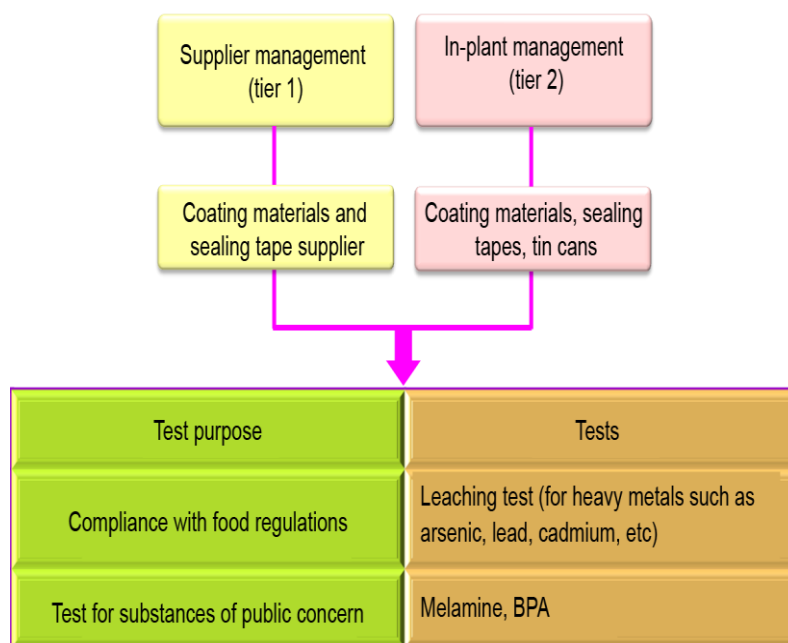
- TMBP, tinplate, cold rolled tinplate do not have any hazardous substances added to them during production. These products are submitted for SGS testing on a yearly basis, and the test results all conformed with EU RoHS, REACH (SVHC) and customers' requirements.

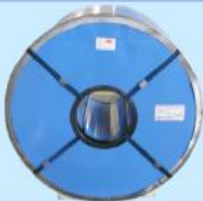
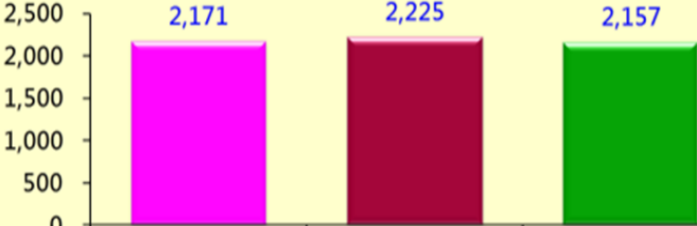
Tin can (container)

- Tin cans (containers) and any substances that come into direct contact with the content (e.g. coating material, sealant, etc) are graded and controlled at the source. In addition to grading its suppliers, the Company also requires raw materials suppliers to produce test reports to prove their compliance with food regulations on an annual basis. The Company's products are submitted for testing in accordance with "Sanitation Standard for Food Utensils, Containers and Packages" each year. All test results have complied with regulations.

Note 1: RoHS (Restriction of Hazardous Substances Directive) imposes maximum limits on the use of hazardous substance in electrical appliances and electronic equipment.

Note 2: REACH (Registration, Evaluation and Authorization of Chemical Substances) is an EU regulation concerning the registration, evaluation, authorization and restriction of chemicals. SVHC (Substances of Very High Concern) is a category of chemicals under REACH that are currently of high toxicity and high risk to the environment or human body.



Product type and raw materials	Tin Mill Black Plate	Tin-coated steel/chromium-coated tin-free steel plate	Tin cans (containers), coating materials, sealing tapes								
Product picture											
Hazardous substance control	RoHS、REACH	RoHS、REACH	Sanitation Standards for Food Utensils, Containers and Packages								
Test expenses incurred in 2015~2017	(千元) 送検費用  <table><thead><tr><th>Year</th><th>Test expenses (千元)</th></tr></thead><tbody><tr><td>2018年</td><td>2,171</td></tr><tr><td>2019年</td><td>2,225</td></tr><tr><td>2020年</td><td>2,157</td></tr></tbody></table>			Year	Test expenses (千元)	2018年	2,171	2019年	2,225	2020年	2,157
Year	Test expenses (千元)										
2018年	2,171										
2019年	2,225										
2020年	2,157										

※The management of food safety risks of cans (barrels) is managed from the source, the inspection of suppliers is carried out annually and raw materials suppliers are required to provide various testing reports that comply with food laws. Gel permeation chromatography is used to monitor the quality of the coating to avoid quality variation to make sure the food is safe to consume.

2. Sustainable products 102-9

2-1 Supply Chain Management

Ton Yi Industrial actively develops supply chain relations with major steel manufacturers in Asia to secure supply of raw materials. The Company tries to purchase as many raw materials in needs from local producers as possible, provided that they meet the required tests and qualities, and thereby create employment opportunities while helping local companies improve competitiveness. The Company has been enhancing management of its raw materials suppliers, enforcing tests for hazardous substances, and prohibiting purchase of conflict metals.

While we commit ourselves to strict standards, we also expect our suppliers to value corporate social responsibilities and implement their own policies as well as promote waste reduction and localized production.

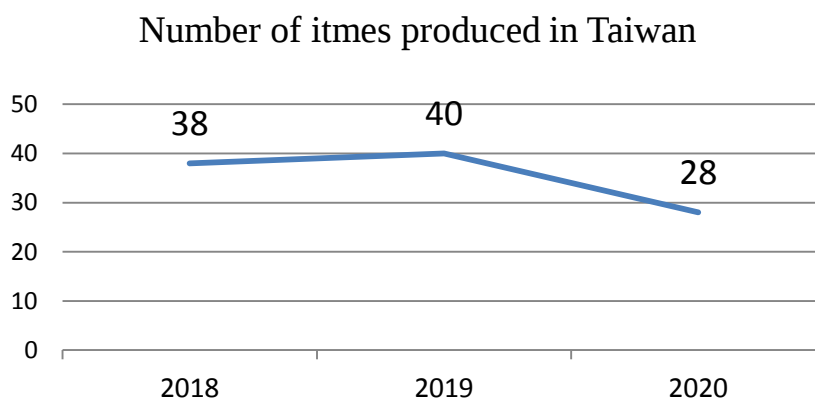
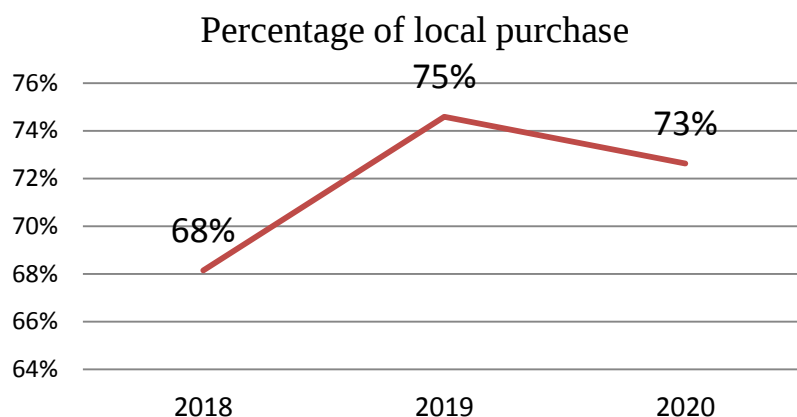
Supply Category

Supply category	Communication method	Location	Industry characteristics
Metal plate supplier – China Steel	Regular quality consultation meeting, e-commerce system	Taiwan	Heavy industry
Original plate supplier – Japan	Unscheduled visits, regular technical meetings, direct contact or through agent/business partners	Overseas	Capital, technology, labor-intensive industry
Original plate supplier – Korea	Unscheduled visits, regular technical meetings, direct contact or through agent/business partners	Overseas	Capital, technology, labor-intensive industry
Chemical supplier	Regular E-mail or phone to enquiry about market supply, market overview and technical research and discussions	Taiwan	Able to provide products of multi-product and supply requirements
Chemical supplier	Regular E-mail or phone to enquiry about market supply	Overseas	Unique technology, market oligopoly
Motor supplier	Phone, E-mail, unscheduled meetings	Overseas/ Taiwan	Capital intensive
Machinery supplier	Discussions of drawings and specifications technology in person/phone/Email, FAX/Email order	Overseas/ Taiwan	Technology/labor intensive
Packaging supplier	Phone, E-mail, unscheduled meetings, discussions in person	Taiwan	labor intensive

Percentage of Localized Purchases

204-1

The Company increases purchase of raw materials from local suppliers where possible, which creates employment opportunities and helps improve the competitiveness of local business. Under the condition that the production operation and quality will not be affected, some equipment or parts will be supplied locally to create a win-win situation for both parties. 2020 epidemic has caused great fluctuations in the steel market, which indirectly affects the proportion of domestic procurement.



Supplier Inspections

308-2

The Company conducts annual on-site inspections according to its supplier management procedures to ensure that suppliers are working towards the common goal. New suppliers of metal plates, tin ingots and important chemical materials are subject to on-site evaluation, but oligopolistic suppliers, top-100 companies and foreign companies need not undergo on-site evaluation.

As an enhanced control over the supply chain, any qualified supplier that exhibits major abnormal conduct will be subjected to on-site evaluation within one week as well as strengthen product risk management related to food safety and control from the source. In addition, at least 3 suppliers are selected each year to undergo evaluation using the "Supplier Evaluation Sheet." Those that fail the evaluation will have their supplier eligibility revoked with immediate effect. In 2020, we conducted on-site inspections at 4 suppliers and found them all to have passed the required standards.

Supplier Commitment

308-1~2

414-1~2

Choosing quality suppliers and purchasing safe materials are key to ensuring product safety. In order to fulfill our corporate social responsibility commitments, we require all suppliers to sign a “Supplier Social Responsibility Commitment Letter.” 99.4% of suppliers have signed this commitment.

In an attempt to enhance control over food safety, the Company has been promoting awareness on “ISO 14001 – Environmental Management” to all suppliers of chemicals that come into direct contact with tin can surface since 2014, of which 100% had replied.

Supplier category	Count	Supplier Social Responsibility Commitment Letter		Reply rate
		No. of copies issued	No. of copies issued	
Manufacturer	149	149	148	99.4%
Contractor	18	18	18	
Distributor	157	157	156	
Total	324	324	322	

Note1: The Supplier Social Responsibility Commitment Letter establish relevant specifications including employee rights, health and safety, environmental policies (emphasis on environmental protection, green management), and conflict metal procurement policies.

Note2: New suppliers in 2020: 1 manufacturer and 2 distributors (both not chemical) have signed Social Responsibility Commitment.

Not sourced from conflict mines

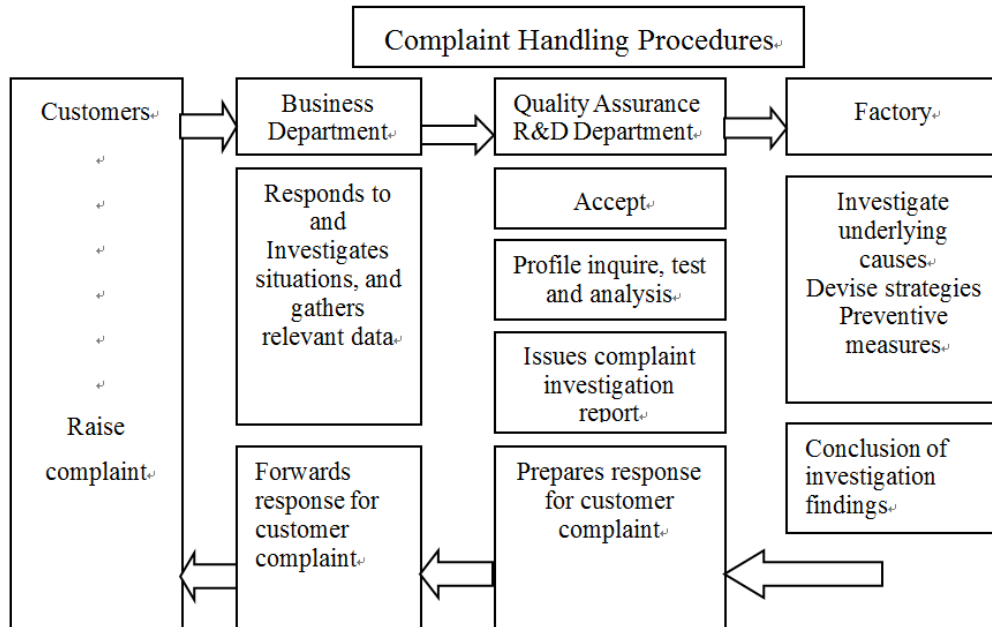
None of the Company's tin ingot suppliers (serial number: #16 MSC #34 IMLI, #49 BANKA, #56 THAISARCO and #59 YT) had sourced their materials from conflict mines or sweat factories

[illegible]

1. Goods Consigned From (Supplier's Business Name, Address & Country) KL 1924 PATAH KAMPAR PERUSAHAAAN NO. 10, JALAN KAMPAR PERUSAHAAAN, KAMPAR, PERAK, MALAYSIA	Reference No. KT1924 018710
2. Goods Consigned To (Importers Business Name, Address & Country) THE FOREIGNER OF BATHS OF EGYPTIAN ARABIAN BEIRUT	CERTIFICATE OF ORIGIN Issued At MALAYSIA (Country)
3. Supply Point (Name & Address) UNIT 10, PERKAMPARAN KAMPAR NO. 10, JALAN KAMPAR PERUSAHAAAN, KAMPAR, PERAK, MALAYSIA	 Issued on 1987 Member of International Chamber of Commerce (I.C.C.C.) Paris MALAYSIAN INTERNATIONAL CHAMBER OF COMMERCE AND INDUSTRY (MIICI) 22, JALAN PERKAMPARAN KAMPAR, KAMPAR, PERAK, MALAYSIA
4. Means of Transport and Route to be taken by KT 1924	Member of International Chamber of Commerce (I.C.C.C.) Paris MALAYSIAN INTERNATIONAL CHAMBER OF COMMERCE AND INDUSTRY (MIICI) 22, JALAN PERKAMPARAN KAMPAR, KAMPAR, PERAK, MALAYSIA
5. Importer's Name PORT KLANG, MALAYSIA	5. Number of Goods 1
6. Port of Origin PORT OF ORIGIN	6. Number of Goods 1
7. Port of Destination PORT OF DESTINATION	7. Number of Goods 1
8. Port of Origin PORT OF ORIGIN	8. Number of Goods 1
9. Port of Destination PORT OF DESTINATION	9. Number of Goods 1
10. Port of Origin PORT OF ORIGIN	10. Number of Goods 1
11. Port of Destination PORT OF DESTINATION	11. Number of Goods 1
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36. Port of Origin PORT OF ORIGIN	36. Number of Goods 1
37. Port of Destination PORT OF DESTINATION	37. Number of Goods 1
38. Port of Origin PORT OF ORIGIN	38. Number of Goods 1

2-2 Customer Service Management Grievance Mechanism

Supplier contract sheet, inspection report, E-mail, phone, on-site visit and meeting are used as means of expressing grievance.



Performance Management

Each year, we conduct a satisfaction survey on selected customers (based on sales volume, time of relationship, etc.) to analyze customers' needs. Results of the customer satisfaction survey are reported during the ISO review meetings and followed up for improvements.

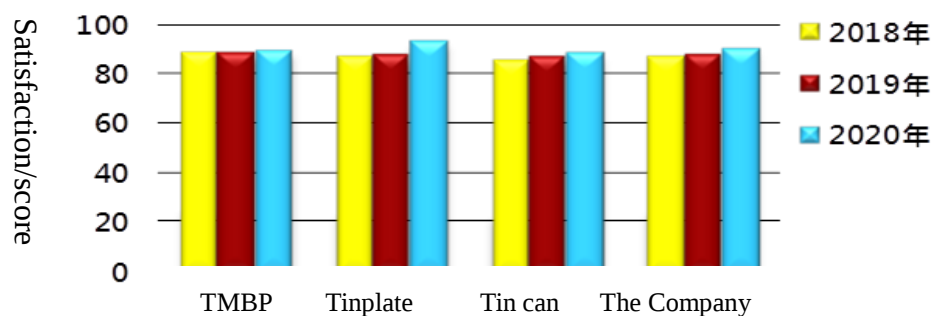
Goals: To achieve at least a "Satisfied" rating.

Performance: according to customer satisfaction surveys, all business divisions were able to maintain an average satisfaction rating above 80.

Survey contents:



Overall outcome of customer satisfaction survey

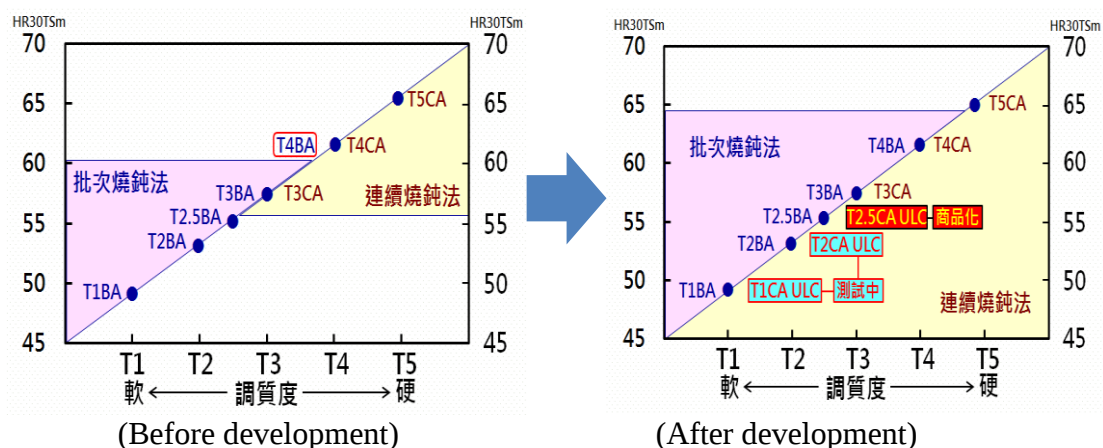


2-3 Technology research and development and improvement

➤ Development of new products with continuous blunt, fully tempered tinplate

Description:

1. The traditional manufacturing method of tinplate.
tempering degree T1~T3 need to be produced by batch blunting (BAF) to achieve softer material;
and tempered T3 to T5 are produced by continuous passivation (CAL) to achieve a harder strength.
2. The advantages of continuous passivation (CAL) are shorter manufacturing time, lower cost, shorter delivery time, and more uniform material.
3. In cooperation with JFE Japan, we develop new products of T1~T2.5 soft tinplate by using Ultra Low Carbon steel with bluntness and rapid cooling by aging treatment.
4. The T2.5CA ULC will be successfully developed and commercialized in 2020, and the subsequent T1 and T2CA ULCs are being tested, and the goal of continuous passivation to produce fully tempered tinplate is expected to be achieved in 2021.



Benefit:

1. The new T2.5CA ULC product will be officially commercialized in 2020 and will be used in a large number of battery casing applications, increasing the benefit by approximately \$5 million.



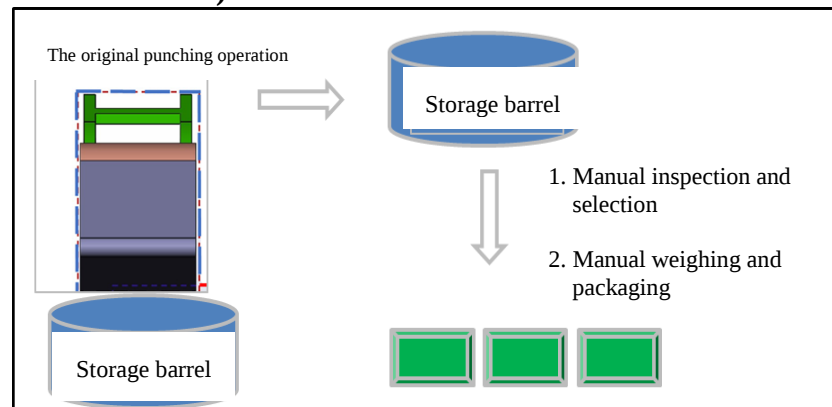
3. We develop new products for continuous passivation of fully-regulated tinplates, and can provide our business units with the ability to adjust the order composition according to the order status and customer requirements, and optimize the use of both batch passivation (BAF) and continuous passivation (CAL) production capacities.

➤ Aluminum sealing lid introduced to automatic inspection, packaging equipment

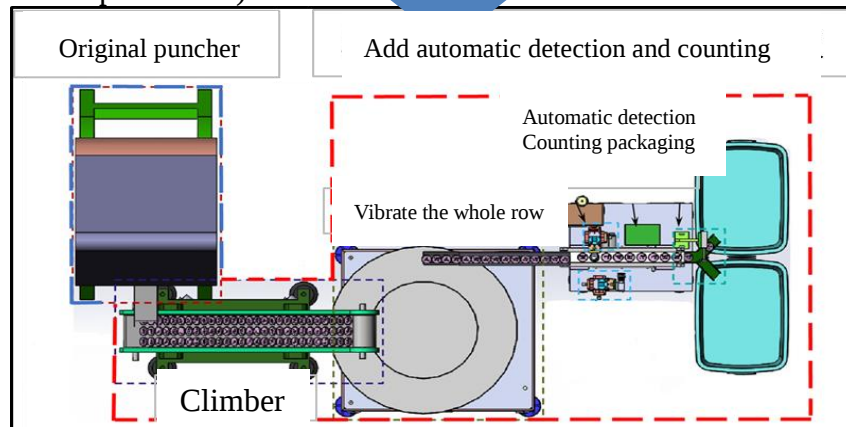
Description:

1. In the original operation: During the aluminum cover auto-punching operation, defective products were not detected in time, resulting in a large number of defective products. After brewing, the staff must check each piece and weigh the package. Through the staff's inspection, there are subjective standards that vary, and occasionally there are complaints of omissions.
2. Introduce (1) visual inspection system; and (2) automatic counting and dividing.

(Before the introduction)



(After the improvement)



Benefit:

Automated visual inspection and counting system replaces human work to improve quality reliability and labor time, and is recognized by the Industrial Development Bureau of the Ministry of Economic Affairs as a smart machine.

➤ EPL TIN Plater

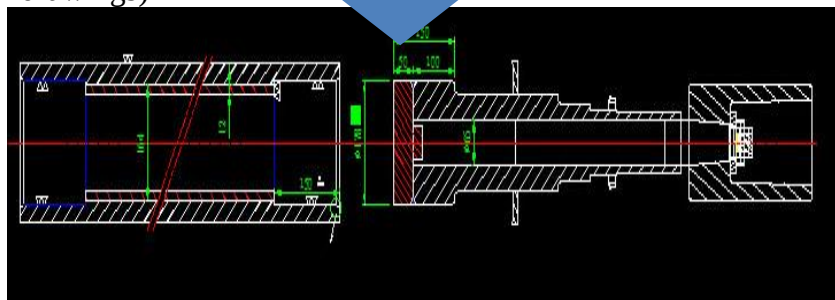
Description:

1. EPL TIN Plater conductive roller housing is replaced with stainless steel (SUS316L) roller housing to improve the condition of chromium layer peeling or bumping. However, the production and operation often lead to the heating of the bearing, causing the lubricating oil to liquefy and the loss of oil, and the bearing will be damaged and stopped. To solve the problem of replacing stainless steel (SUS316L) roller shells, we developed a manufacturing method for stainless steel rollers.
2. Carry out: Stainless steel axle shaft sleeve originally used forged carbon steel and wheel shell originally used [structural steel] to stainless steel SUS316.
3. Electrical conductivity: Research on solutions to excessive differences between stainless steel (2.33%) and iron (18%).
 - (1) SUS316 wheel shell and copper tube cold and hot set method development
 - (2) Shaft area iron core and brass shaft cold sleeve method development.
 - (3) The low resistance meter is used to measure the conductivity of both sides of the new wheel to meet the low resistance requirement specification and ensure the conductivity.

(Conducting wheel)



(Design drawings)



Benefit:

The original conducting wheel needs to be replaced 3 times/month. If there is a problem of chromium plating peeling off, it will cause the loss of the machine. After improvement, only 2 replacements/month are needed, and there is no spalling, reducing cost and downtime loss so that personnel can focus on other maintenance projects.

➤ ETL cutter to electromagnetic wheel noise improvement

Description:

1. The noise improvement project of electromagnetic wheel & cutting machine was completed in 2015/2017, and the noise level of the operating environment inspection station implemented after 2018 was up to 90.5dB, which exceeded the regulatory requirement of $\leq 90\text{dB}$ (decibel).
2. After investigation, there is still noise from the stacking of iron sheets between the cutting machine and the electromagnetic wheel after cutting.
3. In order to maintain the hearing health of the workers and to improve the working environment of the employees, we started the continuous improvement and carried out the noise reduction project between the cutting machine and the electromagnetic wheel.

(Before improvement)



(After improvement)



Engineering improvement complete

Benefit:

1. The steel sheet plant I will complete the noise reduction project between the cutting machine and the electromagnetic wheel in January 2020.
2. In 2020, the operating environment inspection station personnel noise detection noise value 85.6 ~ 86.5dB (decibels). Much better than the regulatory requirements $\leq 90\text{dB}$ (decibels)
3. This noise reduction project not only meets the regulatory requirements, but also protects the hearing health of workers and enhances the working environment of employees.

Chapter Four Sustainable Environment

The importance of the issue

The following environmental policy is established as the highest principle of our environmental protection work in order to systematize the environmental protection system so that the possible impact on the environment can be clearly considered in the decision making and operation process of research and design, product manufacturing, raw material use, maintenance, transportation and waste disposal, etc.

Environmental Policy: ECO – Friendly & Green Biz

Environmental Commitments:

In order to implement environmental policies effectively, we declare the following environmental commitments to all colleagues, customers, third parties, and the general public:

1. The organization shall aim to minimize environmental impacts of its business development, operations and commercial activities through “energy conservation and waste reduction”.
2. Improve production processes through scientific and technological advancements; thereby avoiding commercial activities that have adverse impacts on the environment.
3. Comply with regulations and commit to ongoing improvements.
4. Establish communication with company insiders as well as those out with the organization to monitor and review environmental goals on a regular basis.
5. Educate, train and inspire employees to work responsibly with respect to the environment.

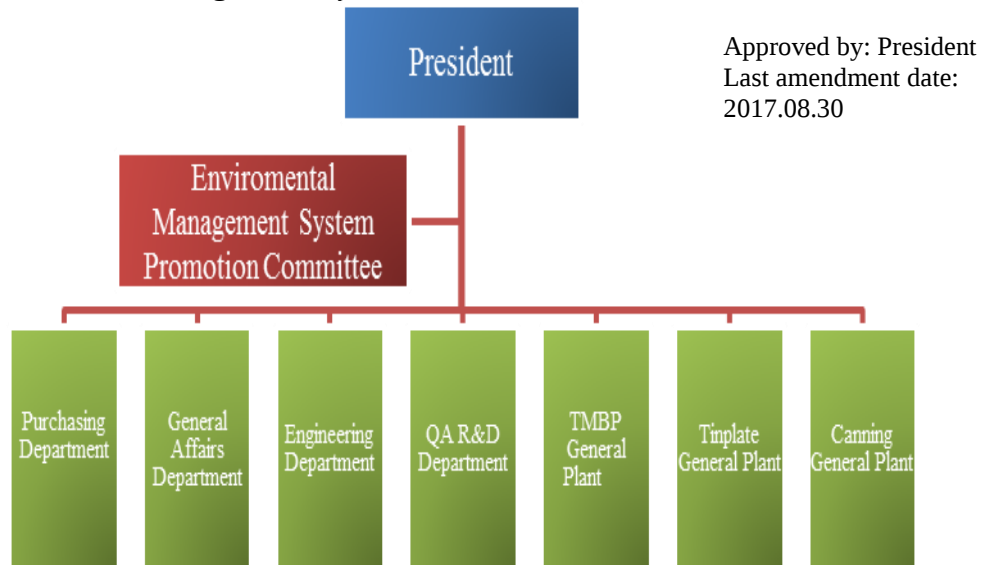
1. Environmental management organization

1-1 Environmental Management System

In 1997, Ton Yi Industrial assembled an “Environmental Management System Promotion Committee” spearheaded by the President, whose responsibilities are to make decisions relating to environmental management. The general plant manager has been appointed as management representative of the execution team, whose responsibilities are to monitor and manage existing systems.

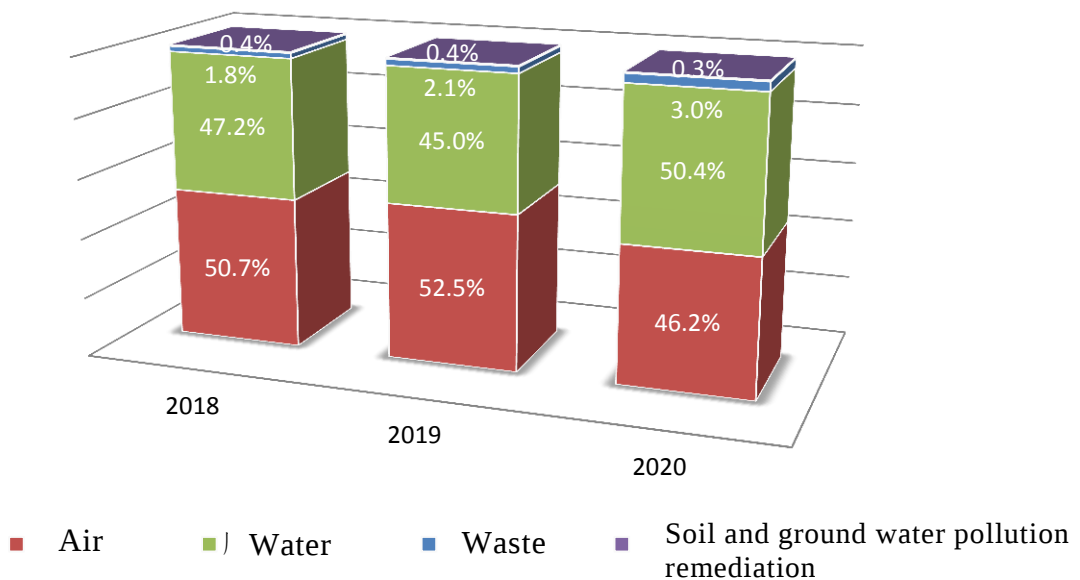
In October 1997, the Company was certified for ISO 14001 – Environmental Management System and has since been operating based on planned systems and standards. The Company conducts internal as well as external audits, and holds regular management review meetings to discuss ongoing improvements; as a result, the certification has remained valid until this day.

Environmental Management System Promotion Committee:



1-2 Environment expenses/ investment

In 2020, in addition to the regular reporting of air, water, waste, toxic and soil operations as required by the government authorities, the Company paid the relevant environmental protection expenses on time and in accordance with the facts, and had no major investment in environmental protection equipment in the year. The investment in environmental protection is to optimize the process technology and adopt low energy consumption equipment, etc. The total environmental protection expenditure for the year was NT\$60,566,000, and the total investment in environmental protection for the year was NT\$4,243,000.

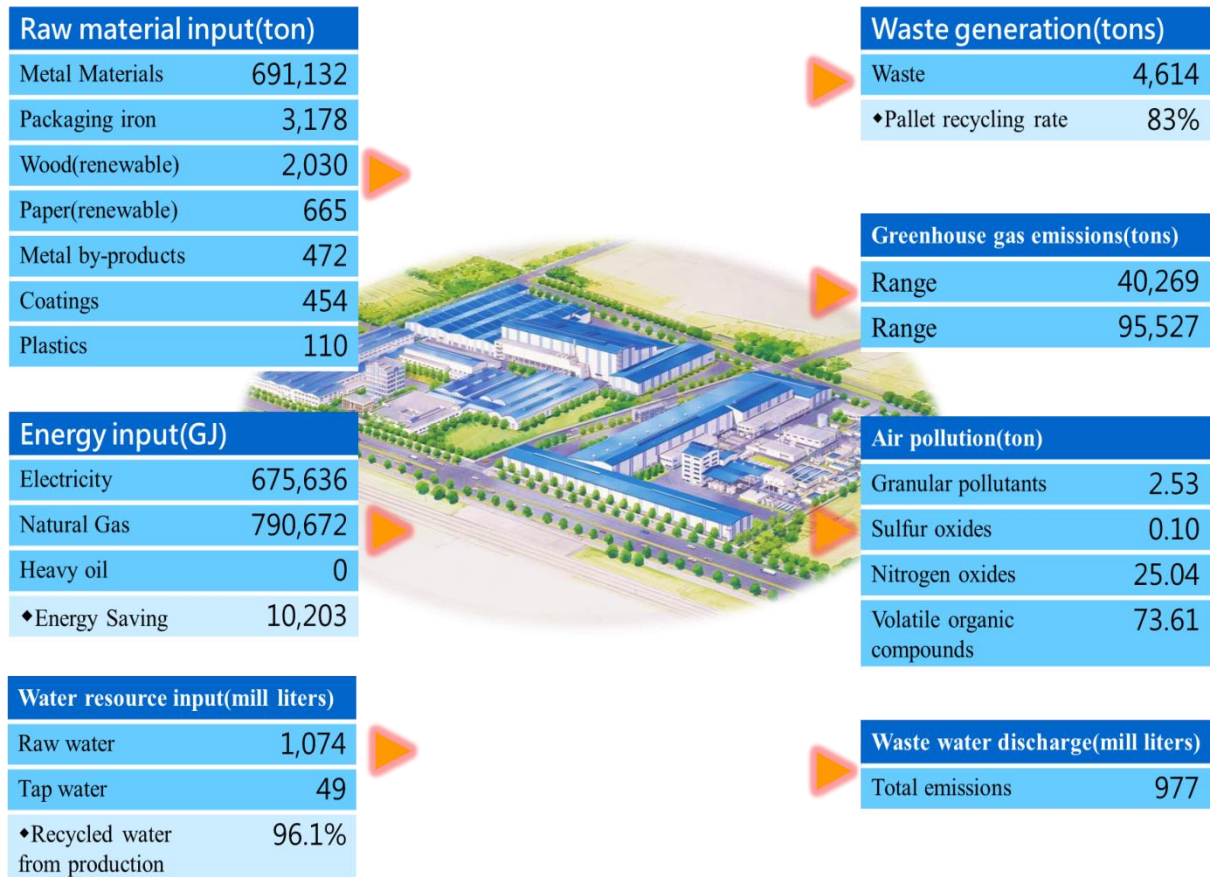


1-3 Environmental compliance

In 2020, the company was fined for one violation of the Waste Disposal Law, but did not suffer any major fines or non-monetary penalties. The company has stepped up its efforts to promote the collection of business waste such as waste rags generated from process maintenance in the plant and not to mix them with household waste. Regarding the content of new laws and regulations related to environmental protection, our staff regularly checks the EPA's regulatory inquiry system, collects and identifies the relevance of each department of the company, and then presents the countermeasures in the regular review meetings of the environmental management system, and publishes them on the company's internal website for promotion.

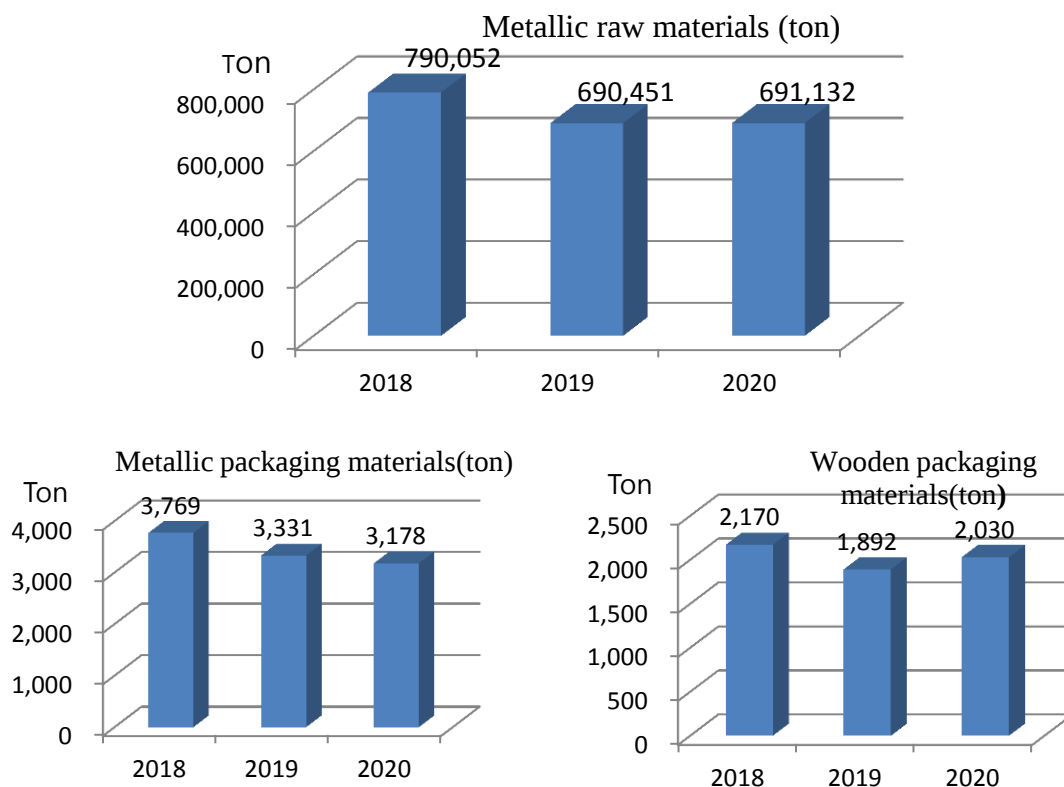
1-4 Environmental footprint

301-1



Use of Raw Materials 301-1

Tinplates and cold rolled steel are made using hot rolled coil steel as the raw materials, which can be produced into cold roll, TMBP, tinplate and tin can. The Company sources its supply mainly from Taiwan (CSC), Japan and Korea. It maintains good relationship with suppliers to prevent disruption in its supply chain.



2. Climate Change and carbon reduction

2-1 Climate Change and Energy Management Strategies

Governance:

The Company has assembled an Energy Management Committee with the President acting as the lead committee member. The committee makes plans and sets goals for the coming year at each year-end. These plans and goals are tracked by energy specialists of the respective general plant from the following January. Data is consolidated by the energy administrator of the Technical Group, and reported during quarterly Energy Management Committee meetings. Current energy usage and effectiveness of energy saving solutions are reviewed. Climate related risks and opportunities:

The increasingly significant impact of global climate change has affected the ecological environment, global energy, water resources and supply chain, and become an important topic for companies' sustainable growth. We have responded with adaptation strategies and actions for climate change, including the promotion for low-carbon and energy conservation measures (equipment), greenhouse gas inventory, prevention and control of pollution and reuse of resources. We steadily seek opportunities to reduce the use of energy for our organization and products and evaluate the impact on our operations. In the future, we will incorporate the planning into our financial impact assessment to further reduce the climate change risks.

Types of risks	Identified risk types	Risk management practices
Physical risks	(1).Changes in temperature and precipitation patterns, leading to a reduction in the supply of raw materials and price hikes. (2).Increased uncertainty of water and energy supply. (3).Extreme weather conditions cause damage to traffic or buildings, supply chain issues, decreased productivity or increased insurance costs.	(1).Main raw materials used for manufacturing, such as steel and plastics, are supplied by well-known manufacturers at home and abroad. The inventory of key auxiliary materials and spare parts has been increased appropriately and the company has begun to search for alternatives. (2).The manufacturing and logistics units practice various disaster rescue and training sessions from time to time and establish standard operating procedures. (3).Establish an environmental management promotion committee and energy committee to respond to the company's use of the environment and energy in a timely manner.
Supervision and legal risks	The country has established a series of control tools to adapt to climate change, facilitate more effective management of natural resources and reduce disaster risks.	Assign staff to regularly study the Environmental Protection Administration's regulation inquiry system and collect and identify the relevance of regulations with the company's various departments. Report the countermeasures in the regular (quarterly) review meetings for the environmental management system and advocate for the countermeasures in the company's internal website.
Market risk	Climate change or consumers' increased awareness of climate change leads to the decreasing demand for a particular item, resulting in a shrinking market.	(1). Pay attention to the domestic and overseas market dynamics and cooperate with the authority to control export volume. (2). Improve quality and delivery time of goods, control inventory situations and adjust marketing strategies accordingly. (3). High variety low volume approach to adjust product mix and sales areas and reduce and diversify risks, and at the same time, develop other high-return packaging businesses.

Opportunity type	Types of identified opportunities	Plan practices
Corporate image	The corporate group has a good brand image and abundant resources, and makes timely investment for low-carbon transformation and adjustment.	The corporate group coordinates efforts to communicate with stakeholders, and uses electronics to reduce unnecessary waste and promote the reuse of resources.
Growing consumer awareness of environmental protection	Packaging containers for users offer good preservation and long storage time. The growing environmental awareness identifies that metal materials are not harmful to the environment.	Build diverse packaging containers and beverage production expertise and core technology.
Product labels and standards	Comprehensive management certification system and the manufacturing system upstream and downstream bring rich technology experience in production, increase product value and meet customer demand for services.	Maintain product value through regular external certification management system, talent cultivation and succession of experience.

2-2 Energy use and greenhouse gas emission management performance

Use of Energy

302-1

302-3

Total energy consumption in 2020 was 1,466,308 GJ, up from last year (1,438,046 GJ). The main product composition factor (more production of thin plates) increased the unit use of energy compared to last year.

Energy use in the past three years

Types of energy		2018	2019	2020
Electricity	Unit	202,646,400	183,094,400	187,676,800
	Gigajoule	729,527	659,140	675,636
	Intensity	0.696(GJ/Ton)	0.714(GJ/Ton)	0.722(GJ/Ton)
Natural gas	Cubic meter	21,613,472	18,603,962	19,135,864
	Gigajoule	890,174	771,130	790,672
	Intensity	0.849(GJ/Ton)	0.836(GJ/Ton)	0.844(GJ/Ton)
Heavy oil	Cubic meter	51	188	0
	Gigajoule	2,119	7,776	0
	Intensity	0.002(GJ/Ton)	0.008(GJ/Ton)	0
Total	Gigajoule	1,621,820	1,438,046	1,466,308
	Intensity	1.55(GJ/Ton)	1.56(GJ/Ton)	1.57(GJ/Ton)

- Source of data: Electricity – power bill; natural gas – gas bill; heavily oil – in plant collection slip Intensity level is calculated using metallic material input and the denominator.
- Conversion parameters:

Item	Conversion parameters	Source of conversion data
Electricity	1 KWH=0.0036GJ (Gigajoule)	Wikipedia; 1kW·h = 3,600,000 Gigajoule =0.0036GJ
Natural gas	1 m ³ =0.0414GJ (Gigajoule)	Average calorific value for December 2020 published by Great Tainan Gas Company (9,870.72Kcal/m ³)

Greenhouse Gas Survey

302-1 ~ 3

305-1~2

305-4

In response to the climate change issue, the company organizes task force teams at each factory to take inventory of the greenhouse gas emissions of the whole company, a team comprising representatives from various plants was formed to compile an SOP manual for greenhouse gas management. Greenhouse gas inventory is conducted every year, and company-wide greenhouse gas emission is calculated according to ISO14064-1 standards.

In 2020, the Company followed EPA (Environmental Protection Administration) Regulations Governing Reporting of Greenhouse Gas Emission and engaged TUV Rheinland to survey and report greenhouse gas emission. According to the certificate, the Company's total GHG emission was calculated at 135,796 tons CO₂e/year.

Direct and Indirect GHG emission

Unit : Tons CO₂e

Year	2018	2019	2020
Scope 1	45,507	39,883	40,269
Scope 2	112,266	97,589	95,527
Total	157,773	137,472	135,796
Intensity % (tonCO ₂ e/tons)	15.1	14.9	14.5

Note: 2020 statistics were calculated according to EPA's Regulations Governing Greenhouse Gas Survey, Greenhouse Gas Emission Coefficient (Version 6.0.4), Bureau of Energy's Electricity Emission Coefficient – Taiwan (2017), ISO /CNS 14064-1:2006), Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals (ICS13.020.40; July 10, 2006), ISO/CNS 14064-3:2006 Specifications with guidance for the validation and verification of greenhouse gas assertions (ICS13.020.40; January 18, 2007), and Greenhouse Gas Measurement Guidelines (Version 2010). Results were obtained from or certified by third-party intuitions.

2-3 Reduction Action

Energy and Carbon Reduction

302-4

305-5

In response to the government's call for energy conservation and carbon reduction, Ton Yi Industrial has been rewarding energy and carbon reduction proposals internally, and is taking steps toward replacing energy-intensive equipment with energy-efficient alternatives, while at the same time managing power usage for the best efficiency. Goals have been set to reduce energy consumption by 1% a year between 2015 and 2020.

Energy conservation measures in 2020 were focused on: optimization of production technology and improve with low energy consumption equipment. Making a yearly energy saving of 1.49% (goal achieved).

Solution	Pieces	Power-saving benefits (kWh)	Emission reduction benefits (kg CO ₂ e)
Improved management or optimization of equipment	7	1,887,633	1,442,607
Other high efficiency and frequency conversion	7	698,909	
Use of energy-saving lighting	11	176,518	
Use of high efficiency motor	3	43,895	
Upgrades or optimization	1	27,244	
Total	29	2,834,198	

Note: Calculated based on the latest power coefficient of 0.533 kg CO₂e/KWH published by the Bureau of Energy in 2019). The annual electricity saving is equivalent to 10,203 GJ.

Main energy conservation experience

1. Management or Equipment Optimization



Powerful fan, does not affect the operation setting off peak (night) does not run, saving power.



There are two winter PA dryer compressors being operated originally. When the dew point temperature is below -15°C, we can shut down one compressor to reduce the use of electricity.

2. Equipment update or optimization of energy saving



The dryer equipment was renewed with power saving equipment.



Heat pump for heating was changed to inverter pressure control.

3. Water resource management

3-1 Water resources management strategy

The company's water resources are used mainly for production operations and cleaning purposes in the production process. The company's strategy focuses on water conservation and emergency response, and the Energy Management Committee regularly discusses water-related issues, formulates policies and reviews water conservation performance. We also promote the concept of water conservation through announcements and other means, so that employees can integrate the concept of water conservation into the details of production and office operations.



Identification of water resources risk factors and response :

Our main source of raw water is obtained from the Wushantou Reservoir. When there is a shortage of water, or when the water supply is stopped, we can provide enough water from the backup well for our company's use.

Water Resources Risk Control Mechanism:

Risk Sources	Risk Issues	Adjustment Actions
Regulations	Response to Regulations Water Pollution Control	1. Set up a disaster response team to monitor the use of water resources and information. 2. Investment and improvement of environmental protection equipment. 3. Discharge water quality monitoring.
Disasters	Inadequate water supply (water outage) Flooding caused by heavy rain	1. Develop standardized contingency measures for water resource contingency management at each main plant. 2. Set up a disaster prevention and rainfall prevention team, and set up various prevention and control measures. 3. Regularly conduct disaster prevention drills.

Water shortage emergency treatment: pay attention to the Water Resources Department's water condition signal water restriction measures in various stages, briefly described as follows:

Condition	Equipment Matching	Notification System
1. Normal supply : Industrial water storage tank. Water intake $\geq 3000\text{T}$ per day	Normal supply	Not required
2.Green Light (Water Alert)	Normal supply	Remind colleagues about the water condition.
3. Yellow light (reduced pressure water supply)	Normal supply	Remind colleagues to conserve water.
4. Orange light (reduced water supply): According to the official notice of Water Resources Bureau, the water supply is adjusted.	Activated water storage facility to expand water storage capacity	The Energy Division will notify the plant supervisor. Suspend water that is not necessary for immediate needs.
5. Red light (district water supply). Water cannot be supplied in case of natural disaster or reduction of water supply channels.	Deep Well Water Replenishment Correspondence	The Ministry of Energy informs the plant supervisor and informs the general manager

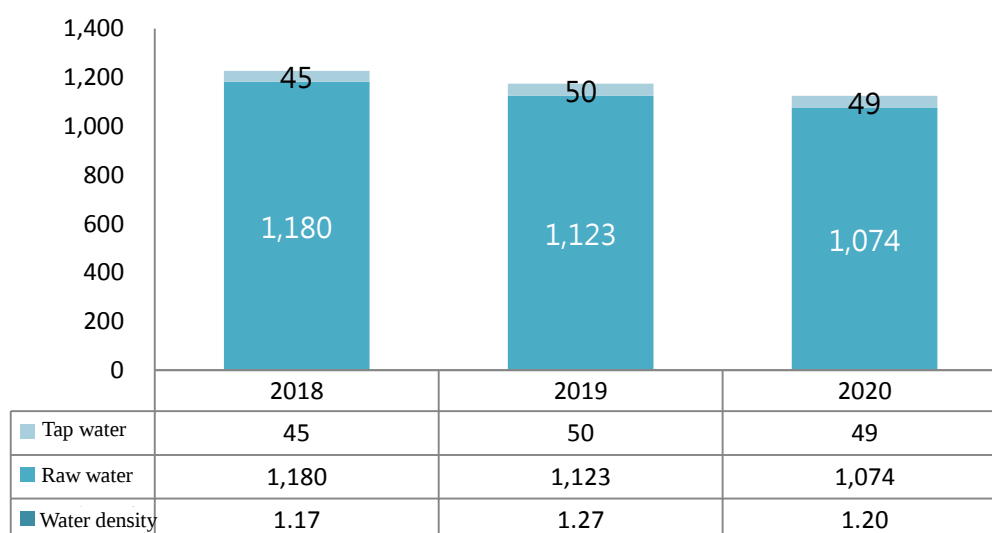
3-2 Production site water situation

303-3

Ton Yi Industrial uses significant amounts of raw water for production and cleaning. Raw water accounts for approximately 96% of total water usage. Use of water has reduced over the years, which shows significant progress in the Company's water-saving measures.

Water consumption trends

Thousand tons

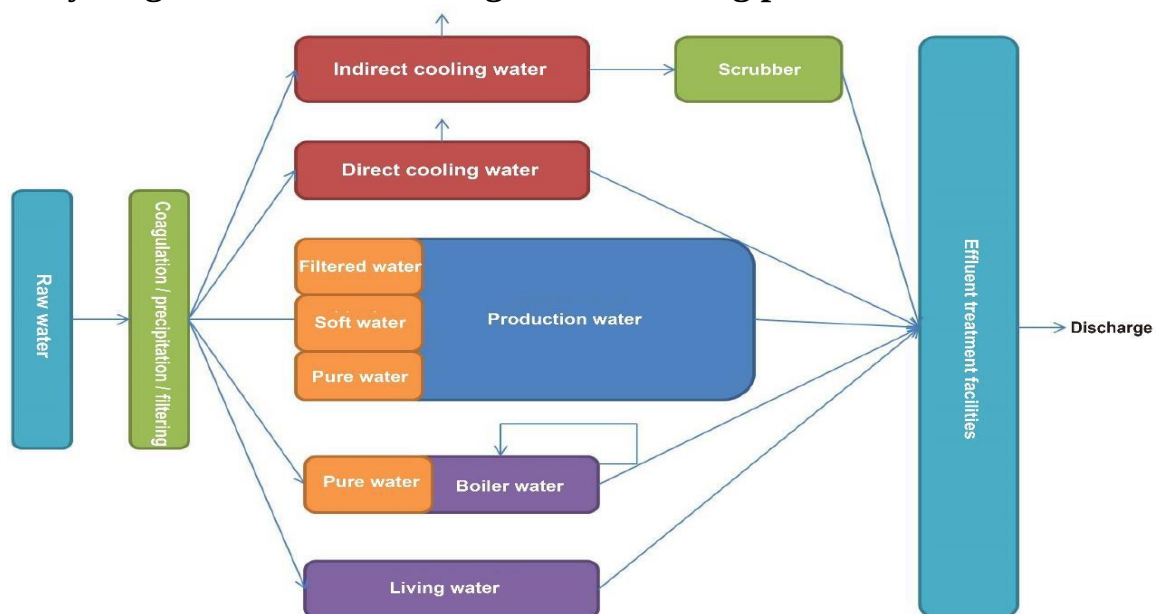


Note: 1. Raw water refers to untreated water drawn directly from reservoir. The Company sources water from Southern Region Water Resources Office and Chia-Nan Irrigation Association.

2.Data was sourced from water bill statements and receipts issued by Taiwan Water Corporation and Water Resources Agency, Ministry of Economic Affairs.

3-3 Water Conservation Initiative

Recycling of water used during manufacturing process



Purpose	Volume of water drawn (ton/year) (A)	Volume of water recycled (ton/year) (B)	Total water consumption (ton/year) (A+B)
Cooling water	222,377	32,128,002	32,350,379
Boiler water	115,340	57,670	173,010
Production water	945,674	285,874	1,231,548
Living water	19,694	0	19,694
Total	1,303,085	32,471,546	33,774,631

Note: Data was sourced from monthly records maintained by responsible employees, and estimated based on pipeline flow and hours of motor operation.

Process recycling and recovery

The Company's products processes require a significant volume of water for purposes such as cooling, rust removal, lubrication, and dust cleaning. We have various measures in place to enforce water management, recycling and reuse.

Year	2018	2019	2020
Volume of water recycled(ton)	34,144,329	32,263,904	32,471,546
Total water consumption(ton)	35,683,672	33,576,180	33,774,631
Percentage recycled	95.7%	96.1%	96.1%

Note: Data was resourced from monthly records(TMBP General Plant 、Tinplates General Plant) maintained by responsible employees, and estimated based on pipeline flow and hours of motor operation.

Save raw water usage

For cleaning the residual alkali on the surface of iron after brushing the tank, we modified the nozzle type and the flow rate becomes smaller but the cleaning coverage remains unchanged This way, we can optimize the cleaning effect and save the amount of soft water.

1. The annual operating hours for 2020 are 3,479.8 hours.
2. Water saving benefit: operation hours 3,479.8 hours * soft water unit price 9.82 RMB * water saving 0.0256m³/min * 60min = 52,487 RMB/year

3-4 Wastewater management

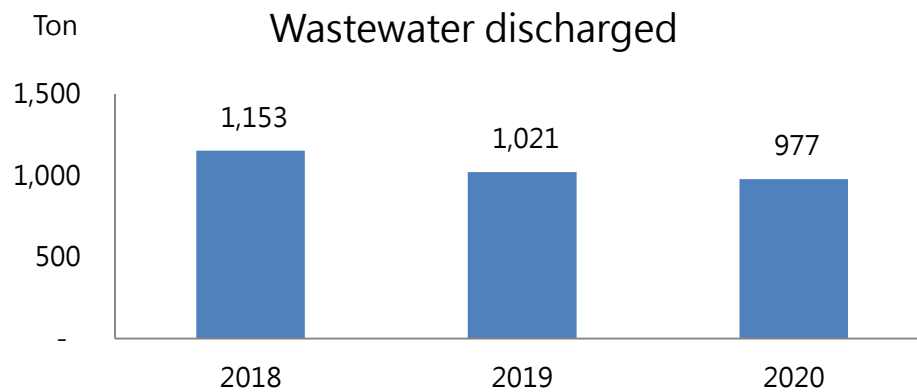
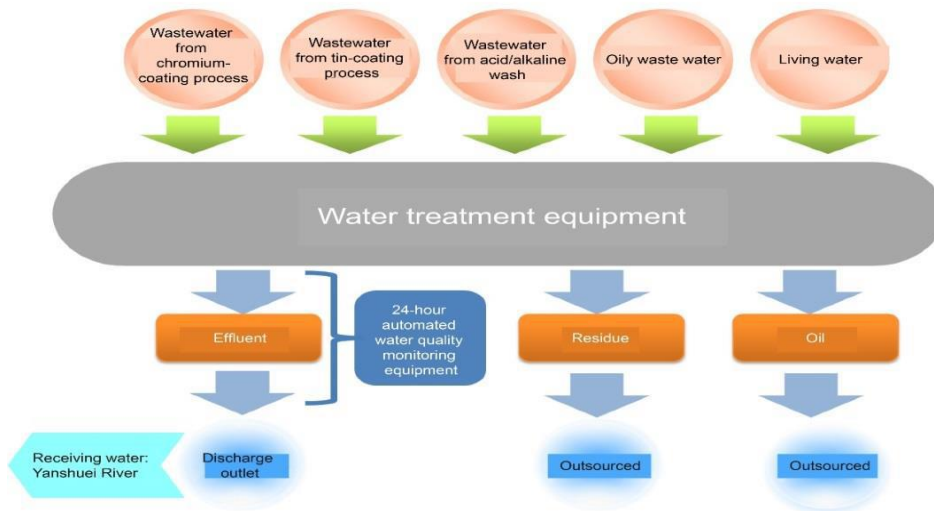
Water Pollution Prevention

303-4

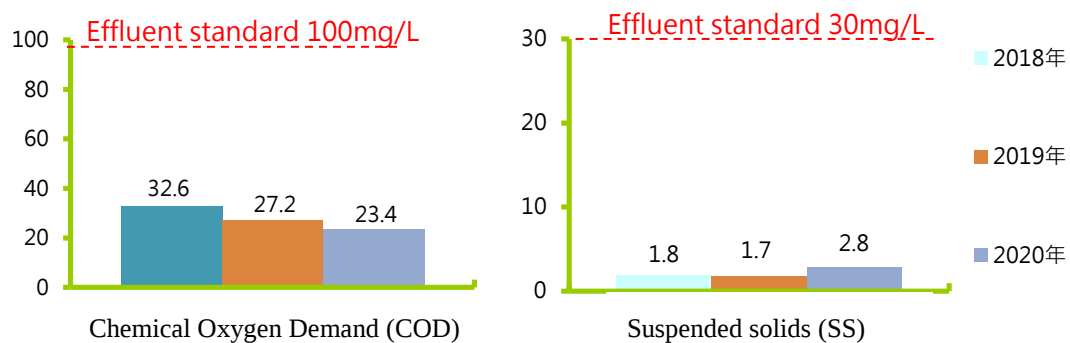
306-1

The maximum volume of 6,430 m³ is approved to be treated by Ton Yi Industrial Corp. and a special wastewater treatment unit is set up to take charge of the operation and management of the wastewater treatment site in 24-hour shifts, and automatic water quality and quantity monitoring facilities are set up in accordance with the law to transmit the water temperature, hydrogen ion concentration index and conductivity values to the Environmental Protection Bureau of Tainan City Government in real time. In order to make sure that wastewater is treated and discharged in conformity with national effluent standards, and therefore minimize environmental impact, the Company engages EPA-approved institutions to conduct regular tests on the quality of water discharged. The company complies with the standards for sewage treatment and discharge, and the wastewater is discharged to the drainage ditches managed by the Yongkang District Office outside the factory and eventually converged with a local river, Yanshui River, without causing significant impact.

Effluent treatment procedures



Note: The wastewater discharged from the plant is classified as other water (>1,000 mg/L total dissolved solids) according to the water meter measurement, and the wastewater is not used by other organizations. According to the water risk analysis tool developed by the World Resources Institute, Taiwan is not a global water stress area.



4. Pollution Prevention

4-1 Air pollution prevention

Air pollution prevention

305-7

Sources of stationary pollution include the following processes: boiler steam production, metal surface cleaning, metal electroplating, metal surface coating, and lithographic printing. The Company has obtained valid permit to operate all of the above process. A class A Air Pollution Control Specialist has been appointed to take regular measurements and report emissions in accordance with applicable laws.

Air pollution emission trend :

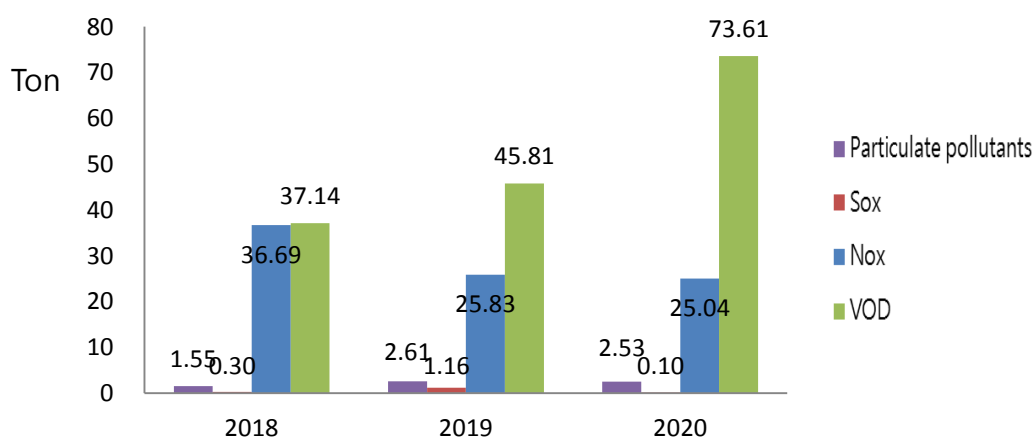
In response to climate change, three industrial boilers with dual fuel systems have been completely abolished since 2019, stopping the use of heavy oil as fuel. On August 19, 2019, the company officially obtained the approval by the Environmental Protection Bureau of Tainan City Government to switch to clean and low-carbon energy, natural gas, demonstrating its commitment as a global citizen.

In addition, in response to the amendments in “Air Pollution Prevention and Control Act”, Fees are required from the “Metal Plating Procedures (M03)” which is also included in the Air Pollution Prevention in July 2018, particulate pollutants and heavy metals were added. Therefore, the discharge of pollutants has increased by a large margin compared to recent years.

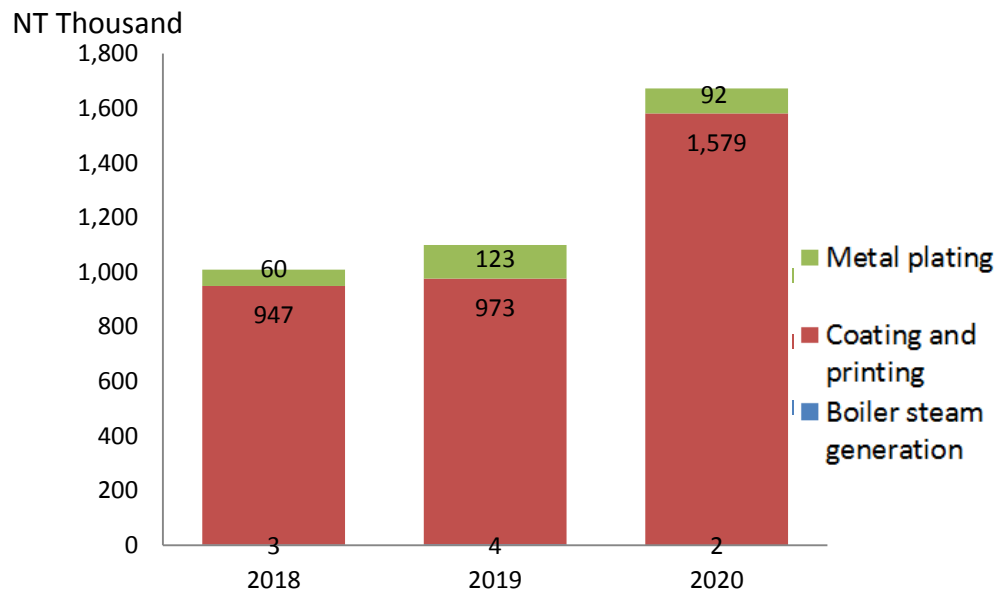
In the coating process equipment, we has a German-made direct-burning furnace of volatile organic gases, with reduction rate of over 98%, and the heat energy generated by burning VOC is returned to the process for use in the furnace. However, since Q4 2018, we have added a variety of raw materials with large emissions of volatile organic compounds, resulting in an increase in emissions compared with previous years

Since 2020, we have been adjusting the VOC fugitive calculation method of process cleaning agents to meet the requirements of the EPA, resulting in a significant increase in VOC emissions.

Comparison of emissions:



Statistics and Comparison of Air Pollution Control Expenses:



Note: The above statics were calculated according to EPA's Regulations Governing Report of Emission from Stationary Pollution Source in Public and Private Areas and Air Pollution Control Fee Collection Regulations.

4-2 Waste treatment

306-2

All waste produced by Ton Yi Industrial has been classified according to EPA guidelines and handled by locally approved treatment providers. Meanwhile, the Company is taking steps to recycle, reuse and turn waste into viable resources. There has been no major leakage from waste treatment operations and cleanup. There were violations of environmental laws and/or regulations in 2020 but no significant fines or non-monetary penalties were incurred.

In 2020, the company was fined for the violation of the Waste Disposal Law, and has stepped up its efforts to promote the collection of business waste such as waste rags generated from process maintenance in the factory and not to mix them with household waste.

Category and volume of waste treated and treatment methods:

Item	Unit	Year			Percentage
		2018	2019	2020	2020
General waste	Ton	351	306	184	4%
General industrial waste	Ton	4,927	4,410	4,017	87%
Hazardous industrial waste	Ton	582	494	404	9%
Total	Ton	5,860	5,210	4,605	100%

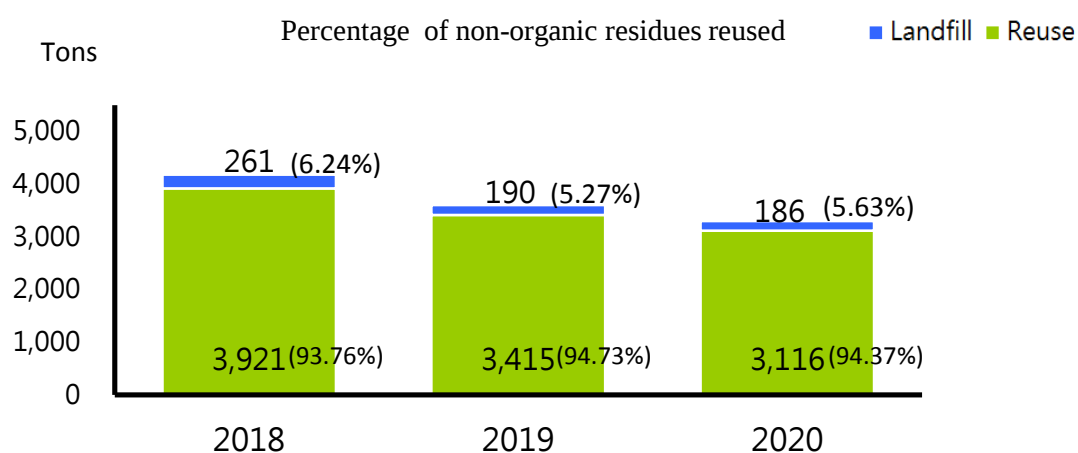
Item	Treatment method			
	Incineration	Solidify and landfill	Physical treatment	Re-use
General waste	100%	0%	0%	0%
General industrial waste	7.2%	5.2%	0.3%	87.3%
Hazardous industrial waste	7.0%	84.3%	8.7%	0%

Note: Data was sourced from the “Industrial Waste Reuse Form” generated by the Industrial Waste Control Center, Environmental Protection Administration, Executive Yuan.

5. Circular Economy

Re-use of non-organic residues

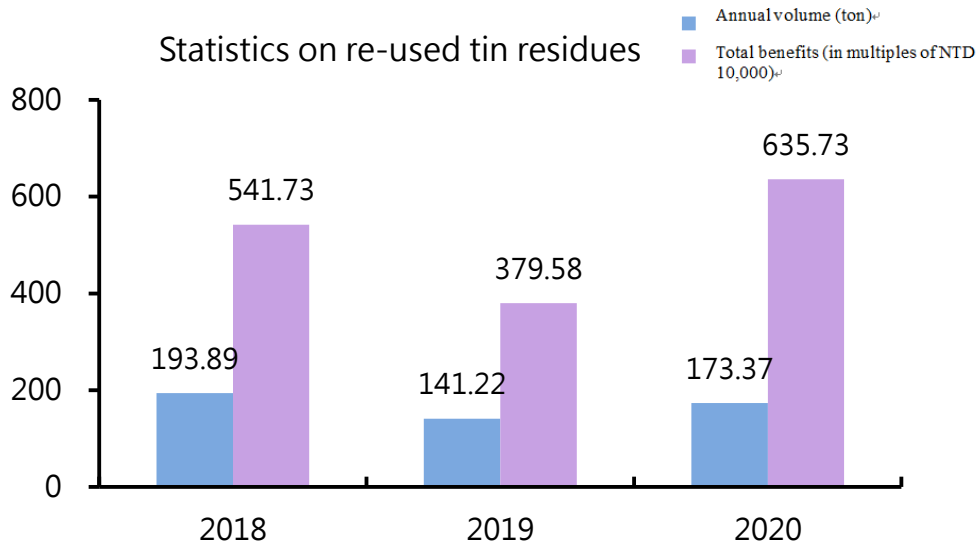
Steel is the main material used in our production process, making iron the primary pollutant found in wastewater. In our water treatment process, these pollutants are oxidized, precipitated, condensed and de-hydrated into non-organic residues mainly consisting of ferric oxide-hydroxide. We have been engaging government-certified waste processing companies to reuse this residue in construction materials.



Note: The percentage of inorganic sludge reuse in 2018 was incorrectly planted last year and will be updated in this annual report.

Reuse of tin residues

For tin residues created from tinplate production, the Company engages grade-2, non-iron local refineries and sought permits from the Industrial Development Bureau, Ministry of Economic Affairs, to re-use the residue in the production of tin-lead ingots. This arrangement incurs no disposal charges from the Company’s perspective, and the refineries may even share some of their yields with the Company depending on the global price of tin. Currently, the Company receives about NT\$10,000~NT\$25,000 for every ton of residue disposed.

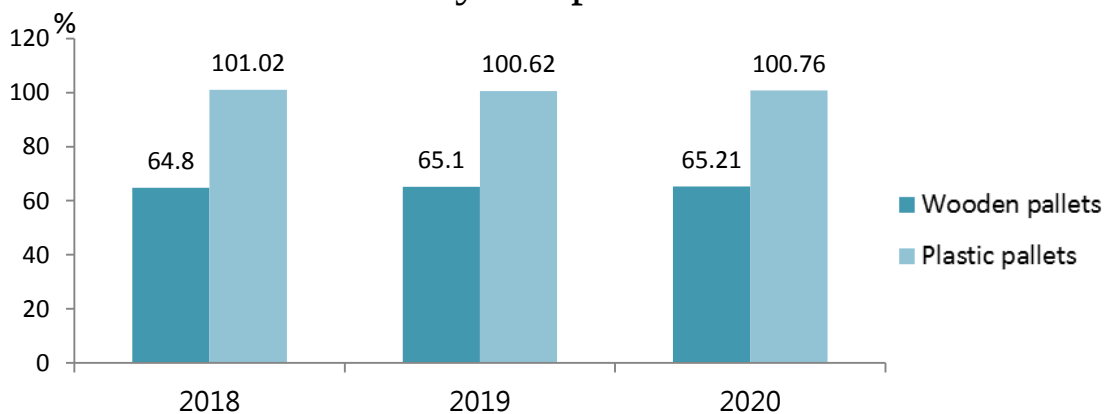


Recycling and re-use of packaging materials

301-3

The Company's export/import pallet recycling operations are regulated by common standards that cover every step from inspection, documentation, sorting, cleaning, treatment to storage. Detailed records are being kept for future reference. Furthermore, a "Customer Recycled Packaging Material Quality Record Form" was created to keep track of the pallets recovered.

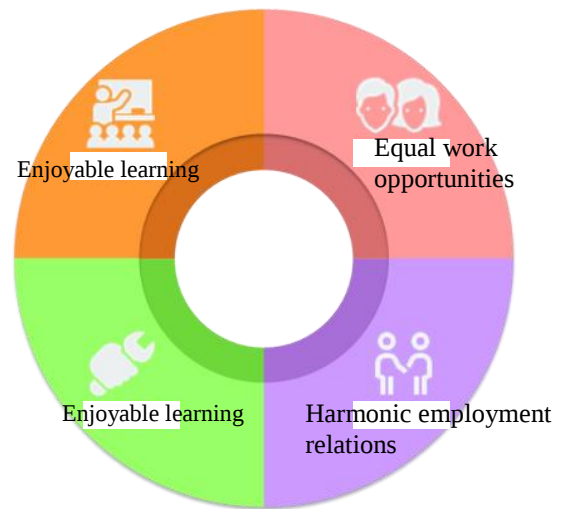
Recycled pallets



In 2020, the Company recycled 6,088 wooden pallets (65.21%) and 16,310 plastic pallets (100.76%) in total. As the volume recovered in the current year exceeded the volume shipped in the current year, the recovery rate of plastic pallets exceeded 100%. Wooden pallets are prone to stains, damages, and are difficult to maintain. After taking into account the condition of recovered pallets, some customers may even choose to dispose or make alternative use of wooden pallets. For these reasons, wooden pallets tend to exhibit a lower recovery rate than plastic pallets.

Chapter Five Mutual Prosperity

Facing the increasingly stringent labor laws and the rising awareness of labor rights and interests, we have established comprehensive employer-employee communication and grievance filing channels. Allow employees or union groups to respond to problems in a timely manner and address them immediately. We do comply with the provisions of the Labor Standards Law and do not employ child labor or forced labor in order to protect labor rights and interests. We do not discriminate against employees for their gender, nationality, race, religion, or political stance.



By stabilizing the salary system and improving welfare measures, providing education and training, implementing job evaluation and promotion development system, and building a healthy and safe working environment, each employee is able to give full play to his or her talents in the workplace and create a win-win situation together. For the year of 2020, there were no violations of human rights or discrimination incidents, and we did not receive any grievance filing cases.

1. Employees information

1-1 Human Structure

The Company's Taiwan operations employed a total workforce of 1,174 in 2020. All employees were hired on a permanent basis, and locals comprised 90.03% of the direct production activities, senior executives are all local residents of Taiwan, males accounted for a dominant 90.11% of the employee size.

Statistics of people in the past three years(person)						
Nationality	2018		2019		2020	
	Male	Female	Male	Female	Male	Female
Taiwan	967	120	965	119	941	116
Vietnam	100	0	86	0	93	0
Thailand	27	0	22	0	24	0
Total	1,214		1,192		1,174	

Education Statistics in 2020(person)				
Education	Master's degree	Bachelor	College	Below high school
Senior managers	8	7	4	1
Mid-level managers	11	70	80	20
Specialists	6	57	30	28
Technicians	1	196	263	392

Statistics of job in the past three years(person)			
Statistics of job	2018	2019	2020
Senior managers	19	20	20
Mid-level managers	183	185	181
Specialists	118	118	121
Technicians	894	869	852

1-2 Employee Transition

As of Dec.31.2020, new female recruits represented 0.09% of existing employees and exhibited an attrition rate of 0.34%; New male recruits represented 4.17% of existing employees and exhibited an attrition rate of 5.88%

New headcount in 2020(person)								
Age group	Technicians		Specialists		Mid-level managers		Senior managers	
	Male	Female	Male	Female	Male	Female	Male	Female
below30	24	0	0	1	0	0	0	0
30~50	24	0	1	0	0	0	0	0
Above50	0	0	0	0	0	0	0	0
Total	48		2		0		0	

Resigned headcount in 2020(person)								
Age group	Technicians		Specialists		Mid-level managers		Senior managers	
	Male	Female	Male	Female	Male	Female	Male	Female
below30	20	0	1	0	0	0	0	0
30~50	33	0	2	1	2	0	0	0
Above50	7	3	2	0	2	0	0	0
Total	63		6		4		0	

1-3 Diversified employment

In terms of divers employee hiring, as of the end of December 2020, Ton Yi Industrial hired 20 employees with physical and mental disabilities, 9 more than the Law, accounting for 1.7% of the total numbers of employees. In addition, the company employs 6 indigenous people, accounting for 0.5% of the total workforce. 93 Vietnamese migrant workers, accounting for 7.9% of the total number of workers, and 24 Thai migrant workers, accounting for 2% of the total number of workers.

2. Talent training

2-1 Talent training

Ton Yi Industrial offers four different types of training: orientation, common knowledge, managerial courses, and specialized courses. Not only are new recruits required to undergo orientation on their first day, the Company also has a talent training program that focuses core ability, profession skills and management capabilities.

Due to the increasing severity of the COVID-19 epidemic from February 2020, some courses will be conducted online in accordance with the unified corporate group epidemic prevention policy.

New recruits mentoring, passing on experiences

In order to quickly familiarize new recruits into the Company's environment, new staff training is arranged on the first day of employment. Each unit will teach courses in corporate culture, integrity management, health and safety, and environmental protection. A counselor will be assigned to each new recruit and one-on-one coaching is provided as well as regular review of the learning with the intention of educating and training professional talents and passing on experiences.

From June 2020, we applied to the Labor Force Development Agency of the Ministry of Labor for the Youth Employment Flagship Program and worked with the company's newcomer counselor system. 11 newcomers were eligible to participate and 9 completed the training as of August 30, 2020. 54 newcomers participated in the training in 2020, with a total of 87 participants and a total of 365 hours of training.

Training planning, lifelong learning

Each year, the Company explores its own requirements based on existing visions and strategies and arranges courses that meet the needs of individual employees, from managerial skills, common knowledge, environment, health and safety, emotional management, to professional skills. It is our hope to promote continuous learning and ongoing talent development for the mutual benefit of the Company and its employees! The total number of employee training hours in 2020 is 30,331

Item Level	Male			Female			Total		
	Training hours	Number of people	Average training hours	training hours	Number of people	Average training hours	training hours	Number of people	Average training hours
Senior managers	156	19	8.2	3	1	3.0	159	20	8.0
Mid-level managers	1,679.5	165	10.2	38	16	2.4	1,717.5	181	9.5
Specialists	665	72	9.2	239.5	49	4.9	904.5	121	7.5
Technicians	26,567	802	33.1	982.5	50	19.7	27,549.5	852	32.3
Total	29,067.5	1,058	27.5	1,263.0	116	10.9	30,330.5	1,174	25.8

3. Employees' Rights

In November 2019, we signed our third "Group Agreement" with corporate unions for the purpose of stabilizing labor relations, promoting labor-management harmony, and protecting employees' rights and interests, as well as providing various welfare measures and leisure activities to create a happy workplace. We have not violated major laws and regulations, labor disputes, employment service laws, and gender work equality laws for more than five consecutive years, demonstrating the care and concern of Ton Yi Industrial Corp.'s employees.



Won the Excellent Unit of Harmonious Labor-Management Relations.

3-1 Human rights policy

The company follows the PDCA principles to review and revise the annual education and training program and organize class sessions on human rights-related topics to facilitate continuous improvement. The classes include sharing sessions on workplace equality labor laws -- how companies prevent and handle workplace sexual harassment; prevention of workplace bullying and establishment of gender diversity; friendly work environment. In 2020, a total of 991 employees attended training sessions related to human rights, accounting for 84% of the total workforce. In 2020, the company organized human rights policies. The total number of attendance was 14,365, totaling 14,190.3 class hours.

Course type	Total people	Hours	Total training hours
Safety and health	14,157	503.7	13,669.8
Human Resources	38	28	52.5
Physical and mental health	83	2.5	103
New staff	87	74	365
Total	14,365	608.2	14,190.3

Note: Total hours are the sum of the training hours of all employees

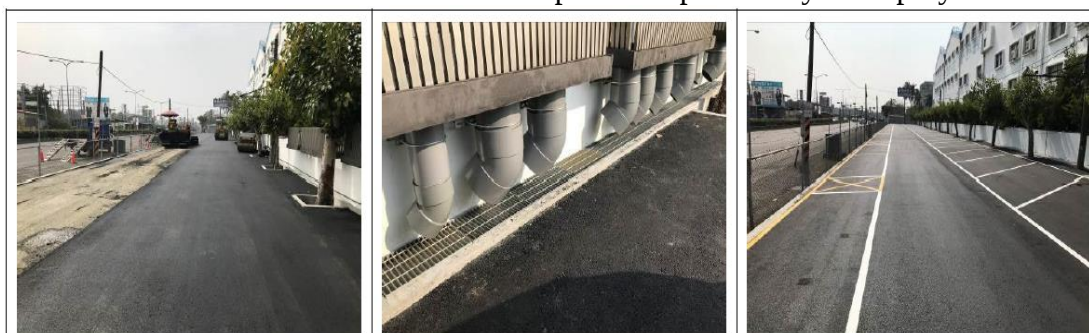
3-2 Labor-management communication

Corporate union

To promote the smooth communication between employer and employee and protect employees' rights and interests, the Company assembled its union in August, 1989. As of the end of 2020, 99.90% of employees excluding those who were prohibited by the labor regulations to join unions had acquired union membership.

In addition to holding the annual member meeting each year, the union votes for the member representatives (9 union directors and 3 supervisors). General and supervisor meetings of the union are held on a regular basis to discuss various topics related to employees. The senior executives of the Company that attend the union member representative meetings or the employee welfare committee will report the Company's operations to the employee representative and communicate directly in the meetings. The drainage problem in the plant parking lot was discussed at the 2020 meeting, and we immediately addressed the problem after the meeting.

We have not received any complaints from employees in 2020. Ton Yi Industrial Corp. will continue to implement smooth labor-management communication channels to fulfill its corporate responsibility to employees.



Asphalt paving

Drainage pipe lap completed

Asphalt paving completed

Labor Conference

There are 14 members representing the employer and employees, with the employee representatives accounting for 1/2 of the members. Before the meetings begin, the employer representatives report to the employee representatives on the status of the company's operations. The meetings also propose motions and discussions on issues such as employee rights, salary and benefits and the company's policies, so that both parties can engage in communication and coordination immediately.

In the labor-management meeting in March 2020, the Company proposed to discuss with the employees and formulate relevant measures to prevent the epidemic during the COVID-19 outbreak. At the same time, in order to prevent the rights and interests of employees from being compromised, relevant subsidies have been established. The Company also declared its confidence in the fight against the epidemic and pledged that the Company will uphold the philosophy of taking care of its employees in the long run and will not lay off employees.

Collective agreement

The company and the union signed a collective agreement for the first time in November 2013 (to be negotiated every 3 years, and the third signing was in November 2019) to protect the rights of both the employer and employees, reinforce the collaboration between the two parties and enhance protection of the union members. The collective agreement was drafted with specific regard to issues such as safety and health measures, training, health checkup, and the Health and Safety Committee. The union exists not only to protect the employees' interests, but also to care for their health and safety.

3-3 Salary and benefits

Salary and benefits :

Employees are the company's most valuable asset. In order to let every employee do their best in the workplace, we regularly evaluate performance and provide reasonable compensation. In terms of looking after our employees, we provide a sound welfare system and facilities that are superior to that the retirement system stipulated by the law, to show our appreciation to the employees' contribution and hard work.

Compensation Management

202-1

The Company's yearly performance appraisal is implemented every December. The total score is based on the results of the Company which decides the bonus and salary scales. In 2020, 90% of male employees completed performance appraisal, while female employees completed all performance appraisal.

Full-time employees who are not in managerial position			
Year	2019	2020	Difference
No. of people	1,182	1,148	↓-34
Average salary(thousands)	676	714	↑38
Median salary(thousands)	675	710	↑35

Besides salary management, Ton Yi Industrial pays attention to the salary level of workers. As of the end of December 2020, the average monthly salary of Taiwanese female technicians of Ton Yi Industrial is 1.64 times more than the statutory basic salary in the current period in Taiwan, whereas the average monthly salary of male technicians is about 2.04 times more than the basic salary.

Average monthly salary		
Employee gender	Male	Female
Senior managers	5.21	3.50
Mid-level manager	2.77	2.44
Specialists	2.16	1.82
Technicians	2.04	1.64

The regular salary to basic salary ratio for male workers is higher than that of female workers due to the fact that the industry is mainly in the direct production. Male employees account for about 94.13% of the direct labor.

Subsidies : 401-2

The welfare subsidies provided by Ton Yi Industrial include: labor Insurance premium, National Health Insurance premium, group insurance premium, Life insurance, Injury insurance, employee travel, wedding, childbirth, maternity leave, paternity leave, parental leave, group preferential products, children's education, funeral, birthday cash, retirement cash, festive cash, concession.

Wedding and
funeral subsidies
541,999 元

Education
subsidy
1,570,800 元

Entertainment
activities
2,873,432 元

Festive
bonuses and
concessions
17,513,614 元

Facilities :

Including dormitory, car park, self-served canteen, basketball court, nursery room, employee counseling office, Loaning of camping tents. etc.

Pension system : 201-3

The Company has implemented a "Pension Policy" in accordance with law to govern all matters concerning employees' pension. It makes monthly contributions of 14% of total salary to the pension account held with Bank of Taiwan in the name of the Supervisory Committee of Workers' Retirement Preparation Fund which employees may withdraw upon retirement. Overseas subsidiaries also comply with local regulations when developing pension systems. Employees are entitled to receive not only the above pension, but also a commendation and year-end bonus as a token of gratitude for their contributions.

Activities :

Family barbecue -220 participants; sports day- 44 participants.



3-4 Grievance (counseling) system

402-1

Except for labor conference, corporate union member representative meetings and employee welfare committees, the Company has assembled a “Sexual Harassment Complaint Committee”, the “Reward and Disciplinary Committee”, and the “Appraisal Appeal Committee” to offer different complaint channels. Each committee comprises a minimum percentage of workers’ representative to ensure that employees’ claims are handled in a fair and proper manner.

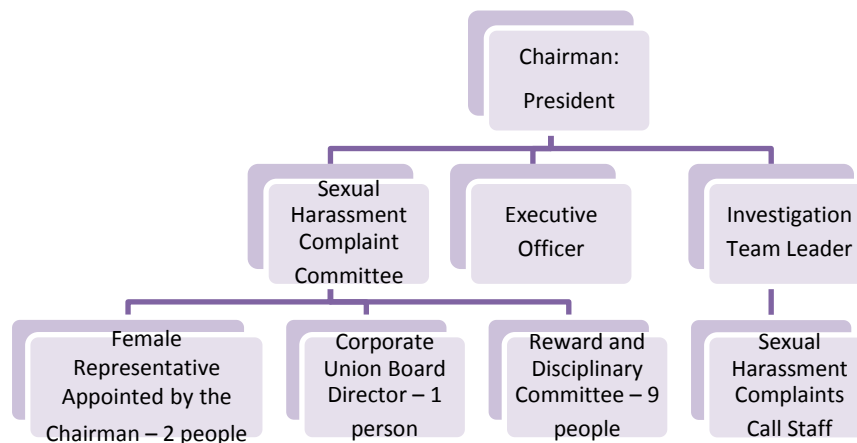
Regarding the shortest notice period of major operational changes, the Company follows Article 16 of Labor Standards Law and shall pre-announce the period of labor termination notice in accordance with the following:

- (1) Ten days for service of three months or more but less than one year.
- (2) Twenty days for service of one year or more but less than three years.
- (3) Thirty days for service of three years or more.

Sexual Harassment Complaint Committee :

The Company supports the concept of gender equality and announcements of “Sexual Harassment Prevention” are promoted within all the plants. “Sexual Harassment Complaint Measures” have been established in order to actively promote various anti-sexist policies and behaviors. In Ton Yi Industrial, any forms of sexual harassment behavior in the workplace is strictly prohibited. In 2020, there were no records of any complaints.

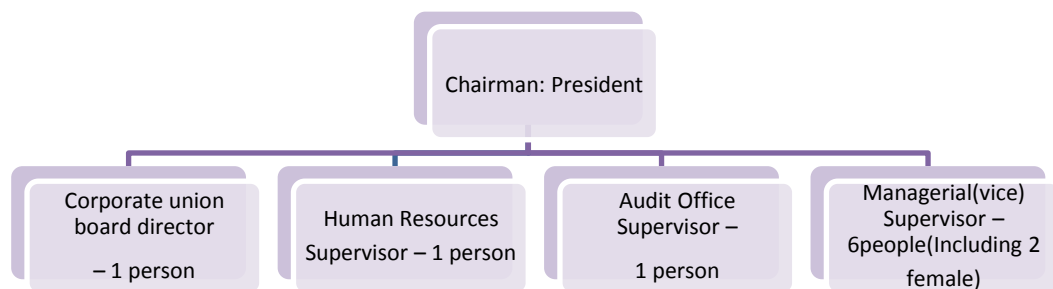
Organization Chart of Sexual Harassment Complaint Committee



Reward and Disciplinary Committee

- (1) Employees abide by the management regulations. For behaviors meeting the criteria for rewards or penalties, the supervisor of the department will submit reports to the board of the director for approval, and the cases are forwarded to the reward and disciplinary committee for review.
- (2) When the Reward and Disciplinary Committee is being convened, the concerned persons and the unit's direct supervisor are required to attend. To protect employees' rights, the corporate union board director of the Company is also required to participate and acts as one of the ex officio members of the Reward and Disciplinary Committee. In 2016, a new female supervisor was added to attend Reward and Disciplinary Committee and is one of the committee members.
- (3) The Reward and Disciplinary Committee adopts the system of deliberation, and the Human Resources Department compiles the votes of all committee members and informs the related employees of the rewards or disciplinary results on-site, before engaging in further actions or records based on the announcements and the rewards or disciplinary results.

Organization Chart of Reward and Disciplinary Committee:



Appraisal Appeal Committee :

- (1) The year-end performance appraisal standard of the employees of Ton Yi Industrial Corp. is based on their monthly performance appraisal, working attitude, professionalism and moral character.
- (2) After the year-end performance appraisal is completed, those with any questions or queries regarding the appraisal can file an appeal with the Human Resource Department during the acceptance period of the performance appraisal.. After the appeal application is received, the direct supervisor of the department reviews the facts or reasons for the specific appraisal and provides opinions as reference for review conducted by the performance appraisal appeal committee.
- (3) The Human Resources Department prepares all information and notifies the performance appraisal appeal committee to convene a meeting. The employee filing the appeal and the direct supervisor shall attend the committee meeting to offer their explanations. The performance appraisal appeal committee will reach a resolution and inform the Human Resources Department to either maintain or revise the performance appraisal results for the employee.
- (4) The organization chart of the Appraisal Appeal Committee is as follows, a Chairman and, 2 members in the Committee. Human Resources Supervisor, Unit Supervisor and concerned persons shall attend.

4. Health and Safety

The Company uses the health and safety policy “Respect life, health and safety, full participation and continual improvement” as the ultimate guiding principle. We also place employees’ well-being as the top priority to establishing a safety and health implementation plan and dedicated to eliminating hazards in the operation environment to provide a safe and healthy work environment.

2020 Health and Safety Guidelines

Basic philosophy **Pragmatism**

Action focus

- Follow regulations, implement regulations, eliminate unsafe equipment.
- Observe safely, work honestly, and prevent

403-4

The Safety and Health Committee is established with the president as the chairman, and the supervisors of relevant units, industrial safety personnel, and employee representatives attend the meetings, of which employee representatives (6) account for 1/3 of the committee (18) The committee meets regularly every three months, with the president as the chairman, and all members jointly consider and review safety and health management issues, such as: safety and health objectives, occupational hazards Accident investigation and statistics, education and training, hazard risk assessment, labor inspection, performance improvement, health inspection, etc.

Ton Yi Industrial Corp.

Health and Safety Policy

Respect life, health and safety

Full participation and continual improvement

Safety and health commitment

1. Value life and fulfill corporate social responsibility.
2. Comply with government regulations and protect workers.
3. Eliminate hazards, pay attention to physical and mental health, and provide safe and healthy working conditions.
4. Follow education and training policies to integrate safety and health concepts into work processes.
5. Provide a mechanism for workers and their representatives to

4-1 Build a healthy workplace

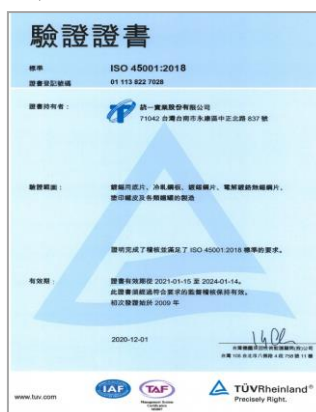
◆ Safety culture promotion

Actively participate in the Tainan City Government Labor Bureau to organize safety and health family related activities, excellent attendance in 2020 activities, listed as a target of safety culture promotion counseling in 2021, labor inspection will be replaced by counseling inspection.



4-2 Health and safety management system 403-1

In order to continuously reduce occupational hazards and improve safety and health performance, our company voluntarily follows ISO 45001:2018 and promotes occupational safety and health management system in accordance with CNS 45001:2018 standard, and obtains ISO 45001 and TOSHMS certification.



◆ Management system operation architecture 403-1

The Occupational Safety and Health Management System ISO 45001 covers all employees and related workers' operational activities, and follows the systematic management and operation framework of P-D-C-A to continuously eliminate hazards and reduce the risk of occupational hazards. The effectiveness of the implementation and improvement are reviewed through internal audits, management reviews and external verification audits.

◆ ISO 45001 Management system operation architecture

ISO 45001 Framework	Relevant procedures for Ton Yi Industrial Corp.
4 Sections before and after the organization	◆ Sections in treatment procedures before and after the organization
5 Leading and worker participation	◆ Occupational safety and health roles and responsibilities, safety and health committees, consultation and participation, etc.
6 Planning	◆ Risk and opportunity assessment, regulatory identification, objectives and programs
7 Support	◆ Education and training, internal and external communication, document/record control
8 Operation	◆ 24 procedures such as security and operational planning control
9 Performance evaluation	◆ Regulatory audits, performance measurement and monitoring, internal audits, management reviews, safety inspections
10 Improvement	◆ Incident investigation, non-compliance and corrective measures, safety observation activities, and management of recurring violations

◆ Staff consultation and participation 403-2

Through this mechanism, employees can actively participate in the operation of the system and communicate in both directions to implement safety and health management and solve safety and health problems. In accordance with the spirit of continuous improvement of ISO 45001, there were 730 improvement proposals for safety and health in 2020, accounting for 18% of the total number of proposals in the company. Through the participation of employees, we will continue to improve the working environment and management. For the employees who propose safety and health related consultation and participation, the company is also regulated in the consultation and participation management procedure, which should not be disadvantageous to the employees.

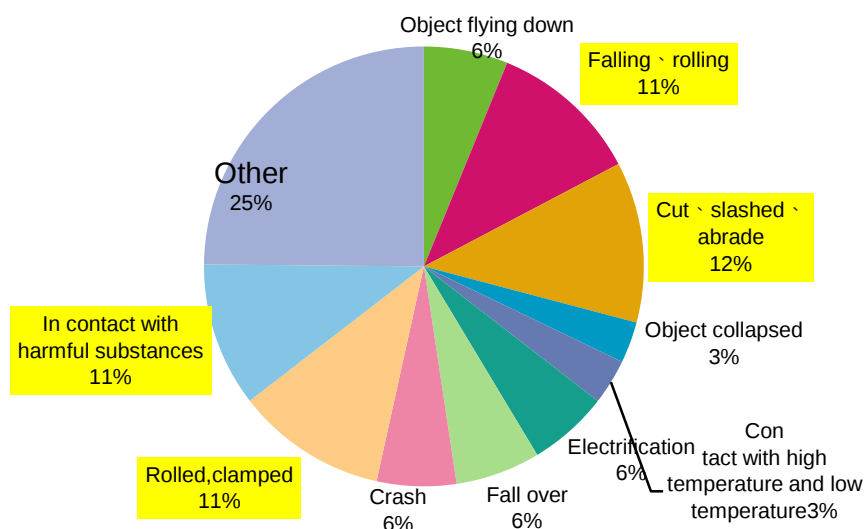
4-3 Hazard Identification Risk Assessment 403-2

The Company has established a hazard assessment promotion team and the personnel performing the hazard assessment are required to receive hazard assessment training. We identify the risk factors in the working environment, consider any existing control measures, evaluate the risks caused by hazards, decide on ways to reduce the risks, and set up safety and health management programs for continuous improvement. 2020 hazard risk assessment results show that the four types of hazards with a high proportion in our company include being cut, being caught and rolled, falling and rolling, and contact with hazardous materials.

【Risk assessment workflow】 403-7



Statistics of risk assessment results



【Risk Control Planning Form】 403-2

Risk Level	Risk Control Planning	Remark
5-Significant Risks	Risk reduction facilities should be taken immediately and operations should not commence or continue until the risk has been reduced.	Unacceptable risk: For significant and high risks, risk reduction control facilities must be developed to reduce the risk to moderate (inclusive).
4-High risk	Risk control facilities must be adopted within a certain period of time, and operations cannot begin until the risk is reduced.	
3-Moderate risk	Efforts should be made to reduce risks, such as 1. It is advisable to gradually adopt risk reduction facilities to gradually reduce the proportion of moderate risks. 2. For severe to significant or high moderate risks, it is advisable to further assess the likelihood of occurrence as a basis for improving control facilities.	Moderate Risk: Efforts must be made to reduce risk.
2-Low risk	Temporary, risk reduction facilities are not required, but the effectiveness of existing protective facilities must be ensured.	Acceptable risk: The mechanism of repair and maintenance, monitoring and verification, and education and training of existing protection facilities shall be implemented or strengthened.
1-Mild risk	Risk reduction facilities are not required, but the effectiveness of existing protective facilities must be ensured.	

When an employee is found to be in immediate danger while working, he/she shall stop the operation and retreat to a safe place in accordance with the law and immediately report to his/her immediate supervisor. The supervisor shall immediately implement hazard identification and risk assessment, and take risk reduction control measures, and no unfavorable points shall be given to the employee.

4-4 Investigation and Improvement of Occupational Accidents

Occupational disaster accident investigation invites unit supervisors, operators, safety and health managers, labor representatives and other relevant professionals to form an accident investigation team to investigate and analyze the cause of the accident and to prepare corrective measures.

Ton Yi Industrial Corp. also implements a zero-disaster campaign, expecting all units to work together to prevent accidents from occurring and to award bonuses to those who achieve the zero-disaster goal. A total of NT\$107,760 in bonuses was approved in 2020.

【Occupational disaster type statistics】

Type	2018	2019	2020
1. Cut,slashed,abraded	7	1	2
2. Rolled and clamped	3	3	1
3. Rolling, falling	2	0	1
4. Fall over	1	3	0

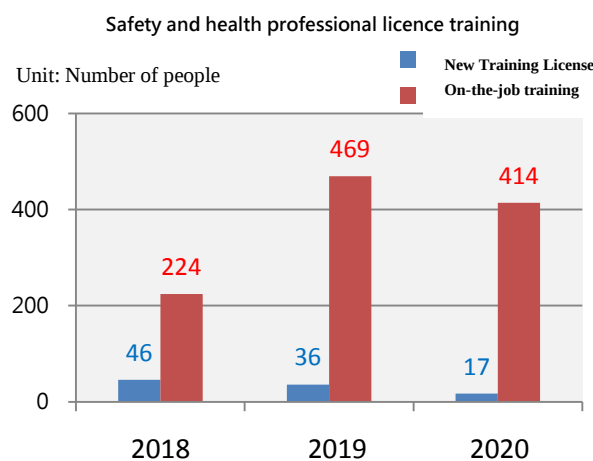
【Occupational Disaster Statistics Index】

403-9

Item\Year	2018	2019	2020
Disabling injury frequency rate (FR) (Same as injury rate, recordable occupational injury rate)	5.64	3.92	1.71
Disabling severity rate (SR)	16	26	14
Frequency severity index (FSI)	0.30	0.31	0.15
Average days charged per disabling injury (days charged/injured no. of people)	10	6	9
Number of lost work days	3.13	5.13	2.99
Disability Injuries	13	9	4
Number of serious occupational injuries	0	0	0
Serious occupational injury rate	0	0	0
Occupational injury deaths	0	0	0
Occupational Accident Mortality	0	0	0
Number of occupational diseases	0	0	0
Incidence of occupational diseases	0	0	0
Absence rate	0.39%	0.27%	0.27%
Annual total working hours of employees	2,305,032	2,298,184	2,343,840
Note	The calculation method for the aforementioned performance is based on the benchmark published by the Ministry of Labor, and is calculated in terms of one million working hours.		

4-5 Education, training and disaster prevention drills

In order to enrich the safety and health knowledge and professional ability of our employees, a safety and health education and training program has been established and various courses are planned. All course fees are paid by the company, and employees are encouraged to attend the training by providing compensatory time off if they attend professional certification training outside of work hours. We also give priority to sending employees to attend safety and health promotion meetings or lecture courses held by competent authorities to enhance employees' ability to identify hazards and understand the information of competent authorities and new information of laws and regulations.



List of major safety and health courses in 2020

- ◆ Safety and Health Facility and Work Environment Improvement Seminar
- ◆ COVID-19 Prevention Battle
- ◆ First Responder In-Service Education and Training
- ◆ In-service training for hazardous work supervisors
- ◆ Training to become a core company of the safety and health family
- ◆ On-the-job training for crane and hoist operators
- ◆ In-service training for forklift operators
- ◆ COVID-19 Prevention and Management
- ◆ Fire Education Training Course/Emergency Response Exercise
- ◆ Health Education - Gastrointestinal Health Course
- ◆ Hazard Risk Assessment and Regulatory Check Course
- ◆ Respiratory Protective Equipment Education and Training
- ◆ Other...

◆ Assist authorities in organizing training/exercises

Publicity Conference of the Occupational Safety Administration, Ministry of Labor

In addition to our own planning education training, we also provided a venue to assist the Southern District Occupational Safety Center of the Occupational Safety and Health Administration of the Ministry of Labor to hold a "Seminar on Improving Safety and Health Facilities and Labor Working Environment in Business Units" to exchange and promote the key points of safety and health and improvement experience. 79 representatives from business units in Tainan participated (including 25 from the Ton Yi Industrial Corp.)



Associate director teaches

Tainan City Government Fire Department Annual Fire Rescue Drill

In order to respond quickly and appropriately to major incidents (fires, explosions, earthquakes, etc.), we regularly hold self-defense firefighting team training/emergency response drills and firefighting education and training courses. In addition, we actively cooperate with the Tainan City Fire Department's 5th Brigade's annual firefighting rescue drills, combining drills on toxic chemical spills, fires, and mass casualty ambulance to enhance emergency response capabilities and regional joint defense capabilities.



Fire Department Fire Rescue Drill

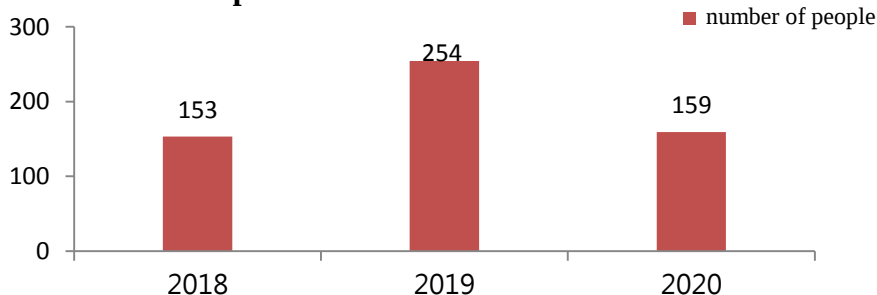
4-6 Occupational Health Services and Health Screening

◆ Specialized physician clinical health services

A physician from the Department of Occupational Medicine at Kuo General Hospital serves as our special physician for health services. He provides on-site health services twice a month to provide employees with health guidance and advice, and visits the site from time to time. The main clinical services include health examination result consultation, job selection and assignment return to work assessment, workplace environmental hazard assessment, work load assessment, health consultation and guidance, etc. The dates, locations, and services of the clinical health services are announced and available to all employees by appointment.

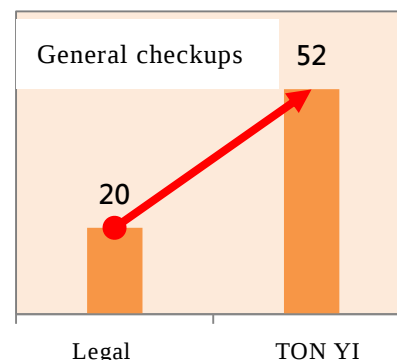


Specialists consultation statistics



◆ Looking after our Employees 403-6

The Company organizes regular health checkups (including general checkups, special checkups, health examination items for food safety operators and workers who work at long-term night shifts.) for employees. In order to take care of our employees, we have increased the number of general health checkups from the statutory 20 to 52, so that employees can understand their health situation and achieve disease prevention and health promotion through health checkups in a more comprehensive manner. In order to enhance the willingness of the health check-ups, the check-ups are arranged in four steps in the company so that employees can be examined directly during work hours. For those who have questions or abnormalities, they can consult with a special doctor who will explain them to them. In addition, the factory nurse implements employee health management, tracking the status of employees' repeat examinations and health education and promotion.



【Health checkups in 2020】

Type	Number of people examined	Check rate	Description	Health Check Amount
1. general checkups	972 人	95.5%	This is implemented once every two years for all employees.	1,056,000
2. special checkups	344 人	98.0%	Includes noise, free radiation, dust, hexane, chromic acid, mercury and other operations.	
3. Long-term night specific health check	433 人	96.8%	Long-term night workers are inspected.	
4. Health examination items for food safety operators	303 人	98.1%	Food safety related workers are inspected.	



Employees actively participate in health screening

◆ Psychological Counseling Consultation

We have a counselor and a counseling room to provide a channel for employees to talk, relieve stress and help them adapt to the workplace, and provide assistance through various resources. 15 people were counseled in 2020, with a total of 120 hours.

◆ **Epidemic prevention and health education promotion**

In 2020, the company will focus on the "COVID-19 " disease prevention and health promotion program, and the related implementation activities are as follows.

Course Topics	COVID-19 Prevention Battle	COVID-19 Epidemic Prevention and Management	Stomach and Intestines Health
The number of participants	45	45	40
Lecturer	Kuo General Hospital	Uni-President Corp.	Kuo General Hospital
Picture			

◆ **Influenza vaccination**

In the fall and winter of 2020, in addition to the COVID-19 outbreak, we are also at risk of an influenza outbreak in the fall and winter. In response to the government's promotion, we are providing subsidies to encourage our employees to pay attention to their health.

- We make announcements of providing subsidies related to influenza vaccination to encourage colleagues to get vaccinated. In cooperation with the Department of Health of Tainan City Government, arrangements were made to set up a station at the company to receive the publicly funded influenza vaccine and encourage colleagues to receive the vaccine. 119 people in total completed the vaccination at the company.



5. Community

5-1 Community involvement

The Company engages its neighbors in constructive interaction, and devotes itself to charity with the intention of giving back what was gained from the society. We continually support the development of the society and aim on improving living standards for all.

The Company is situated next to the Yanshuei River, which is prone to flood in the event of Typhoon or heavy rain. For this reason, employees are regularly assigned to clear drainage obstruction especially during rainy season.

In addition of giving back to the neighborhood and promoting sound interaction with the local community, the Company has also been active in monitoring air quality and health conditions in the surrounding environment. Meanwhile, pro-active control measures are being taken for the sustainability of the environment.

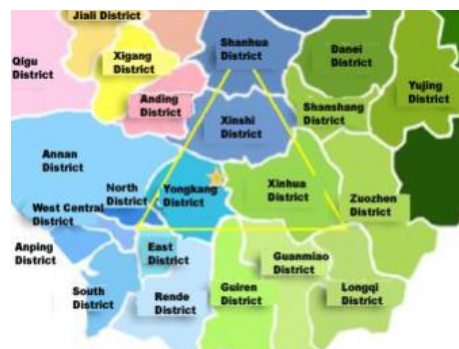
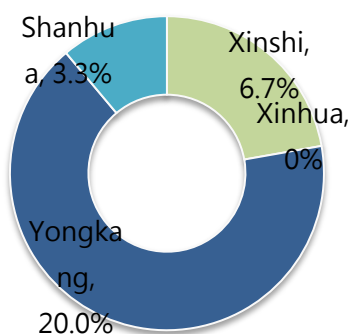
1. The Company maintains close communication with local residents and nearby businesses.
2. The Company sponsors festive and religious celebrations and shows its support to new administrations. A total of 110 cases of beverages and NT\$10,000 were sponsored for neighborhood activities.
3. The Company participates in group charity activities. Participate in the Group's public welfare activities, clothing used with love activities, colleagues enthusiastically participate, a total of 29 boxes donated.



5-2 Promoting local employment

Employees from nearby districts (Yongkang, Xinshi, and Xinhua) accounted for 30% of total employees in Ton Yi Industrial.

2020 Staff Statistics



Over the years, Ton Yi Industrial Corp. has actively participated in recruitment activities organized by schools, communities and service centers in the vicinity. In 2020, in line with the COVID-19 prevention measures, the staff of each service center will be appointed to recruit candidates on behalf of the company based on the job openings provided by the company. 17 recruiting events will be held in 2020.

Assurance Summary Table

Report Assurance

編號	確信標的資訊	適用基準	頁碼
1	非擔任主管職務員工平均薪資 714 仟元，中位數 710 仟元。	公開資訊觀測站申報系統「非擔任主管職務之全時員工薪資資訊申報作業說明」及「相關 FAQ」。	72
2	截至 2020 年底，除依勞動法令規定不得加入企業工會之員工外，企業工會會員佔員工總人數高達 99.9%。	2020 年 12 月工會之員工人數佔年度結束日總員工人數（排除依勞動法令規定不得加入企業工會之員工）之百分比。	71
3	截至 2020 年 12 月底止，統一實業台籍基層技術人員女性工平均月薪資為當期台灣地區法定基本工資的 1.64 倍，技術人員男性工的平均月薪資約為基本工資的 2.04 倍。	截至 2020 年 12 月 31 日，依公司定義之基層員工，按性別統計全年薪資及報酬費用並計算平均月報酬。平均月報酬除以勞動部公告基本工資之比率。	72
4	2020 年度員工總受訓時數 30,330.5 小時。	2020 年度符合統實教育訓練辦法完成之教育訓練時數總和。	69
5	2020 年總計回收木棧板 6,088 個(回收率 65.21%)，塑膠棧板回收 16,310 個(回收率 100.76%)。	2020 年依公司系統中之木棧板及塑膠棧板當年度回收數量除以當年度出貨數。	65

編號	確信標的資訊	適用基準	頁碼																																																																																																										
6	2020 年新進人員統計(人) <table><tr><th rowspan="2">年齡層</th><th colspan="2">技術人員</th><th colspan="2">專業人員</th><th colspan="2">中階管理人員</th><th colspan="2">高階管理階層</th></tr><tr><th>男</th><th>女</th><th>男</th><th>女</th><th>男</th><th>女</th><th>男</th><th>女</th></tr><tr><td><30 歲</td><td>24</td><td>0</td><td>0</td><td>1</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td>30 歲~50 歲</td><td>24</td><td>0</td><td>1</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td>>50 歲</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td>合計</td><td colspan="2">48</td><td colspan="2">2</td><td colspan="2">0</td><td colspan="2">0</td></tr></table> 2020 年離職人員統計(人) <table><tr><th rowspan="2">年齡層</th><th colspan="2">技術人員</th><th colspan="2">專業人員</th><th colspan="2">中階管理人員</th><th colspan="2">高階管理階層</th></tr><tr><th>男</th><th>女</th><th>男</th><th>女</th><th>男</th><th>女</th><th>男</th><th>女</th></tr><tr><td><30 歲</td><td>20</td><td>0</td><td>1</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td>30 歲~50 歲</td><td>33</td><td>0</td><td>2</td><td>1</td><td>2</td><td>0</td><td>0</td><td>0</td></tr><tr><td>>50 歲</td><td>7</td><td>3</td><td>2</td><td>0</td><td>2</td><td>0</td><td>0</td><td>0</td></tr><tr><td>合計</td><td colspan="2">63</td><td colspan="2">6</td><td colspan="2">4</td><td colspan="2">0</td></tr></table>	年齡層	技術人員		專業人員		中階管理人員		高階管理階層		男	女	男	女	男	女	男	女	<30 歲	24	0	0	1	0	0	0	0	30 歲~50 歲	24	0	1	0	0	0	0	0	>50 歲	0	0	0	0	0	0	0	0	合計	48		2		0		0		年齡層	技術人員		專業人員		中階管理人員		高階管理階層		男	女	男	女	男	女	男	女	<30 歲	20	0	1	0	0	0	0	0	30 歲~50 歲	33	0	2	1	2	0	0	0	>50 歲	7	3	2	0	2	0	0	0	合計	63		6		4		0		截至 2020 年度結束日，人資系統中按性別和年齡組別進行統計之新進和離職人員人數總和。	68
年齡層	技術人員		專業人員		中階管理人員		高階管理階層																																																																																																						
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合計	63		6		4		0																																																																																																						
7	供應商回覆「供應商社會責任承諾書」比率達99.4%。	截至2020年12月31日，供應商社會責任承諾書回收數量佔全部合格供應商比率。	43																																																																																																										
8	全年度環保支出60,566仟元，投入之環保投資為4,243仟元。	環保支出 2020年環保支出為下列類型支出金額總和。 空氣：固定污染源檢測費、固定污染源空氣污染防制費(塗裝及印刷作業程序)、固定污染源空氣污染防制費(鍋爐蒸氣產生程序) 水：廢水水質檢測費、廢水處理設施操作維護費用、水污染防治費 廢棄物：廢棄物檢測費、廢棄物清除處理費、土壤及地下水污染整治費 環保投資 為申報至能源局之2020年節能專案投資金額總和。	50																																																																																																										

Report Assurance



會計師有限確信報告

資會綜字第 20011109 號

統一實業股份有限公司 公鑒：

本事務所受統一實業股份有限公司（以下稱「貴公司」）之委任，對 貴公司選定 2020 年度企業社會責任報告書所報導之績效指標執行確信程序。本會計師業已確信竣事，並依據結果出具有限確信報告。

確信標的資訊與適用基準

有關 貴公司選定 2020 年度企業社會責任報告書所報導之績效指標（以下稱「確信標的資訊」）及其適用基準詳列於 貴公司 2020 年度企業社會責任報告書第 86 至 87 頁之「確信項目彙總表」。前述確信標的資訊之報導範圍業於企業社會責任報告書第 14 頁之「報告書範疇與邊界」段落述明。

管理階層之責任

貴公司管理階層之責任係依照適當基準編製企業社會責任報告書所報導之績效指標，且維持與績效指標編製有關之必要內部控制，以確保績效指標未存有導因於舞弊或錯誤之重大不實表達。

會計師之責任

本會計師係依照確信準則公報第一號「非屬歷史性財務資訊查核或核閱之確信案件」，對確信標的資訊執行確信工作，以發現前述資訊在所有重大方面是否有未依適用基準編製而須作修正之情事，並出具有限確信報告。

本會計師依照上述準則所執行之有限確信工作，包括辨認確信標的資訊可能發生重大不實表達之領域，以及針對前述領域設計及執行程序。因有限確信案件取得之確信程度明顯低於合理確信案件取得者，就有限確信案件所執行程序之性質及時間與適用於合理確信案件者不同，其範圍亦較小。

本會計師係依據所辨認之風險領域及重大性以決定實際執行確信工作之範圍，並依據本委任案件之特定情況設計及執行下列確信程序：

- 對參與編製確信標的資訊之相關人員進行訪談，以瞭解編製前述資訊之流程、所應用之資訊系統（若適用），以及攸關之內部控制，以辨認重大不實表達之領域。



- 基於對上述事項之瞭解及所辨認之領域，對確信標的資訊選取樣本進行查詢、觀察及檢查等測試，以取得有限確信之證據。

此報告不對 2020 年度企業社會責任報告書整體及其相關內部控制設計或執行之有效性提供任何確信。

會計師之獨立性及品質管制規範

本會計師及本事務所已遵循會計師職業道德規範中有關獨立性及其他道德規範之規定，該規範之基本原則為正直、公正客觀、專業能力及盡專業上應有之注意、保密及專業態度。

本事務所適用審計準則公報第四十六號「會計師事務所之品質管制」，因此維持完備之品質管制制度，包含與遵循職業道德規範、專業準則及所適用法令相關之書面政策及程序。

先天限制

本案諸多確信項目涉及非財務資訊，相較於財務資訊之確信受有更多先天性之限制。對於資料之相關性、重大性及正確性等之質性解釋，則更取決於個別之假設與判斷。

有限確信結論

依據所執行之程序與所獲取之證據，本會計師並未發現確信標的資訊在所有重大方面有未依適用基準編製而須作修正之情事。

其它事項

貴公司網站之維護係 貴公司管理階層之責任，對於確信報告於 貴公司網站公告後任何確信標的資訊或適用基準之變更，本會計師將不負就該等資訊重新執行確信工作之責任。

資 誠 聯 合 會 計 師 事 務 所

會計師 林永智



中 華 民 國 1 1 0 年 7 月 2 3 日

GRI Index

GRI	Indicators	Page	Chapter	Notes
GRI 102: 2016	Organization Profile			
	102-1	Name of the organization	About Ton Yi Industrial	
	102-2	Activities, brands, products, and services		
	103-3	Location of headquarters		
	102-4	Location of operations		
	102-5	Ownership and legal form		
	102-6	Markets served		
	102-7	Scale of the organization		
	102-8	Information on employees and other workers	Management strategy	
	102-9	Supply chain	Supply Chain Management	
	102-10	Significant changes to the organization and its supply chain	-	None
	102-11	Precautionary Principle or approach	Risk Management	
	102-12	External initiatives	-	None
	102-13	Member of associations	Participation in External Organizations and Initiatives	
	Strategy			
	102-14	Statement from senior decision-maker	Messages from the Management	
	102-15	Key impacts, risks and opportunities	Risk Management	
	Ethics and Integrity			
	102-16	Values, principles, standards, and norms of behavior	Corporate governance	
	102-17	Mechanisms for advice and concerns about ethics	Corporate governance	
	Governance			
	102-18	Governance structure	Corporate governance	
	Governance			
	102-40	List of stakeholder groups	Material Issues	
	102-41	Collective bargaining agreements	Employees' Rights	
	102-42	Identifying and selecting stakeholders	Material Issue	
	102-43	Approach to stakeholder engagement		
	102-44	Key topics and concerns raised		

	Reporting Practice				
	102-45	Entities included in the organization's consolidated financial statements	14	Report Profile	
	102-46	Defining report content and topic Boundaries			
	102-47	List of material topics	9	Material Issue	
	102-48	Restatements of information	-	-	Re-use of non-organic residues were misplanted in 2018, updated in this report
	102-49	Changes in reporting	-	-	-
	102-50	Reporting periods	14	Report Profile	
	102-51	Date of most recent report			
	102-52	Reporting cycles			
	102-53	Contact point for questions regarding the report			
	102-54	Claims of reporting in accordance with the GRI Standards			
	102-55	GRI content index	90-94	GRI Index	
	102-56	External assurance	86-89	Report Assurance	
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	103-3	Evaluation of the management approach	21-22	Economic Performance	
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	201-3	Defined benefit plan obligations and other retirement plans	73	Labor-management communication	
	201-4	Financial assistance received from government	22	Economic Performance	
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GRI 103: 2016	103-1	Explanation of material topic and its Boundary	10	Material Issues	
	103-2	The management approach and its components	26	Risk management	
	103-3	Evaluation of the management approach	26-32	Risk management	
GRI 102: 2016	102-15	Key impacts, risks and opportunities	26-28	Risk management	

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GRI 103: 2016	103-1	Explanation of material topic and its Boundary	10	Material Issues	
	103-2	The management approach and its components	33	Compliance	
	103-3	Evaluation of the management approach	33	Compliance	
GRI 307: 2016	307-1	Non-compliance with environmental laws and regulations	33	Compliance	
GRI 419: 2016	419-1	Non-compliance with laws and regulations in the social and economic area	33	Compliance	
Environmental policy, climate change and management, energy saving and carbon reduction					
GRI 103: 2016	103-1	Explanation of material topic and its Boundary	10	Material Issues	
	103-2	The management approach and its components	49	Sustainable Environment	
	103-3	Evaluation of the management approach	49	Sustainable Environment	
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	302-3	Energy intensity			
	302-4	Reduction of energy consumption	55	Energy and Carbon Reduction	
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	305-4	GHG emissions intensity			
	305-5	Reduction of GHG emissions	55-56		
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	103-2	The management approach and its components	49	Sustainable Environment	
	103-3	Evaluation of the management approach	49	Sustainable Environment	
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	303-4	Displacement	61	Water Pollution Prevention	
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	403-3	Occupational health services	81	Education, training and disaster prevention drills	
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	403-5	Worker training on occupational health and safety	81	Education, training and disaster prevention drills	
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	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	35	Compliance	
GRI 417: 2016	417-1	Requirements for product and service information and labeling	36	Production Management System and Lab	
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統一實業股份有限公司
TON YI INDUSTRIAL CORP.

