

Fudy 2024 Sustainability Report



0.1	About This Report	2
0.2	Chairman's Message	4
0.3	Annual Sustainability Review	5
0.4	ESG Highlights of the Year	7
0.5	Sustainability Feature	8

01 Fudy: Your Trusted Partner in Sustainability

1.1	About Fudy Printing	15
1.1.1	Fudy, Your Product Packaging Consultant	17
1.1.2	Business Performance	19
1.1.3	External Engagement	21
1.2	Fudy, Your Product Packaging Consultant	22
1.2.1	Stakeholder Engagement	25
1.2.2	Sustainability Governance	27
1.2.3	Materiality Analysis	28

02 Green Operations with Environmental Responsibility

2.1	Fudy's Environmental Policy	48
2.1.1	Financial Impacts of Climate-Related Risks and	50
2.2.	Energy Management	58
2.3	Greenhouse Gas Management	60
2.4	Air Pollution Control	63
2.5	Water Resource Management	64
2.5.1	Wastewater Management	66
2.6	Waste Management	68
2.6.1	Circular Economy	73

03 A Steadfast Partner in Customer Sustainability

3.1	Sustainable Supply Chain Management	75
3.1.1	Supplier Audits and Evaluation	77
3.2	Sustainable Product Design and Innovation	84
3.2.1	Use of Eco-Friendly Materials and Plastic Reduction Achievements	85
3.2.2	Green Design Innovation and R&D	89

04 People-Centered Care in the Workplace and Society

4.1	Talent Sustainability	92
4.1.1	Diversity, Equity, and Inclusion	93
4.1.2	Workforce Turnover	94
4.1.3	Compensation and Salary Levels	96
4.1.4	Employee Rights and Benefits	97
4.2	Talent Cultivation and Development	101
4.2.1	Performance and Career Growth	104
4.2.2	Occupational Health and Safety	107
4.3	Occupational Health and Safety	108
4.3.1	Occupational Safety and Health Committee	108
4.3.2	Occupational Safety and Health Training and Education	109
4.3.3	Occupational Hazard Risk Management	110
4.4	Workplace Health	113
4.5	Corporate Social Impact	118

05 Robust and Reliable Quality Innovation

5.1	Governance Structure	122
5.2	Business Integrity	127
5.3	Regulatory Compliance	129
5.4	Operational Risk Management	130
5.5	Information Security Management	135
5.6	Customer Relationship Management	136
5.6.1	Product Quality	138
5.6.2	Customer Satisfaction Survey	139
5.6.3	Outlook for Customer Satisfaction	141

06 Appendix

GRI Index Table	143
Restated Information Summary	145
Management System Certifications	148



Preface

0.1 About This Report (GRI 2-3 Reporting Period, Frequency, and Contact Information)

This report was published in August 2025 and marks the third publicly issued Sustainability Report of Fudy Printing Enterprise Co., Ltd. ("Fudy"). The next report is scheduled for release in August 2026. We plan to publish sustainability reports annually and disclose them on our official website. Through this report, we aim to share Fudy's efforts in corporate governance, social responsibility, and environmental stewardship with our stakeholders, as well as communicate our management policies and response strategies related to sustainable development, demonstrating our annual ESG performance results.

Reporting Boundaries and Data (GRI 2-2 Entities Included in the Organization's Sustainability Reporting)

This report covers Fudy's economic, environmental, and social performance for the 2024 fiscal year (January 1 to December 31, 2024). The scope includes Fudy Printing Enterprise Co., Ltd. and its affiliated companies. Operational sites covered are:

- Fudy Printing Enterprise Co., Ltd. in Taiwan ("Taipei Fudy" or "Taipei")
- Dongguan Fuyang Color Printing Co., Ltd. in China ("Dongguan Fuyang" or "Dongguan")
- Fuyang Packaging Materials (Suzhou) Co., Ltd. in China ("Suzhou Fuyang" or "Suzhou")

The financial data disclosed represent the aggregated total of these three facilities, accounting for 100% of the revenue within this report's scope. There have been no material changes to the organization's scale, structure, ownership, or supply chain during the

Compilation Guidelines (GRI 1 Requirement 8 Statement of Use)

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards 2021 edition. It aligns with the United Nations Sustainable Development Goals (SDGs) and references the Task Force on Climate-related Financial Disclosures (TCFD) recommendations by the Financial Stability Board (FSB). A GRI Content Index is included in the appendix.



Report Governance and Quality Assurance (GRI 2-5 External Assurance / GRI 2-14 Role of the Highest Governance Body in Sustainability Reporting)

Process	Approach	Responsible Unit
Report Compilation	The Fudy Sustainable Development Working Group oversees the coordination and planning of this report. Relevant departments provide data, strategic goals, and performance indicators, which are consolidated, drafted, and reviewed by the Working Group.	Sustainable Development Working Group and relevant departments
Internal Review	Upon completion, all departments conduct thorough reviews to ensure data integrity and accuracy. Final approval is granted by the respective departmental executives.	All relevant departments and executive leadership
External Assurance	• Financial Audits: - Taipei Fudy Headquarters: C.J.S. CPAs & Co - Dongguan Fuyang Plant: Guangdong Derui Certified Public Accountants - Suzhou Fuyang Plant: Jiangsu Huaxing Certified Public Accountants Co., Ltd. All financial data are presented in New Taiwan Dollars (NTD). • Greenhouse Gas Inventory Boundaries and Verification Agencies - Taipei Fudy Headquarters: Fudy Printing Co., Ltd., verified under ISO 14064-1:2018 by ARES Premium - Dongguan Fuyang Plant: Fuyang Color Printing Co., Ltd., verified under ISO 14064-1:2018 by CTI Testing - Suzhou Fuyang Plant: Fuyang Packaging Materials (Suzhou) Co., Ltd., verified under ISO 14064-1:2018 by WIT Certification	Third-party verification agencies
Final Approval	The finalized report is submitted by the Chair of the Sustainable Development Working Group to the Board of Directors for review and formal approval prior to publication.	Board of Directors

Feedback and Contact Details

Should you have any questions or suggestions regarding this report, please contact us at:

Address: 7F-5, No. 496, Banan Road, Zhonghe District, New Taipei City, Taiwan
 Phone: +886-2-2226-5868 ext. 301
 Fax: +886-2-8228-7260
 Email: fudy_esg@mail.fudy.com.tw
 Website: <https://www.fudy.com.tw>
 Contact: Fudy Sustainable Development Working Group

Fudy Sustainable Information



0.2 Chairman's Message (GRI 2–22 Statement on Sustainable Development Strategy) (GRI 2–23 Policy Commitments)

Dear Stakeholders,

On behalf of Fudy Printing Enterprise Co., Ltd. and our affiliated companies, I extend my heartfelt gratitude to all our partner

s for your enduring trust and support. Over the past year, the global economic environment has been exceptionally volatile, presenting industries with unprecedented challenges as well as new opportunities. It is only with your confidence in us that Fudy and our affiliates have been able to maintain steady growth through such uncertain times.

The year 2024 was a landmark year for Fudy. We finalized our Sustainability Strategy Blueprint and formally introduced the P.A.R.T.N.E.R. sustainable development framework, which articulates the principles and values that guide our operations across all business units. This framework not only reinforces our commitment to all stakeholders but also demonstrates our determination to integrate sustainability into every aspect of our business.

P.A.R.T.N.E.R. encompasses seven core values:

- **Planned** : We take a forward-looking approach to develop long-term, comprehensive business strategies that ensure our growth aligns with global sustainability trends.
- **Accurate** : We are dedicated to delivering exceptional product and service quality by understanding and anticipating our customers' needs and providing solutions that exceed expectations.
- **Responsive** : In a rapidly evolving market, we maintain sharp insight and the flexibility to respond swiftly and effectively.
- **Trustworthy** : Integrity is the cornerstone of our corporate culture. We are committed to transparent, honest interactions with all stakeholders.
- **Nurturing** : We value our people and invest in their development by offering extensive learning resources and growth opportunities to cultivate the next generation of industry leaders.
- **Eco-friendly** : We actively implement green production processes, reduce our environmental footprint, and develop environmentally responsible products and services.
- **Rights-respecting** : We respect human rights, foster a diverse and inclusive workplace, and ensure our operations comply with international human rights standards.

In 2024, we placed a particular focus on carbon management—an issue of great concern to our customers. In response to the escalating climate crisis, Fudy and our affiliates completed ISO 14064-1:2018 greenhouse gas inventories, establishing 2023 as our baseline year. We have set a target to reduce carbon emissions by 4% annually through 2030. To meet this goal, we are optimizing production processes, adopting energy-efficient technologies, and developing low-carbon products. Through these efforts, we aim to help our customers achieve their own carbon reduction targets and drive green transformation across the value chain.

We also made significant strides in human rights due diligence. In 2024, our sites in Taipei Fudy, Dongguan Fuyang, Suzhou Fuyang, and Hiep Phu in Vietnam all initiated and progressively completed Responsible Business Alliance (RBA) audits. Of particular note, Taipei Fudy achieved an outstanding RBA 8.0 score of 168.5 in early 2025—a result that affirms our dedication to social responsibility.

We recognize that sustainability is a long-term endeavor. As I often say, "Sustainability is a vast undertaking, but Fudy's determination is just as great." sustainability landscape grows more complex, the global environment remains unpredictable, and regional politics become ever more volatile, the Fudy Group remains resolute in advancing our commitments and creating long-term value for society.

In 2024, we further expanded our social impact initiatives by launching Pack a Home 2.0 – the Wildlife Rescue Box. This project highlights how Fudy Group applies its design expertise to support biodiversity conservation. We believe that corporate social responsibility goes beyond reducing negative impacts—it requires us to proactively create positive value and deliver meaningful change for society and the environment.

Looking ahead, we are mindful that the global economic outlook remains uncertain, yet every crisis contains the seeds of opportunity. We will continue to embrace innovation to meet emerging challenges, manage our business with a

strong sense of responsibility, and invest in the future with a long-term perspective. We remain committed to refining our production processes, strengthening supply chain resilience, accelerating digital transformation, and proactively addressing the impacts of climate change—striving always to balance economic growth with environmental stewardship.

Finally, I want to express my sincere appreciation for your continued support and trust. On this journey toward sustainability, we are determined to be your P.A.R.T.N.E.R.—a trusted partner to our employees by providing platforms for development and growth; a dedicated ally to our customers by delivering innovative solutions that surpass expectations; a collaborative companion to our suppliers as we learn and improve together; a responsible neighbor to our communities through active engagement; and a steadfast guardian of the environment as we build a more sustainable future together.

Fudy and our affiliated companies will uphold the spirit of P.A.R.T.N.E.R., working alongside you to realize our shared sustainability objectives and create a better tomorrow for generations to come.

Sincerely,
Lien-Feng Huang
Chairman

Fudy Printing Enterprise Co., Ltd.

0.3 Annual Sustainability Review

Fudy 2024 United Nations Sustainable Development Goals (SDGs) Performance Review

Dimension	Corresponding UN SDGs	Sustainability Performance
E Environmental	 	- Following the "Water Pollution Management Procedure", managed wastewater discharge in 2024 with no incidents of effluent exceeding discharge limits or causing environmental pollution. - In 2024, Suzhou Fuyang implemented improved platemaking processes, reducing annual water consumption by approximately 1.5 million liters (1,500 tons).
	 	- In November 2024, Taipei Fudy officially commenced green electricity usage, replacing 16,195 kWh of gray electricity with renewable energy and reducing emissions by 8,000.33 tCO₂e. - In 2024, Suzhou Fuyang's solar power accounted for 13% of total electricity consumption
		- In 2024, Fudy's plastic procurement costs decreased by approximately 5% compared to the baseline year (2022). - In 2024, Fudy continued to maintain ISO 14001:2015 Environmental Management System certification and IECQ QC080000:2017 Hazardous Substance Process Management certification. - Committed to the 3R1D principles (Reduce, Reuse, Recycle, Degradable), in 2024 Fudy achieved 100% replacement of oil-based blister coating with water-based alternatives. Additionally, the proportion of plastic-alternative oil replacing PP film increased from 8.4% in 2023 to 10.9%. - In 2024, Dongguan Fuyang officially introduced Plastic-Substitute Transfer Coating processes and conducted mass production testing.
		- In 2024, completed comprehensive ISO 14064-1:2018 third-party greenhouse gas verification across all facilities. - In 2024, achieved CDP-SME climate change B-level rating.
		In 2024, Taipei Fudy adopted 1.422 hectares of forest conservation land, maintaining a minimum survival rate of 1,392 trees per hectare during the cultivation period, and sponsored the Jingualiao Fern Trail while organizing 2 mountain cleanup activities.
S Social	   	- In 2024, Taipei Fudy participated in charity drive for gently used shoes and bags (80% new), collecting 370 items and donating NTD 13,750 in charitable contributions. - In 2024, Taipei Fudy donated 80 food boxes, provided 103.5 hours of corporate volunteer service, and contributed approximately NTD 120,000 in charitable donations. - In 2024, Taipei Fudy donated NTD 210,000 to child welfare and educational support organizations.
		In 2024, a total of 596 Fudy employees received general health examinations, 264 received specialized health examinations, and 2 employees were classified under Level IV health management.

Fudy 2024 United Nations Sustainable Development Goals (SDGs) Performance Review

Dimension	Corresponding UN SDGs	Sustainability Performance
S Social		In 2024, female employees comprised 36.20% of the workforce, and female managers represented 29.59% of all management
	 	2024 training hours by facility: - Taipei Fudy: Total 1,385 hours, averaging 12.59 hours per person - Dongguan Fuyang: Total 2,051 hours, averaging 7 hours per person - Suzhou Fuyang: Total 2,892 hours, averaging 8.51 hours per person
		In 2024, Taipei Fudy, Dongguan Fuyang, Suzhou Fuyang, and North Vietnam Heip Phu initiated and progressively completed RBA (Responsible Business Alliance) audits.
G Governance		In 2024, Fudy Board of Directors members completed 72 hours of continuing education, averaging 12 hours per person.
		In 2024, Fudy obtained 10 patents, accumulating 21 patents since 2022; R&D investment reached approximately NTD 44 million, representing an 11% year-over-year increase.
		- In 2024, 100% of Fudy employees signed integrity assurance commitments. - In 2024, 673 Fudy employees participated in anti-corruption courses, with a participation rate of nearly 74%; no anti-corruption incidents were reported in 2024.
		In 2024, local procurement amounted to approximately NTD 800 million, representing 86% of total procurement.
		In 2024, all operational sites participated in 20 customer-supplier conferences and provided design proposal presentations at least 36 times monthly based on customer requirements. Video conferences with customers were conducted at least 10 times weekly.

0.4 ESG Highlights of the Year

Environmental

In 2024, Taipei Fudy participated in CDP-SME for the first time and achieved the highest possible rating for SMEs:

CDP B-level

Rooftop solar panels at Suzhou Fuyang generated approximately **13%** of the plant's total electricity consumption in 2024

In 2024, Fudy achieved **100%** replacement of oil-based blister coating with water-based alternatives

Social

The "Pack a Home 1.0" project won several prestigious international design awards, including:

Taiwan Golden Pin Design Award

Japan GOOD DESIGN AWARD

Germany iF DESIGN AWARD

Fudy employees participated in volunteer activities with the Andrew Charity Association, contributing a total of **103.5 volunteer hours**

In 2024, Taipei Fudy adopted **1.422 hectares** of forest conservation land

Governance

Fudy and its affiliated companies achieved an average score of **92** in customer satisfaction surveys

In 2024, Taipei Fudy was recognized by customers with the "**Sustainable Development Supplier**" award

Taipei Fudy received an **EcoVadis Bronze Medal** in 2024

0.5 Sustainability Feature

🌟 From Awareness to Stewardship: Taipei Fudy's Sustainable Partnership with Nature



Fudy firmly believes that protecting the environment is the responsibility of every enterprise. We are committed to working alongside all stakeholders to safeguard the planet, promote biodiversity, and advance sustainable development. In 2024, Fudy Taipei launched a series of ecological conservation initiatives. From adopting the Jinguoliao Fern Path in Pinglin to implementing a reforestation project in the mountains of Hualien, we not only invested resources but also invited employees and partners to join in mountain clean-up and firefly-watching activities. Through these engaging, educational experiences, everyone could appreciate the beauty of nature while developing a deeper understanding of the importance of ecological conservation. Sustainability is more than an ideal—it is a responsibility. As we pursue economic growth, Fudy remains dedicated to protecting the environment and fulfilling our social responsibilities. Ecological sustainability starts with all of us working hand in hand.

Adopting the Jinguoliao Fern Path

In 2024, Taipei Fudy adopted the Jinguoliao Fern Path in Pinglin through a stewardship agreement with the Yilan Branch of the Forestry and Nature Conservation Agency under Taiwan's Ministry of Agriculture. Guided by the agency's professional expertise in ecological management, Fudy has provided funding to support the trail's ongoing maintenance, including litter removal, facility repairs, and other environmental cleaning and conservation activities. We also installed signs along the trail reminding visitors not to feed wildlife and to help protect biodiversity, promoting proper environmental awareness.

Beyond being an important ecological destination in New Taipei City's Pinglin District, the Jinguoliao Stream is a key water source, feeding into the Feitsui Reservoir—Taipei Fudy's own water supply. Adopting the path is thus both an act of ecological conservation and a meaningful step in protecting the natural resources that sustain our business and community.

Through this initiative, we hope to bring new momentum to the protection and management of the Jinguoliao Fern Path, contribute to the preservation of local natural resources, and work together to safeguard this beautiful landscape and Fudy's sustainable future.



Taipei Fudy Mountain Cleanup and Firefly-Watching Eco Tour



We believe that only by stepping into nature and learning about it firsthand can we truly come to love and protect it. That is why, alongside our adoption of the trail, we were determined to introduce its natural wonders to all our colleagues. The 2024 Spring Mountain Cleanup and Firefly-Watching Eco Tour was a beautiful encounter between Fudy and the natural world. During this event, we not only removed human-generated waste but also, with guidance from professional nature guides, observed native fish gliding through the streams and admired lush native fern species thriving throughout the area. After a day of ecological exploration, we witnessed magical sight of fireflies sparkling in the forest at night. Throughout this journey, every participant—employees, partners, and clients alike—gained a firsthand appreciation for the precious diversity of life. The beauty of nature requires all of us to protect it together so it can endure for generations. This was not simply an eco tour; it was a powerful awakening of environmental consciousness.



★ From Forest to Forest: Fudy's Commitment to Reforestation



The Cycle of Giving: Turning Use into Restoration

As a manufacturer of paper-based packaging, Fudy and its affiliated companies are fundamentally connected to forest resources. We deeply understand that trees are not merely raw materials behind our products but are also essential to the health of the Earth's ecosystems. Guided by the philosophy of "from forest to forest," Fudy is determined to give back to nature through diverse reforestation efforts.

In the face of intensifying climate change, sustainable forests—with their powerful carbon sequestration capacity—play a critical role in mitigating global warming. With this awareness and responsibility, Taipei Fudy and Suzhou Fuyang each launched locally tailored afforestation programs in 2024. In addition, Dongguan Fuyang signed a tree-planting agreement in late 2024, with its project set to begin in 2025—reflecting the broader green vision of Fudy and its partners to return what is taken from nature.

We are committed to expanding the scope of these initiatives, actively inviting employees, clients, and suppliers to participate—planting the seeds of sustainability across more landscapes. We believe that only by honoring nature's cycles can businesses achieve meaningful, long-term sustainable development.

Forest Stewardship: Fudy Taipei's Ecological Restoration of Mashishan, Hualien

In line with the "from forest to forest" principle, Fudy Taipei partnered with the Hualien Branch of the Forestry and Nature Conservation Agency from 2024 and 2025 to participate in reforestation and ecological conservation efforts in the Mashishan area of Guangfu Township, Hualien County.

As part of this meaningful restoration initiative, Fudy adopted 1.422 hectares of land and committed to maintaining a survival rate of at least 1,392 trees per hectare throughout the cultivation period. We carefully selected native species adapted to the local environment and rich in ecological value, including *Fraxinus formosana*, *Sapindus mukorossi*, and *Lagerstroemia subcostata*. These trees not only offer excellent soil and water conservation benefits but also create ideal habitats for butterflies, rhinoceros beetles, and other wildlife. Over time, the project aims to gradually restore Mashishan's once-vibrant forest ecosystems.



We recognize that true reforestation is more than just about planting trees—it is a comprehensive forest management effort that includes planting, ongoing maintenance, and long-term ecological monitoring. Through these systematic measures, we can ensure that new trees grow healthily and help establish a stable and balanced forest ecosystem, delivering tangible ecological benefits.

This initiative has already enhanced local vegetation coverage and contributed significantly to regional carbon sequestration, exemplifying Fudy's commitment to sustainability by giving back to the forest.



From Our Plants to Taihu: Suzhou Fuyang's Reforestation Efforts

In line with the "from forest to forest" philosophy, Suzhou Fuyang launched a dual-track reforestation initiative in 2024, both onsite and offsite, demonstrating its commitment to giving back to forest resources.

Offsite, Fuyang partnered with the Suzhou Wuzhong District Charity Foundation to actively contribute to the tree-planting project in the Xiaxiwan Wetland Park on Taihu Ecological Island. This project features a diverse selection of broadleaf tree species, including Cuiguan pear, yellow plum, loquat, fig, and 法冬. These trees were selected for their impressive carbon absorption capacity and ecological value, helping to mitigate climate change and provide diverse habitats for local wildlife. In the years ahead, fruit trees such as Cuiguan pear will also offer a valuable fruit-picking experience for the community, transforming this reforested area into a green hub for conservation, environmental education, and leisure.

Onsite, Fuyang has integrated reforestation efforts into its daily operations by planting 160 holly trees on the premises. These evergreen species beautify the grounds and significantly improve air quality, creating a healthier breathing environment for employees. This initiative demonstrates Fudy's comprehensive approach to reforestation, encompassing both external ecosystem care and internal green development.

From plant grounds to community spaces, Suzhou Fuyang's tree-planting efforts exemplify the circular ethos of "from forest to forest." Looking ahead, Fuyang remains committed to advancing reforestation programs that contribute to the ecological sustainability of the Taihu region while fostering a healthier, greener workplace for its people.



★ Design Innovation and Sustainable Practice: Fudy Wins Three Major International Design Awards



Social Impact × Innovation × Design: Sustainable Practices Beyond Boundaries

At Fudy, we believe that design is not only a tool for problem-solving but also a pivotal force in achieving social sustainability. In 2023, Fudy collaborated with the Kaohsiung City Animal Protection Office to launch the ESG Annual Design Competition, “Pack A Home | Innovative Design Adoption Tools.” This initiative reflects our unwavering commitment to social responsibility and provides innovative solutions to real-world challenges.

Two outstanding projects emerged from this competition—“Pet Guardian: Disaster Preparedness Kit” and “Easy & Pleasant – Multi-functional Adoption Box”—both of which received the Japan Good Design Award 2024. Notably, the “Pet Guardian: Disaster Preparedness Kit” achieved the highest honors in the design world, winning the 2024 Golden Pin Design Award, the 2024 Japan Good Design Award, and the 2025 iF Design Award, marking a significant milestone in international design recognition.

These awards underscore Fudy's expertise in innovative design and validate our success in transforming social impact concepts into practical solutions. Our design vision extends beyond human needs to encompass our animal companions and the ecological environment. From daily necessities to emergency situations, and from organizational to urban and national levels, Fudy is dedicated to contributing to the construction of a safer and more friendly society through innovative thinking.

In 2023, Fudy conducted in-depth research on the issue of stray animals, attentively listening to the practical needs of adoption organizations and adopters. We successfully completed the annual social impact design topic, “Pack a Home: Innovative Adoption Tools,” and achieved excellent results in 2024. This approach, which combines social missions, innovative thinking, and design expertise, is the core embodiment of Fudy Group's ESG strategy and our relentless pursuit of a sustainable future.



2024 GOOD DESIGN AWARD

A Good purpose pet adoption box

Pack Up a Home: An Innovative Pet Adoption Toolbox Design

Competition
FUDY GROUP CO., LTD. | Kaohsiung City Animal Protection Office

Goal

This project seeks to transform the “adoption box” as not only a transport cage for bringing the adopted pet home, but also as a “home” that helps them gradually adapt to their new lives. It transforms the way adopters carry animals home, providing a safer and more caring way to transport animals. Each at home, the transport box can be converted into a nest and provide shelter.

*Not only for protection during the adoption transition period, but also...

Executive Comments

Anyone who has adopted a pet will know the time and effort it takes for the new pet to adapt to its new living environment. The adoption organization provides each animal with a cage when they go for adoption. However, the cages are not necessarily safe for the animal after transportation. Also, once the animal adapts to its new home, the cage becomes unnecessary and is often not returned to the organization, which becomes waste. This easy-to-convert low-cost solution reduces stress and costs for the organization, providing a more stable financial solution, which is also environmentally friendly while ensuring the animal's safety. The fact that this is a project which is initiated by a city office is very promising on itself. Let's hope many other cities take notice and realize this is a precedent for many cities, organizations and individuals in the future.



2024 GOOD DESIGN AWARD

Disaster Preparedness Toolbox for Pets

Pack Up a Home: A Disaster Preparedness Toolbox For Pet

Competition
FUDY GROUP CO., LTD. | Kaohsiung City Animal Protection Office | Kaohsiung City Animal Protection Office

Goal

This toolbox assists pet owners in responding to the emergency of disaster evacuation supplies during daily life while being able to provide rapid support in critical moments. By designing the disaster preparedness toolbox with nesting function, the concept of disaster preparedness can merge with daily life, enhancing pet owners' awareness of disaster preparedness.

*Not only for protection during the adoption transition period, but also...

Executive Comments

This is a design which has carefully considered the various complex situations that come with pets during natural disasters. With protection and information design in what is provided for each situation, the multi-layer design collaboration has created an easy-to-use portable kit which is affordable and flexible. Also, the added function of becoming a nest is a truly touch as many evacuation facilities are sources of chaos. It is a time when the number of pets are exceeding children and families becoming smaller, pets are a crucial part of the human family, and so it should be known that you have all you need to protect your pet when you are all your loved relatives.

Pack a Home 2.0”: A Sustainable Journey from Land to Sky

In 2024, Fudy extended its sustainability vision from land to sky by focusing on wild bird rescue efforts. We partnered with the Taiwan Wild Bird Federation and the Wild Bird Society of Taipei to advance the “Pack a Home 2.0” project. Our design team redesigned wildlife release and rescue boxes to provide enhanced conservation and care for native bird species. This initiative transcends beyond design; it represents a vital step in biodiversity conservation, raising public awareness of the indispensable role birds play within ecosystems. Through this social impact design effort, Fudy actively supports global initiatives to halt biodiversity loss and promotes wildlife conservation to the wider community.



Future Outlook: Empowering Design, Advancing Sustainability

From caring for stray animals to conserving wild birds, the “Pack a Home” series exemplifies Fudy’s commitment to deepening innovation and impact in biodiversity conservation. Looking ahead, we will continue to drive “design innovation and sustainable practices,” dedicating our expertise to building a more sustainable world.



01

Fudy: Your Trusted Partner in Sustainability

"Integrity," "Sustainability," and "Care" – Working together with partners to achieve mutual prosperity and sustainable goals.

1.1	About Fudy Printing	15
1.1.1	Product Packaging Consultant	17
1.1.2	Business Performance	19
1.1.3	External Engagement	21
1.2	Sustainability Strategy Blueprint	22
1.2.1	Stakeholder Engagement	25
1.2.2	Sustainability Governance	27
1.2.3	Materiality Analysis	28

1.1 About Fudy Printing

1.1.1 Fudy, Your Product Packaging Consultant

1.1.2 Business Performance

1.1.3 External Engagement

1.2 Sustainability Strategy Blueprint

1.2.1 Stakeholder Engagement

1.2.2 Sustainability Governance

1.2.3 Materiality Analysis

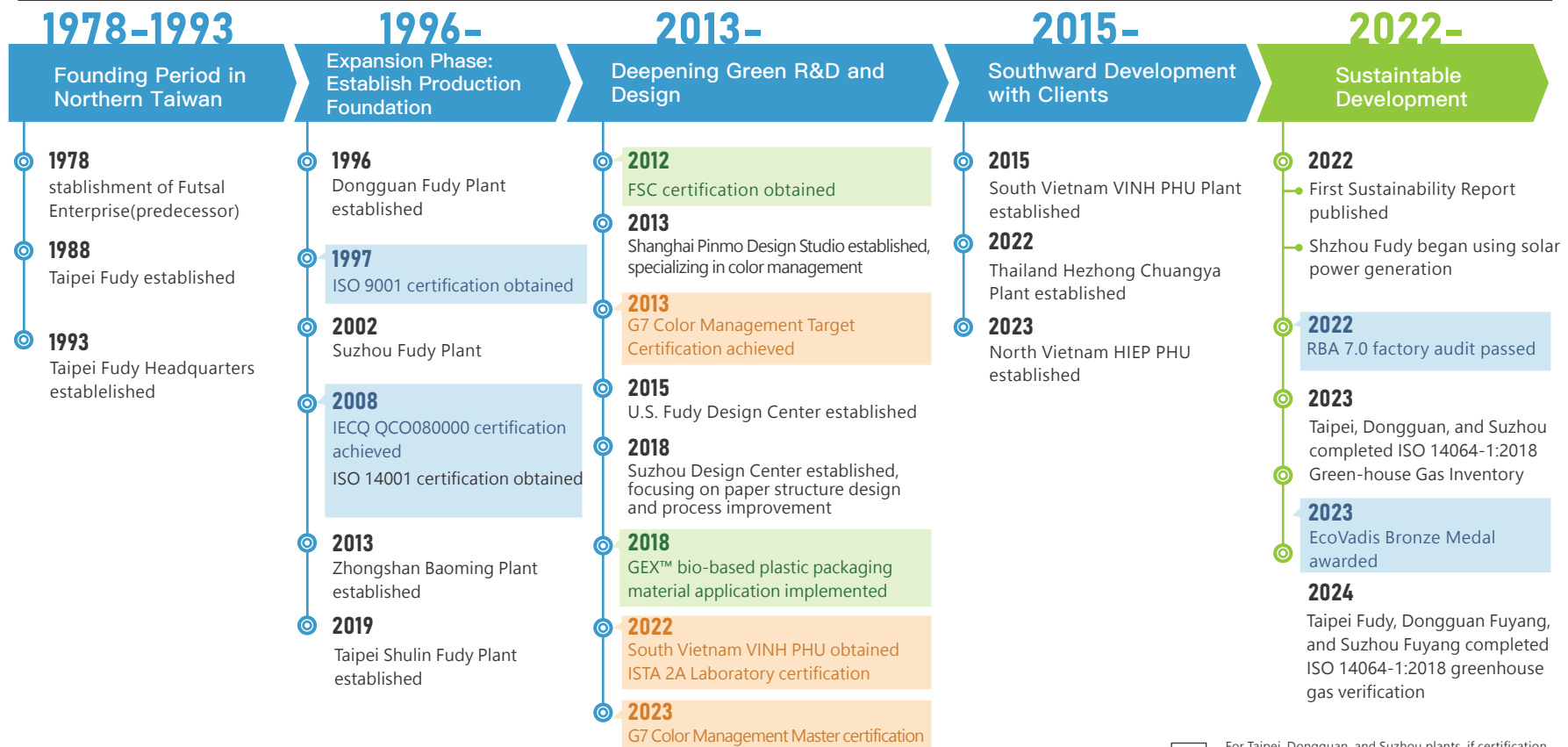
Fudy: Your Trusted Partner in Sustainability

1.1 About Fudy Printing

Founded in 1978 (formerly known as Fucai Enterprise), Fudy has been operating for over forty years with its headquarters in Taiwan. We have established manufacturing facilities in Taiwan, the United States, Vietnam, and mainland China, along with design and R&D centers in California, Taipei, Suzhou, and Shanghai. Guided by our core values of "Integrity," "Care," and "Sustainability," we are committed to providing comprehensive sustainable and eco-friendly packaging solutions for customers worldwide.

Fudy's Journey: A Timeline of Operational Milestones

Each milestone becomes part of our ongoing journey



Note

For Taipei, Dongguan, and Suzhou plants, if certification dates differ, the earliest certification date is recorded.

Fudy 2023–2024 Milestones

2023

- Since 2023, Taipei Fudy Headquarters, Dongguan Fuyang Plant, and Suzhou Fuyang Plant regularly complete ISO 14064-1:2018 greenhouse gas verification
- North Vietnam HIEP PHU Plant opened and commenced operations
- Social Impact Design Project launched — "Pack a Home": Pet Adoption Box Initiative

2024

- Taipei Fudy obtained C-TPAT certification
- Taipei Fudy, Dongguan Fuyang, Suzhou Fuyang, and North Vietnam HIEP PHU all completed RBA 8.0 factory audits
- Taipei Fudy and South Vietnam VINH PHU reliability laboratories obtained ISTA 2A certification
- North Vietnam HIEP PHU reliability laboratory obtained ISTA 1A/2A certification, with ISTA 3A/6A certificates expected by March 2025
- Established sustainability strategy blueprint "Partnership" (P.A.R.T.N.E.R.) guidance
- Set carbon reduction targets and made public commitment
- Pack a Home 1.0 won international design awards
- Taipei Fudy completed first CDP-SME submission, achieving B-level rating
- Social Impact Design Project — "Pack a Home 2.0": Wild Bird Rescue/Release Box Innovative Tool Design
- Taipei Fudy obtained EcoVadis Bronze Medal

Fudy			
Company Name	FUDY PRINTING CO., LTD.	Dongguan Fuyang Printing Co., Ltd.	Suzhou Fuyang Printing Co., Ltd.
Ownership Structure	Privately held company		
Capital	NTD 60 million	US\$5.1 million	US\$9.19 million
Year Established	1988	1998	2001
Chairman	Huang Lien-Feng		
General Manager	Wu Hui-Ming	Hsu Xian-bao	Zhao Chao-Gang
Operating Address	7F-5, No. 496, Bannan Road, Zhonghe District, New Taipei City, Taiwan	No. 3, Yiheng Lane, Baotun Industrial Zone, Houjie Town, Dongguan City, Guangdong	No. 42, Qiye Road, Suzhou Industrial Park, Suzhou, China
Main Products	Color boxes, corrugated boxes, hardcover boxes, corrugated cartons, molded pulp, vacuum-formed plastics, stickers, instruction manuals, packaging bags, posters, various cushioning materials		
Main Operating Locations	Taiwan, mainland China, Vietnam, Thailand, California, USA		
Service Markets	Europe, USA, Mexico, Japan, Vietnam, Thailand, mainland China		

1.1.1 Fudy, Your Product Packaging Consultant

Fudy is positioned at the critical nexus of the global packaging industry value chain, specializing in high-quality packaging solutions for consumer electronics. As a mid-stream integrator in the paper packaging material industry chain, we connect upstream raw material suppliers with diverse downstream customers, creating unique industry value. In 2024, electronic consumer product packaging representing 90% of our revenue, with customers spanning electronics technology, pharmaceuticals, food, and retail sectors. Our products are marketed globally, with particular strength in Europe, America, Japan, and Southeast Asian markets.

Milestones in Sustainable Expansion

In the third quarter of 2023, our company established HIEP PHU GreenPack Technology Co., Ltd. in North Vietnam, marking the strategic expansion of our Southeast Asian operations. This new facility, which employs advanced eco-friendly manufacturing processes, not only enhances regional supply resilience but also represents our firm commitment to green transformation.

As global packaging markets increasingly demand sustainability, Fudy's strategic positioning is particularly critical. We observe that leading brands are accelerating the phase-out of traditional plastic packaging, while regions such as the EU continue to strengthen packaging regulations. As a facilitator of sustainable transformation, Fudy not only provides eco-friendly packaging products but also assists customers in redesigning their overall packaging strategies, creating dual value for both environment and business.

Redefining Green Packaging

Fudy integrates circular economy principles into the core of packaging design. We are not merely packaging solution providers, but catalysts for sustainable innovation, transforming waste resources into high-value packaging materials to create truly ecological circular systems. Our differentiated advantage stems from strategic alliances with biotechnology R&D institutions. Through these collaborations, Fudy successfully transforms previously discarded biological waste such as eggshells into high-performance green packaging materials. These innovative products have been certified by SGS as Eco Product, proving that Fudy not only talks about sustainability but leads industry transformation through concrete action.

The solutions we provide perfectly implement the international 3R1D principles (Reduce, Reuse, Recycle, Degradable), offering customers competitive advantages while meeting consumer expectations for genuinely eco-friendly products. In this urgent era of sustainable development, Fudy serves not only as a packaging supplier but also as a strategic partner in sustainable transformation, jointly building business models that are friendly to the planet. We believe that true innovation comes from viewing waste as a resource—this is the core philosophy driving Fudy's packaging revolution.

Product Packaging Design

Conveying Brand Value

Manufacturing Process

From Concept to Execution

Logistics Management

Professional Warehousing and
Transportation Management

Amid the urgent need for sustainable development, Fudy is not just a packaging supplier, but a partner in sustainable transformation, working together with our customers to build planet-friendly business models.

Sustainable and Eco-friendly Packaging

- ◆ GEX™ Bio-based Plastics
- ◆ FSC® Sustainable Forest Paper Materials
- ◆ Plastic-free Fully Biodegradable Anti-scratch Film
- ◆ Molded Pulp
- ◆ Paper Tape
- ◆ Paper Hooks/Handles
- ◆ All-paper Structural Designs
- ◆ Mineral Oil-free Inks
- ◆ Plant Fiber-based Paper Bags
- ◆ Water-based Blister Coating



1.1.2 Business Performance

In 2024, Fudy's total revenue reached NTD 2.008 billion, a decrease of 9.03% compared to the previous year. This decline was primarily attributed to the ongoing tensions in bilateral trade relations between China and the US, which resulted in significant production shifting pressure on our two major production bases in Dongguan and Suzhou, particularly for products manufactured in mainland China and exported to the United States. In response to the structural changes brought by global supply chain restructuring, Fudy has adopted a proactive regional diversification strategy, accelerating our ASEAN deployment by establishing production facilities in Binh Duong Province, South Vietnam, and Bac Ninh Province, North Vietnam, forming a more resilient manufacturing network. This strategic adjustment not only helps mitigate geopolitical risks but also enables Fudy to serve international customers more flexibly, access emerging markets, and lay the foundation for sustainable growth in the post-pandemic era.

Item (Unit: NTD Thousands)		2022	2023	2024
Direct Economic Value Generated	Revenue	2,223,426.78	2,207,405.68	2,008,053.90
	Operating Costs	1,712,741.00	1,500,786.66	1,451,558.28
Distributed Economic Value	Employee Salaries and Benefits	267,774.00	227,554.12	300,895.02
	Payments to Investors	5,357.00	4,457.53	2,526.00
	Community Investment	308.00	458.00	1,199.75
Total Distributed Economic Value		1,986,180.00	1,733,256.31	1,756,179.05
Retained Economic Value		237,246.78	474,149.37	251,874.85

Note Retained Economic Value = Generated Direct Economic Value – Distributed Economic Value

Government Financial Assistance

In fiscal year 2024, Fudy received NTD 1,200.86 thousand in financial assistance from the public sector, with the three plants receiving NTD 167.30 thousand for Taipei Fudy, NTD 944.02 thousand for Dongguan Fuyang, and NTD 89.54 thousand for Suzhou Fuyang respectively.

Government Financial Assistance

In fiscal year 2024, Fudy received NTD 1,200.86 thousand in financial assistance from the public sector, with the three plants receiving NTD 167.30 thousand for Taipei Fudy, NTD 944.02 thousand for Dongguan Fuyang, and NTD 89.54 thousand for Suzhou Fuyang respectively.



	Subsidy Program/Item	Subsidy Amount (Unit: NTD Thousands)
Taipei Fudy	Maternity Leave Subsidy	7.19
Dongguan Fuyang	Vehicle Scrapping Incentive	2.00
	On-site Health Service Subsidy	56.00
Suzhou Fuyang	Employment Stabilization Subsidy and One-time Job Expansion Subsidy	219.42
	Tax Reduction for Priority Disadvantaged Groups	724.60
	High-tech Enterprise Incentive	89.54
Total		1, 200.86

Note The RMB-to-TWD conversion was based on the central exchange rate of 4.4770 announced by Cathay United Bank on November 29, 2024.

1.1.3 External Engagement

Fudy actively engages with industry associations and external advocacy organizations across all its operational sites. Through ongoing participation in events and knowledge-sharing initiatives, we foster collaborative and mutually supportive partnerships. These efforts reflect our commitment to advancing sustainable development, promoting shared industry prosperity, and amplifying our ESG impact.

Taipei Fudy

Associations or External Organizational Initiatives

Taiwan Climate Alliance

New Taipei City Industrial Association

E.SUN ESG and Sustainability Initiative

International Safe Transit Association (ISTA)

EcoVadis

Responsible Business Alliance (RBA)

CDP - SME (Small and Medium Enterprises)

Dongguan

Associations or External Organizational Initiatives

Dongguan Taiwan Investment Enterprises Association
(Houjie Sub-Association)

Dongguan Social Security Association

Dongguan Printing Industry Association

Houjie Town General Union of Dongguan City

Supplier Ethical Data Exchange (Sedex)

Responsible Business Alliance (RBA)

Suzhou Fuyang

Associations or External Organizational Initiatives

Suzhou Printing Industry Association

Suzhou Industrial Park Taiwanese Enterprises Association

Suzhou Industrial Park Foreign Investment Enterprises
Association

Suzhou-Taiwan Industrial and Commercial Association
for Mutual Progress

Suzhou Industrial Park Chamber of Commerce

Suzhou Industrial Park Safety Production Alliance

EcoVadis

Supplier Ethical Data Exchange (Sedex)

Responsible Business Alliance (RBA)



◀ In support of environmental sustainability and social inclusion, Fudy has participated in the E.SUN ESG and Sustainability Initiative for three consecutive years.

1.2 Sustainability Strategy Blueprint

2022

Under the leadership of Chairman Huang Lien-Feng, Fudy established the Sustainable Development Task Force, comprising six dedicated action teams. The year marked Fudy's inaugural year of ESG commitment, reflecting our firm belief that sustainability is a responsibility that cannot be overlooked.

2023

Fudy launched the Sustainability Office to coordinate company-wide sustainability initiatives and monitor performance across all facilities. That same year, we developed and obtained Board approval for the "Sustainable Development Code", applicable to Fudy and its affiliated companies. Sustainability principles were formally embedded into the company's core values, driving our comprehensive ESG practices.

2024

Fudy embraced innovation by hosting four sustainability strategy workshops designed to strengthen internal awareness and unify cross-functional consensus. This process culminated in the formulation of a clear Sustainability Strategy Blueprint anchored in the concept of "Collaborative Partnership (P.A.R.T.N.E.R.)", guiding the company's long-term sustainable development.



▲ Fudy 2024 Sustainability Strategy Blueprint

P.A.R.T.N.E.R. Sustainability Strategy

Planned: Establish a comprehensive blueprint for sustainable development

Accurate: Pursue precision and excellence in product and service quality

Responsive: Respond to market and environmental changes with agility

Trustworthy: Uphold integrity in operations and building reliable partnerships

Nurturing: Value talent development and foster an environment of mutual growth

Eco-friendly: Commit to environmental sustainability and promote green business practices

Rights-respecting: Respect human rights and cultivate an inclusive workplace culture

E Environmental Stewardship and Green Operations

Through effective resource conservation and management, we drive sustainable supply chain practices to co-create an environmentally friendly future.

Low-Carbon Mission

We conduct comprehensive corporate sustainability assessments, ensure regulatory compliance, and implement environmental stewardship practices to reduce operational costs and enhance corporate image.

Climate Change
Response Ch2

Circular Co-creation

We implement environment-focused initiatives to enhance operational stability and develop innovative competitive solutions.

Sustainable
Supply Chain
Management
Ch3,

Waste
Management
Ch2

S People-Centered Workplace and Social Care

We prioritize talent development while addressing stakeholders' health, safety, and human rights, fostering an inclusive and harmonious society.

Friendly Workplace

We prioritize employee development and career advancement by creating a safe, healthy, and diverse inclusive workplace, respecting and protecting employee human rights to attract top talent and strengthen organizational cohesion.

Social Inclusion

We actively engage in social welfare initiatives and contribute to society through meaningful actions.

Talent Cultivation and Development Ch4

G Robust and Reliable Governance with Quality Innovation

We build integrity-driven corporate governance systems and design high-quality, innovative products and services.

Trustworthy and Reliable

We build an integrity-driven corporate culture, strengthen risk management mechanisms, and ensure full regulatory compliance across all operations to enhance sustainable

Risk Management Ch5

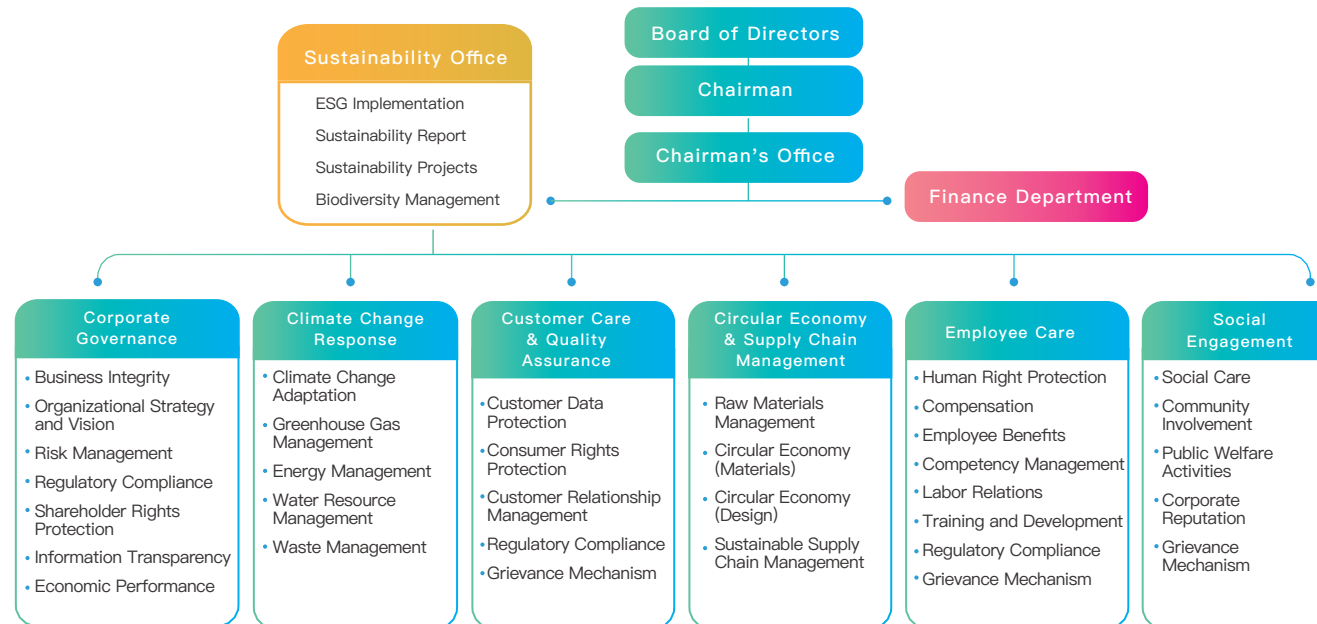
Innovative Products

We continuously enhance product quality and services, foster innovation and R&D excellence, strengthen customer relationship management, and prioritize customer satisfaction to elevate brand value.

Customer
Relationship
Management
Ch5

Sustainable
Products
Ch3

Fudy's sustainability vision is to serve as a steadfast partner in customers' sustainable development within the industry chain, upholding the perpetual sustainability spirit, integrating it into daily operations, and comprehensively practicing the ESG spirit.



We uphold the core corporate values of "Integrity," "Care," and "Sustainability." Under the leadership of Chairman Lien-Feng Huang and other senior executives, we develop strategies and action plans for corporate governance, social responsibility, and environmental protection. Through top-down governance and supervision by the Board of Directors, we examine the inseparable relationship between business and the environment, ensuring that we safeguard the sustainable value of our products while expanding our business activities.

In 2024, we convened 4 Sustainable Development Working Group meetings with 100% attendance. These meetings addressed critical topics including annual sustainability strategy blueprint, carbon management (including carbon footprint and energy management), supply chain management, and responses to international sustainability trends and requirements. Through vertical integration and horizontal cross-departmental communication, we comprehensively consolidated the company's annual sustainability development strategic objectives, with the sustainability convener reporting the overall annual sustainability development strategy and execution results to the Board of Directors.

1.2.1 Stakeholder Engagement

Fudy conducts stakeholder identification in accordance with the AA1000 Stakeholder Engagement Standard (AA1000 SES). The Sustainability Development Working Group convenes to evaluate stakeholders based on factors such as dependency, responsibility, interest, influence, and diverse perspectives. Through this comprehensive evaluation process, we have identified and confirmed seven key stakeholder groups: customers, employees, shareholders, banks, suppliers, regulatory authorities, and community/non-profit organizations. In daily practice, we engage with various stakeholder groups through bidirectional, ongoing, and multi-channel communication to gather feedback and suggestions, and address their concerns.

Fudy's 2024 Stakeholder Engagement and Response Status

Stakeholders	Importance to Fudy	Key Concerns	Communication Methods and Frequency	Actual Engagement and Communication Results:
 Customers	Customers are the core of Fudy's operations and the main source of profit.	- Product Quality Customer - Relationship Management - Regulatory Compliance - Risk Management - Information Security - Sustainable Supply Chain Management	- Occasional in-person customer visits (based on customer importance) - Video conferences (periodically) - Email and phone communication (real-time) - Customer satisfaction surveys and certifications (annually) - Design proposal presentations (periodically) - Website updates on corporate sustainability (periodically) - Customer supplier conferences (periodically) - Signing of restricted substance guarantee letters/commitment letters (periodically)	- Conducted over 4,497 customer visits (Taipei Fudy: 1,085, Dongguan Fuyang: 1,696, Suzhou Fuyang: 1,716) - Participated in 518 video conferences (Taipei Fudy: 452, Dongguan Fuyang: 31, Suzhou Fuyang: 35) - Maintained frequent email and phone communication (Taipei Fudy: 129,420 messages in total; Dongguan Fuyang: over 1 per day; Suzhou Fuyang: over 4 per day) - Customer satisfaction averaged over 92 points/100 (Taipei Fudy: 93.8, Dongguan Fuyang: 92.1, Suzhou Fuyang: 91) - Updated 30 certifications (Taipei Fudy: 9, Dongguan Fuyang: 9, Suzhou Fuyang: 12) - Provided 433 design proposal presentations (Taipei Fudy: 193, Dongguan Fuyang: 12, Suzhou Fuyang: 228) - Updated corporate sustainability website information 22 times - Participated in 20 customer supplier conferences (Taipei Fudy: 3, Dongguan Fuyang: 11, Suzhou Fuyang: 6) - Signed 188 restricted substance guarantee letters (Taipei Fudy: 55, Dongguan Fuyang: 112, Suzhou Fuyang: 21)
 Employees	Employees are the foundation of Fudy's operations and key to industry competitiveness.	- Product Quality Regulatory - Compliance Occupational - Safety and Health - Customer Relationship Management - Talent Development and Training	- Employee Welfare Committee meetings - Labor-management meetings (quarterly) - Employee suggestion box (real-time) - Employee complaint hotline (real-time) - Educational training (periodically)	- Held 10 Employee Welfare Committee meetings (Taipei Fudy: 8, Dongguan Fuyang: 1, Suzhou Fuyang: 1) - Conducted 6 labor-management meetings (Taipei Fudy: 4, Dongguan Fuyang: 1, Suzhou Fuyang: 1) - Employee suggestion box received 1 feedback (Dongguan Fuyang: 1) - Employee complaint hotline handled 1 case (Dongguan Fuyang: 1) - Annual employee training totaled approximately 6,328 hours
 Shareholders	Shareholders support Fudy's steady growth, and Fudy is committed to protecting their interests.	- Ethical Business Practices - Risk Management - Regulatory Compliance - Product Quality - Customer Relationship Management - Product Innovation and R&D - Occupational Safety and Health - Human Rights Protection	- Financial statements for each operational site (monthly) - Annual consolidated statements for each plant (yearly) - Business strategy discussions via phone/video (periodically) - Regular board meetings (quarterly)/shareholder meetings (at least once annually)	- Each operational site provided monthly financial statements totaling 36 times; annual consolidated statements provided once - Held 6 business strategy discussions via phone/video - Held 2 annual general meetings - Held 4 board meetings

Fudy's 2024 Stakeholder Engagement and Response Status

Stakeholders	Importance to Fudy	Key Concerns	Communication Methods and Frequency	Actual Engagement and Communication Results:
 Bank	Banks provide financial support and services, ensuring the company's financial stability.	◆ Ethical Business Practices ◆ Risk Management ◆ Product Quality ◆ Customer Relationship Management ◆ Regulatory Compliance ◆ Information Security	◆ Discussions with banks on company fund allocation and scheduling (periodically) ◆ Bank engagement activities (periodically)	◆ Discussed fund allocation and scheduling through periodic exchanges 16 times (11 conference calls, 5 in-person meetings) ◆ Participated in 3 sustainability forums hosted by banks ◆ Engaged in 1 sustainability initiative organized by banks
 Suppliers	Suppliers provide essential raw materials and services, crucial for supply chain stability and sustainable development.	◆ Procurement and Application of Eco-friendly Raw Materials ◆ Customer Relationship Management ◆ Ethical Business Practices ◆ Product Quality ◆ Human Rights Protection	◆ New product material discussion meetings (periodically) ◆ Supplier audits (annually) ◆ Supplier conferences (periodically) ◆ Quality control issues, inspection discussions, delivery tracking (real-time)	◆ Held 5 new product material discussion meetings ◆ Conducted routine supplier audits (Taipei Fudy: 50, Dongguan Fuyang: 28, Suzhou Fuyang: 14) ◆ Organized 1 supplier gathering ◆ 3 suppliers participated in Fudy's mountain cleanup activity ◆ 18 suppliers participated in Fudy's spring banquet ◆ Participated in 8 supplier process quality seminars (Taipei Fudy: 4, Dongguan Fuyang: 2, Suzhou Fuyang: 2)
 Regulatory Authorities	Government policies significantly influence business operations. Fudy strictly adheres to relevant regulations.	◆ Ethical Business Practices ◆ Risk Management ◆ Regulatory Compliance ◆ Information Security ◆ Product Quality	◆ Designated personnel for liaison with authorities (periodically) ◆ Official responses to government inquiries (real-time) ◆ Phone calls/visits, questionnaires, interviews (periodically) ◆ Labor safety/environmental/fire equipment inspections (periodically) ◆ Participation in government activities or meetings (periodically) ◆ Inspections and reporting as per regulations (regularly)	◆ Complied with all regulations, completing inspections and timely reporting ◆ Personnel contacted authorities 25 times (Taipei Fudy: 14, Dongguan Fuyang: 5, Suzhou Fuyang: 6) ◆ Responded to government inquiries 8 times (Dongguan Fuyang: 3, Suzhou Fuyang: 5) ◆ Phone calls/visits, questionnaires, interviews 54 times (Dongguan Fuyang: 3, Suzhou Fuyang: 5) ◆ Labor safety/environmental/fire inspections totaled 138 times ◆ Participated in 19 government environmental/safety activities (Taipei Fudy: 1, Dongguan Fuyang: 10, Suzhou Fuyang: 8)
 Community/ Non-profit Organizations	Fudy provides resources and personnel for community activities, addressing community needs and enhancing social recognition.	◆ Risk Management ◆ Regulatory Compliance ◆ Product Innovation and R&D ◆ Procurement and Application of Eco-friendly Raw Materials ◆ Climate Change Response ◆ Occupational Safety and Health ◆ Talent Development and Training ◆ Social Participation	◆ Charitable donations (periodically) ◆ Charitable activities (periodically) ◆ Charitable design projects	◆ Total charitable donations: NTD 1,477,859 (Taipei Fudy: NTD 1,388,319, Suzhou Fuyang: NTD 89,540) ◆ Participated in 6 charitable activities with total expenditure of NTD 1,534,172 (Taipei Fudy: 5 events, Suzhou Fuyang: 1 event at no additional cost) ◆ Organized "Pack a Home 2.0" charitable design project with total investment of NTD 383,513 ◆ "Pack a Home 2.0" project involved 4 in-person meetings with expert associations and real-time online discussions ◆ Participated in 5 Taiwan Climate Partnership activities

1.2.2 Sustainability Governance

Fudy conducts its materiality assessment through a three-stage process: identification, evaluation and analysis, and disclosure. We identify key sustainability issues by confirming stakeholders' concerns related to the company's economic, environmental, and social (including labor rights) aspects. This process references the Global Reporting Initiative (GRI) Standards, studies international industry trends, and considers issues of concern among peer companies. Through the intersection of these sources, we identify common sustainability topics, then collect stakeholders' attention levels and impact assessments on these topics via online surveys. Following the AA1000 AccountAbility Principles (2018), we apply four core principles — inclusivity, materiality, responsiveness, and impact — to identify material topics.

STEP 1 ESG Topic Collection

Drawing on sustainability trends, industry regulations and standards within the printing and packaging sector, and areas of focus from leading domestic and international peers, Fudy identified 16 relevant ESG topics. These were selected based on our sustainability strategic blueprint and regular stakeholder feedback. The topics are categorized into three dimensions: economic (6 topics), environmental (6 topics), and social (4 topics).

STEP 2 Identification of Actual and Potential Impacts

We developed a "Stakeholder Concern Survey" to assess the level of interest in the 16 ESG topics, receiving 130 valid responses. In parallel, 16 senior managers (department head level and above) completed a "Materiality Assessment Survey," evaluating each topic based on severity (scale and scope) and likelihood of occurrence. This dual-survey approach enabled a more detailed and standardized internal assessment.

STEP 3 Assessment of Impact Significance

The results of both surveys were analyzed with equal weighting and quantitatively ranked. A threshold was then set to determine material topics. An internal decision-making meeting was convened to evaluate the significance and likelihood of both positive and negative impacts of each topic. To ensure the accuracy and appropriateness of the identified material topics and threshold criteria, external consultants were engaged for validation. This process ensures completeness, inclusiveness, and alignment with Fudy's sustainability strategic blueprint. In 2024, nine material topics were identified.

STEP 4 Confirmation of Material Topics

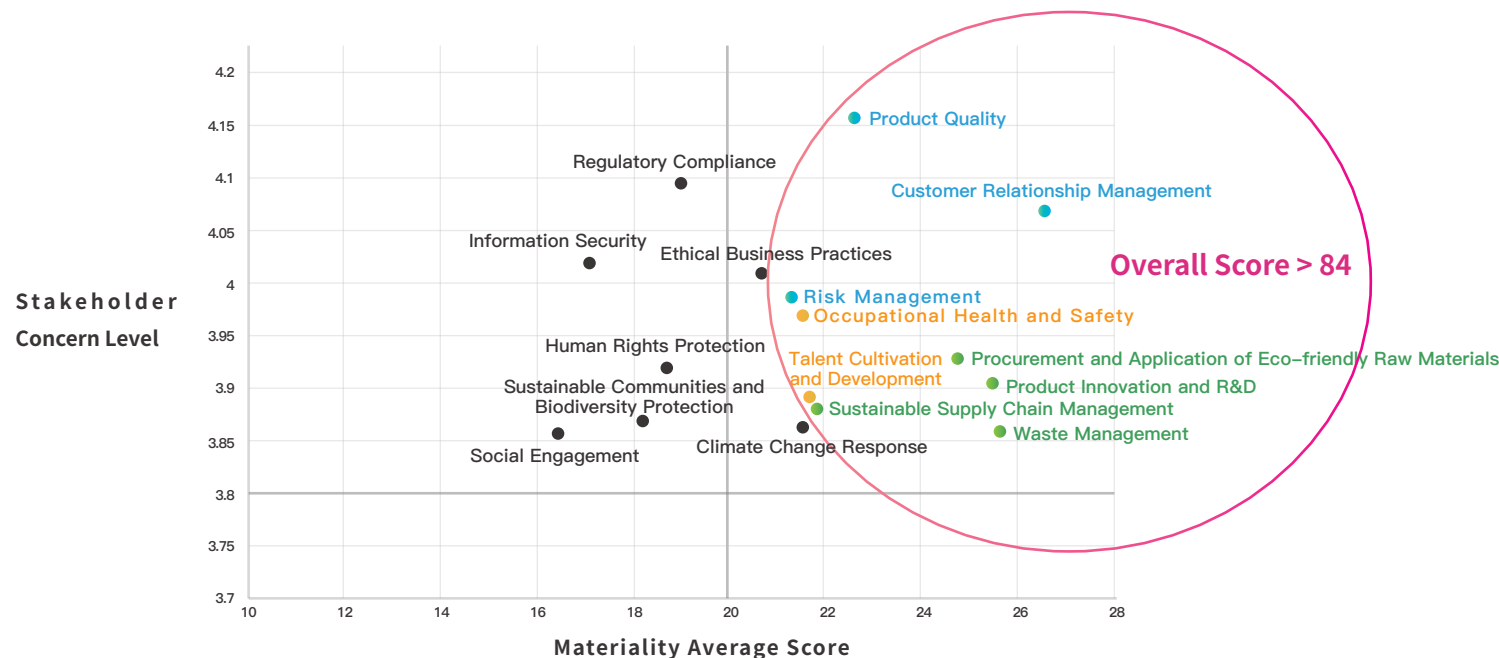
The nine material topics identified in 2024 were submitted by the Sustainability Development Working Group and approved by the Board of Directors. Each topic is disclosed in this report, along with Fudy's corresponding policies, commitments, management actions, performance indicators, and targets.

1.2.3 Materiality Analysis

The Sustainable Development Working Group convened an internal materiality decision-making meeting based on the results of the 2024 sustainability survey. Taking into consideration the company's operational development vision and current status, the working group refined the issues originally identified through the survey: customer relationship management, product innovation and R&D, waste management, procurement and application of eco-friendly raw materials, product quality, occupational health and safety, sustainable supply chain management, risk management, and talent cultivation and development.

Fudy referenced internationally significant sustainability issues and peer industry material topics. Following deliberations in the decision-making meeting, the working group made several adjustments: "product quality" was integrated into "customer relationship management" for streamline oversight and ensure consistent management, while "product innovation and R&D" and "procurement and use of eco-friendly raw materials" were combined under the "sustainable products" theme. Additionally, continuing from the 2023 material topics, "ethical business practices," "human rights protection," and "occupational health and safety" were consolidated under "risk management." The working group also added "sustainable supply chain management" and "talent cultivation and development" as new material topics for this year.

Fudy's finalized 2024 material topics comprise seven issues reported to the Board of Directors: customer relationship management, sustainable products, waste management, climate change response, risk management, sustainable supply chain management, and talent cultivation and development.



▲ Materiality Matrix: Fudy's Material Topics x Stakeholder Concern

Changes to 2024 Material Topics

In 2024, Fudy re-evaluated its material topics based on evolving global sustainability trends, industry norms, and stakeholder concerns. To ensure alignment with key strategic and emerging sustainability issues, certain topics were refined, consolidated, or renamed as detailed below.

2023 Material Topic	2024 Material	Description of Changes
Customer Relationship Management	Customer Relationship Management	Product Quality is integrat–
Product Quality		
Product and Service Innovation	Sustainable Products	Product and Service
Green Products		
Waste Management	Waste Management	No change.
Climate Change Response	Climate Change Response	No change.
Ethical Business Conduct	Risk Management	Ethical business conduct, human rights protection, and occupational safety are incorporated under risk management to support a comprehensive risk control framework.
Human Rights Protection		
Occupational Health and Safety		
	Sustainable Supply Chain Management	New topic introduced to reflect circular management across product design, production, and recycling.
	Talent Cultivation and Development	New topic added to enhance competitiveness and respond to sector-wide focus on human capital development.

List of Material Topics

Aspect	Material Topics	Corresponding GRI Standards	Significance and Importance to Fudy	Value Chain			Corresponding Chapters
				Upstream	Fudy	DownStream	
Corporate Governance	Customer Relationship Management	Customized Topic	Positive Actual Impact Fudy places "customer satisfaction first" at its core, providing highly customized packaging solutions through a deep understanding of and rapid response to customer needs. We establish diverse and transparent communication channels, consolidating our position as a key partner in our customers' supply chains. Negative Potential Impact Failure to accurately identify and meet diverse customer needs may reduce customer satisfaction and loyalty, consequently affecting the company's market competitiveness.		●	●	Chapter 5 Robust and Reliable Quality Innovation
Product	Sustainable Products	Customized Topic	Positive Actual Impact Fudy ensures products meet global regulatory standards through rigorous product quality control, eco-friendly material development, and innovative packaging design. We are committed to reducing the use of hazardous substances and continuously optimizing product quality, thereby enhancing market competitiveness and strengthening customer trust and loyalty. Negative Potential Impact Development of green packaging materials may result in higher R&D, production, and procurement costs, potentially leading to increased product prices that could impact customer relationships and business development.	●	●	●	Chapter 3 A Steadfast Partner in Customer Sustainability
Environment	Waste Management	GRI 306	Positive Actual Impact Fudy implements comprehensive waste management strategies to promote circular economy development. We focus on source reduction, use of recycled materials, prioritize recyclable materials, and strictly ensure waste disposal complies with environmental regulations while continuously promoting eco-friendly production processes. Negative Potential Impact Improper management in waste disposal processes or increases in non-recyclable waste may lead to environmental pollution, health risks, and rising disposal costs, affecting the achievement of company waste management goals and posing potential threats to brand image and regulatory compliance.		●		Chapter 2 Green Operations with Environmental Responsibility

List of Material Topics

Aspect	Material Topics	Corresponding GRI Standards	Significance and Importance to Fudy	Value Chain			Corresponding Chapters
				Upstream	Fudy	DownStream	
Environment	Climate Change Response	301-1、301-2 302-1、302-3、 303-1、303-3、 303-5、305-1、 305-2、305-4 305-6、305-7	Positive Actual Impact Fudy actively promotes climate change response strategies, including carbon emission inventories, energy conservation and carbon reduction plans, and renewable energy investments. We have set clear carbon reduction targets, optimize production processes to lower our carbon footprint, and develop low-carbon products and services to meet market demand for sustainable solutions. These proactive measures enhance corporate climate resilience and create green competitive advantages and new business opportunities. Negative Potential Impact Climate change may increase extreme weather events, affecting raw material supply stability and production facility safety. Higher initial investment costs in carbon reduction technologies and renewable energy may impact short-term financial performance. Failure to comply with increasingly stringent carbon regulations and customer carbon reduction requirements could result in regulatory risks and loss of market share. Additionally, energy price volatility during the climate transition may raise operational costs.		●		Chapter 2 Green Operations with Environmental Responsibility
Corporate Governance	Risk Management	Customized Topic	Positive Actual Impact Actively promoting comprehensive risk management systems where the Board of Directors and senior management identify potential risks and develop targeted response measures. This enhances the company's resilience against external challenges while maintaining focus on sustainable development. Negative Potential Impact Inadequate risk assessment processes may fail to identify emerging or rapidly evolving threats, leaving the company vulnerable. Additionally, overly conservative risk management approaches can stifle innovation and limit market expansion opportunities. The substantial resources required to establish and maintain these systems may also divert attention from day-to-day operations.		●	●	Chapter 5 Robust and Reliable Quality Innovation

List of Material Topics

Aspect	Material Topics	Corresponding GRI Standards	Significance and Importance to Fudy	Value Chain			Corresponding Chapters
				Upstream	Fudy	DownStream	
Environment	Sustainable Supply Chain Management	Customized Topic	Positive Actual Impact Fudy has established a diversified supplier base to reduce reliance on single suppliers and prioritizes local procurement. This approach helps lower the carbon footprint and strengthens supply chain resilience. Moreover, Fudy's localized procurement policy promotes local economic development and enhances the company's competitive advantage. Negative Potential Impact If suppliers fail to meet Fudy's sustainability standards or are involved in environmental or social risk incidents, it could indirectly harm Fudy's reputation. Furthermore, stricter supply chain sustainability requirements may increase short-term cost pressures or force some suppliers to discontinue cooperation if they cannot comply, potentially affecting production stability and material availability.	●	●	●	Chapter 3 A Steadfast Partner in Customer Sustainability
Employee	Talent Cultivation and Development	GRI 404-1, 404-3	Positive Actual Impact Fudy is committed to comprehensive talent cultivation by providing not only regular professional training but also customized development programs tailored to each department's needs. We promote initiatives for physical and mental well-being, including health management and stress management programs. This diverse and personalized development strategy enhances employees' professional capabilities and job satisfaction while enhancing organizational resilience and fostering a culture of innovation, thereby establishing a solid talent foundation for sustainable operations. Negative Potential Impact Uneven distribution of training resources or failure to meet the diverse needs of different employee groups may lead to imbalanced talent development and reduced employee engagement. Moreover, the return on investment in talent cultivation typically manifests in the long term and may face short-term challenges such as training costs and temporary productivity decline. If the nurtured talent cannot secure corresponding career development opportunities, it may increase turnover risks, negatively affecting knowledge transfer and organizational stability.		●		Chapter 4 People-Centered Care in the Workplace and Society

Material Topic Management Approach

Customer Relationship Management

GRI Indicators ▶

Customized Topic

Related SDGs ▶

Impact
Assessment ▶

+ Positive Impact

Fudy places "customer satisfaction first" at its core, providing highly customized packaging solutions through a deep understanding of and rapid response to customer needs. We establish diverse and transparent communication channels, consolidating our position as a key partner in our customers' supply chains.

- Negative Impact

Failure to accurately identify and meet diverse customer needs may reduce customer satisfaction and loyalty, consequently affecting the company's market competitiveness.

Policies and
Commitments

Fudy is committed to building robust and trust-based customer relationships, responding to customers' sustainability expectations through high-quality service, prompt response, and privacy protection.

Objectives ▶

Short-term Objectives

- Continuously maintain an average customer satisfaction score of 90 points or above
- Strengthen quality control points with annual customer complaint rate < 0.33%
- Achieve 100% response rate to customer complaints within 24 hours
- Implement a managerial coaching system to support business teams, ensuring customer needs are responded to within 4 hours during business hours
- Organize 10 sessions of technical services, training, and green packaging awareness programs for customers
- Ensure 0% complaint rate for confidential customer information and privacy protection in business dealings
- Successfully pass all customer verification audits with 100% achievement rate
- Optimize customer satisfaction questionnaires by incorporating sustainability-related questions to understand customers' sustainability needs and expectations
- Standardize customer satisfaction questionnaires across all three plants

Medium-term Objectives

- Achieve average customer satisfaction score of 93 points or above
- Strengthen quality control points with annual customer complaint rate < 0.30%
- Provide customers with technical services, training, and green packaging advocacy across 15 sessions
- Develop at least three solutions tailored to customer sustainability needs based on survey insights
- Improve customer demand forecasting accuracy to 80%
- Establish a customer co-creation mechanism with at least 10 collaborative development projects annually
- Establish sustainable partnership programs to help customers reduce packaging environmental footprint

Long-term Objectives

- Continuously maintain average customer satisfaction score of 93 points or above
- Continuously maintain quality control points with complaint rate < 0.30%
- Position sustainability as the core of our customer value proposition, collaborating to achieve a shared sustainability vision and becoming a key partner in their sustainability transformation and supply chain
- Foster an innovation-driven culture centered on customer sustainability needs, enabling co-creation and mutual success

Responsible Units ▶

Taipei Fudy: Business Management
Division

Dongguan Fuyang: Sales
Department

Suzhou Fuyang: Sales Department

Grievance Mechanism ▶

Taipei Fudy: fudy_esg@mail.fudy.com.tw

Dongguan Fuyang: lijian@fuyangprint.com

Suzhou Fuyang: kelvin@mail.fuyangpacking.com

Tracking and Management Mechanism ▶

Customer Satisfaction Survey Evaluation
Improvement Reports

Resource Investment ▶

Multifunctional teams have been established to conduct phased customer visits, enhancing in-depth customer engagement and delivering comprehensive and timely customer service.

Taipei Fudy: 15 personnel

Dongguan Fuyang: 26 personnel

Suzhou Fuyang: 22 personnel

Annual Actions and Results

– Prevention and Mitigation of Negative Impacts

- Established comprehensive, transparent customer communication mechanisms with regular customer visits, providing solutions based on customer recommendations
- Continuously tracked customer satisfaction scores, conducting reviews and improvements based on customer feedback to maintain excellent customer service standards
- Enhanced customer satisfaction questionnaires by incorporating sustainability-related questions to promptly identify customer expectations and potential issues regarding sustainable products and services
- Implemented rapid customer complaint response mechanisms with standardized procedures for initial response within 24 hours and solution proposals within 72 hours
- Developed customer risk early warning systems with regular assessment of customer relationship health, proactively identifying potential concerns
- Formed cross-functional customer issue resolution teams to ensure complex problems receive full support and resources
- Conducted regular Failure Mode and Effects Analysis (FMEA) to simulate potential relationship crises and establish contingency plans
- Built a customer knowledge management platform to capture solutions and promote organizational learning and knowledge transfer
- Delivered regular customer service skills training to improve frontline communication and problem-solving efficiency

+ Positive Impact Management

- In 2024, Fudy conducted 3,237 customer visits, 518 video meetings, and attended 20 customer-supplier conferences, establishing multi-level engagement mechanisms
- Collaborated with customers on 188 restricted substance guarantee letters and commitment agreements, ensuring compliance with top environmental and safety standards
- Provided diverse and transparent communication channels to effectively respond to customer needs and foster long-term partnerships
- Integrated sustainability topics into satisfaction surveys to gather insights and co-develop solutions aligned with customers' sustainability goals
- Monitored satisfaction scores and made continuous improvements based on feedback
- Established sales response mechanisms to enhance sample confirmation timelines and delivery speed
- Applied the 80/20 rule to prioritize high-impact issues and improve resolution efficiency
- Adopted an "emotion-first" approach — addressing emotional concerns before solving substantive issues — to enhance the customer experience
- Implemented a transparency policy by regularly sharing improvement actions, such as via customer feedback improvement reports emailed to clients

Annual Achievements

- In 2024, average customer satisfaction scores exceeded 92 points across all sites: Taipei Fudy 93.8 (on 100-point scale); Dongguan Fuyang 92.1 points; Suzhou Fuyang 91 points
- Taipei Fudy received the "Outstanding ESG Supplier of the Year" award from Zyxel
- Suzhou Fuyang: Financial results showed increased repeat purchase rates and order volumes; higher customer satisfaction and reduced complaint rates; improved operational efficiency, faster response times and higher customer work order resolution rates

Material Topic
Management
Approach

Sustainable Products

GRI Indicators ▶

Customized Topic

Related SDGs ▶

Impact
Assessment ▶

+ Positive Impact

- Negative Impact

Policies and
Commitments

- Integrate sustainability principles throughout the product lifecycle, actively developing eco-friendly materials and green packaging design
- Prioritize the use of recyclable and renewable eco-friendly materials to achieve product plastic reduction, biodegradability, and circular reuse goals
- Provide customers with diverse sustainable packaging options while ensuring compliance with international environmental standards

Objectives ▶

Short-term Objectives

- Collaborate between R&D design centers and plant engineering/procurement departments to develop and formally introduce 5 types of eco-friendly raw materials and auxiliary materials
- Launch 10 sustainable product packaging solutions using green eco-friendly or recycled materials
- Establish product carbon footprint calculation mechanisms and complete carbon footprint assessments for major product lines
- Achieve 15% sustainable product revenue as a percentage of total revenue

Medium-term Objectives

- Develop and introduce a cumulative total of 10 types of eco-friendly raw materials and auxiliary materials with a 30% substitution rate
- Launch a cumulative total of 20 sustainable product packaging solutions
- Reduce carbon footprint of major product lines by 10% compared to baseline year (2023)
- Achieve 35% sustainable product revenue as a percentage of total revenue

Long-term Objectives

- Achieve 50% eco-friendly raw material usage rate, becoming a benchmark for sustainable material applications in the printing industry
- Launch a cumulative total of 30 sustainable product packaging solutions, becoming customers' preferred green packaging supplier
- Establish comprehensive Life Cycle Assessment (LCA) systems to enable environmental impact assessment during the product design phase
- Achieve 50% sustainable product revenue as a percentage of total revenue

Responsible Units ▶

Taipei Fudy: Design Department, Materials Department, Sales Department

Dongguan Fuyang: Sales Department

Suzhou Fuyang: Sales Department

Grievance Mechanism ▶

Taipei Fudy: fudy_esg@mail.fudy.com.tw

Dongguan Fuyang: lijian@fuyangprint.com

Suzhou Fuyang: kelvin@mail.fuyangpacking.com

Tracking and Management Mechanism ▶

- Monitor FSC® product ratios and annual certification renewal status
- Track sustainable product proposal frequency and conversion-to-order rates
- Monitor sustainable material usage ratios and annual growth rates
- Track product carbon footprint reduction effectiveness
- Monitor sustainable product revenue ratios and annual growth rates
- Conduct customer sustainability requirement satisfaction surveys

Resource Investment ▶

FSC® Certification: Total investment of approximately NTD 401,776.81 across three plants, with 63 personnel involved

Annual Actions and Results

– Prevention and Mitigation of Negative Impacts

- Established sustainable material cost control mechanisms, balancing eco-friendly material usage with cost-effectiveness through scale procurement and strategic supplier partnerships
- Developed diversified eco-friendly material supply sources to reduce single-supplier risks and ensure stable material supply
- To promote sustainable eco-friendly materials while ensuring packaging safety and functionality, reliability laboratories at Taipei Fudy, North Vietnam HIEP PHU, and South Vietnam VINH PHU obtained ISTA 2A certification
- Recruited professional designers and trained existing teams to strengthen green design capabilities and enhance sustainable product R&D efficiency
- Collaborated with customers to evaluate sustainable product applicability, ensuring alignment with actual needs and market expectations
- Continuously expanded plant environmental certification scope, including ISO 14064-1:2018, ISO 14067:2018, and maintaining FSC® certification to establish verifiable sustainability systems
- Regularly monitored global sustainable packaging regulatory trends to proactively address potential compliance requirement changes
- Established sustainable product investment return evaluation mechanisms to ensure balance between environmental investment and commercial benefits

+ Positive Impact Management

- Continued investment in green packaging product R&D and participation in international awards, demonstrating Fudy's international competitiveness in innovative design and sustainable packaging
- Actively recommended customers adopt eco-friendly materials and all-paper structural packaging, conducting environmental testing through reliability laboratories during design sampling to ensure packaging combines safety with functionality
- Established sustainable product innovation incentive mechanisms to encourage internal teams to develop packaging designs that reduce environmental footprint
- Systematically recorded and quantified positive environmental contributions of sustainable products, including plastic reduction effectiveness, carbon emission reductions, and resource conservation data
- Strategically expanded FSC® CoC certified product lines to strengthen sustainable source management of paper packaging materials
- Hosted industry sustainable packaging forums to share innovative cases and promote green packaging concepts, enhancing brand influence
- Collaborated with biotechnology companies to develop cutting-edge sustainable materials, accelerating eco-friendly material applications
- Developed customer sustainable packaging transformation consulting services, transitioning from pure product supplier to sustainable solution provider

Annual Achievements

Taipei Fudy

- Secured 3 international brand customer projects in 2024
- Existing product designs received 2 Japan GOOD DESIGN Awards, 1 Taiwan Golden Pin Design Award, and 1 German iF Design Award for packaging design in 2024

Dongguan Fuyang

- Complete plastic substitution for customer networking product projects: 100% biodegradable
- Customer action camera project fixture improvements reduced workforce while increasing efficiency, improving production capacity by 20%
- Completely phased out traditional oil-based blister coatings, switching to more environmentally friendly water-based blister coatings
- Introduced paper rope straps and paper hooks as eco-friendly packaging materials, reducing plastic usage ratios
- Blister coating substitution solutions successfully entered mass production phase, achieving stable supply
- Continued promoting cold foil stamping process sampling and testing, and testing Plastic-Substitute Transfer Coating to expand eco-friendly printing process applications
- Vacuum formed product demand gradually decreased while eco-friendly molded pulp and FSC® CoC certified orders significantly increased, demonstrating market acceptance and support for sustainable products

Suzhou Fuyang

- Optimized networking product film-to-oil eco-friendly processes, substituting 1,338 production batches in 2024

Material Topic
Management
Approach

Waste Management

GRI Indicators ▶ 306

Related SDGs ▶

Impact
Assessment

+ Positive Impact

Fudy implements comprehensive waste management strategies to promote circular economy development. We focus on source reduction, utilize recycled materials, prioritize recyclable materials, strictly ensure waste treatment complies with environmental regulations, and continuously promote eco-friendly production processes.

- Negative Impact

Improper management of waste treatment or an increase in non-recyclable waste volumes may cause environmental pollution, health risks, and rising treatment costs, thereby impacting the achievement of corporate waste management objectives and posing potential threats to brand reputation and regulatory compliance.

Policies and
Commitments

- Committed to waste source reduction, classification management, and resource circulation to minimize environmental impact
- Increase eco-friendly material usage and set clear waste reduction targets
- Strictly comply with waste-related regulations and standards
- Promote waste resource recovery and circular economy, pursuing zero waste vision

Objectives ▶

Short-term Objectives

- Increase recyclable waste intensity cumulatively by 1%
- Decrease non-recyclable waste intensity cumulatively by 1%
- Establish standard operating procedures for waste classification at all facilities
- Complete baseline assessment of major waste generation points

Medium-term Objectives

- Increase recyclable waste intensity cumulatively by 3%
- Decrease non-recyclable waste intensity cumulatively by 3%
- Launch process waste reduction projects, identifying and improving 3 major waste sources

Long-term Objectives

- Increase recyclable waste intensity cumulatively by 5%
- Decrease non-recyclable waste intensity cumulatively by 5%
- Achieve over 90% recycling or reuse rate of process waste
- Establish at least 2 waste resource circulation models

Responsible Units ▶

Taipei Fudy: General Affairs Department
Dongguan Fuyang: Management Department
Suzhou Fuyang: Management Department

Grievance Mechanism ▶

Taipei Fudy : fudy_esg@mail.fudy.com.tw
Dongguan Fuyang : audit@fuyangprint.com
Suzhou Fuyang : zyj@mail.fuyangpacking.com

Tracking and Management Mechanism ▶

- Monthly statistics and updates on waste generation, recycling volumes, and treatment methods by each plant
- Quarterly review of waste generation and waste intensity by responsible units, reporting to Sustainability Promotion Group to track achievement of sustainable waste management objectives
- Establish waste classification management indicators to monitor trends in recyclable vs. non-recyclable waste ratios
- Track waste treatment cost variations and analyze cost-effectiveness
- Regularly audit waste treatment vendor qualifications and compliance to ensure proper disposal
- Continuously implement waste management based on 3R principles (Reduce, Reuse, Recycle) in production processes
- Monthly EHS management meetings at each plant to review environmental management matters and track improvement progress
- Annual review of waste management processes and effectiveness at each plant, developing improvement plans for the following year

Annual Actions and Results

– Prevention and Mitigation of Negative Impacts

- Implement strict waste classification management systems to reduce mixed waste generation
- Conduct waste source analysis on major production lines to identify and improve high-waste generation processes
- Optimize product packaging design and production processes to enhance quality and reduce process waste
- Train employees on proper waste handling knowledge and skills to raise environmental awareness
- Regularly evaluate waste treatment vendors to ensure compliant disposal and avoid environmental liability risks
- Establish waste treatment emergency response to prevent environmental pollution from accidents
- Regularly assess waste reduction technologies and introduce practical waste reduction technologies and equipment

+ Positive Impact Management

- Establish paper waste recycling and reuse systems, converting scraps into cushioning materials
- Implement packaging material reduction design while helping customers reduce end-of-life waste generation
- Introduce production process wastewater treatment and recycling to reduce water resource consumption
- Collaborate with suppliers to develop reduced packaging and reusable transport containers
- Conduct regular waste inventories and data analysis to identify continuous improvement opportunities
- Promote waste management best practice sharing to facilitate experience exchange between facilities
- Establish employee innovation reward programs to encourage waste reduction and recycling creativity

Annual Achievements

Taipei Fudy

- To reduce office waste, Taipei Fudy eliminated disposable chopstick use during lunch beginning in January 2024. Since implementing this initiative, we reduced approximately 22 kg of bamboo chopstick usage by the end of 2024. While the reduction amount is modest, it enables all employees to participate collectively, raising carbon reduction awareness through environmental education
- In 2024, Taipei Fudy achieved a 25.1% carbon emission reduction, equivalent to 0.865 tCO₂e, through switching to eco-friendly office supplies and selecting nearby procurement options

Dongguan Fuyang

- Posted water and electricity conservation signs and environmental protection posters throughout the facility to enhance employee energy conservation and carbon reduction awareness
- Hazardous waste decreased by 2.30 metric tons compared to 2023
- Zero waste violation records in 2024

Suzhou Fuyang

- Corporate cost reduction: hazardous waste unit price reduced by RMB 1,550/metric ton (NTD 6,939.35/metric ton), saving approximately RMB 30,000 annually in hazardous waste treatment costs
- Pollution reduction: printing workshop adopted a centralized ink supply system, reducing packaging container usage by approximately 5% annually
- Resource circulation: used recycled materials to replace virgin materials
- Promoted low-carbon commuting, establishing low-carbon commuting days, reducing motor vehicle usage by 20% and decreasing carbon dioxide emissions

Material Topic
Management
ApproachClimate Change
Response

GRI Indicators

301-1、301-2、302-1、302-3
、303-1、303-3、303-5、
305-1、305-2、305-4、305-6

Related SDGs

Impact
Assessment

+ Positive Impact

Fudy actively promotes climate change response strategies, including carbon emission inventories, energy conservation and carbon reduction plans, and renewable energy investments. We have set clear carbon reduction targets, optimize production processes to lower our carbon footprint, and develop low-carbon products and services to meet market demand for sustainable solutions. These proactive measures enhance corporate climate resilience and create green competitive advantages and new business opportunities.

- Negative Impact

Climate change may increase extreme weather events, affecting raw material supply stability and production facility safety. Higher initial investment costs in carbon reduction technologies and renewable energy may impact short-term financial performance. Failure to comply with increasingly stringent carbon regulations and customer carbon reduction requirements could result in regulatory risks and loss of market share. Additionally, energy price volatility during the climate transition may raise operational costs.

Policies and
Commitments

- Comply with international environmental regulations and standards, prevent pollution, and systematically reduce environmental impacts from production activities
- Conduct greenhouse gas inventories based on scientific methods and establish clear carbon reduction roadmap and targets
- Continuously improve energy efficiency and actively evaluate and implement renewable energy applications
- Develop climate resilience strategies to reduce potential impacts of extreme climate events on operations
- Integrate climate risks into the corporate risk management system with regular assessment and response
- Promote low-carbon design and production innovation, developing climate-friendly products and services
- Strengthen climate action collaboration with stakeholders to jointly drive industry carbon reduction

Objectives

Short-term Objectives

- Completed greenhouse gas inventories at Taipei Fudy, Dongguan Fuyang, and Suzhou Fuyang operational sites, establishing carbon emission baselines. Completed 2023 ISO 14064-1:2018 verification in 2024
- Set carbon reduction targets (using 2023 as baseline year, targeting 4% annual reduction by 2030, with public declaration), achieving 8% reduction from baseline across all Fudy facilities by 2025
- Completed inventories and efficiency assessments of major energy-consuming equipment
- Established energy use monitoring systems to track key energy consumption points (Suzhou Fuyang has initiated assessment, expecting to complete energy management system verification by 2025, with Taipei Fudy and Dongguan Fuyang to follow)

Medium-term Objectives

- Expand renewable energy usage ratios, achieving 10% green electricity usage across all three major operational sites
- Reduce water-related carbon emissions by 5% through water conservation measures and water recycling at Suzhou Fuyang
- Gradually phase out low-efficiency equipment to improve energy efficiency
- Establish climate risk assessment and response mechanisms, integrating climate factors into operational decision-making

Long-term Objectives

- Achieve 28% carbon reduction from baseline across all Fudy facilities by 2030
- Work toward net-zero emissions by 2050
- Develop and promote low-carbon product lines, integrating climate-friendliness into the business model
- Jointly establish carbon reduction targets with key suppliers, driving value chain low-carbon transformation
- Continuously expand nature-based carbon sequestration projects, including afforestation and ecological habitat conservation

Responsible Units

Taipei Fudy: Chairman's Office
Dongguan Fuyang: Management Department
Suzhou Fuyang: Management Department

Grievance Mechanism

Taipei Fudy : fudy_esg@mail.fudy.com.tw
Dongguan Fuyang : audit@fuyangprint.com
Suzhou Fuyang : 318406026@mail.fuyangpacking.com

Tracking and Management Mechanism

- Convene climate action meetings biannually to review carbon reduction target progress and adjust strategies
- Implement a shared cloud-based carbon management platform to centrally manage greenhouse gas inventory data and carbon footprint data, enhancing data collection efficiency and analytical capabilities
- Continuously maintain ISO 14001:2015 Environmental Management System certification to ensure effective operation of the environmental management system
- Expand ISO 14064-1:2018 Greenhouse Gas Inventory verification scope to monitor annual carbon emissions across all three plants and track reduction progress
- Plan to implement ISO 50001:2018 Energy Management System standard certification to strengthen energy efficiency management
- Track annual environmental and climate-related expenditures and return on investment, evaluating the cost-effectiveness of carbon reduction measures
- Establish energy-consuming equipment performance assessment mechanisms to support data-driven replacement decisions
- Establish climate-related regulatory change tracking mechanisms to ensure compliance and timely response to new requirements

Resource Investment ▶

- Taipei Fudy: Purchased 16,195 kWh of green electricity, costing approximately NTD 104,000; greenhouse gas inventory verification fee NTD 264,200; carbon system usage-related fees NTD 121,800 (expected to commence in 2025)
- Dongguan Fuyang: Greenhouse gas inventory verification fee NTD 134,310
- Suzhou Fuyang: Greenhouse gas inventory fee NTD 102,971; purchased 1,423 MWh of green electricity, costing NTD 19,081; exhaust gas treatment system upgrade cost NTD 1,893,771

Annual Actions and Results

– Prevention and Mitigation of Negative Impacts

- Annual equipment replacement and efficiency improvement plans to reduce electricity consumption
- Establish climate risk assessment to identify and manage extreme weather event risks
- Develop business continuity plans to minimize potential climate event impacts on production capacity
- Implement carbon reduction measures in phases, balancing environmental investment with financial health
- Implement energy cost management strategies to mitigate price volatility risks
- Regularly track climate regulation changes to proactively address compliance requirements
- Optimize supply chain management to reduce extreme climate event impacts on raw material supply
- Maintain communication with customers to understand and meet their evolving climate-related requirements

+ Positive Impact Management

- Continue greenhouse gas inventory with external audit verification, expecting to complete 2024 external audit for three major plants in 2025, enhancing carbon management transparency and credibility
- Implement energy conservation and carbon reduction projects such as equipment efficiency optimization and lighting system upgrades to reduce operational costs
- Introduce renewable energy to enhance energy independence and reduce carbon emissions
- Deploy energy monitoring systems to track usage, identify savings opportunities, and systematically improve efficiency while reducing both emissions and costs
- Develop low-carbon products that meet customer sustainability requirements and strengthen market position
- Implement region-specific reforestation and tree protection programs to enhance carbon sequestration and biodiversity
- Actively participate in ecological conservation to enhance corporate social image and contribute to environmental protection
- Raise employee climate change awareness and cultivate energy conservation and carbon reduction culture
- Participate in industry climate initiatives to enhance corporate influence and reputation

Annual Achievements

- Completed ISO 14064-1:2018 verification for three plants in 2024 (2023 as baseline year)
- Reduced use of 16,195 kWh of grey electricity and switched to green electricity in 2024, successfully reducing 8,000.33 tCO₂e emissions

Taipei Fudy

- Introduced renewable energy: Implemented green electricity in November 2024
- Achieved CDP-SME Climate Change B rating in 2024, continuing progress toward higher ratings
- Undertook stewardship of 1.422 hectares of forest land in 2024, maintaining minimum survival of 1,392 trees per hectare during nurturing period
- Sponsored Jingualiao Fern Trail in 2024, organizing 2 mountain cleanup activities

Dongguan Fuyang

- Participated in Taiwan Business Association's terrestrial ecosystem environment building, jointly adopting tree planting activities
- Established emergency response information platform and emergency response team
- Energy conservation and carbon reduction actions include: (1) promoting double-sided printing and placing recycled paper near copy machines for reuse; (2) replacing 1 diesel forklift with an electric model to reduce emissions; (3) introduced digital proofing equipment to reduce hazardous waste; (4) adopting a unified pre-press proofing method for product series with varying specifications to avoid repetitive proofing, thereby reducing paper usage and lowering carbon emissions during production
- Enhanced environmental emergency response protocols and facility upgrades.

Suzhou Fuyang

- Voluntarily purchased 160 holly trees for roadside greening within the plant, increasing green area and purifying the environment

Material Topic
Management
Approach

Risk Management

GRI Indicators ▶

Customized Topic

Related SDGs ▶

Impact
Assessment ▶

+ Positive Impact

Actively promoting comprehensive risk management systems where the Board of Directors and senior management identify potential risks and develop targeted response measures. This enhances the company's resilience against external challenges while maintaining focus on sustainable development.

- Negative Impact

Negative Impact: Inadequate risk assessment processes may fail to identify emerging or rapidly evolving threats, leaving the company vulnerable. Additionally, overly conservative risk management approaches can stifle innovation and limit market expansion opportunities. The substantial resources required to establish and maintain these systems may also divert attention from day-to-day operations.

Policies and
Commitments

Establish a risk management system conducting systematic risk identification, assessment, and control through five dimensions: Man, Machine, Material, Method, and Environment, to timely address potential challenges, ensure sustainable and stable business operations, and create long-term value for all stakeholders.

Objectives ▶

Short-term Objectives

- Establish a formal Risk Management Group led by the special assistant to the Chairman in 2025 to develop shared risk management strategies and procedures for Fudy and its affiliates
- Complete identification and assessment of major corporate risk categories and establish preliminary risk database
- Develop response strategies and action plans for top 5 critical risks
- Conduct at least 2 company-wide risk awareness training sessions to enhance employee risk management capabilities

Medium-term Objectives

- Enhance risk management procedures and operations, regularly execute risk identification to strengthen corporate competitiveness and response capabilities
- Establish risk early warning indicator system to track and regularly review changes in critical risks
- Integrate risk management into facility managers' performance evaluations to ensure risk accountability
- Conduct annual risk management effectiveness assessments for continuous system improvement

Long-term Objectives

- Implement comprehensive risk management strategies and actions
- Foster a corporate culture that balances risks and opportunities by integrating risk thinking into daily decision-making and operations
- Develop forward-looking risk management capabilities to anticipate and effectively respond to emerging risks
- Enhance corporate resilience and sustainable development capabilities through risk management practices

Responsible Units ▶

Fudy Risk Management Group
Taipei Fudy: Various responsible units
Dongguan Fuyang: Management Department
Suzhou Fuyang: Management Department

Grievance Mechanism ▶

fudy_esg@mail.fudy.com.tw

Tracking and Management Mechanism ▶

Risk Management Group responsibilities

- Establish a risk matrix that maps risks by severity and frequency
- Regularly review risk control effectiveness and update risk status
- Conduct quarterly regulatory reviews to ensure compliance
- Submit annual risk management reports to the Board of Directors

Plant Management Department responsibilities

- Conduct regular comprehensive risk assessments covering operational and social responsibility risks
- Conduct quarterly regulatory reviews to ensure compliance
- Deliver risk management training for personnel
- Execute and maintain the effectiveness of management system audits and certifications

Resource Investment ▶

- Taipei Fudy: 2 personnel
- Dongguan Fuyang: 2 personnel
- Suzhou Fuyang: 2 personnel
- Taipei Fudy: 2 personnel
- Dongguan Fuyang: 2 personnel
- Suzhou Fuyang: 2 personnel

Annual Actions and Results

– Prevention and Mitigation of Negative Impacts

Risk Management Group responsibilities

- Conduct annual issue identification and risk assessment to confirm current and future operational threats, developing corresponding control measures. Issues cover quality, supply chain disruption, labor shortage, public facility disruption, information security, climate change, hazardous substances, environmental pollution, regulatory compliance, natural disasters, human rights, health and safety, ethics
- Establish regular early warning mechanisms for early detection and response to potential risks
- Pre-design clear responsibility allocation and decision-making processes to avoid risk management gaps during organizational adjustments

Plant Management Department responsibilities

- Establish diversified supplier networks to avoid single supplier risks to ensure raw material supply continuity during emergencies
- Implement quality control processes including quality testing to prevent product defects and reduce return or complaint risks
- Develop plant-level Business Continuity Plans (BCP) to ensure operational resilience and recovery capabilities during emergencies
- Implement risk transfer strategies such as appropriate insurance to reduce financial impact of risk events

+ Positive Impact Management

Risk Management Group responsibilities

- Execute annual issue identification and risk assessment to identify stakeholder concerns and explore potential business opportunities
- Optimize resource allocation through systematic risk management, avoiding unnecessary losses and improving operational efficiency
- Demonstrate corporate governance transparency through risk management achievements, enhancing investor confidence and market valuation
- Use risk assessment results to guide innovation direction, transforming risks into transformation and growth opportunities

Plant Management Department responsibilities

- Promote eco-friendly materials and processes to enhance brand image, attract environmentally conscious customers, and expand market reach
- Strengthen local supply chain cooperation to reduce global supply chain disruption risks while enhancing regional service capabilities and customer response speed
- Maintain effectiveness of environmental, social, and governance management system certifications (e.g., ISO 14001:2015, RBA, FSC®) to ensure compliance, strengthen market competitiveness and customer trust
- Provide highly customized design and production solutions based on customer needs to enhance customer loyalty and satisfaction, strengthening customer partnership
- Strengthen risk awareness culture, cultivating employees' ability to proactively identify opportunities and improvements

Annual Achievements

Taipei Fudy

- Established "Issue Identification and Risk Assessment Management Procedures" and "Social Responsibility Risk Assessment Management Procedures" to enhance risk management mechanisms through annual assessments, systematically identifying and managing operational risks and opportunities
- Conducted quality audits of 50 suppliers in 2024
- Completed 2 fire drills in 2024 to ensure emergency response capabilities
- Completed 4 regulatory inquiries in 2024, confirming full compliance with no violations identified
- First obtained C-TPAT and ISTA 2A Laboratory certifications in 2024
- All management system certifications remained valid throughout 2024

Dongguan Fuyang

- Conducted quality audits of 28 suppliers in 2024
- Maintained systematic operation of "Risk Identification and Assessment Management Procedures" and "RBA Risk Management Procedures" with regular maintenance and updates
- Completed 4 fire drills in 2024 to strengthen emergency response capabilities
- Completed 2 regulatory audits in 2024, confirming all operational activities comply with regulations with no violations identified
- First obtained RBA 8.0 certification in 2024, demonstrating our commitment to responsible business practices
- All management system certifications remained valid throughout 2024

Suzhou Fuyang

- Conducted audits of 21 suppliers in 2024 to ensure continuous compliance with environmental, health, safety, and social responsibility standards
- Employees participated in 4 facility-wide fire drills in 2024 to strengthen emergency response capabilities
- Completed 2 regulatory assessments in 2024, confirming all internal and external operations comply with regulatory requirements with no violations identified
- First completed RBA 8.0 (Responsible Business Alliance) certification in December 2024, demonstrating our commitment to responsible operations
- All management system certifications remained valid throughout 2024
- Established the organizational structure of the Packaging Risk Committee and implemented systematic operation of GY0011-A3 "Risk Assessment Procedures" with annual assessment updates

Material Topic
Management
ApproachSustainable Supply
Chain Management

GRI Indicators ► Customized Topic

Related SDGs ►

Impact
Assessment

+ Positive Impact

Fudy has established a diversified supplier base to reduce reliance on single suppliers and prioritizes local procurement. This approach helps lower the carbon footprint and strengthens supply chain resilience. Moreover, Fudy's localized procurement policy promotes local economic development and enhances the company's competitive advantage.

- Negative Impact

If suppliers fail to meet Fudy's sustainability standards or are involved in environmental or social risk incidents, it could indirectly harm Fudy's reputation. Furthermore, stricter supply chain sustainability requirements may increase short-term cost pressures or force some suppliers to discontinue cooperation if they cannot comply, potentially affecting production stability and material availability.

Policies and
Commitments

- Establish a robust sustainable supply chain with comprehensive supplier sustainability performance assessment
- Ensure suppliers comply with quality, environmental, hazardous substances, and social responsibility management standards
- Prioritize local procurement and promote diversified supplier base
- Prioritize procurement of FSC®-certified or recycled paper materials, supporting responsible forest management supply chains
- Establish partnerships with suppliers, fostering mutual growth and creating long-term competitive advantages across the value chain

Objectives ►

Short-term Objectives

- Conduct annual supplier conference to strengthen suppliers' sustainable supply chain management knowledge
- Complete sustainability assessments of major suppliers, establishing sustainability performance baseline data
- Develop at least one alternative supplier for critical raw materials to enhance supply resilience
- Establish supplier code of conduct, achieving 80% major supplier sign-off
- Design and launch supplier sustainability assessment questionnaire, achieving 50% response rate from key suppliers in the first year
- Conduct FSC® standard training for suppliers to enhance sustainable forest management awareness

Medium-term Objectives

- Continuously develop green suppliers, increasing green material procurement ratio to 10%
- Ensure eco-friendly materials comply with 3R principles and responsible procurement, prioritizing renewable raw materials, recyclable and biodegradable materials to exceed 30%
- Ensure all critical raw materials have secondary suppliers to prevent supply chain disruptions
- Establish supplier sustainability scoring mechanism, incorporating scores into procurement decisions
- Increase proportion of FSC®-certified paper suppliers, ensuring major paper raw materials come from responsibly managed forests
- Assist at least 5 major suppliers per plant in completing greenhouse gas inventory
- Expand supplier sustainability questionnaire scope, achieving 70% response rate and establishing questionnaire result analysis mechanism
- Based on questionnaire results, assist underperforming suppliers in developing improvement plans, completing performance enhancement for at least 5 suppliers annually

Long-term Objectives

- Promote energy conservation and carbon reduction measures across the supply chain, assisting suppliers in reducing carbon emissions
- Jointly establish carbon reduction targets with major suppliers and track implementation effectiveness
- Establish circular supply chain model, achieving 80% recyclability or reusability for key materials
- Ensure suppliers meet Fudy's sustainability standards, jointly enhancing industry competitiveness

Responsible Units ►

Taipei Fudy: Materials Department
Dongguan Fuyang: Procurement Department
Suzhou Fuyang: Procurement Department,
Quality Assurance Department

Grievance Mechanism ►

Taipei Fudy : fudy_esg@mail.fudy.com.tw
Dongguan Fuyang : kuo@fuyangprint.com
Suzhou Fuyang : cgt@mail.fuyangpacking.com

Tracking and Management Mechanism ►

- Continuously implement ISO 9001, RBA management system, and FSC® system internal and external audits to ensure supply chain compliance with international standards
- Regularly assess key suppliers' performance in quality, environmental, and social responsibility aspects through annual supplier sustainability assessment questionnaires
- Conduct annual supplier risk assessments to identify high-risk suppliers and develop improvement plans
- Regularly review suppliers' environmental compliance certifications and social responsibility risk assessments
- Track FSC® certification validity and coverage of key material suppliers
- Establish supplier suggestion collection platform to encourage innovative ideas and optimization suggestions for sustainable cooperation, promoting two-way communication
- Review supplier diversification indicators semi-annually to ensure alternative supply sources for critical materials
- Monitor eco-friendly material procurement ratio changes and track green supplier development progress

Resource Investment ▶

To strengthen supply chain quality management and sustainability responsibilities, Fudy's operational sites continuously promote international management system implementation and maintenance, with the following resource investments:

Taipei Fudy: ISO 9001/14001, IECQ QC 0800000 certification, RBA 8.0 consulting phase one, FSC® CoC certification fees totaling NTD 538,568, with 63 personnel involved

Dongguan Fuyang: ISO 9001/14001, RBA, FSC® CoC certification fees totaling NTD 583,308.11, with 12 personnel involved

Suzhou Fuyang: ISO 9001/14001, RBA, FSC® CoC certification fees totaling NTD 624,824.5, with 33 personnel involved

Annual Actions and Results

– Prevention and Mitigation of Negative Impacts

- Identify suppliers' compliance with human rights, environmental, and ethical aspects through supplier social responsibility risk assessments
- Regularly evaluate suppliers across quality, hazardous substance management, and social responsibility dimensions to confirm their suitability
- Establish supplier diversification strategies to reduce single supplier dependency risk
- Implement sustainability standard requirements in phases to prevent supplier discontinuation due to adaptation challenges
- Provide supplier sustainability transformation guidance and resources to help meet Fudy's sustainability standards
- Establish emergency response mechanisms to quickly activate alternative solutions when critical material supply interruptions occur

+ Positive Impact Management

- Host "Supplier Gathering – ESG Academy" to communicate sustainable supply chain management strategic directions, strengthening suppliers' understanding of Fudy's requirements and expectations
- Prioritize local procurement to reduce transportation carbon emissions and promote local economic development
- Prioritize suppliers with FSC® certification to enhance overall supply chain forest resource sustainability management
- Collaborate on developing eco-friendly innovative materials with suppliers to create shared business value

Annual Achievements

Taipei Fudy

- Improved sign-off rates for Commitment to Restricted Use of Hazardous Substances and Supplier Social Responsibility Commitment; zero non-compliant suppliers in annual audits
- Completed first supplier gathering in 2024, positioned as ESG Academy collaborative learning day, sharing greenhouse gas inventory experiences and RBA 7.0 training with supplier partners

Dongguan Fuyang

- Introduced 12 new suppliers in 2024 based on cost reduction and plastic reduction considerations

Suzhou Fuyang

- Optimized supply chain management processes to reduce carbon emissions and save supplier costs, introducing 8 new suppliers in 2024

Material Topic Management Approach

Talent Cultivation and Development

GRI Indicators ▶ 404-1、404-3

Related SDGs ▶



Impact
Assessment ▶

+ Positive Impact

Fudy is committed to comprehensive talent cultivation by providing not only regular professional training but also customized development programs tailored to each department's needs. We promote initiatives for physical and mental well-being, including health management and stress management programs. This diverse and personalized development strategy enhances employees' professional capabilities and job satisfaction while enhancing organizational resilience and fostering a culture of innovation, thereby establishing a solid talent foundation for sustainable operations.

- Negative Impact

Uneven distribution of training resources or failure to meet the diverse needs of different employee groups may lead to imbalanced talent development and reduced employee engagement. Moreover, the return on investment in talent cultivation typically manifests in the long term and may face short-term challenges such as training costs and temporary productivity decline. If the nurtured talent cannot secure corresponding career development opportunities, it may increase turnover risks, negatively affecting knowledge transfer and organizational stability.

Policies and Commitments

Guided by the philosophy of "Fudy-licious: A Nourishing Work Environment for Body and Mind," we provide continuous career development opportunities and customized cultivation resources for employees. We focus on professional skill enhancement and knowledge updates, emphasize work-life balance, encourage employees to realize their potential, support diverse career growth paths, and create sustainable development for both the company and individuals.

Objectives ▶

Short-term Objectives

- Increase internal training hours, achieving an average of 10 hours of annual training per employee
- Complete establishment of job descriptions to serve as guidance for employee training and career development
- Promote the "Fudy-licious" program, conducting at least one health management or stress relief activity per quarter
- Develop at least one customized training program targeting key departmental needs

Medium-term Objectives

- Cultivate internal instructor teams to ensure continuity of enterprise key competencies and technical knowledge
- Establish digital learning platforms to enhance employee learning efficiency and flexibility
- Expand customized training coverage to gradually encompass major business departments
- Develop career development roadmaps to provide employees with clear growth blueprints
- Achieve 70% internal promotion rate for management positions

Long-term Objectives

- Strengthen corporate learning culture, create knowledge-sharing and innovative learning environments, and promote lifelong learning for all employees
- Continuously develop AI and digital technology integration in talent cultivation programs to ensure employees possess key skills to face future challenges
- Establish comprehensive talent cultivation systems, forming coherent development pathways from new employee training to senior management development
- Implement company-wide customized training needs mechanisms to meet the development requirements of all departments

Responsible Units ▶

Taipei Fudy: Finance Department
Dongguan Fuyang: Management Department
Suzhou Fuyang: Management Department

Grievance Mechanism ▶

Taipei Fudy: fudy_hr@mail.fudy.com.tw
Dongguan Fuyang: audit@fuyangprint.com
Suzhou Fuyang: hr@mail.fuyangpacking.com

Tracking and Management Mechanism ▶

- Establish employee training participation and hour tracking systems, reviewing departmental training completion quarterly
- Implement post-training evaluation questionnaires to measure employee satisfaction and practicality of training content
- Conduct regular learning effectiveness assessments to track the application of learning outcomes in the workplace
- Set "Fudy-licious" activity participation and satisfaction indicators to evaluate work-life balance program effectiveness
- Implement regular talent inventory to identify high-potential talent and succession planning completeness for key positions
- Conduct annual employee satisfaction and engagement surveys, incorporating talent development-related aspects
- Monitor talent attrition rates and analyze departure reasons to evaluate talent retention strategy effectiveness
- Dongguan Fuyang internally develops annual training plans, ensures proper implementation, and maintains comprehensive training records. Through internal and external reviews, ensure training plan implementation

Resource Investment ▶

- Taipei Fudy: 2 personnel, human resource investment of NTD 335,665, responsible for talent cultivation and development projects; external education and training investment of NTD 235,497
- Dongguan Fuyang: Management Department 2 personnel, human resource investment of NTD 53,364, responsible for talent cultivation and development projects; external education and training investment of NTD 142,041.63
- Suzhou Fuyang: Management Department 3 personnel, human resource investment of NTD 80,586, responsible for talent cultivation and development projects; external education and training investment of NTD 50,925.88

Annual Actions and Results

Prevention and Mitigation of Negative Impacts

- Provide annual skill training aligned with internal and external development trends and organizational needs
- Conduct phased learning assessments and adjust training plans in a timely manner to balance short-term productivity with long-term development goals
- Design clear career development pathways and promotion mechanisms to support employee growth following training
- Regularly perform talent inventory reviews and retention risk assessments to mitigate the risk of key talent turnover
- Establish a knowledge management system to preserve critical knowledge and skills despite personnel changes

+ Positive Impact Management

- Regularly organize cross-departmental workshops or exchange activities to promote internal professional knowledge sharing
- Promote the "Fudy-licious: A Nourishing Work Environment for Body and Mind" program to balance professional development with physical and mental health
- Develop mechanisms for applying and sharing learning outcomes, encouraging practical implementation in daily work
- Establish a performance improvement and innovation proposal system to convert talent development into corporate competitiveness
- Recognize exemplary employees for their learning achievements to foster a culture of continuous learning and improvement

Annual Achievements

Taipei Fudy

- Organized employee health examinations in 2024 (general health examinations: 114 people, specialized health examinations: 3 people)
- Average employee training hours in 2024: 12.6 hours, and completed establishment of job descriptions
- Implemented the "Fudy-licious: A Nourishing Work Environment for Body and Mind" program, providing mountain cleanup family day, ecological learning day, movie day, Christmas gift exchange, monthly vegetarian day activities to enhance employee physical, mental, and spiritual health

Dongguan Fuyang

- Organized employee health examinations in 2024 (general health examinations: 155 people, specialized occupational health examinations for 74 people)
- Invited Houjie Hospital doctors to conduct health lectures and occupational health training in November 2024, with 31 supervisors and office personnel participating
- Conducted monthly employee birthday activities in 2024; provided employee gifts during major holidays including Dragon Boat Festival and Mid-Autumn Festival
- Completed AI course training for sales/engineering departments and supervisory-level personnel in September 2024
- Provided educational resources, encouraging employees to participate in government-organized vocational skill training; 2 people participating in Houjie Town project-based health manager training in August 2024

Suzhou Fuyang

- Organized employee health examinations in 2024: occupational health examinations for 133 people, health certificate examinations for 49 people, general health examinations for 295 people in 2024, with expert health knowledge lectures arranged; implemented screening for employees with abnormal blood pressure, with weekly and monthly supervision and tracking of treatment conditions for abnormal personnel
- Organized employee benefit activities: gift distribution during Mid-Autumn Festival, Dragon Boat Festival and other national holidays, monthly employee birthday party gift distribution

02

Green Operations with Environmental Responsibility

Through resource conservation management, driving sustainable supply chain management to co-create an environmentally friendly future.

2.1	Fudy Environmental Policy	48
2.1.1	Financial Impact of Climate-Related Risks and Opportunities	50
2.2	Energy Management	58
2.3	Greenhouse Gas Management	60
2.4	Air Pollution Prevention	63
2.5	Water Resource Management	64
2.5.1	Wastewater Management	66
2.6	Waste Management	68
2.6.1	Circular Economy	73

Green Operations with Environmental Responsibility

2.1 Fudy's Environmental Policy

"Pollution prevention, waste reduction; efficient resource utilization, energy conservation; compliance with environmental regulations, continuous environmental improvement; comprehensive education, participation, and contributing back to society" represents our core environmental philosophy. Fudy continues to adhere to the ISO 14001:2015 Environmental Management System standard and has established an internal "Environmental Manual," committing to reducing impacts on the environment and natural resources. Our core policy involves annually identifying environmental issues of concern for that year and setting annual environmental sustainability management objectives based on potential positive and negative impacts. The relevant objectives and management actions for 2024 are as follows:

Environmental Management Objectives	Management Actions
1 Air Emissions, Noise, and Wastewater Discharge Management	• Taipei Fudy: All emissions are monitored and treated according to regulatory authority requirements • Dongguan Fuyang: All emissions are monitored and managed according to discharge permit requirements • Suzhou Fuyang: Regular monitoring is conducted annually as required by the government, with immediate action taken when abnormalities are detected
2 Hazardous Waste Disposal Management	• Taipei Fudy, Dongguan Fuyang: Ensure hazardous substances are handled by qualified companies, with proper treatment, transportation, storage, recycling, or reuse • Suzhou Fuyang: Follow government requirements for reporting in corresponding systems. Properly maintain relevant data forms for hazardous waste generation, temporary storage, collection, and centralized treatment
3 Chemical Substance Management	• Taipei Fudy: Establish "Chemical Substance Management Procedures" and conduct chemical control according to IECQ QC 080000:2017 standards • Dongguan Fuyang: Establish "EICC0022 Chemical Use Management Procedures" standards for chemical material control • Suzhou Fuyang: Establish "FYSA0033-A0 Hazardous Chemical Safety Management System" and implement material control All chemical procurement requires application forms from user units with relevant records maintained. Suppliers must provide Safety Data Sheets (SDS) and transport and unload chemicals according to regulatory requirements. After verifying SDS accuracy, storage, use, and disposal are conducted according to requirements.
4 Potential Fire Hazard Management	• Taipei Fudy: Conduct fire drills every six months • Dongguan Fuyang: Conduct fire drills every quarter • Suzhou Fuyang: Conduct two fire drills every six months and one annual comprehensive fire safety inspection

2.1 Fudy Environmental Policy

2.1.1 Financial Impact of Climate-Related Risks and Opportunities

2.2 Energy Management

2.3 Greenhouse Gas Management

2.4 Air Pollution Prevention

2.5 Water Resource Management

2.5.1 Wastewater Management

2.6 Waste Management

2.6.1 Circular Economy

To achieve environmental management objectives, we invested a total of NTD 2,832,194 in 2024, primarily for waste disposal costs and other environmental management expenses.

2024 Fudy Environmental Management Cost Statistics

Operational	Expense	Details (NTD)	Total Amount (NTD)
Taipei Fudy	Waste disposal related costs	- Waste reporting: 59,430 - Garbage collection fees: 197,250 - Environmental testing: 34,350 - Effluent testing : 9,004	300,034
Dongguan Fuyang	Waste disposal related costs	- Waste disposal fees: 613,797 - Environmental emergency response plan: 201,465 - Three wastes (wastewater, waste gas, waste) testing: 58,201 - Environmental facility operation and maintenance costs : 125,356	998,819
Suzhou Fuyang	Waste disposal related costs	- Waste disposal fees: 610,183.76 - Garbage collection fees: 94,017 - Waste gas equipment operation costs: 738,705 - Three wastes (wastewater, waste gas, waste) testing: 54,619.40 - Environmental testing: 35,816	1,533,342
Total Expenditure			2,832,194

2.1.1 Financial Impacts of Climate-Related Risks and Opportunities

To reduce the impact of climate change on operations and finances, our company's Sustainable Development Working Group convenes relevant departments to assess and analyze climate-related risks and opportunities, along with their financial implications. Through discussion and analysis, we formulate response strategies and implement effective environmental management solutions to reduce climate risks while capturing opportunities brought by climate change, enhancing Fudy's climate resilience.

Climate-Related Risks and Financial Impacts

Type	Climate-Related Risk	Impact Period	Risk Description	Potential Financial Impact	Adaption and Response Measures
Transition Risks	Policy and Regulations				
	Renewable energy regulations and energy-efficient product laws and standards	Long-term	According to the major electricity consumer clause under the Renewable Energy Development Act announced in 2021, users with contract capacity over 5,000kW must self-supply 10% green electricity	Increased energy costs	Energy Conservation Taipei Fudy: Replaced energy-consuming air conditioning equipment over a 3-year period Dongguan Fuyang, Suzhou Fuyang: Phased out old high-energy equipment, replacing with smart energy-efficient equipment Renewable Energy Taipei Fudy: Purchased additional solar green electricity, usage reaching 16,000 kWh, costing approximately NTD 104,000 Suzhou Fuyang: Plant solar panels generated 937,986 kWh in 2024; purchased 1,423 MWh of green electricity from abroad in 2024 and obtained green electricity certificates Energy Efficiency Management Taipei Fudy: Established energy usage monitoring system, identify major energy consumption points; set phased energy-saving targets to reduce energy consumption by 4% annually; regularly evaluate energy investment returns, prioritize high-efficiency projects Suzhou Fuyang: Plan to implement energy management system in 2025
	Carbon reduction regulations: Overseas regulations	Mid-term	- Taiwan has existing "Greenhouse Gas Reduction and Management Act" and "Climate Change Response Act" - China implements carbon peak and carbon neutrality "1+N" policy system	- Increased carbon reduction costs - Potential fines	Greenhouse Gas Inventory - All three plants completed their 2023 greenhouse gas inventory verification in 2024 obtained ISO 14064-1:2018 verification, and plan to continue regular verification - Using 2023 as baseline year, Fudy and affiliates' carbon reduction roadmap was established, targeting 4% annual reduction by 2030

2.1 Fudy Environmental Policy 2.1.1 Financial Impact of Climate-Related Risks and Opportunities 2.2 Energy Management 2.3 Greenhouse Gas Management 2.4 Air Pollution Prevention
2.5 Water Resource Management 2.5.1 Wastewater Management 2.6 Waste Management 2.6.1 Circular Economy

Type	Climate-Related Risk	Impact Period	Risk Description	Potential Financial Impact	Adaption and Response Measures
Transition Risks	Policy and Regulations				
	Carbon reduction regulations: Overseas regulations	Mid-term	Guangdong and Jiangsu provinces in China issued "The Action Plan for Carbon Dioxide Peak" with specific carbon reduction requirements for enterprises		Energy Management System Taipei Fudy: Proactively implement carbon reduction actions in response to supply chain sustainability requirements Dongguan Fuyang and Suzhou Fuyang: Plan to implement ISO 50001 Energy Management System to optimize energy efficiency Carbon Action Plan - Establish carbon management database to track and manage carbon reduction performance - Implement energy-saving carbon reduction projects, optimize production processes and equipment - Regularly assess regulatory compliance, adjust carbon reduction strategies timely
	Carbon reduction regulations:	Mid-term	EU Carbon Border Adjustment Mechanism (CBAM) implementation imposes carbon tariffs on imports, initially covering steel, cement, aluminum, fertilizers, electricity, and hydrogen—with potential future expansion to paper products	- Increased overseas operational costs - Potential decline in competitiveness for EU market exports - Potential pass-through of carbon costs from customers	Carbon Footprint Management - Establish carbon footprint calculation mechanisms to track emissions data for key export products - Conduct comprehensive supply chain carbon audits to identify and prioritize high-emission sources for improvement Low-Carbon Product Development - Develop low-carbon packaging product lines - Increase use of recyclable materials and bio-based materials Customer Partnership Strategy - Collaborate with European customers to develop joint carbon reduction roadmaps Regulatory Trends and Compliance - Continuously monitor CBAM scope expansions and implementation updates

2.1 Fudy Environmental Policy **2.1.1 Financial Impact of Climate–Related Risks and Opportunities** 2.2 Energy Management 2.3 Greenhouse Gas Management 2.4 Air Pollution Prevention
2.5 Water Resource Management 2.5.1 Wastewater Management 2.6 Waste Management 2.6.1 Circular Economy

Type	Climate–Related Risk	Impact Period	Risk Description	Potential Financial Impact	Adaption and Response Measures
Transition Risks	Technology				
	Uncertainty in new technology–related investments	Short–term	Substantial ongoing environmental management investments required for low–carbon production systems and green product service	- Increased R&D expenditures - Technology ROI falling short of projections - Risk of asset impairment	Technology Assessment and Verification - Establish comprehensive technology evaluation framework encompassing maturity levels, ROI analysis, and risk assessment - Deploy pilot programs to validate technology feasibility before enterprise–wide rollout Diversified Technology Portfolio - Mitigate single–technology dependency through diversified investment strategies - Balance mature technologies with emerging innovations to optimize near–term returns and long–term growth potential Strategic Partnerships and External - Form technology alliances with research institutions and suppliers to share R&D risks - Pursue government grants and tax incentives for green technology
	Low–carbon technology and service development costs, low–carbon technology transition costs	Mid–term	Fudy faces significant investment costs and implementation challenges in developing and deploying low–carbon technologies and production processes to meet international trends and stringent environmental standards	- Increased R&D and capital equipment expenditures - Rising production costs - Potential production efficiency impacts during technology transition	Cost–Benefit Assessment and Management - Deploy Life Cycle Assessment (LCA) methodology to identify optimal cost–effective carbon reduction solutions Phased Technology Transition - Implement gradual production line transitions to minimize operational disruption risks External Resources Integration - Engage equipment suppliers through sustainability–focused partnerships to develop cost–efficient solutions - Leverage industry–academia collaborations and government incentives to offset transition costs Internal Capability Development - Implement comprehensive training programs for new technology adoption - Establish knowledge management systems to facilitate technology transfer and institutional learning

2.1 Fudy Environmental Policy 2.1.1 Financial Impact of Climate-Related Risks and Opportunities 2.2 Energy Management 2.3 Greenhouse Gas Management 2.4 Air Pollution Prevention
2.5 Water Resource Management 2.5.1 Wastewater Management 2.6 Waste Management 2.6.1 Circular Economy

Type	Climate-Related Risk	Impact Period	Risk Description	Potential Financial Impact	Adaption and Response Measures
Transition Risks	Market				
	Market demand changes	Short-term	Rapidly growing customer demand for low-carbon, eco-friendly packaging threatens traditional product market share. Failure to adjust product offerings promptly will result in loss of market competitiveness	Declining order volumes and profitability	Product Portfolio and Innovation - Accelerate eco-friendly alternative development while phasing out products misaligned with carbon reduction trends Customer Demand Insights - Establish market trend monitoring mechanism for early detection of evolving sustainability requirements - Co-develop new products with key customers to meet their sustainability targets - Enhance environmental features in existing products and develop unique value propositions Business Diversification - Expand new markets and customer groups to mitigate concentration risk - Develop eco-friendly packaging consulting services to generate additional revenue streams
Physical Risks	Immediate				
	Extreme weather events such as heavy rain, typhoons, floods	Short-term	- Potential damage to equipment, facilities, and personnel - Reduced employee attendance - Transportation disruptions and cargo losses - Supply chain interruption	- Rising insurance premiums - Increased equipment repair/replacement costs - Revenue loss from operational disruptions - Higher logistics costs - Customer	Emergency Response Measures Taipei Fudy: Implements "Supply Chain Disruption Emergency Response Procedures" with inter-facility production backup mechanisms - Infrastructure reinforcement including flood barriers; strategic relocation of inventory to minimize flood damage; enhanced cooling efficiency through improved compartmentalization Dongguan Fuyang: Established comprehensive "Environmental Emergency Response Procedures" Backup Power Infrastructure Taipei Fudy: Installing generators and energy storage systems to mitigate power outage risks Dongguan and Suzhou Fuyang: Maintaining regular generator service schedules Supply Chain Resilience and Logistics Optimization - Diversifying transportation routes and logistics partnerships - Expanding supplier base to reduce geographic concentration risk - Optimizing inventory management with increased safety stock for critical materials

2.1 Fudy Environmental Policy **2.1.1 Financial Impact of Climate-Related Risks and Opportunities** 2.2 Energy Management 2.3 Greenhouse Gas Management 2.4 Air Pollution Prevention
2.5 Water Resource Management 2.5.1 Wastewater Management 2.6 Waste Management 2.6.1 Circular Economy

Type	Climate-Related Risk	Impact Period	Risk Description	Potential Financial Impact	Adaption and Response Measures
Physical Risks	Long-term				
	Changing Precipitation Patterns: Flooding and Drought	Mid-term	- Heavy rainfall causes facility flooding, disrupting material transport and production capacity; drought conditions impose water restrictions that reduce operational efficiency - Water resource instability	- Increased capital expenditure on flood mitigation infrastructure - Rising water costs and water treatment facility investments - Production interruptions resulting in revenue losses - Potential insurance premium increases	- Deploy flood barriers, pumps, and water diversion systems with comprehensive drainage infrastructure subject to regular maintenance inspections - Implement rainwater harvesting systems to reduce external water dependency; conduct regular water efficiency audits and deploy conservation technologies across production processes - Develop long-term production adjustment protocols for drought scenarios; establish early warning systems through partnerships with local water authorities; evaluate feasibility of alternative water sources and on-site treatment facilities
	Rising average annual temperatures impacting production environments	Long-term	- Reduced precision instrument equipment lifespan, increased failure rates - Increased factory cooling demands, higher air conditioning system requirements - Affected employee work environment, indirectly impacting production	- Increased equipment maintenance frequency or replacement costs - Significantly rising energy costs - Increased air conditioning equipment upgrade and maintenance costs - Uncomfortable work environment affecting production efficiency - Increased raw material storage costs	- Use energy management system to regulate electricity consumption and usage time, reduce electricity expenses; replace energy-consuming equipment with energy-efficient equipment - Assess plant insulation improvement plans; optimize indoor air circulation design; add shading facilities to reduce direct sunlight impact - During high-temperature periods, flexibly adjust personnel work schedules - Install independent temperature control systems for critical areas to ensure key equipment operating efficiency; strengthen equipment high-temperature preventive maintenance

Climate-Related Opportunities and Financial Impacts

Type	Climate-Related Opportunities	Potential Financial Impacts	Response Actions
Resource Efficiency	- Paper and waste recycling and reuse - Adoption of more efficient electrical equipment - Smart water resource management and water consumption reduction - Implementation of closed-loop circular economy models - Green building standards and smart building management - Meeting and exceeding energy-efficient product laws and standards - Digital transformation of production processes to reduce resource waste	- Reduced consumables procurement costs - Lower electricity consumption and carbon emissions - Reduced water costs - Circular economy enhances product sustainability appeal and premium pricing capability - Access to government subsidies and tax incentives for energy-efficient equipment - Attracts ESG investor attention, potentially lowering financing costs - Enhanced brand value and market competitiveness	Office Resource Optimization Taipei Fudy: Switched to eco-friendly office supplies, prioritizing local procurement Dongguan Fuyang and Suzhou Fuyang: Office copy paper uses workshop paper scraps; double-sided printing - Company-wide paperless office initiative with electronic document management system - Employee education on water conservation, energy reduction; reduced use of disposable tableware Production Process Optimization - Implementation of paper packaging scrap recycling system - Establishment of water recycling system for production processes - Development of smart production scheduling to optimize energy use during peak and off-peak hours, reducing electricity costs - Adoption of IoT technology for precise resource management - Feasibility assessment of integrated energy storage systems to enhance energy independence
Energy Source	- Low-carbon energy use - Self-generated renewable energy and solar power system development - Adoption of advanced energy-saving technologies and measures - Energy structure diversification and smart energy management - Carbon credit trading and renewable energy certificate participation opportunities - Energy storage technology applications	- Reduced carbon emissions, lowering potential carbon tax or fee costs - Self-generated green electricity with surplus power sales potential - Energy savings reducing operational costs - Diversified energy sources strengthening energy supply resilience - Increased green electricity use enhancing corporate image - Energy subsidies and tax incentives	Renewable Energy Use Taipei Fudy: Purchasing solar green electricity since November 2024, gradually increasing green electricity proportion Dongguan Fuyang: Planning to install solar power generation system for self-consumption in 2025 Suzhou Fuyang: Plant rooftop solar panels for self-consumption, with 2024 generation accounting for approximately 13% of total electricity consumption Energy Efficiency Enhancement Taipei Fudy: Planning phased replacement of high-energy-consumption equipment in 2025, targeting 10% energy reduction - Implementation of smart lighting systems with automatic adjustment based on daylight and occupancy; optimization of production equipment parameters to reduce energy consumption Energy Management System - Integration of renewable and traditional energy sources, with establishment of comprehensive energy monitoring system - Development of data analytics platform to identify high energy consumption areas and inefficiencies - Feasibility assessment of integrated energy storage systems to enhance energy independence

2.1 Fudy Environmental Policy **2.1.1 Financial Impact of Climate-Related Risks and Opportunities** 2.2 Energy Management 2.3 Greenhouse Gas Management 2.4 Air Pollution Prevention
2.5 Water Resource Management 2.5.1 Wastewater Management 2.6 Waste Management 2.6.1 Circular Economy

Type	Climate-Related Opportunities	Potential Financial Impacts	Response Actions
Products and Services	- Real-time response to climate change risks with up-to-date information and enhanced service quality - Development and expansion of low-carbon products and services - Development of climate adaptation and insurance risk solutions - R&D and innovation for new products and services - Packaging reduction and application of recyclable materials	- Diversified services and products meeting market demands, enhancing corporate reputation - New product and service opportunities generating increased revenue - Enhanced customer loyalty for sustainable products	Green Packaging Production Base - North Vietnam HIEP PHU Green Packaging Technology Co., Ltd., has obtained ISTA 1A/2A laboratory certification since 2023 and aims to achieve 3A/6A validation by 2025, demonstrating our commitment to eco-friendly packaging solutions - Established a knowledge-sharing mechanism for green packaging technologies across our three factories and four production bases, including Vietnam Sustainable Packaging Product Line Devel- - Introduced FSC®-certified paper packaging materials - Developed all-paper structural packaging solutions as alternatives to traditional plastics - Advanced R&D in recyclable and biodegradable packaging materials - Created lightweight packaging designs for electronics that minimize material usage while maintaining full product protection Innovative Service Models - Offer carbon footprint calculation services for packaging, supporting customers in achieving their carbon reduction targets - Provide lifecycle optimization solutions through circular packaging systems - Deliver packaging design consultancy services and collaborate with customers to develop tailored sustainable packaging solutions
Markets	- New market development - Green supply chain market expansion - Cross-industry ventures - Public sector incentives	- New revenue streams from green technology R&D - Government grants and incentives boosting profitability	Localized Sustainable Solutions - Actively sourcing local alternative materials while conducting rigorous environmental testing to offer customers region-specific, low-carbon procurement options Green Technology Certification and - Suzhou Fuyang continues to invest in green innovation R&D and patent development, earning China's National High-tech Enterprise certification with associated tax benefits and subsidies - Pursuing green innovation grants across all regions

2.1 Fudy Environmental Policy **2.1.1 Financial Impact of Climate-Related Risks and Opportunities** 2.2 Energy Management 2.3 Greenhouse Gas Management 2.4 Air Pollution Prevention
2.5 Water Resource Management 2.5.1 Wastewater Management 2.6 Waste Management 2.6.1 Circular Economy

Type	Climate-Related Opportunities	Potential Financial Impacts	Response Actions
Markets			New Market Expansion - Developing low-carbon product portfolios to meet EU CBAM requirements - Targeting eco-conscious sectors including food and cosmetics packaging; penetrating emerging sustainable packaging markets in Southeast Asia and India Cross-Industry Partnerships - Partnering with recycling firms on closed-loop packaging solutions and collaborating with material science companies on next-generation eco-materials - Active participation in sustainability associations to identify trends and partnership opportunities
Resilience	Consolidating climate change risks and response strategies to enhance corporate adaptability	Strengthening corporate resilience to reduce climate-related losses for both the company and customers	Internal Climate Risk Governance - Providing sustainability training programs to strengthen senior management's expertise in sustainability trends and climate change; implementing top-down sustainable development initiatives by integrating risk response into environmental management indicators - Developing cross-departmental climate risk management teams Operational Resilience - Establishing production capacity complementarity mechanisms across three facilities; diversifying manufacturing risks through North Vietnam HIEP PHU production site - Developing climate contingency plans jointly with key suppliers - Creating climate-adaptive packaging products for different regions to meet global customer needs Resilience Value Communication - Establishing transparent climate change information communication mechanisms to enhance stakeholder trust - Demonstrating Fudy's climate risk diversification capabilities through global presence, strengthening corporate value positioning

2.2 Energy Management

Fudy and its affiliated companies are actively implementing green electricity and renewable energy management plans. Taipei Fudy consumed approximately 20,000 kWh of green electricity in November 2024, obtaining two renewable energy certificates, and plans to strengthen its support for environmental initiatives in 2025, aiming to use 35,000 kWh of green electricity annually. Dongguan Fuyang plans to begin using a small portion of green electricity in 2025 and gradually increase the proportion year by year. Suzhou Fuyang's solar power generation accounted for approximately 13% of its total electricity consumption in 2024. Fudy purchases international renewable energy certificates based on customer requirements. To continuously optimize green energy management and fully comply with regulatory requirements, Suzhou Fuyang completed its energy management system assessment in late 2024 and expects to complete implementation in Q2 2025. Additionally, Suzhou Fuyang plans to adopt the Suzhou Municipal Green Factory System in 2025.

Fudy's main operating sites include Taipei Fudy, Dongguan Fuyang, and Suzhou Fuyang. Energy consumption encompasses gasoline, diesel, liquefied petroleum gas, and purchased electricity, with the gradual integration of renewable energy (including purchased renewable electricity and self-generated solar power). Total energy consumption in 2024 was 47,455.77 GJ, an increase of approximately 17.04% from 2023. Purchased electricity constituted the primary energy source, accounting for 85.10% of total energy use. For renewable energy, self-generated and self-consumed solar photovoltaic power accounted for 7.12%, with an additional 0.12% from purchased renewable electricity.

Energy intensity in 2024 was 23.63 (GJ/million NTD revenue), representing a 17.04% increase from 2023. This increase was primarily due to a slight growth in total energy consumption coupled with an approximately 9% decline in revenue during the same period, resulting in relatively higher energy use per unit of revenue. Overall, energy efficiency performance was constrained by the reduction in operational scale. Moving forward, Fudy will continue to promote energy conservation and carbon reduction measures, with planned investments in energy-efficient equipment upgrades, smart energy management system implementation, and expanded renewable energy utilization. This includes installing additional solar facilities and increasing green electricity procurement to effectively reduce energy intensity and carbon footprint while maintaining stable operations, thereby achieving sustainable development goals.



2.1 Fudy Environmental Policy 2.1.1 Financial Impact of Climate-Related Risks and Opportunities **2.2 Energy Management** 2.3 Greenhouse Gas Management 2.4 Air Pollution Prevention
2.5 Water Resource Management 2.5.1 Wastewater Management 2.6 Waste Management 2.6.1 Circular Economy

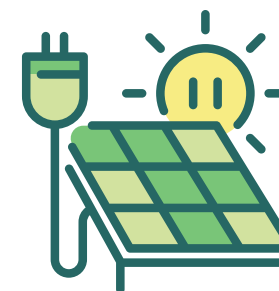
2024 Energy Consumption by Fudy Operating Sites

(Unit: GJ Gigajoules)

Operating Site	Energy Type		Energy Consumption (GJ)			
			2022	2023	2024	2024 Energy Usage Percentage
Taipei Fudy	Non-renewable energy	Gasoline	591.38	441.11	430.34	0.91%
		Diesel	173.46	155.69	190.25	0.40%
		Purchased electricity	2,039.37	2,127.44	1,894.06	4.00%
	Renewable energy	Purchased renewable energy (electricity)	0	0	58.3	0.12%
Dongguan Fuyang	Non-renewable energy	Gasoline	701.04	760.65	793.00	1.67%
		Diesel	182.89	199.63	130.99	0.27%
		Liquefied petroleum gas	71.10	7.86	10.02	0.02%
		Purchased electricity	11,798.20	13,426.09	15,955.20	33.62%
Suzhou Fuyang	Non-renewable energy	Gasoline	645.99	1,086.19	711.66	1.50%
		Diesel	960.69	763.78	1,371.42	2.89%
		Purchased electricity	26,877.24	22,009.52	22,533.78	47.48%
	Renewable energy	Solar photovoltaic	237.94	3,571.93	3,376.75	7.12%
		Purchased renewable energy (electricity)	0	6.75	0	–
Total			44,279.30	44,556.64	47,455.77	100%
Revenue (Million NTD)			2,223.43	2,207.41	2,008.06	–
Energy Intensity			19.91	20.19	23.63	–
Year-on-year Energy Intensity Change			–9.71%	1.41%	17.04%	–

2024 Energy Consumption by Type at Fudy

Energy Type		Energy Consumption (GJ)	Energy Usage Percentage
Non-renewable energy	Gasoline	1,935	4.08%
	Diesel	1,692.66	3.57%
	Purchased electricity	40,383.04	85.10%
	Liquefied petroleum gas	7.32	0.02%
Renewable energy	Solar photovoltaic	3,376.75	7.12%
	Purchased renewable energy (electricity)	58.3	0.12%
Total		47,336.99	100%



Note

- All data are rounded to two decimal places.
- Energy conversion factors are sourced from the Environmental Protection Administration's Greenhouse Gas Emission Factor Management Table Version 6.0.4 and the Ministry of Economic Affairs Bureau of Energy's Energy Product Unit Calorific Value Table. Energy calorific values are: gasoline 7,609 Kcal/L, diesel 8,642 Kcal/L, liquefied petroleum gas 10,993 Kcal/kg. Kcal to GJ conversion: 1 Kcal = 0.000004184 GJ.
- Energy intensity calculation: Energy consumption / Annual total revenue.
- Year-on-year energy intensity change rate: (Current year energy intensity - Previous year energy intensity) / Previous year energy intensity × 100.

2.3 Greenhouse Gas Management

To achieve our management goal of net-zero carbon emissions across all operational sites by 2050, Fudy is progressively implementing carbon management tools such as greenhouse gas inventory and product carbon footprint assessment to identify carbon emissions during operational activities and understand the company's primary energy consumption and carbon emission sources. All three major operational sites of Fudy initiated ISO 14064-1:2018 greenhouse gas inventory third-party verification projects in 2023. We have designated the year of our first externally verified inventory as our baseline year for greenhouse gas emission management, formulating relevant carbon reduction strategies and continuously tracking emission reduction performance.

In 2024, Fudy's greenhouse gas emissions were as follows: Scope 1 emissions were 606.82 tCO₂e; Scope 2 emissions were 5,997.45 tCO₂e, with total greenhouse gas emissions of 6,604.27 tCO₂e and an emission intensity of 3.29. This represents a 1.78% increase in carbon emissions compared to the baseline year 2023. Overall, carbon emission sources primarily come from equipment and vehicle usage. With business expansion leading to increased production demand and consequently higher demand for electricity and fuel, carbon emissions in 2024 increased slightly compared to 2023.

Fudy's 2024 Greenhouse Gas Emissions and Emission Intensity

Emission Source	Operational Site	2023		2024	
		Emission Equivalent (tCO ₂ e)	Emission Intensity (tCO ₂ e/Million Revenue)	Emission Equivalent (tCO ₂ e)	Emission Intensity (tCO ₂ e/Million Revenue)
Scope 1	Taipei Fudy	75.14	0.09	84.72	0.15
	Dongguan Fuyang	373.17	0.90	332.49	0.62
	Suzhou Fuyang	213.39	0.22	189.61	0.21
Subtotal		661.70	0.30	606.82	0.30
Scope 2	Taipei Fudy	291.71	0.35	265.40	0.48
	Dongguan Fuyang	2,132.02	5.14	2,373.27	4.40
	Suzhou Fuyang	3,403.36	3.53	3,358.78	3.67
Subtotal		5,827.09	2.64	5,997.45	2.99
Total		6,488.79	2.94	6,604.27	3.29

Note

1. Carbon emission intensity calculation: Total greenhouse gas emissions (tCO₂e / Revenue).
2. The 2024 revenue for Fudy's main operational sites was as follows: Taipei Fudy - NTD 553.61 million; Dongguan Fuyang - NTD 539.84 million; Suzhou Fuyang - NTD 914.61 million; Consolidated revenue - NTD 2,008.06 million.
3. 2023 was selected as the greenhouse gas emission baseline year as it was the first year all three plants completed externally verified greenhouse gas inventory, with total emissions of 6,488.79 tCO₂e.

Since 2023, we have been conducting greenhouse gas inventory according to the ISO 14064-1:2018 international standard methodology and commissioning qualified third-party verification bodies to verify Scope 1 and Scope 2 greenhouse gas emissions. We expect to obtain the ISO 14064-1:2018 greenhouse gas verification statement in June 2025.

In 2024, Taipei Fudy's greenhouse gas emissions were as follows: Scope 1 emissions were 84.72 tCO₂e; Scope 2 emissions were 265.40 tCO₂e, totaling 350.12 tCO₂e. The approximately 4.56% reduction in greenhouse gas emissions compared to the baseline year 2023 was primarily due to Taipei Fudy's purchase of green electricity starting in November 2024 and reduced use of gray electricity, resulting in carbon emission reductions.

(Unit: GJ tCO₂e)

Taipei Fudy's Greenhouse Gas Emissions Over the Past 2 Years

Emission Source		2023	2024
Scope 1	Vehicle gasoline	30.57	30.05
	Diesel	11.54	15.70
	Fire protection	0.0	0.0
	Septic tank wastewater	4.35	15.70
	Refrigerants	28.68	33.12
	Subtotal	67.25	84.72
Scope 2	Purchased electricity	291.87	265.40
	Subtotal	291.87	265.40
Total Greenhouse Gas Emissions		366.85	366.85
Annual Emission Increase (Decrease) Rate		–	–4.56%



Note

1. The conversion factors are sourced from the Greenhouse Gas Emission Factor Management Table Version 6.0.4 published by the Environmental Protection Administration (EPA).
2. The greenhouse gas inventory is consolidated using the operational control approach.
3. The Global Warming Potential (GWP) values for various greenhouse gases are adopted from the IPCC Sixth Assessment Report.
4. The electricity carbon emission factor for 2023 is calculated at 0.494 kg CO₂e/kWh; for 2024, the electricity carbon emission factor is calculated at 0.474 kg CO₂e/kWh.
5. 2023 serves as the greenhouse gas emissions base year, marking our first third-party verified GHG inventory with total emissions of 366.85 tCO₂e.

In 2024, Dongguan Fuyang's greenhouse gas emissions totaled 2,705.76 tCO₂e, comprising 332.49 tCO₂e from Scope 1 and 2,373.27 tCO₂e from Scope 2. While Scope 1 emissions decreased by 10.90% year-over-year, Scope 2 emissions increased by 11.32%. This increase in carbon emissions is primarily driven by significant production growth and the associated electricity consumption during the product use phase. The updated electricity emission factor of 0.5366 kg CO₂e/kWh (as per the Ministry of Ecology and Environment's "Notice on the Release of 2022 Electricity Carbon Dioxide Emission Factor") further contributed to higher emissions. Overall, greenhouse gas emissions in 2024 increased by 8.01% from the 2023 baseline. Dongguan Fuyang anticipates receiving its ISO 14064-1:2018 greenhouse gas verification statement in June 2025.

Dongguan Fuyang GHG Emissions for the Past 2 Years (Unit: tCO ₂ e)			
Total Emissions		2023	2024
Scope 1	Company vehicles-Gasoline	56.19	58.30
	Forklifts-Diesel	12.29	10.79
	Liquefied Petroleum Gas (LPG)	0.90	0.69
	Backup generators- Diesel	4.00	0.00
	Refrigerants	231.30	246.89
	Septic tanks	68.49	15.82
	Subtotal	373.17	332.49
Scope 2	Purchased electricity	2,132.02	2,373.27
	Subtotal	2,132.02	2,373.27
Total GHG Emissions		2,505.19	2,705.76
Annual Emission Increase (Decrease) Rate		-	8.01%

- Note**
1. The conversion factors are sourced from Chinese emission factor management tables, including the "Diesel Properties Introduction" and the "Notice on the Release of 2022 Electricity Carbon Dioxide Emission Factor" published by the Ministry of Ecology and Environment.
 2. The greenhouse gas inventory is consolidated using the mass balance approach.
 3. The Global Warming Potential (GWP) values for various greenhouse gases are adopted from the IPCC Sixth Assessment Report.
 4. 2023 serves as the greenhouse gas emissions base year, marking the first third-party verified GHG inventory with total emissions of 2,505.19 tCO₂e.

In 2024, Suzhou Fuyang engaged a third-party verification body to conduct GHG inventory verification for Scope 1 and Scope 2 emissions, with the verification statement expected in July 2025. For the reporting year, Suzhou Fuyang's greenhouse gas emissions were as follows: Scope 1 emissions totaled 189.61 tCO₂e and Scope 2 emissions totaled 3,358.78 tCO₂e, for a combined total of 3,548.39 tCO₂e. Due to factors including direct emissions from mobile and stationary combustion, equipment efficiency, and operational requirements, Scope 1 emissions decreased by approximately 11.14% year-over-year. Additionally, influenced by factors such as electricity consumption, power sources, and equipment operating efficiency, Scope 2 emissions decreased by approximately 1.31% from the previous year. Overall, Suzhou Fuyang's 2024 greenhouse gas emissions decreased by approximately 1.89% compared to the 2023 baseline.

Suzhou Fuyang GHG Emissions for the Past 2 Years (Unit: tCO ₂ e)			
Total Emissions		2023	2024
Scope 1	Vehicle gasoline	47.17	51.32
	Forklifts_Diesel	35.85	21.53
	Trucks_Diesel	89.98	76.70
	Air conditioning (R32)	2.25	2.25
	Air conditioning, chillers (R410a)	25.78	25.78
	Septic tanks	12.36	12.03
	Subtotal	213.39	189.61
Scope 2	Purchased electricity	3,403.36	3,358.78
	Subtotal	3,403.36	3,358.78
Total GHG Emissions		3,616.75	3,548.39
Annual Emission Increase (Decrease) Rate		-	-1.89%

- Note**
1. The quantification, monitoring, and reporting methodologies follow ISO 14064-1:2018, 2006 IPCC Guidelines for National Greenhouse Gas Inventories (2019 Refinement), IPCC Sixth Assessment Report (AR6) 2021, and the Greenhouse Gas Protocol. Emission factors are sourced from China's "Guidelines for Accounting Methods and Reporting of Greenhouse Gas Emissions from Paper and Paper Product Manufacturing Enterprises (Trial)."
 2. The greenhouse gas inventory is consolidated using the operational control approach.
 3. 2023 serves as the greenhouse gas emissions base year, marking the first third-party verified GHG inventory with total emissions of 3,616.75 tCO₂e.

2.1 Fudy Environmental Policy 2.1.1 Financial Impact of Climate-Related Risks and Opportunities 2.2 Energy Management 2.3 Greenhouse Gas Management 2.4 Air Pollution Prevention

2.5 Water Resource Management 2.5.1 Wastewater Management 2.6 Waste Management 2.6.1 Circular Economy

2.4 Air Pollution Management

Due to the nature of the printing industry, raw materials used in printing processes tend to produce harmful air pollutants. To make a substantial contribution to environmental protection and resource sustainability, we fully transitioned mineral oil-free inks in 2022 and equipped exhaust gas treatment facilities to manage emissions through high-efficiency treatment equipment. Additionally, to effectively control the emission of air pollutants such as VOCs, we regularly conduct VOC measurements and report to local authorities, applying for pollutant discharge permits as required to ensure VOC emissions comply with regulations. No violations or exceedances occurred in 2024.

Fudy's Air Pollutant Emissions Over the Past Three Years

(VOCs Unit: Metric Tons; ODS Unit: tCO₂e)

Year	2022			2023			2024		
Pollutant	Taipei Fudy	Dongguan Fuyang	Suzhou Fuyang	Taipei Fudy	Dongguan Fuyang	Suzhou Fuyang	Taipei Fudy	Dongguan Fuyang	Suzhou Fuyang
Volatile Organic Compounds (VOCs)	1.3	1.2	15.19	2.8	0.4	7.7	3.30	0.45	14.59
Ozone Depleting Substances (ODS)	0.3	0	0	0.3	0	0.009	23.28	0	0

- Note**
1. O—zone Depleting Substances (ODS) emission factors are based on the Montreal Protocol Annex, while Volatile Organic Compounds (VOCs) emission factors reference the "Standard for Fugitive Emission of Volatile Organic Compounds (GB 37822-2019)"; Guangdong Province "Emission standard of volatile organic compounds for printing industry" (DB44/815-2010) Phase II stack emission limits; Jiangsu Province VOCs emission limits reference "Jiangsu Province Volatile Organic Compounds Emission Standards" (DB32/3151—2016), "Integrated emission standard of air pollutants" (DB32/4041-2021), and technical specifications for pollutant discharge permits for key industries.
 2. Taiwan currently lacks specific VOC emission standards for the printing industry; VOC emissions from our Dongguan and Suzhou plants comply with the emission allowances regulated by their respective local authorities.

Dongguan Fuyang

Valid until:
July 30, 2028



Suzhou Fuyang

Valid until:
February 27, 2029



▲ Pollutant Discharge Permits

2.5 Water Resource Management

Due to the process requirements of the printing and packaging industry, Fudy's printing operations require substantial water resources. To achieve optimal water resource utilization efficiency, Fudy has established "Water Resource Control Management Regulations" for water resource management. In 2024, Fudy's total water withdrawal was 69.41 million liters, total water discharge was 57.78 million liters, and total annual water consumption was 11.68 million liters. All water sources were from municipal water supply.

Note

1. Water withdrawal data is sourced from water bills.
2. Water discharge data is estimated based on the actual operational conditions of each plant. For Taipei Fudy, as a water discharge data collection mechanism has not yet been established, this report temporarily calculates water discharge as equal to water withdrawal for this reporting year.
3. Water consumption calculation: Dongguan Fuyang: Total wastewater + (Total production water × 20% estimated consumption rate); Suzhou Fuyang: Total production water × 30% estimated consumption rate.

2024 Water Withdrawal, Discharge, and Consumption at Operational Sites

Category	Water Source Type	Water Volume (Million Liters)			
		Taipei Fudy	Dongguan Fuyang	Suzhou Fuyang	Total
Water Withdrawal	Municipal water (Third-party water)	1.33	50.184	17.891	69.405
Water Discharge		1.33	43.874	12.524	57.778
Water Consumption		0.00	6.31	5.367	11.677

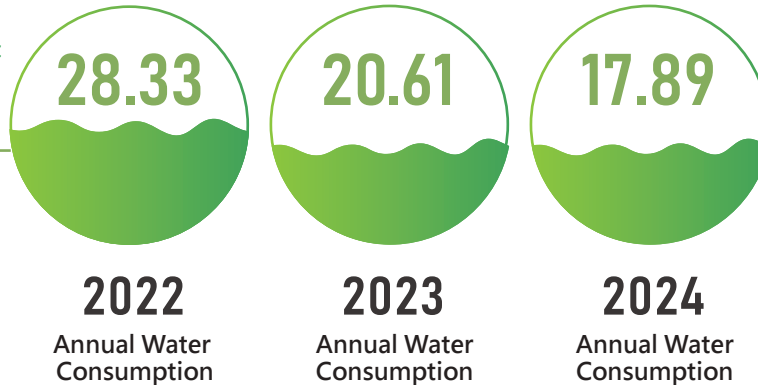
To further understand water source pressure and water usage risks at each operational site, we conducted a water risk analysis using the Aqueduct Water Risk Atlas, a tool developed by the World Resources Institute (WRI), to identify the baseline water stress levels of each plant and assess whether the water supply meets local usage or environmental needs (water stress). The results are as follows:

Operational Site	Overall Water Risk Level (Baseline)	Water Stress Level
Taipei Fudy	Low to Medium risk (1–2)	Low water stress (less than 10%)
Dongguan Fuyang	Medium to High risk (2–3)	Low water stress (less than 10%)
Suzhou Fuyang	High risk (3–4)	Higher water stress (between



Total Water Consumption in Water-Stressed Areas at Suzhou Fuyang Over the Past 3 Years

Unit: Million Liters



For the Suzhou Fuyang Plant, assessed as a medium to high water risk area, water resource monitoring has been implemented since 2022. Plant-wide water resource meters are used to regularly record and monitor water usage conditions, with internal mechanisms to address abnormal situations promptly.

Water consumption has continued to decline over the past three years, demonstrating the concrete effectiveness of water conservation measures. Total water consumption in 2024 was reduced by approximately 36.9% compared to 2022, effectively reducing operational dependence on local water resources.

Additionally, all three plants have established systems including the "Flood Emergency Response Plan," "Emergency Preparedness and Response Management Procedure," and "Rainwater Management Procedure." No climate disaster-related incidents occurred in 2024.

Water Conservation Actions and Related Measures

In addition to implementing water resource usage controls, Fudy actively promotes water conservation through various daily initiatives. These include displaying water-saving slogans and posters, as well as installing water-efficient fixtures, all aimed at fostering a water-conscious culture throughout our operational environment.

Operational Site	Water Conservation Measures/Equipment	Annual Achievements and Improvement Measures
Taipei Fudy	Prioritize water-efficient certified equipment during replacements and continuously promote water conservation awareness	2024 water usage increased by 0.05 million liters compared to 2023. Improvement measures: - Conduct water conservation education and training and internal awareness campaigns to enhance employee water conservation awareness. - Analyze water usage hotspots in production processes to optimize workflows and reduce overall water consumption.
Dongguan Fuyang	- Display water conservation posters and signage at workshop and dormitory water usage areas - Reclaimed water system enhances wastewater treatment efficiency, achieving water resource circulation	2024 water usage increased by approximately 15.00 million liters compared to 2023. Improvement - Strengthen water usage management by assigning dedicated personnel to record daily water meter data and take photos for records. Conduct immediate inspections when abnormal water usage is detected. - Following communication with the water company, relocate the water meter from outside the plant to the plant entrance for better supervision and control. - Security personnel immediately report any water leaks discovered during rounds to the management department for prompt handling.
Suzhou Fuyang	- Conduct daily scheduled inspections of water usage and perform monthly and annual summaries - Process improvements and optimization of plate washing processes during platemaking to reduce water consumption	2024 water usage decreased by 2.72 million liters compared to 2023. Daily regular water meter inspections to promptly identify leak locations if abnormalities occur, monthly water usage analysis to eliminate water resource waste.

2.5.1 Wastewater Management

In 2024, all major operational sites of Fudy experienced no incidents of discharge violations or environmental pollution events.

Fudy's operational sites follow local regulations and internal procedures for wastewater management, ensuring that discharged water does not impact the environment. Each plant has established "Water Pollution Management Procedures" covering domestic wastewater and process wastewater treatment standards, and regularly commissions qualified third-party testing organizations to conduct water quality monitoring to ensure effluent continuously meets discharge standards.

Taipei Fudy conducts in-plant wastewater management according to its "Water Pollution Management Procedure," treating all wastewater before discharge into the municipal sewage system. If testing values are abnormal, the "Corrective and Preventive Action Procedure" is activated for immediate response. Dongguan Fuyang and Suzhou Fuyang also operate according to regional regulations and self-established management mechanisms. Domestic wastewater is treated through tertiary septic tanks before being integrated into the municipal sewage system, while process wastewater is classified and treated according to different characteristics. For example, plate washing and developing wastewater generated from printing processes is first treated through a solid/liquid separation system, then recycled for equipment cleaning, while the separated solid waste is handled by qualified contractors for subsequent disposal.

2024 Effluent Water Quality at Fudy's Operational Sites

Parameter	Discharge Standard	Actual Discharge Data
pH	6–9	8.3
Temperature	≤38°C(May–Sep) ; ≤35°C (Oct–Apr)	22.5°C
BOD	30 mg/L	8.6 mg/L
COD	100 mg/L	24.8 mg/L
SS	30 mg/L	2.9 mg/L
True color	400	<25
Free Available Chlorine	2 mg/L	0.02 mg/L

Note

- All discharge volumes are based on water meter readings.
- The water quality data in the table are analyzed results from water samples taken by qualified testing organizations.

Dongguan Fuyang

Parameter	Discharge Standard	Actual Discharge Data
pH	6–9	7.1
Temperature	≤38°C(May–Sep) ; ≤35°C (Oct–Apr)	24.5°C
BOD	300 mg/L	18.1 mg/L
COD	500 mg/L	38 mg/L
SS	400 mg/L	68 mg/L
Ammonia	–	18.8
Phosphates	–	1.27
Animal and Vegetable Oils	100 mg/L	0.16mg/L

Note

- All discharge volumes are based on water meter readings.
- Following the Guangdong Province "Water Pollutant Discharge Limits" (DB44/26-2001) Second Period Level 3 standards, wastewater is discharged into the municipal sewage network and then transferred to Dongguan City Houjie Shatang Wastewater Treatment Plant for advanced treatment. The treated water meets the "Discharge Standard of Pollutants for Municipal Wastewater Treatment Plant" (GB18918-2002) Level 1B standard before being discharged into the Dongyin Canal.

Suzhou Fuyang

Parameter	Discharge Standard	Actual Discharge Data
pH	6–9	7.0
Temperature	≤38°C(May–Sep) ; ≤35°C (Oct–Apr)	25°C
BOD	300 mg/L	152 mg/L
COD	500 mg/L	360 mg/L
SS	400 mg/L	31 mg/L
Ammonia	–	43.7
Total Phosphates	–	5.11
Animal and Vegetable Oils	100 mg/L	0.71 mg/L
Anionic Surfactants	20 mg/L	0.1 mg/L

Note

- All discharge volumes are based on water meter readings.
- Complies with the "Integrated Wastewater Discharge Standard" (GB8978-1996).
" Wastewater quality standards for discharge to municipal sewers " (GB/T 31962-2015)

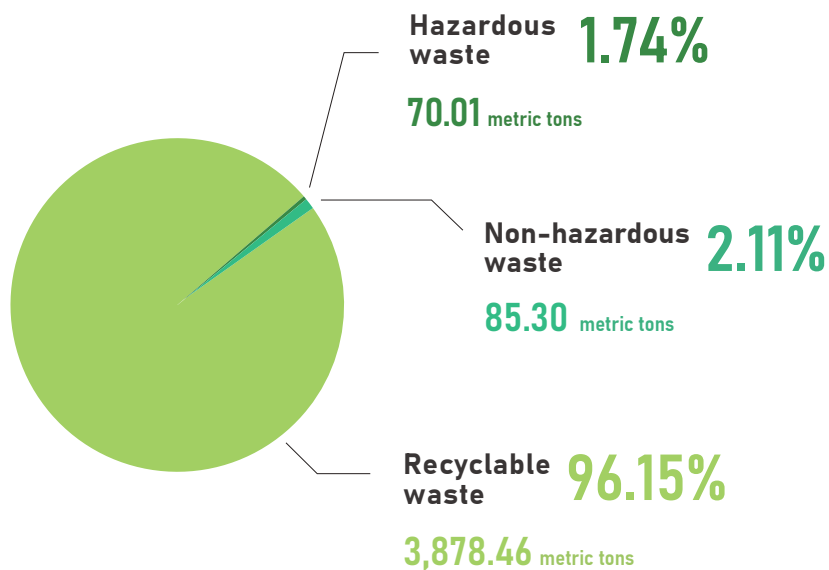
Fudy's 2024 Enhanced Wastewater Management Action Measures

Taipei Fudy	Strictly comply with regulatory requirements and internal standard procedures, conducting effective wastewater management through appropriate wastewater treatment facilities.
Dongguan Fuyang	1. Installation of containment barriers around wastewater collection pools (leak prevention). 2. Digital proofing machines eliminate the need for second printing plates, reducing machine setup times, costs, and hazardous waste generation, eliminating printing plates and cleaning solutions while reducing wastewater discharge.
Suzhou Fuyang	Continuously expand water tank water circulation and water conservation reuse scope, progressively advancing toward emission reduction targets.



2.6 Waste Management

Fudy categorizes industrial waste into three types based on waste characteristics: non-hazardous waste, hazardous waste, and recyclable waste. In 2024, a total of 4,033.77 metric tons of waste was generated, classified as follows:



This proportion demonstrates the substantial results of Fudy's management strategy in promoting circular economy and waste resource utilization.

Waste Management Strategy and Practices

Fudy follows a product lifecycle management philosophy, starting with source reduction and prioritizing the use of recyclable and renewable raw materials to minimize waste generation. Comprehensive waste classification systems are implemented throughout all facilities, with continuous employee education and training programs to strengthen environmental awareness and proper disposal practices.

All waste is weighed and recorded before leaving the facilities and is handled by qualified third-party contractors using the following treatment methods based on waste type and characteristics:



Information Technology Monitoring and Facility Implementation

- Dongguan Fuyang Plant: Introduced the "General Industrial Waste Online Monitoring System," which connects in real-time with local environmental protection authorities, enhancing monitoring transparency and regulatory compliance.
- Suzhou Fuyang Plant: Established a "Full Life Cycle Monitoring System" equipped with a real-time notification application, effectively managing the complete process of hazardous waste classification, temporary storage, transportation, and disposal, ensuring information traceability and compliance management.

2.1 Fudy Environmental Policy 2.1.1 Financial Impact of Climate-Related Risks and Opportunities 2.2 Energy Management 2.3 Greenhouse Gas Management 2.4 Air Pollution Prevention
2.5 Water Resource Management 2.5.1 Wastewater Management **2.6 Waste Management** 2.6.1 Circular Economy

Fudy's Waste Generation Over the Past 3 Years

(Unit: Metric Tons)

Non-recyclable	Waste Type	Subcategory	2022		2023		2024		Treatment
			Off-site	On-site	Off-site	On-site	Off-site	On-site	
	Non-hazardous waste	General domestic waste	0.00	0.00	33.05	0.00	38.00	0.00	Incineration (without energy
			86.50	0.00	11.56	0.00	11.2	0.00	Incineration (with energy
		General industrial waste (non-hazardous industrial solid waste)	56.08	0.00	102.45	0.00	33.10	0.00	Third-party treatment (incineration with energy recovery; recycling)
		Foodwaste	0.00	0.00	2.00	0.00	3	0.00	hird-party treatment (official municipal recycling)
	Non-hazardous waste subtotal		142.58		149.06		85.30		–
	Non-hazardous waste intensity		0.18		0.07		0.04		–
	Hazardous waste	Hazardous waste (including sludge, waste cloth, waste ink, waste glue, waste organic solvents, waste filter cores, waste activated carbon, waste packaging containers,	49.89	0.00	106.95	0.00	70.01	0.00	Third-party treatment (recycling, incineration with/without energy recovery, or landfilling, depending on waste type)
	Hazardous waste subtotal		49.89		106.95		70.01		–
Hazardous waste intensity		0.07		0.05		0.03		–	
Total non-recyclable waste		192.47		256.01		155.31		–	
Non-recyclable waste intensity		0.08		0.12		0.08		–	
Recyclable	Recyclable waste (waste paper, scrap iron, waste PS aluminum plates, waste plastic film, waste pallets, waste hot stamping film, waste rubber blankets)		1,639.87	0.00	3419.86	0.00	3,878.46	0.00	Recycling
	Recyclable waste subtotal		1,639.87		3,419.86		3,878.46		–
	Recyclable waste intensity		0.72		1.55		1.93		–
Total waste			1,832.34		3,675.87		4,033.77		–

2.1 Fudy Environmental Policy 2.1.1 Financial Impact of Climate-Related Risks and Opportunities 2.2 Energy Management 2.3 Greenhouse Gas Management 2.4 Air Pollution Prevention
2.5 Water Resource Management 2.5.1 Wastewater Management **2.6 Waste Management** 2.6.1 Circular Economy

Note

1. Treatment location: On-site (processed within the plant), Off-site (outsourced processing).
2. Treatment methods: Reuse (reused for the same original purpose), Recycling (reprocessed into new materials), Incineration (with energy recovery), Incineration (without energy recovery), Landfill, Others.
3. 2024 consolidated revenue (NTD million): Three plants combined revenue: 2,008.06.
4. Identification of hazardous and general industrial waste: Taipei Fudy: According to the "Waste Disposal Act" and "Standards for Defining Hazardous Industrial Waste"; Dongguan Fuyang and Suzhou Fuyang: According to the "National Catalogue of Hazardous Wastes" and "General Industrial Solid Waste" standards.
5. All hazardous waste is handled by licensed waste treatment vendors in accordance with local regulations. In Taiwan, this follows the "Methods and Facilities Standards for the Storage, Clearance and Disposal of Industrial Waste."
6. Waste intensity calculation: Waste weight (metric tons) / Revenue (million NTD).

Fudy's 2024 Waste Treatment Status

(Unit: Metric Tons)

Operational Site		Taipei Fudy				Dongguan Fuyang				Suzhou Fuyang				Total	
Category	Main Waste Types	Treatment Location ¹	Treatment Method ²	Output (MT)	Percentage (%)	Treatment Location ¹	Treatment Method ²	Output (MT)	Percentage (%)	Treatment Location ¹	Treatment Method ²	Output (MT)	Percentage (%)	Output (MT)	Percentage (%)
Hazardous Industrial	Waste Liquid	Off-site	Incineration (with energy recovery)	0.05	0.04%	Off-site	Incineration (with energy recovery)	4.53	0.15%	Off-site	Incineration (with energy recovery)	14.03	1.54%	18.61	0.46%
	Waste ink	Off-site	Incineration (with energy recovery)	0.04	0.03%	—	—	—	—	Off-site	Incineration (with energy recovery)	8.71	0.96%	8.75	0.22%
	Waste cloth	Off-site	Incineration (with energy recovery)	0.16	0.13%	Off-site	Incineration (with energy recovery)	12.94	0.43%	Off-site	Incineration (with energy recovery)	8.37	0.92%	21.47	0.53%
	Waste sludge	Off-site	Landfill	0.72	0.60%	Off-site	Incineration (with energy recovery)	4.32	0.14%	—	—	—	—	5.04	0.12%
	Waste activated	—	—	—	—	Off-site	Incineration (with energy recovery)	1.61	0.05%	—	—	—	—	1.61	0.04%
	Waste packaging containers	—	—	—	—	Off-site	Incineration (with energy recovery)	6.57	0.22%	Off-site	Incineration (with energy recovery)	7.54	0.83%	14.11	0.35%
	Waste fluorescent tubes	—	—	—	—	Off-site	Incineration (with energy recovery)	0.12	0%	—	—	—	—	0.12	0%
	Waste engine oil	—	—	—	—	Off-site	Incineration (with energy recovery)	0.01	0%	—	—	—	—	0.01	0%
	Waste filter cartridges	—	—	—	—	—	—	—	—	Off-site	Incineration (with energy recovery)	0.29	0.03%	0.29	0.01%

2.1 Fudy Environmental Policy 2.1.1 Financial Impact of Climate-Related Risks and Opportunities 2.2 Energy Management 2.3 Greenhouse Gas Management 2.4 Air Pollution Prevention
2.5 Water Resource Management 2.5.1 Wastewater Management **2.6 Waste Management** 2.6.1 Circular Economy

Fudy's 2024 Waste Treatment Status

(Unit: Metric Tons)

Operational Site				Dongguan Fuyang				Suzhou Fuyang						Total	
Category	Main Waste Types	Treatment Location ¹	Treatment Method ²	Output (MT)	Percentage (%)	Treatment Location ¹	Treatment Method ²	Output (MT)	Percentage (%)	Treatment Location ¹	Treatment Method ²	Output (MT)	Percentage (%)	Output (MT)	Percentage (%)
Non-hazardous Industrial	Domestic	Off-site	Incineration (with energy recovery)	11.20	9.39%	Off-site	Incineration (without energy recovery)	18.00	0.6%	Off-site	Incineration (with energy recovery)	20.00	2.20%	49.20	1.22%
	Food waste	—	—	—	—	—	—	—	—	Off-site	—	3.00	0.33%	3.00	0.07%
	General industrial waste (general industrial solid waste)	Off-site	Incineration (with energy recovery)	3.10	2.60%	Off-site	Incineration (with energy recovery)	30.00	1%	Off-site	Incineration (with energy recovery)	0	—	33.10	0.82%
Recyclable	Waste paper	Off-site	Recycling	101.24	84.92%	Off-site	Recycling	2,783.80	92.60%	Off-site	Recycling	768.07	84.57%	3,653.11	90.56%
	Waste aluminum/waste PS plates	Off-site	Recycling	1.43	1.20%	Off-site	Recycling	38.83	1.29%	Off-site	Recycling	44.29	4.88%	84.55	2.10%
	Waste iron cans/waste iron	Off-site	Recycling	1.28	1.07%	Off-site	Recycling	32.48	1.08%	Off-site	Recycling	0.16	0.02%	33.92	0.84%
	Waste plastic film	—	—	—	—	Off-site	Recycling	11.38	0.38%	Off-site	Recycling	13.75	1.51%	25.13	0.62%
	Waste rubber blankets	—	—	—	—	Off-site	Recycling	1.01	0.03%	Off-site	Recycling	2.57	0.28%	3.58	0.09%
	Waste hot stamping film	—	—	—	—	—	—	—	—	Off-site	Recycling	2.40	0.26%	2.40	0.06%
	Waste pallets	—	—	—	—	Off-site	Recycling	60.77	2.02%	Off-site	Recycling	15.00	1.65%	77.56	1.88%
Total Waste				119.22	2.96%			3006.37	74.53%			908.18	22.51%	4,033.77	100%
Circular Recycling Rate ³					87.19%				97.40%				93.18%		

Note

1. Treatment location: On-site (processed within the plant), Off-site (outsourced processing).
2. Treatment methods: Reuse (reused for the same original purpose), Recycling (reprocessed into new materials), Incineration (with energy recovery), Incineration (without energy recovery), Landfill, Others.
3. Circular recycling rate (%) = Total recycling and reuse ÷ Total waste × 100%
4. Identification of hazardous and general industrial waste: Taipei Fudy: According to the "Waste Disposal Act" and "Standards for Defining Hazardous Industrial Waste"; Dongguan Fuyang and Suzhou Fuyang: According to the "National Catalogue of Hazardous Wastes" and "General Industrial Solid Waste" standards.
5. All hazardous waste is handled by licensed waste treatment vendors in accordance with local regulations. In Taiwan, this follows the "Methods and Facilities Standards for the Storage, Clearance and Disposal of Industrial Waste."

Fudy's 2024 Waste Reduction Action Measures

Taipei Fudy	Starting from 2024, disposable chopsticks are no longer provided for lunch. Statistics from the second half of 2024 show a reduction of approximately 22 kg in bamboo chopstick usage.
Dongguan Fuyang	To reduce waste generation and disposal costs, the following measures have been implemented in the printing process: 1. Wastewater compression and filtration treatment: Effectively separates water from solid waste. Since the two require different treatment methods, this measure reduces the total weight of hazardous waste and saves disposal costs. 2. Varnish/matte varnish classification management: Separates varnish generated during printing processes from other organic hazardous waste for more precise classification and reduction. 3. Switch to reusable cleaning cloths: Regular air-drying allows for repeated use, reducing single-use waste generation. 4. Waste ink water bagging and compression: Concentrates wastewater into solid waste, facilitating subsequent treatment and reducing environmental burden.
Suzhou Fuyang	1. Centralized employee meal delivery: Reduces water and electricity consumption and cooking fume generation 2. Implementation of centralized ink supply system in printing workshop: Reduces packaging container waste.



2.6.1 Circular Economy

Fudy adopts a life-cycle thinking approach in product design, utilizing innovative, green, and low-carbon technologies to progressively achieve the goal of making all products recyclable. The primary raw materials currently invested in our products include kraft paper, recycled paper, molded pulp, GEX™ bio-plastics, and plastics. Currently, Taipei Fudy uses approximately 38.82% renewable materials, Dongguan Fuyang 47.63%, and Suzhou Fuyang 52.57%. We aim to expand this proportion to 70% per unit of product by replacing plastics with bio-based materials and non-plastic alternatives such as paper, eggshells, metals, and ocean waste, moving toward a circular economy operational model.

Proportion of Renewable Materials Used in Fudy Products

(Weight Unit: Grams)

Product	Total Weight of Renewable Materials	Total Weight of Non-Renewable Materials	Proportion of Renewable Materials Used
Wi-Fi 7 Product Packaging (Taipei Fudy)	1200	14	98.84%
Mouse Packaging (Dongguan Fuyang)	120	3	97.56%
Pour-over Coffee Packaging (Suzhou Fuyang)	19.6	0.4	98%

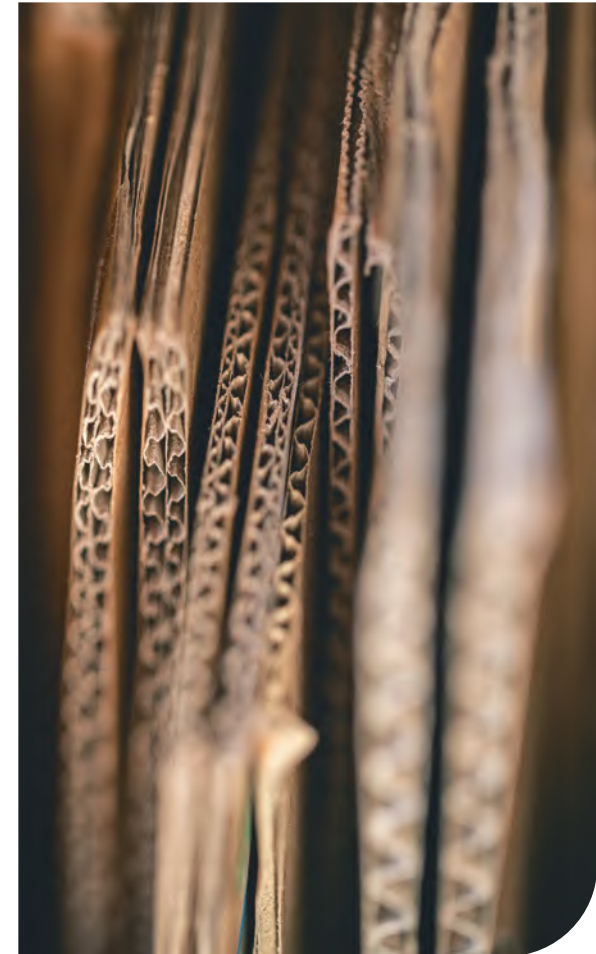
Note Proportion of renewable materials used = (Total renewable materials used / Total product materials) × 100%

Proportion of Recycled Materials Used in Fudy Products

(Weight Unit: Grams)

Product	Total Weight of Recycled Materials	Total Product Weight	Proportion of Recycled Materials Used
Wi-Fi 7 Product Packaging (Taipei Fudy)	282	282	100%
Mouse Packaging (Dongguan Fuyang)	120	123	97.6%
Pour-over Coffee Packaging (Suzhou Fuyang)	26	29	89.7%

Note Proportion of recycled materials used = (Total recycled materials used / Total product materials) × 100%



03

A Steadfast Partner in Customer Sustainability

Through sustainable supply chain management, we drive product quality and remain committed to producing sustainable products.

3.1	Sustainable Supply Chain Management	75
3.1.1	Supplier Audits and Evaluation	77
3.2	Sustainable Product Design and Innovation	84
3.2.1	Use of Eco-Friendly Materials and Plastic Reduction Achievements	85
3.2.2	Green Design Innovation and R&D	89

A Steadfast Partner in Customer Sustainability

3.1 Sustainable Supply Chain Management

Working Together for Mutual Prosperity: Advancing Green Competitiveness

Fudy embraces "Collaborative Partnership" as our core philosophy, continuously building a forward-looking and responsible sustainable supply chain. Beginning with upstream operations, we uphold the principles of strategic planning (Planned) and reliable integrity (Trustworthy) by carefully selecting suppliers that meet environmental and social responsibility standards, prioritizing certified renewable materials, and implementing environmental stewardship (Eco-friendly) and inclusive human rights (Rights-respecting) values.

Downstream, we collaborate closely with customers to continuously reduce packaging waste and promote packaging material recycling and reuse, jointly building a resilient and environmentally conscious sustainable value chain.

To implement effective supply chain management, Fudy also promotes the following key strategic actions:

- **Diversified Supplier Portfolio** : Establish diverse supply sources to reduce dependence risk on single suppliers
- **Localized Procurement** : Prioritize local suppliers while achieving optimal balance between cost and quality, helping customers achieve carbon reduction goals
- **Supplier Social Responsibility Assessment** : Collaboration partners must meet basic human rights, environmental protection, and labor standards requirements
- **Supply Chain Transparency** : Actively track key raw material sources and processing methods to enhance supply chain traceability and compliance
- **Technological Innovation Collaboration** : Partner with suppliers with forward-looking technologies to promote joint innovation in materials, processes, and sustainable packaging

We firmly believe that localized procurement not only helps enhance supply chain resilience and response speed, but is also a concrete approach to help customers achieve carbon reduction goals. Fudy actively provides integrated solutions for localized procurement and carbon reduction, further strengthening the sustainability and competitiveness of the overall supply chain.

In 2024, Fudy's total procurement amounted to NTD 847 million, of which approximately NTD 730 million came from local suppliers, accounting for 86%. Among these, Taipei Fudy has maintained a local procurement ratio of 99% for three consecutive years; the average local procurement ratio in China is 82%. In the future, we will continue to strive to increase the proportion of local procurement, steadily advancing toward a low-carbon, flexible, and sustainable supply chain.

Fudy's Local Procurement
Over the Past 3 Years

(Unit: NTD thousands)

Year	2022	2023	2024
Local Procurement	759,330.03	845,190.90	731,482.15
Total Procurement	905,869.62	958,339.35	847,595.85
Local Procurement Ratio	84%	88%	86%

Fudy's Local Procurement Ratio
by Plant Over the Past 3 Years

Year	2022	2023	2024
Taipei Fudy	99%	99%	99.44%
Dongguan Fuyang	96.69%	96.01%	98.62%
Suzhou Fuyang	71.18%	74.54%	67.08%

3.1 Sustainable Supply Chain Management

3.1.1 Supplier Audits and Evaluation

3.2 Sustainable Product Design and Innovation

3.2.1 Use of Eco-Friendly Materials and Plastic Reduction Achievements

3.2.2 Green Design Innovation and R&D

Taipei Fudy has established a "Supplier Management Operating Procedure," conducting annual audits on qualified production suppliers to ensure supply chain stability and quality, and regularly conducting supplier social responsibility assessments to encourage all suppliers to take measures to improve their social responsibility performance.

Dongguan Fuyang implements the "External Supplier Management Operating Procedure" to select qualified suppliers, evaluating the quality of raw materials and ensuring that all materials, consumables, auxiliary materials, and outsourced processing provided meet the company's green environmental requirements.

Suzhou Fuyang has implemented a supplier management framework encompassing multiple procedures: the "Supplier Management Operating Procedure," "GP Supplier Management Operating Procedure," and "Supplier and Subcontractor Evaluation Control Procedure." This system addresses the environmental and occupational health and safety impacts of supplier activities and their products or services, ensuring that all supplier raw materials and auxiliary materials align with our environmental requirements.



▲ Supplier Management Process

Qualified Supplier Selection Criteria

- ① Compliance with supplier selection principles as outlined in the supplier management operating procedures.
- ② Compliance with the "Supplier Quality Assessment": Assessment areas include management capabilities in operations, production capacity, quality, and environment. Suppliers must achieve a score of 75 or above.
- ③ "Supplier Social Responsibility Risk Assessment": Assessment areas include human rights, work safety, environmental protection, legality, and business ethics. Suppliers must be assessed as medium or low risk at minimum.
- ④ Priority consideration given to suppliers who have obtained certifications such as ISO 9001:2015, ISO 14001, and ISO 45001, demonstrating verified quality, environmental, and occupational health and safety management systems.
- ⑤ Suppliers must provide third-party certified test reports for raw materials or sign the "Commitment to Restricted Use of Hazardous Substances," with regular updates required.
- ⑥ Evaluation of suppliers' product quality, delivery time, pricing, and contract fulfillment capabilities to meet Fudy's requirements.

Suppliers meeting the above assessment requirements may be listed as qualified vendors.

3.1.1 Supplier Audits and Evaluation

In 2024, Fudy and its affiliated companies achieved a significant milestone by successfully completing comprehensive RBA (Responsible Business Alliance) audit verification for the first time, demonstrating our strong commitment to supply chain social responsibility and operational ethics. The Taipei headquarters is scheduled to complete its second audit verification in 2025.

Following RBA's stringent requirements for supply chain management, we have established a comprehensive supplier audit and evaluation system, integrating the following five major management systems as the foundation for sustainable supplier management:

- **RBA Code of Conduct** : Covers five key areas including labor, health and safety, environmental protection, ethical conduct, and management systems
- **FSC®CoC (Chain of Custody)** : Reviews sustainable forest resource management for paper suppliers
- **ISO 14001 Environmental Management System** : Strengthens suppliers' identification and improvement of environmental impacts
- **IECQ QC 080000 Hazardous Substance Process Management System** : Enhances control of hazardous substances in supply chain materials and processes
- **ISO 9001 Quality Management System** : Evaluates suppliers' quality management capabilities and continuous improvement mechanisms

Through supplier execution of related commitment letters and supporting documentation, we systematically identify and assess potential risks from new suppliers, ensuring that all partners, regardless of their location, comply with sustainability standards including environmental protection, social responsibility, hazardous substance control, and quality assurance.

Furthermore, to support plastic reduction and material substitution strategies, Dongguan Fuyang and Suzhou Fuyang introduced 12 and 8 new suppliers respectively in 2024. We will continue to communicate with new suppliers and require those who have not signed or responded to execute commitments, demonstrating Fudy's determination to jointly advance sustainability transformation with our supply partners.



3.1 Sustainable Supply Chain Management

3.1.1 Supplier Audits and Evaluation

3.2 Sustainable Product Design and Innovation

3.2.1 Use of Eco-Friendly Materials and Plastic Reduction Achievements

3.2.2 Green Design Innovation and R&D

Supplier Risk Assessment

Environmental Risk		◆ Taipei Fudy achieved 100% compliance with EU regulations by updating the third version of the "Commitment to Restricted Use of Hazardous Substances." A total of 121 raw material suppliers signed the "Commitment to Restricted Use of Hazardous Substances," while remaining suppliers provided third-party certified test reports. Taipei Fudy requires raw material suppliers to sign the "Commitment to Restricted Use of Hazardous Substances" or provide third-party certified test reports. When neither condition can be met, internal periodic XRF testing is conducted on raw materials, with any abnormalities sent to third-party certified units for confirmation. ◆ 100% of Dongguan Fuyang suppliers signed the "Guarantee for Non-use of Prohibited Substances" ◆ 100% of Suzhou Fuyang suppliers signed the "Declaration of Non-applicable/Prohibited Substances"
Social and Governance Risk	Taipei Fudy	◆ 65.33% of Taipei Fudy suppliers signed the RBA "Supplier Social Responsibility Commitment" Taipei Fudy requires all suppliers to sign the RBA "Supplier Social Responsibility Commitment," which includes commitments to avoid conflict minerals, labor rights, social responsibility, and integrity. We also implement supplier social responsibility risk assessment and evaluation forms. In 2024, we surveyed 150 suppliers, achieving a 65.33% response rate. Among the 52 suppliers who did not respond to related documents, our company's assessment confirmed no violations of labor rights or business ethics. We will continue to engage non-signatories or non-respondents through our "Supplier Management Operating Procedures" and maintain meaningful dialogue with suppliers to achieve our corporate integrity management objectives. (For detailed objectives, please refer to Chapter 5.2 Business Integrity)
	Dongguan Fuyang	◆ 100% of Dongguan Fuyang suppliers signed the "Supplier Labor and Business Ethics Compliance Agreement" Dongguan Fuyang developed the "Supplier Labor and Business Ethics Compliance Agreement" based on the RBA Code of Conduct, covering conflict minerals avoidance, labor rights compliance, social responsibility, and integrity. In 2024, we surveyed 85 suppliers, achieving a 100% signing rate.
	Suzhou Fuyang	◆ 100% of Suzhou Fuyang suppliers signed the "Conflict-Free Minerals Declaration" Suzhou Fuyang requires suppliers to avoid conflict minerals to ensure that minerals used in our products—such as tantalum (Ta), tin (Sn), tungsten (W), gold (Au), and cobalt (Co)—do not finance armed conflicts. Suppliers using these minerals must disclose their sources. In 2024, we surveyed 69 suppliers, confirming no risk of conflict mineral use. ◆ 100% of Suzhou Fuyang suppliers signed the "Social Responsibility Commitment" To mitigate supply chain social risks related to labor rights violations, Suzhou Fuyang conducted social risk and human rights impact assessments on 69 suppliers in 2024. All 69 suppliers signed the "Social Responsibility Commitment," achieving a 100% signing rate. ◆ 100% of Suzhou Fuyang suppliers signed the "Supplier Social Responsibility Commitment" and "Supplier Integrity Commitment" Based on SMETA social responsibility audits and our "Business Ethics Control Procedures," we required suppliers to sign both the "Supplier Social Responsibility Commitment" and "Supplier Integrity Commitment." All 69 suppliers responded, achieving a 100% response rate.

Supplier Evaluation and Audits

Fudy conducts regular annual supplier evaluation and audit operations. The audit encompasses six key areas, including environmental management, social responsibility, occupational safety, delivery accuracy, raw material quality management, and regulatory compliance—all core ESG issues. Suppliers achieving a total score of 70 points or above qualify as approved vendors. Those falling short must submit improvement plans and explanations. If the same supplier fails to meet standards in two consecutive evaluations, their qualified supplier status will be revoked.

In 2024, Fudy's three operational sites completed routine audits of 91 suppliers. All audited suppliers met Fudy's ESG evaluation standards, with no terminations due to non-compliance, demonstrating Fudy's robust practices and high standards in sustainable supply chain management.

Fudy and Affiliated Companies' Supplier Evaluation and Audit Implementation

In 2024, Taipei Fudy conducted on-site audits of 50 suppliers, achieving a 100% completion rate with no non-compliant suppliers identified.

Taipei Fudy Supplier Audit Implementation for the Past 3 Years

Audit Method		2022	2023	2024
On-site Audit	Planned On-site Audits	38	50	50
	Completed Audits	38	50	50
	Completion Rate	100%	100%	100%



Dongguan Fuyang conducts monthly supplier performance evaluations across multiple criteria: incoming material quality, price reduction collaboration, delivery punctuality, and overall cooperation. Based on these assessments, we provide targeted improvement recommendations. Monthly evaluation results are documented in "Supplier Evaluation Notifications" and communicated directly to suppliers. Our policy mandates that suppliers receiving consecutive D-grade ratings (69 points or below) for two months will have their orders terminated and qualified supplier status revoked. Notably, no suppliers were disqualified in 2024 due to evaluation failures.

Additionally, Dongguan Fuyang conducts comprehensive annual audits, including environmental management system assessments, following our "Fuyang External Supplier Evaluation" criteria. When audits identify non-conformities, our audit team promptly issues "Fuyang External Supplier Audit Non-Conformity Notifications," requiring suppliers to submit improvement measures within 3 days. Our procurement personnel then monitor implementation progress and track effectiveness continuously.

In 2024, Dongguan Fuyang completed 9 on-site audits and 19 document audits, achieving an overall execution rate exceeding 90%. While our original targets were 10 on-site and 20 document audits, one supplier from each category suspended cooperation due to internal restructuring, preventing completion according to the original timeline. These suppliers have been added to our follow-up tracking list to ensure our audit mechanisms remain comprehensive.

Dongguan Fuyang Supplier Evaluation Results for the Past 3 Years

firm	Grade	2022	2023	2024
Supplier	Grade A	23	14	10
	Grade B	1	8	10
	Grade C	0	0	10
	Grade D	0	0	0

Dongguan Fuyang Supplier Audit Implementation for the Past 3 Years

Audit Method		2022	2023	2024
On-site Audit	Planned On-site Audits	8	7	10
	Completed Audits	8	7	9
	Completion Rate	100%	100%	90%
Document Audit	Planned Document Audits	16	15	20
	Completed Audits	16	15	19
	Completion Rate	100%	100%	95%

Notes One supplier each for on-site and document audits discontinued cooperation and therefore were not audited.

Suzhou Fuyang maintains ongoing supplier evaluation and annual audit management to ensure stable supply chain quality and service standards. As part of our regular management process, we compile monthly evaluations of supplier quality, delivery, cost, service, and production line anomaly indicators, with "Supplier Incoming Material and Quality Comparison Notifications" sent to respective suppliers. Suppliers rated as Class C (60-74 points) and Class D (below 60 points) trigger specialized guidance and improvement tracking mechanisms. The 2024 evaluation results showed no suppliers rated as Class C or D.

For annual audits, Suzhou Fuyang promotes audit operations according to the "Annual Supplier Audit Plan," initially requiring suppliers to complete "Supplier On-site Audit Reports," followed by on-site inspections according to "Supplier Audit Checklists." For deficiencies identified during audits, suppliers must complete "Supplier Audit Deficiency Forms" to implement improvement measures and confirm results. Suppliers failing to meet standards after three consecutive improvement evaluations will lose their qualified supplier status. In 2024, Suzhou Fuyang completed 11 on-site audits and 2 document audits, achieving 100% completion rates with no non-compliant suppliers.



Suzhou Fuyang Supplier Evaluation Results for the Past 3 Years

firm	Grade	2022	2023	2024
Supplier	Grade A	36	40	33
	Grade B	50	52	36
	Grade C	0	0	0
	Grade D	0	0	0

Suzhou Fuyang Supplier Audit Implementation for the Past 3 Years

Audit Method		2022	2023	2024
On-site Audit	Planned On-site Audits	14	14	11
	Completed Audits	10	14	11
	Completion	71.43%	100%	100%
Document Audit	Planned Document Audits	2	2	58
	Completed Audits	2	2	58
	Completion	100%	100%	100%

Notes

According to "Supplier Management Operating Procedures," 2 suppliers in 2024 were trading companies and did not require on-site audits.

Supplier Social Responsibility Assessment

- ♦ **Assessment Process :** Fudy's Materials Department conducts risk assessments on suppliers based on factors such as transaction amount, criticality, and scale, categorizing them into high, medium, and low-risk levels. The frequency of on-site audits is adjusted according to these risk levels.
- ♦ **Assessment Content :** Supplier social responsibility assessments primarily examine suppliers' compliance in areas of "Labor, Occupational Health and Safety, Environmental Pollution, Business Ethics, and Management Systems." If a supplier is found to be non-compliant with commitment requirements, they are mandated to implement immediate corrective measures. In cases of severe violations where suppliers fail to make necessary improvements, business relationships are terminated.

Supplier Social Responsibility Risk Assessment and On-site Audit Frequency

Supplier Category	Social Responsibility Risk Assessment	On-site Audit
Top 10 Trading	Every two years	–
Indirect Suppliers (Security, dormitory management, cleaning, catering, labor agencies, and accommodation)	Every two years/New suppliers	Annually
Key Vendors (Primary raw materials, outsourced processing vendors)	Every two years/New suppliers	Annually (at least 3 vendors)
High Risk (After social responsibility risk assessment)	–	Annually
Medium Risk (After social responsibility risk assessment)	–	Every two years
Low Risk (After social responsibility risk assessment)	–	Every three years
On-site Audit Rating Criteria: Grade A (Excellent): 90–100, Grade B (Qualified): 80–89, Grade C (Qualified): 70–79, Grade D (Non-qualified): Below 70		

3.1 Sustainable Supply Chain Management
3.2.2 Green Design Innovation and R&D

3.1.1 Supplier Audits and Evaluation

3.2 Sustainable Product Design and Innovation

3.2.1 Use of Eco-Friendly Materials and Plastic Reduction Achievements

2024 Supplier Social Responsibility Assessment Results

Taipei Fudy

2024 Social Responsibility Risk Assessment				2024 Social Responsibility On-site Audit				
High Risk	Medium Risk	Low Risk	Total	Grade A	Grade B	Grade C	Grade D	Total
0	0	3	3	12	0	0	0	12

Dongguan Fuyang

2024 Social Responsibility Risk Assessment				2024 Social Responsibility On-site Audit				
High Risk	Medium Risk	Low Risk	Total	Grade A	Grade B	Grade C	Grade D	Total
0	0	0	0	1	2	6	0	9

Notes Suppliers rated as Grade D are required to implement improvements; failure to improve results in termination of business relationships.

Suzhou Fuyang

2024 Social Responsibility Risk			Notes
Qual-	Non-	Total	
69	0	69	

- Suppliers deemed non-qualified are required to implement improvements; failure to improve results in termination of business relationships.
- Suzhou Fuyang completed its supplier social responsibility on-site audit plan in 2024, with implementation scheduled to begin in 2025.

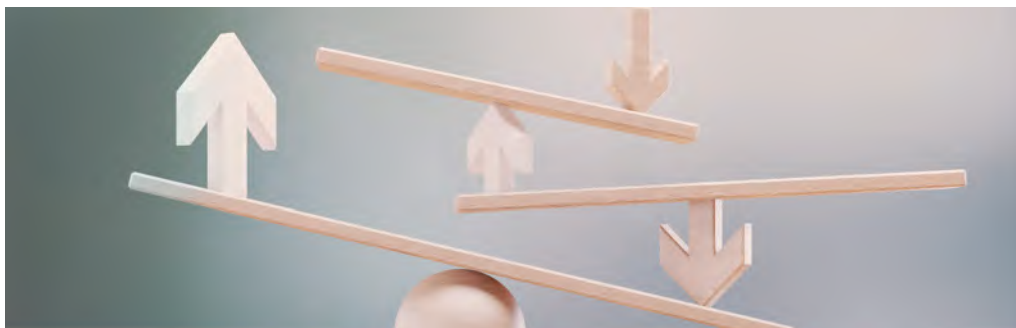
Sustainable Supply Chain Partnership: Fudy Connects Upstream and Downstream Toward a Low-Carbon Future

Reflecting our P.A.R.T.N.E.R. sustainability blueprint's core values of strategic planning (Planned) and environmental stewardship (Eco-friendly), Fudy actively participates in the Ministry of Economic Affairs' "Leading Small and Medium Enterprises in Manufacturing Low-Carbon and Smart Transformation" project, joining the "Zero Carbon Academy" initiative launched by our client, Zyxel Group.

As a vital connector in the mid-stream supply chain, Fudy plays a pivotal bridging role in this initiative. On one hand, we respond to our customers' low-carbon transformation goals; on the other, we transmit carbon management knowledge to upstream suppliers, driving the entire supply chain toward collaborative carbon reduction.

The "Zero Carbon Academy" curriculum covers carbon inventory, energy efficiency diagnostics, and sustainable product strategies. From 2023 to 2024, the program trained nearly 3,000 participants, accumulating 4,218 learning hours. Fudy's team not only actively engaged in training but also implemented learnings in practice. In 2024, we completed ISO 14064-1:2018 greenhouse gas inventory, established carbon emission baselines, and initiated carbon footprint management planning, demonstrating our commitment to precision (Accurate) and talent development (Nurturing).

This participation also earned Fudy the "Annual ESG Supplier Award" from Zyxel Group, recognizing our proactive role and contributions to sustainable supply chains. Moving forward, Fudy will continue leveraging our connecting capabilities, working hand-in-hand with upstream and downstream partners to drive industry-wide low-carbon transformation and achieve true supply chain collaboration.



3.2 Sustainable Product Design and Innovation

Fudy embraces an all-encompassing sustainability approach throughout our operations, dedicating ourselves to researching and applying environmentally friendly solutions across all aspects of production—from material selection and printing ink formulations to packaging coating technologies. Our goal is to minimize environmental impact throughout product lifecycles while delivering exceptional functionality.

We integrate professional printing technology with innovative packaging design and structure to create solutions that combine superior performance with environmental value for our customers. Through strategic applications including FSC®-certified paper materials, recycled paper products, recovered pulp materials, plastic-alternative eco-materials, water-based printing, mineral oil-free inks, and recyclable structural designs, Fudy successfully transforms sustainability principles into market-ready products that help customers achieve their environmental commitments.



3.2.1 Use of Eco-Friendly Materials and Plastic Reduction Achievements

Fudy prioritizes environmentally friendly and renewable raw materials, implementing a dual-track monitoring system to track both eco-friendly material proportion of procurement and plastic reduction progress. This approach drives low-carbon transformation throughout our supply chain.

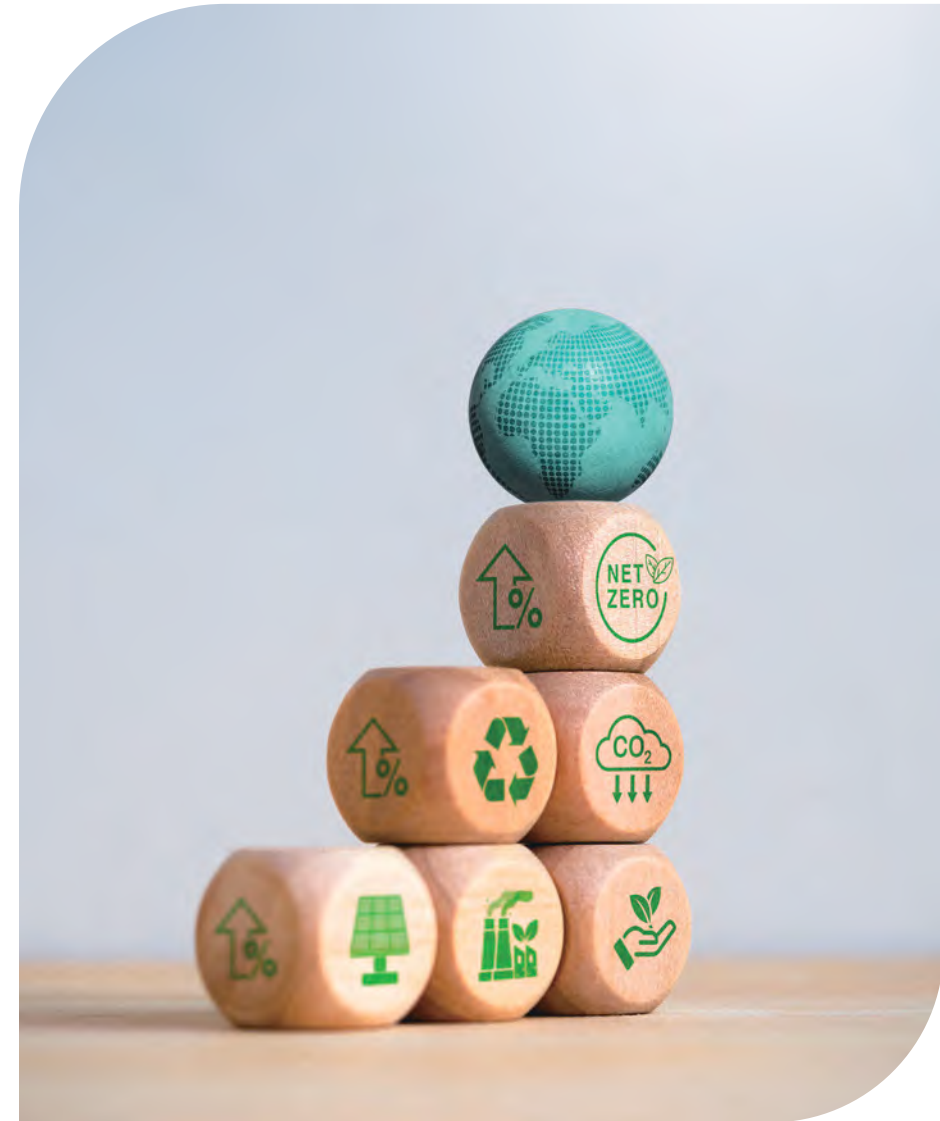
Despite global raw material price volatility and shifts in customer order composition, Fudy's eco-friendly material procurement reached NTD 445.6 million in 2024, representing 52.57% of total procurement. Recycled pulp products accounted for 40.93% of this total, while FSC® materials represented 11.51%, demonstrating our sustained commitment to material sustainability.

To advance plastic reduction, we continue expanding our initiatives through targeted measures:

- Collaborating with suppliers to develop eco-friendly alternative materials, reducing plastic dependency
- Co-creating product designs with customers that incorporate plastic reduction principles from the design phase
- Actively introducing programs to replace auxiliary raw materials to enhance recyclability and material efficiency

Plastic Reduction: Significant Progress in Achieving Our Plastic Reduction Commitments

Particularly noteworthy is Fudy's significant progress in plastic reduction. In 2024, plastic procurement costs decreased by 4.81% compared to the 2022 baseline year, falling from NTD 107.70 million to NTD 74.08 million. This achievement fully demonstrates Fudy's firm determination to fulfill our plastic reduction commitments while providing customers with more environmentally friendly packaging options. Moving forward, we will continue optimizing our material structure, strengthening the procurement and application of environmentally friendly materials, and driving sustainable transformation in the packaging industry.



3.1 Sustainable Supply Chain Management

3.1.1 Supplier Audits and Evaluation

3.2 Sustainable Product Design and Innovation

3.2.1 Use of Eco-Friendly Materials and Plastic Reduction Achievements

3.2.2 Green Design Innovation and R&D

Fudy Eco-Friendly Material Procurement Categories and Cost

	2024 Sustainable Product Procurement Costs (Unit: NT\$)					Total
	Category	Item	Taipei Fudy	Dongguan Fuyang	Suzhou Fuyang	
Eco-friendly Materials	FSC® Certified Forest Products Procurement	Raw Paper (Unprocessed Paper)	3,884,048	12,018,775.12	–	15,902,823.12
		Corrugated Paper	1,123,083	12,440,758.02	11,774,781.44	25,338,622.46
		Greyboard	–	3,338,749.16	11,384,349.12	14,723,098.28
		Outer Boxes	–	10,302,424.36	294,628.46	10,597,052.82
		Molded Pulp	–	732,983.39	5,182,982.97	5,915,966.36
		White Card	–	–	10,755,797.71	10,755,797.71
		Art Paper	–	–	7,607,989.59	7,607,989.59
		Kraft Paper	–	–	6,740,873.35	6,740,873.35
	FSC® Procurement Subtotal (Million NT\$)		5.01	38.83	53.74	97.58
	FSC® Procurement Percentage		2.44%	12.69%	15.98%	11.51%
	Bio-based Materials	GEX™	1,085,626.50	–	–	1,085,626.50
	Bio-based Materials Subtotal (Million NT\$)		1.09	–	–	1.09
	Bio-based Materials Percentage		0.53%	–	–	0.13%
	Recycled Pulp Products (>10% Recycled Content) Procurement	Art Board (Excluding FSC®)	1,457,297	18,546,274.03	18,594,317.79	38,597,888.81
		Corrugated Paper (Excluding FSC®)	41,869,082	35,404,043.70	41,264,812.67	118,537,938.37
		Greyboard (Excluding FSC®)	–	18,005,391.31	13,500,430.57	31,505,821.88
		Outer Boxes/Cartons(Excluding FSC®)	–	19,266,430.95	25,422,056.22	44,688,487.17
		Molded Pulp (Excluding FSC®)	3,544,004	3,384,616.48	4,422,360.18	11,350,980.66
		Domestic Kraft Paper – Base Paper	13,719,385	11,043,611.77	15,116,752.43	39,879,749.20
		Domestic Kraft Paper – Packaging	–	732,661.05	1,965,861.44	2,698,522.49
		Imported Kraft Paper – Raw Paper	12,642,692	585,322.98	–	13,228,014.98
		Imported Kraft Paper – Packaging	304,500	–	–	304,500.00

3.1 Sustainable Supply Chain Management	3.1.1 Supplier Audits and Evaluation	3.2 Sustainable Product Design and Innovation	3.2.1 Use of Eco-Friendly Materials and Plastic Reduction Achievements
3.2.2 Green Design Innovation and R&D			

富迪近兩年廢棄物處理情形

(單位：公噸)

	2024 Sustainable Product Procurement Costs (Unit: NTD)					Total
	Category	Item	Taipei Fudy	Dongguan Fuyang	Suzhou Fuyang	
Eco-friendly Materials	Recycled Pulp Products (>10% Recycled Content) Procurement	White Card	—	—	28,165,374.19	28,165,374.19
		Art Paper	—	—	12,926,304.48	12,926,304.48
		Offset Paper	—	—	5,051,789.94	5,051,789.94
	Recycled Pulp Products Subtotal (Million NTD)		73.54	106.97	166.43	346.94
	Recycled Pulp Products Percentage		35.85%	34.94%	49.48%	40.93%
	Total Eco-friendly Materials (Million NTD)		79.63	145.80	220.17	445.60
	Total Eco-friendly Materials Percentage		38.82%	47.63%	65.46%	52.57%
Plastics	Plastic Procurement	Plastic Film (PET/PC/PP Film)	160,983.00	302,361.49	19,500.02	482,844.51
		Plastic Hooks/Handles	1,236,834.00	53,371.93	941,123.15	2,231,329.08
		Injection Molding	—	—	1,230,831.17	1,230,831.17
		Vacuum Forming (Blisters)	17,504,196.50	880,781.74	1,360,810.56	19,745,788.81
		Foam (EVA/EPE/PU/PE)	17,337,623.00	2,647,731.20	2,946,939.76	22,932,293.96
		Auxiliary Materials (PP Film/OPP Film/BOPP Film/Hot Stamping Foil/Fiber Tape/Ribbon/Plastic Bags)	—	5,994,053.75	18,050,970.89	24,045,024.64
		Consumables (PE Film/Transparent Tape/Bubble Wrap)	794,901.00	1,026,520.90	1,592,411.33	3,413,833.22
	Plastic Procurement Subtotal (Million NTD)		37.03	10.90	26.14	74.08
	Plastic Procurement Percentage		18.05%	3.56%	7.77%	8.74%

Notes

1. 2024 Total Procurement by Plant (NTD): Taipei Fudy NTD 205.13 million; Dongguan Fuyang NTD 306.11 million; Suzhou Fuyang NTD 336.36 million; Total NTD 847.60 million.

2. RMB exchange rate based on Cathay United Bank's central rate of 4.477 as of December 31, 2024.

Auxiliary Raw Material Substitution Plan

Raw Material	Environmentally Friendly Material Substitution	Improvement Benefits (Substitution Rate)
PET Vacuum Forming Materials	Paper Products	Plastic-free, fully recyclable 100%
PP/PE Plastic Bags	Paper Bags	
EPE, EVA Shock-absorbing Cushioning Materials	All-paper Structural Materials (plastic-free, adhesive-free)	
PE/PET Protective Film	Wear-resistant Protective Paper	
Anti-scratch Film	Anti-scratch Oil	
Plastic Hooks	Paper Hooks	
Plastic Ribbon	Paper Woven Tape	
Vacuum-formed Inner Trays	Cardboard Folding Boxes	
ROG EVA Liner	0.5mm Wood Fiber Paper or Corrugated Laminated Transparent Eco-friendly Material (FSC®)	

Fudy continues to promote the replacement of traditional materials with green raw materials, actively responding to international environmental standards and complying with local government environmental regulations and policies. Suzhou Fuyang has implemented the "Auxiliary Raw Material Replacement Program" since 2022, gradually replacing previously used solvent-based auxiliary materials with more environmentally friendly water-based or semi-water-based chemical products. In 2024, Dongguan Fuyang officially implemented the "Plastic-Substitute Transfer Coating" process, which was successfully implemented in mass production after prototype testing to realize Fudy's sustainability goals of plastic reduction and plastic elimination. In 2024, water-based blister coating has completely replaced the oil-based one, and the share of plastic-substitute coating replacing PP film increased from 8.4% in 2023 to 10.9% in 2024, demonstrating the positive results of plastic reduction initiatives. (Note: "Plastic-Substitute Transfer Coating" is an eco-friendly coating material. Through transfer printing—where the coating applied on OPP film is transferred to paper and the film is then recycled—it provides the paper with waterproof and oil-resistant properties, replacing traditional plastic lamination and thereby reducing plastic use.)

3.2.2 Green Design Innovation and R&D

Fudy continues to deepen packaging design innovation, incorporating carbon reduction concepts into product structural development to help customers reduce packaging volume and weight, thereby reducing carbon footprint during transportation.

In 2024, our company's R&D expenditure reached NTD 44.17 million, accounting for 2.2% of revenue, representing an 11% growth compared to the previous year. We added 10 new patents throughout the year, bringing our total accumulated patents to 21, demonstrating our continued investment in process optimization and innovative design. Meanwhile, Fudy encourages employee participation in design optimization through internal proposal systems and has established a packaging testing laboratory to strengthen quality verification capabilities. Taipei Fudy's laboratory officially obtained ISTA 2A accredited laboratory qualification in 2024, with the capability to perform ISTA 2A international standard packaging testing, further enhancing testing reliability and supporting global customers' demands for high-specification logistics packaging.

Fudy's Patent Acquisition Over the Past 3 Years

Year	2022	2023	2024	Total Valid Patents
Number of Patents	11	6	10	21

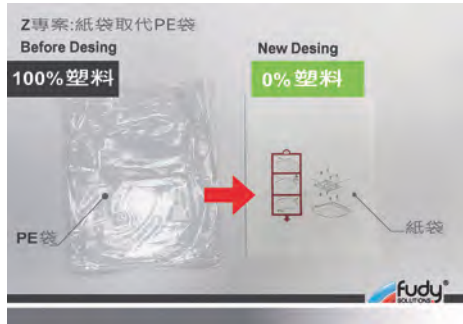
Notes

1. The patent data statistics sourced from Qichacha APP (Enterprise Credit Inquiry – Technology Patents).
2. Total valid patents refer to approved patents that are still maintained with fees paid and have not expired as of December 31, 2024.

We have established a proposal incentive system that provides corresponding proposal bonuses based on improvement suggestions and their actual benefits, thereby encouraging employees to propose innovations and improvement suggestions related to product development.



Network Communication Products / Plant Fiber Plastic-Free Protective Sleeves



In response to plastic elimination requirements, utilizing structural design capabilities to progressively replace all plastic materials with paper structures or all-plant fiber materials



Taipei Fudy

Plastic-Substitute Transfer Coating

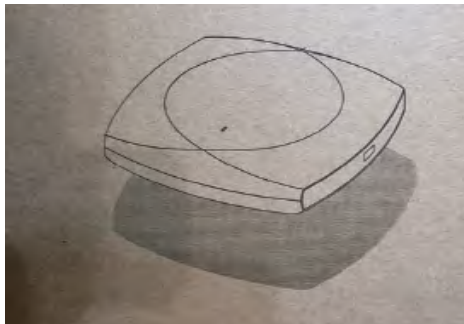


Using plastic-alternative oil to enable 100% recyclable packaging boxes



Dongguan Fuyang

High-Definition Watermark Packaging



Using water-based ink single-color printing to reduce excessive ink usage



Taipei Fudy

Network Communication Products (Customer Plastic Reduction Design)



Paper structural design as a replacement for vacuum forming packaging:

- ① All-paper structural liner used to secure two brackets and a QSG
- ② Paperboard insert at the base provides structural support, replacing traditional plastic blister components
- ③ Flip-top lid lined with die-cut greyboard, wrapped in surface paper to offer cushioning



Suzhou Fuyang

For Fudy's green design innovation awards, please refer to the Sustainability Feature in this report – Design Innovation and Sustainable Practice: Fudy Wins Three Major International Design Awards.

04

People-Centered Care in the Workplace and Society

We emphasize talent development and stakeholder health, safety, and human rights issues to create an inclusive and harmonious society.

4.1	Talent Sustainability	92
4.1.1	Diversity, Equity, and Inclusion	93
4.1.2	Workforce Turnover	94
4.1.3	Compensation and Salary Levels	96
4.1.4	Employee Rights and Benefits	97
4.2	Talent Cultivation and Development	101
4.2.1	Performance and Career Growth	104
4.2.2	Occupational Health and Safety	107
4.3	Occupational Health and Safety	108
4.3.1	Occupational Health and Safety Committee	108
4.3.2	Occupational Health and Safety Training and Education	109
4.3.3	Occupational Hazard Risk Management	110
4.4	Workplace Health	113
4.5	Corporate Social Impact	118

People-Centered Care in the Workplace and Society

4.1 Talent Sustainability

Employees are key partners in realizing Fudy's sustainability blueprint. Guided by our core "P.A.R.T.N.E.R." sustainability strategy, we particularly emphasize the values of Nurturing, Rights-respecting and Trustworthy. We are committed to building a safe, inclusive, and trustworthy workplace by supporting employees' physical and mental well-being, fostering open two-way communication, and offering benefits and career development opportunities beyond regulatory requirements. Fudy believes that treating every colleague with sincerity is essential to cultivating a stable and resilient team that drives shared prosperity for business and society.

As of 2024, Fudy and its affiliated companies have a total workforce of 743 employees:

- **Taipei Fudy:** 110 employees (14.80%)
- **Dongguan Fuyang:** 293 employees
- **Suzhou Fuyang:** 340 employees (Dongguan and Suzhou plants together accounted for 85.20%)

Our workforce comprises 391 permanent employees and 352 contract employees, with no employees on non-guaranteed hours. We also work with 169 non-employee workers, including outsourced and temporary staff.

Fudy remains committed to continuously enhancing our work environment and talent policies, empowering every employee to contribute meaningfully to our sustainability journey.

Fudy Workforce Over the Past 2 Years

Region	Taiwan				China				Total			
Year	2023		2024		2023		2024		2023		2024	
Worker Category	Employee	Non-employee	Employee	Non-employee	Employee	Non-employee	Employee	Non-employee	Employee	Non-employee	Employee	Non-employee
Number	119	0	110	0	625	192	633	169	744	192	743	169
Total Worker									936		912	

Note

1. Data calculated as of December 31 for respective years.
2. Non-employee workers include 4 cafeteria staff, 162 dispatched workers, and 3 security personnel.

4.1 Talent Sustainability **4.1.1 Diversity, Equity, and Inclusion** 4.1.2 Workforce Turnover 4.1.3 Compensation and Salary Levels 4.1.4 Employee Rights and Benefits 4.2 Talent Cultivation and Development 4.2.1 Performance and Career Growth 4.2.2 Occupational Health and Safety 4.3 Occupational Health and Safety 4.3.1 Occupational Health and Safety Committee 4.3.2 Occupational Health and Safety Training and Education 4.3.3 Occupational Hazard Risk Management 4.4 Workplace Health 4.5 Corporate Social Impact

Fudy 2024 Employee Composition by Region and Gender

Employee Category		Taiwan		China						Total		
		Taipei Fudy		Dongguan Fuyang		Suzhou Fuyang		Subtotal				
		Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Grand Total
By Contract Type	Permanent Employees	30	65	95	28	135	38	230	66	260	131	391
	Fixed-term Contract Employees	10	5	99	71	105	62	204	133	214	138	352
By Working Hours	Full-time Employees	40	70	194	99	240	100	434	199	474	269	743
	Part-time Employees	0	0	0	0	0	0	0	0	0	0	0
	Non-guaranteed Hours Employees (Temporary Workers)	0	0	0	0	0	0	0	0	0	0	0
Regional Total		40	70	194	99	240	100	434	199	474	269	743

Note

1. Data calculated as of December 31, 2024.
2. Full-time employees: According to Taiwan's Labor Standards Act definition, employees working 40 hours per week.
3. Part-time employees: Employees working less than 40 hours per week.
4. Non-guaranteed hours employees: Employees with no minimum or fixed working hours, such as temporary workers and on-call employees.

4.1.1 Diversity, Equity, and Inclusion

In alignment with SDG 8 "Decent Work and Economic Growth," Fudy upholds the sustainable principles of respect for human rights (Rights-respecting) and integrity (Trustworthy), committed to creating a work environment that respects differences and treats all equally. The company strictly adheres to local labor laws and international human rights standards, ensuring equal treatment for all employees regardless of gender, age, ethnicity, and disability status, eliminating any form of discrimination.

In 2024, Fudy's workforce comprised 63.80% male and 36.20% female employees. Employees over 50 years old represented 19.92% of our workforce, demonstrating our commitment to age diversity and inclusion.

At the management level, we have 98 managers, with 69 male and 29 female managers. Women accounted for 29.59% of management positions, reflecting the gradual advancement of women in leadership roles within our organization.

We actively recruit talent from diverse backgrounds, including:

- **Ethnic minorities (including indigenous employees): 26 employees**
- **Foreign nationals: 15 employees**
- **Persons with disabilities: 5 employees**

4.1 Talent Sustainability 4.1.1 Diversity, Equity, and Inclusion **4.1.2 Workforce Turnover** 4.1.3 Compensation and Salary Levels 4.1.4 Employee Rights and Benefits 4.2 Talent Cultivation and Development 4.2.1 Performance and Career Growth 4.2.2 Occupational Health and Safety 4.3 Occupational Health and Safety 4.3.1 Occupational Health and Safety Committee 4.3.2 Occupational Health and Safety Training and Education 4.3.3 Occupational Hazard Risk Management 4.4 Workplace Health 4.5 Corporate Social Impact

These diverse employee groups represent 6.19% of our total workforce, demonstrating Fudy's concrete commitment to creating an inclusive workplace where talents from all backgrounds and abilities can thrive and contribute to our shared success.

Workforce Diversity by Position and Location

Operating Location		Taipei Fudy								Dongguan Fuyang								Suzhou Fuyang							
Position Category/ Diversity Category		Gender		Age			Other Categories			Gender		Age			Other Categories			Gender		Age			Other Categories		
		Male	Female	<30	30-50	>50	Indige-nous	For-eign	Disable	Male	Female	<30	30-50	>50	Indige-nous	For-eign	Disable	Male	Female	<30	30-50	>50	Indige-nous	For-eign	Disable
Supervi-sors (Total: 98 positions)	Head count	6	9	0	10	5	0	0	1	25	10	0	24	11	1	0	0	38	10	1	36	11	0	0	0
	Per-cent-age	6.12%	9.18%	0	10.20%	5.10%	0	0	1.02%	25.51%	10.20%	0	20.49%	11.22%	1.02%	0	0	38.78%	10.20%	1.02%	36.73%	11.22%	0	0	0
Non-Su-pervisory (Total: 645 positions)	Head count	34	61	9	76	10	2	15	1	169	89	28	148	82	22	0	3	202	90	59	204	29	1	0	0
	Per-cent-age	5.27%	9.46%	1.40%	11.78%	1.55%	0.31%	2.33%	0.16%	26.20%	13.80%	4.34%	22.95%	12.71%	3.41%	0	0.47%	31.32%	13.95%	9.15%	31.63%	4.50%	0.16%	0	0
Total Headcount		40	70	9	86	15	2	15	2	194	99	28	172	93	23	0	3	240	100	60	240	40	1	0	0
Percentage of Total Workforce		5.38%	9.42%	1.21%	11.57%	2.02%	0.27%	2.02%	0.27%	26.11%	13.32%	3.77%	23.15%	12.52%	3.10%	0	0.40%	32.30%	13.46%	8.08%	32.30%	5.38%	0.13%	0	0

Note

1. Supervisor definition: Supervisors include section heads and above.
2. Gender classification is self-identified by employees.

4.1.2 Workforce Turnover

Fudy continues to strengthen organizational resilience and human resource management, committed to creating a workplace where talent thrives and employees experience continuous growth.

In 2024, Fudy welcomed 158 new employees, with an overall hiring rate of 21.27%. Of these, 58.9% were men (93) and 41.1% were women (65). The majority of new hires were between 31 and 50 years old at 49.37%, highlighting Fudy's ability to attract seasoned professionals. Hiring rates varied by operating location:

- Taipei Fudy : 10.91%
- Dongguan Fuyang : 12.29%
- Suzhou Fuyang : 32.35%

4.1 Talent Sustainability 4.1.1 Diversity, Equity, and Inclusion **4.1.2 Workforce Turnover** 4.1.3 Compensation and Salary Levels 4.1.4 Employee Rights and Benefits 4.2 Talent Cultivation and Development 4.2.1 Performance and Career Growth 4.2.2 Occupational Health and Safety 4.3 Occupational Health and Safety 4.3.1 Occupational Health and Safety Committee 4.3.2 Occupational Health and Safety Training and Education 4.3.3 Occupational Hazard Risk Management 4.4 Workplace Health 4.5 Corporate Social Impact

During the same period, 179 employees departed the company, corresponding to an overall turnover rate of 24.09%. Men accounted for 55.87% of departures, while women represented 44.13%. Regional turnover rates were:

- Taipei Fudy : 17.27%
- Dongguan Fuyang : 20.48%
- Suzhou Fuyang : 29.41%

It's important to note that Dongguan Fuyang and Suzhou Fuyang operate as manufacturing facilities, where production line personnel naturally experience higher turnover rates compared to office-based environments—a common characteristic of the manufacturing industry. Key departure reasons include career advancement opportunities, family considerations, and changing regional employment conditions. Fudy remains dedicated to understanding employee needs and continuously enhancing retention strategies, including career development programs, flexible leave arrangements, and active supervisor-employee dialogue to help employees achieve better work-life balance while building lasting workplace relationships and organizational commitment.

New Hires and Employee Turnover by Region and Demographics

New Hires								Employee Turnover							
Age	Gender	Taiwan	China		Total			Age	Gender	Taiwan	China		Total		
		Taipei Fudy	Dongguan Fuyang	Suzhou Fuyang	Subtotal	Count				Taipei Fudy	Dongguan Fuyang	Suzhou Fuyang	Subtotal	Count	
<30	Male	1	8	34	42	43	5.79%	<30	Male	2	8	34	42	44	5.92%
	Female	2	6	17	23	25	3.36%		Female	3	5	17	22	25	3.36%
30–50	Male	2	13	28	41	43	5.79%	30–50	Male	7	22	18	40	47	6.33%
	Female	7	5	23	28	35	4.71%		Female	7	16	23	39	46	6.19%
>50	Male	0	3	4	7	7	0.94%	>50	Male	0	5	4	9	9	1.21%
	Female	0	1	4	5	5	0.67%		Female	0	4	4	8	8	1.08%
Total by Region		12	36	110	146	158	21.27%	Total by Region		19	60	100	160	179	24.09%
Regional Rate		10.91%	12.29%	32.35%	–	21.27%	–	Regional Rate		17.27%	20.48%	29.41%	–	24.09%	–

Note

1. Regional new hire rate = Number of new hires in each category / Total workforce at year-end for that region (Taipei: 110, Dongguan Fuyang: 293, Suzhou Fuyang: 340); Overall new hire rate = Total new hires / Company-wide year-end headcount (743).
2. Regional turnover rate = Number of departures in each category / Total workforce at year-end for that region (Taipei: 110, Dongguan Fuyang: 293, Suzhou Fuyang: 340); Overall turnover rate = Total departures / Company-wide year-end headcount (743).
3. Departures include voluntary resignations, involuntary terminations, retirements, and work-related fatalities.

4.1 Talent Sustainability 4.1.1 Diversity, Equity, and Inclusion 4.1.2 Workforce Turnover **4.1.3 Compensation and Salary Levels** 4.1.4 Employee Rights and Benefits 4.2 Talent Cultivation and Development 4.2.1 Performance and Career Growth 4.2.2 Occupational Health and Safety 4.3 Occupational Health and Safety 4.3.1 Occupational Health and Safety Committee 4.3.2 Occupational Health and Safety Training and Education 4.3.3 Occupational Hazard Risk Management 4.4 Workplace Health 4.5 Corporate Social Impact

4.1.3 Compensation and Salary Levels

Fudy maintains comprehensive fair compensation practices, offering competitive salary packages across all operations. In 2024, our male-to-female salary ratios were: Taipei Fudy supervisors 0.998:1 and non-supervisory staff 1.274:1; Dongguan Fuyang supervisors 1.21:1 and non-supervisory staff 1.18:1; Suzhou Fuyang supervisors 1.12:1 and non-supervisory staff 1.23:1.

As a traditional printing and manufacturing company, compensation levels reflect varying degrees of technical expertise and specialization. The industry's talent composition has distinct characteristics: male employees predominantly work in specialized technical roles involving printing machinery and production processes, while female employees typically serve in administrative and support functions. This industry dynamic results in more pronounced gender-based salary differences at our China facilities compared to Taipei Fudy.

Male-to-Female Average Salary Ratios by Employee Category

Employee Category	Taipei Fudy		Dongguan Fuyang		Suzhou Fuyang	
	Male	Female	Male	Female	Male	Female
Supervisors	0.998	1	1.21	1	1.12	1
Non-Supervisory	1.274	1	1.18	1	1.23	1

Note

1. Calculation method: Average male salary in each category / Average female salary in each category.
2. Compensation includes annual salary, base pay, meal allowances, year-end bonuses, performance bonuses, overtime pay, and stock dividends.

We determine employee compensation based on educational qualifications, professional expertise, years of experience, and individual performance. To safeguard entry-level workers' interests, all salary levels exceed statutory minimum wage requirements. Our HR department conducts regular compensation reviews and adjustments. In 2024, we implemented company-wide salary increases averaging 2.44%: Taipei Fudy 3.8%, Dongguan Fuyang 1.65%, and Suzhou Fuyang 1.88%.

Entry-Level Employee Compensation at Key Operating Locations

Operating Location	Average Standard Salary		Ratio to Local Minimum Wage	
	Male	Female	Male	Female
Taipei Fudy	39,740	32,487	1.45	1.18
Dongguan Fuyang	30,551	25,828	3.59	3.04
Suzhou Fuyang	31,124	25,138	2.79	2.25

Note

1. Key operating locations refer to the operational boundaries disclosed in this report.
2. Employee salaries are established according to minimum wage announcements from Taiwan's Ministry of Labor and China's "Jiangsu Province Wage Payment Regulations," ensuring all compensation exceeds minimum wage standards.
3. Entry-level employees include direct production personnel such as technicians, skilled workers, and operators. At Taipei Fudy, this encompasses all production and manufacturing staff including operators, quality inspectors, and technicians.
4. Compensation structure – Taipei Fudy: Monthly salary including base pay, meal allowances, attendance bonuses, job allowances, and overtime pay; Dongguan Fuyang and Suzhou Fuyang: Basic wage plus overtime pay, performance bonuses, and accommodation/meal subsidies.
5. 2024 minimum wage levels: Taiwan NTD 27,470; Dongguan RMB 1,900 (NTD 8,506.3 equivalent); Suzhou RMB 2,490 (NTD 11,147.73 equivalent).
6. RMB exchange rate based on Cathay United Bank's central exchange rate of 4.477 as of December 31, 2024.

4.1.4 Employee Rights and Benefits

Fudy supports and complies with labor regulations and international human rights conventions in our operating regions, including the Universal Declaration of Human Rights and International Labor Organization conventions, fulfilling our responsibilities as a multinational corporation. Our human rights policy explicitly ensures gender equality and equal work rights, prohibits all forms of discrimination, and prohibits the use of child labor and forced labor. We safeguard various labor rights including minimum wage, working hours (including overtime), insurance, leave, pension systems, advance notice periods for contract termination, and freedom of association and collective bargaining rights. In 2024, neither our company nor our suppliers experienced any significant risks or incidents involving child labor, forced labor, discrimination, or other violations of worker human rights.

Fudy's Labor Rights-Related Measures

Labor Agree- ments	Taipei Fudy We have not established a labor union organization. In accordance with Article 83 of the Labor Standards Act, regular labor-management meetings are held quarterly, with the possibility of convening ad-hoc meetings as necessary. These meetings facilitate two-way communication and negotiation on topics such as promoting labor-management cooperation, coordinating labor relations, improving labor conditions, and planning labor welfare.
	Dongguan Fuyang We have established a labor union and signed a collective agreement, which covers 100% of the total workforce. The agreement stipulates provisions on labor remuneration, working hours and rest periods, social insurance and benefits, labor health and safety, special protection for female workers, rules and regulations with rewards and penalties, and modification, termination, and dissolution of collective contracts.
	Suzhou Fuyang We have established a labor union and signed a collective agreement. The agreement provisions include labor remuneration, working hours and rest periods, social insurance and benefits, labor health and safety, special protection for female workers, rules and regulations with rewards and penalties, and modification, termination, and dissolution of collective contracts. The agreement covers 100% of the total workforce.
Termination and Retirement Policies	• In the event of the need to terminate employment relationships with employees, Taipei Fudy complies with Article 16 of the Labor Standards Act by providing advance notice of contract termination and offering severance pay. • Dongguan Fuyang provides employees who reach statutory retirement age the opportunity to sign re-employment contracts based on their work performance, renewed every six months.
Parental Leave System	• Taipei Fudy offers comprehensive parental benefits including prenatal care leave, paternity and prenatal examination leave, parental leave, unpaid leave options, and related welfare subsidies. We also maintain lactation rooms for nursing mothers. • Dongguan Fuyang and Suzhou Fuyang follow national policies under the Labor Law of the People's Republic of China, granting male employees 15 days of paternity leave and female employees 98 days of maternity leave. Additionally, Dongguan Fuyang provides an extra 80 days of incentive leave in accordance with Guangdong Province regulations.

4.1 Talent Sustainability 4.1.1 Diversity, Equity, and Inclusion 4.1.2 Workforce Turnover 4.1.3 Compensation and Salary Levels **4.1.4 Employee Rights and Benefits** 4.2 Talent Cultivation and Development 4.2.1 Performance and Career Growth 4.2.2 Occupational Health and Safety 4.3 Occupational Health and Safety 4.3.1 Occupational Health and Safety Committee 4.3.2 Occupational Health and Safety Training and Education 4.3.3 Occupational Hazard Risk Management 4.4 Workplace Health 4.5 Corporate Social Impact

Taipei Fudy 2024 Parental Leave Data

Category	Male	Female	Total
A: Total employees eligible for parental leave in 2024	1	4	5
B: Total employees who actually used parental leave in 2024	0	3	3
Parental leave application rate = B/A	0	75%	60%
C: Total employees applying for reinstatement in 2024	0	1	1
D: Total employees scheduled to return to work who applied for extension in 2024	0	0	0
E: Total employees who actually returned to work in 2024	0	1	1
Reinstatement rate = E/(C-D)	0	100%	100%
F: Total employees who returned to work after parental leave in 2023	0	0	0
G: Total employees who continued working for one year after returning from parental leave in 2023	0	0	0
Retention rate = G/F	0	0%	0%

Note paternity leave over the past 3 years (2022–2024).

Fudy complies with local regulations to provide employees with comprehensive benefit systems, though some benefit items vary by operating location due to local regulations and cultural factors.

Employee Benefits by Operating Location

Benefit Type	Taipei Fudy	Dongguan Fuyang	Suzhou Fuyang
Statutory employee benefits	●	●	●
Group insurance coverage	●	●	●
Birthday allowance	●	●	●
Training and development subsidies	●	●	●
Annual health examinations	●	●	●
Holiday bonuses	●	●	●
Maternity support allowance	●	●	●
Five insurances and one fund (old-age, medical, work injury, unemployment, maternity insurance, and housing provident fund)	—	●	●
Travel allowances	●	—	—
Wedding gifts	●	—	—
Hospitalization care funds	●	—	—
Bereavement support funds	●	—	—
Lactation room	●	—	—
Performance incentives	●	●	●
Team social events	●	●	●

4.1 Talent Sustainability 4.1.1 Diversity, Equity, and Inclusion 4.1.2 Workforce Turnover 4.1.3 Compensation and Salary Levels **4.1.4 Employee Rights and Benefits** 4.2 Talent Cultivation and Development 4.2.1 Performance and Career Growth 4.2.2 Occupational Health and Safety 4.3 Occupational Health and Safety 4.3.1 Occupational Health and Safety Committee 4.3.2 Occupational Health and Safety Training and Education 4.3.3 Occupational Hazard Risk Management 4.4 Workplace Health 4.5 Corporate Social Impact

To foster employee engagement and strengthen workplace culture, Fudy organized a variety of employee activities throughout 2024. These team-building initiatives enhanced cross-departmental collaboration and built stronger working relationships. We designed these programs to provide employees with meaningful opportunities to unwind and recharge, helping to alleviate work-related stress while promoting healthy work-life integration. Through these efforts, we aim to cultivate a supportive team environment and build a sustainable, positive workplace culture.

01

Fudy Merry Christmas Gift Exchange Party

Fudy hosted a Merry Christmas gift exchange party, inviting employees to participate in fun activities that bring colleagues closer together and strengthen team cohesion.



02

Charity Drive for Gently Used Shoes and Bags

To reduce waste and environmental pollution, Fudy employees formed teams to participate in a charity collection drive for gently used shoes and bags (80% new condition). The initiative collected 370 items and raised NTD 13,750 in charitable donations, demonstrating the company's strong commitment to corporate social responsibility.



03



Monthly Vegetarian Day Initiative

Supporting environmentally friendly practices, Fudy launched a monthly vegetarian day program starting in 2023. By encouraging more plant-based meals, this initiative not only reduces carbon footprints but also promotes employee health and wellness.



4.1 Talent Sustainability 4.1.1 Diversity, Equity, and Inclusion 4.1.2 Workforce Turnover 4.1.3 Compensation and Salary Levels **4.1.4 Employee Rights and Benefits** 4.2 Talent Cultivation and Development 4.2.1 Performance and Career Growth 4.2.2 Occupational Health and Safety 4.3 Occupational Health and Safety 4.3.1 Occupational Health and Safety Committee 4.3.2 Occupational Health and Safety Training and Education 4.3.3 Occupational Hazard Risk Management 4.4 Workplace Health 4.5 Corporate Social Impact

04

2024 Mountain Cleanup and Firefly Watching Eco-Tour

In 2024, Fudy organized a mountain cleanup and firefly watching eco-tour, inviting employees and their families to connect with nature. Through hands-on environmental action, the event enhanced employees' environmental awareness while contributing to society. A total of 83 participants joined this meaningful activity.



Fudy Hualien Wellness Retreat

Recognizing the importance of employee well-being, Fudy organized a Hualien wellness retreat in 2024, allowing employees to relax and recharge, thereby enhancing work efficiency and creativity.



2024 Andrew Charity Association Food Bank Volunteer Activity

Fudy employees volunteered with the Andrew Charity Association's food bank program in 2024, helping provide support to families in need while building stronger team bonds. 23 employees participated, contributing a total of 103.5 volunteer hours.



Fudy Movie Appreciation Event

Fudy's movie appreciation event invited employees and their families to enjoy films together, creating opportunities for cross-departmental interaction, breaking down workplace barriers, and strengthening team collaboration spirit.



4.2 Talent Cultivation and Development

Guided by our core sustainability strategy values of "Nurturing (talent development)" and "Planned (strategic planning)," Fudy is committed to fostering a workplace environment of continuous learning and growth. From onboarding training to professional development programs, we comprehensively enhance employee capabilities through various learning channels and feedback mechanisms on training satisfaction to continuously optimize our internal training systems. To help new employees quickly adapt to the workplace and integrate into our corporate culture, the HR department provides comprehensive basic training for new hires, covering company introduction, integrity management principles, HR policies, dress code standards, cybersecurity awareness, and other foundational courses. These training programs not only build essential workplace competencies but also reinforce new employees' alignment with Fudy's culture and values.

As ESG has become a critical trend in global business development, Fudy actively promotes participation of middle and senior management in ESG sustainability development courses, deepening management's understanding of environmental, social, and governance issues while internalizing sustainability awareness as part of corporate decision-making and culture. We believe that only by continuously enhancing employees' professional and sustainability competencies can we build teams with forward-looking competitive capabilities, achieving mutual growth between the company and our talent toward sustainable operations.

In 2024, the total training hours for employees at Fudy and its affiliated companies reached 6,328 hours, with an average of 8.52 hours per employee. Specifically, Taipei Fudy employees received 1,385 total training hours, averaging 12.59 hours per person; Dongguan Fuyang employees received 2,051 total training hours, averaging 7 hours per person; and Suzhou Fuyang employees received 2,892 total training hours, averaging 8.51 hours per person.

Fudy's 2024 Annual Employee Training Content

Category	Program	Participants	Content	Delivery	Hours	2024 Results
New Employee Training	New Employee Education and Training	New employees	Company introduction, corporate culture and management systems and regulations, computer cybersecurity education, fire safety and occupational safety training	In-person training	66 (Taipei Fudy)	Conducted 10 sessions with 49 participants: 12 from Taipei Fudy and 37 from Dongguan Fuyang
Professional Skills Training	ISO System Management Plan (Taipei Fudy)	System-related departments	ISO 9001, ISO 14001, IECQ QC 080000, ISO14064-1	In-person training	103 (Taipei Fudy)	8 external training sessions with 9 participants from Taipei Fudy. All systems continue to maintain certification – please refer to the audit system section
	Business Presentation Training Workshop (Taipei Fudy)	Sales, design, and administrative staff	Presentation structure and visual design, verbal presentation skills and stage presence training	In-person training	322 (Taipei Fudy)	Conducted 2 sessions with 46 participants from Taipei Fudy
	Commercial Training ESG (Taipei Fudy)	Sales and finance staff	International trade practices, triangular trade practices	Online training	74.5 (Taipei Fudy)	Conducted 4 sessions with 49 participants from Taipei Fudy
		Sales staff	Project management	In-person training	35 (Taipei Fudy)	Conducted 2 sessions with 3 participants from Taipei Fudy

4.1 Talent Sustainability 4.1.1 Diversity, Equity, and Inclusion 4.1.2 Workforce Turnover 4.1.3 Compensation and Salary Levels 4.1.4 Employee Rights and Benefits **4.2 Talent Cultivation and Development** 4.2.1 Performance and Career Growth 4.2.2 Occupational Health and Safety 4.3 Occupational Health and Safety 4.3.1 Occupational Health and Safety Committee 4.3.2 Occupational Health and Safety Training and Education 4.3.3 Occupational Hazard Risk Management 4.4 Workplace Health 4.5 Corporate Social Impact

Category	Program	Participants	Content	Delivery	Hours	2024 Results
ESG	ESG Corporate Sustainability Development Plan	Middle and senior management	Understanding ESG impacts on enterprises, corporate responsibilities and response strategies	Online and in-person training	92 (Taipei Fudy)	Conducted 3 sessions with 63 total participants: 36 from Taipei Fudy, 13 from Dongguan Fuyang, and 14 from Suzhou Fuyang
		Taipei Fudy employees			96.5 (Taipei Fudy)	
	ESG Education and Training	Taipei Fudy employees	ESG advocacy (including human rights, anti-discrimination, integrity management) and employee interviews	In-person training	131	Conducted 2 sessions with 115 participants. Implemented ESG advocacy education and training with employee care and interviews for migrant workers
Legal and Regulatory Training	Legal and Regulatory Knowledge Training	Taipei Fudy employees	RBA 8.0 internal auditor training course	In-person training	150	Conducted 5 sessions with 5 participants
Risk Management	Occupational Health and Safety Training	Taipei Fudy occupational health and safety staff	Occupational health and safety, fire safety, first aid, organic solvent-related training	In-person training	36	Conducted 5 sessions with 5 participants
	Cybersecurity Education and Training	All employees	Employee cybersecurity basic concept advocacy through emails, seminars and related courses to ensure employees understand and comply with cybersecurity policies	Emails, training courses	—	Taipei Fudy: ● New employee cybersecurity education training for 2.5 hours with 5 trainees ● 7 email distributions in 2024 reaching 588 people. Dongguan Fuyang: Cybersecurity education training under continuous development, with 20 training hours and 280 trainees in 2024. Suzhou Fuyang: Conducted cybersecurity training courses in 2024 with 25 trainees for 2 hours

4.1 Talent Sustainability

4.1.1 Diversity, Equity, and Inclusion

4.1.2 Workforce Turnover

4.1.3 Compensation and Salary Levels

4.1.4 Employee Rights and Benefits

4.2 Talent Cultivation and Development

4.2.1 Performance and Career Growth

4.2.2 Occupational Health and Safety

4.3 Occupational Health and Safety Committee

4.3.1 Occupational Health and Safety

4.3.2 Occupational Health and Safety Training and Education

4.3.3 Occupational Hazard Risk Management

4.4 Workplace Health

4.5 Corporate Social Impact

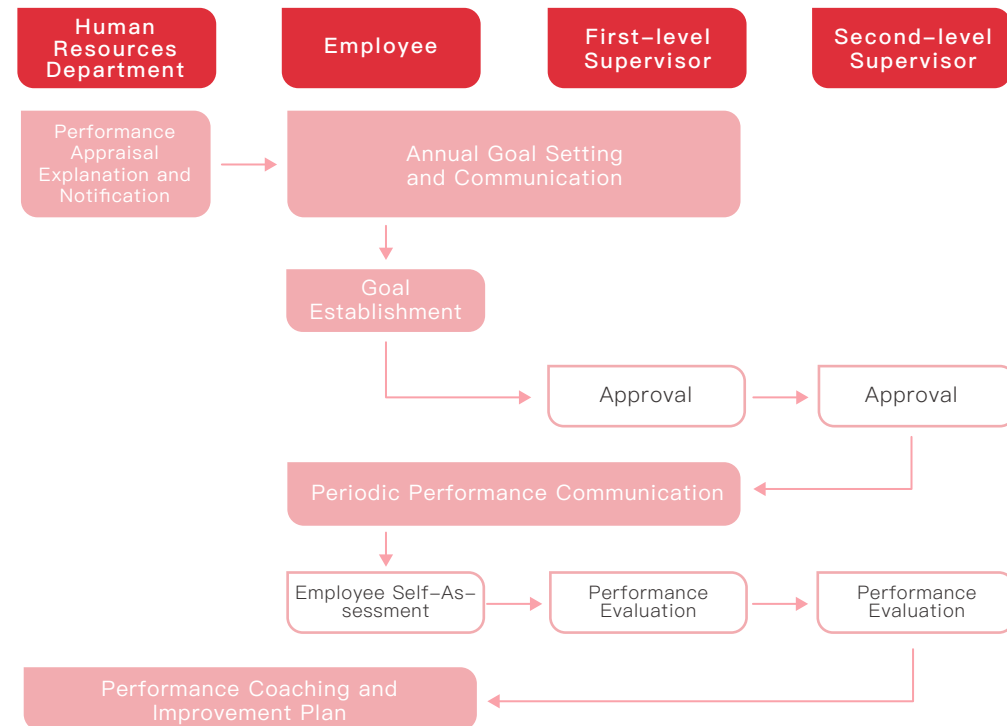
Fudy's 2024 Employee Training Status													
Employee Category	Metric	Taipei Fudy			Dongguan Fuyang			Suzhou Fuyang			Total		
		Male	Female	Subtotal	Male	Female	Subtotal	Male	Female	Subtotal	Male	Female	Subtotal
Supervisory Staff	Total Training Hours	262	143	405	175	70	245	456	100	556	893	313	1,206
	Number of Employees at Year-End	6	9	15	25	10	35	38	10	48	69	29	98
	Average Training Hours per Employee	43.67	15.89	27	7	7	7	12	10	11.58	12.94	10.79	12.31
Non-Supervisory Staff	Total Training Hours	331.5	648.5	980	1,183	623	1,806	1,616	720	2,336	3,130.5	1,991.5	5,122
	Number of Employees at Year-End	34	61	95	169	89	258	202	90	292	405	240	645
	Average Training Hours per Employee	9.75	10.63	10.32	7	7	7	8	8	8	7.73	8.30	7.94
Total	Total Training Hours	593.5	791.5	1,385	1,358	693	2,051	2,072	820	2,892	4,023.5	2,304.5	6,328
	Number of Employees at Year-End	40	70	110	194	99	293	240	100	340	474	269	743
	Average Training Hours per Employee	14.84	11.31	12.59	7	7	7	8.63	8.20	8.51	8.49	8.57	8.52

4.1 Talent Sustainability 4.1.1 Diversity, Equity, and Inclusion 4.1.2 Workforce Turnover 4.1.3 Compensation and Salary Levels 4.1.4 Employee Rights and Benefits 4.2 Talent Cultivation and Development **4.2.1 Performance and Career Growth** 4.2.2 Occupational Health and Safety 4.3 Occupational Health and Safety 4.3.1 Occupational Health and Safety Committee 4.3.2 Occupational Health and Safety Training and Education 4.3.3 Occupational Hazard Risk Management 4.4 Workplace Health 4.5 Corporate Social Impact

4.2.1 Performance and Career Development

Fudy has established a comprehensive performance evaluation system with formal performance assessment management procedures. We conduct semi-annual performance evaluations for all employees, linking evaluation results to key human resources decisions including salary adjustments, promotions, incentives, and role transfers. These evaluations also serve as opportunities for meaningful dialogue between management and employees, facilitating work improvement, professional development, and career planning discussions.

Performance evaluations are primarily conducted for full-time employees. In 2024, Taipei Fudy achieved a 98.2% completion rate. Non-completions included no employees who resigned during the evaluation period and two who had not yet completed their probationary period. Both Dongguan Fuyang and Suzhou Fuyang plants achieved 100% completion rates. Through this evaluation framework, Fudy identifies suitable and high-potential talent, while our transparent promotion processes encourage employees to be more engaged and proactive in their work.



4.1 Talent Sustainability

4.1.1 Diversity, Equity, and Inclusion

4.1.2 Workforce Turnover

4.1.3 Compensation and Salary Levels

4.1.4 Employee Rights and Benefits

4.2 Talent Cultivation and Development

4.2.1 Performance and Career Growth

4.2.2 Occupational Health and Safety

4.3 Occupational Health and Safety Committee

4.3.1 Occupational Health and Safety

4.3.2 Occupational Health and Safety Training and Education

4.3.3 Occupational Hazard Risk Management

4.4 Workplace Health

4.5 Corporate Social Impact

Fudy's 2024 Employee Performance Review Status by Region													
Employee Category	Operating Location	Taipei Fudy			Dongguan Fuyang			Suzhou Fuyang			Total		
	Metric	Male	Female	Subtotal	Male	Female	Subtotal	Male	Female	Subtotal	Male	Female	Subtotal
Supervisory Staff	Total Number of Employees at Year-End (A1)	6	9	15	25	10	35	38	10	48	69	29	98
	Number of Employees Receiving Regular Performance and Career Development Reviews (B1)	6	9	15	25	10	35	38	10	48	69	29	98
	Percentage (B1/A1)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Non-Supervisory Staff	Total Number of Employees at Year-End (A1)	34	61	95	169	89	258	202	90	292	405	240	645
	Number of Employees Receiving Regular Performance and Career Development Reviews (B1)	34	59	93	169	89	258	202	90	292	405	238	643
	Percentage (B1/A1)	100%	96.72%	97.89%	100%	100%	100%	100%	100%	100%	100%	99.17%	99.69%
Total	Total Number of Employees at Year-End (R)	40	70	110	194	99	293	240	100	340	474	269	743
	Total Number of Employees Receiving Regular Performance and Career Development Reviews (Q)	40	68	108	194	99	293	240	100	340	474	267	741
	Percentage of Employees Receiving Regular Performance and Career Development Reviews (Q/R)	100%	97.14%	98.18%	100%	100%	100%	100%	100%	100%	100%	99.26%	99.73%

4.1 Talent Sustainability 4.1.1 Diversity, Equity, and Inclusion 4.1.2 Workforce Turnover 4.1.3 Compensation and Salary Levels 4.1.4 Employee Rights and Benefits 4.2 Talent Cultivation and Development **4.2.1 Performance and Career Growth** 4.2.2 Occupational Health and Safety 4.3 Occupational Health and Safety 4.3.1 Occupational Health and Safety Committee 4.3.2 Occupational Health and Safety Training and Education 4.3.3 Occupational Hazard Risk Management 4.4 Workplace Health 4.5 Corporate Social Impact

Retirement System

Fudy contributes retirement funds for employees in accordance with local statutory retirement regulations and related provisions. At Taipei Fudy, contributions are made in accordance with Taiwan's "Labor Standards Act" and "Labor Pension Act." Retirement reserves are regularly allocated to statutory accounts based on the applicable pension system for employees. At Dongguan Fuyang and Suzhou Fuyang, retirement benefits are managed under the "Social Insurance Law" as stipulated by the government of the People's Republic of China, with all retirement pensions coordinated and arranged by the local government.

Pension System		Contribution Methods
Taiwan	"Labor Standards Act" Old System Retirement Pension	Employees who joined before June 30, 2005 (inclusive) are entitled to the old system retirement pension based on their years of service. The pension is deposited monthly into the Taiwan Bank's Trust Department's old system retirement reserve account, ensuring sufficient funds to meet the retirement needs of eligible employees.
Taiwan	"Labor Pension Act" New System Retirement Pension	For employees under the new pension system implemented after the Labor Pension Act reforms, employers contribute 6% of monthly wages into individual pension accounts. Employees may also voluntarily contribute between 0% and 6% of their wages to their personal accounts.
China	Social Insurance Law	The retirement system covers all regular employees. Upon hiring, the company enrolls employees in the "five insurances" (medical, unemployment, work injury, maternity, and old-age insurance). When retirement eligibility is met, the HR department assists with the process, and pensions are disbursed through the Social Security Bureau's Pension Division.

Retirement Pension Expenses for Employees at Taipei Fudy Over the Past Three Years

Year	2022	2023	2024
Number of Employees in Service	111	119	110
Average Retirement Pension Cost per Person (in NTD)	75,857	34,101	34,820
Growth Rate of Retirement Pension Expenses	64%	-122%	2.1%

- Note**
1. Calculation method for average retirement pension: (New system retirement pension 6% annual total contribution + Old system retirement pension total contribution for the year) / Number of employees.
 2. The negative growth rate in 2023 resulted from a one-time adjustment to the old system retirement reserve account in 2022 and the retirement of employees eligible under the old system in 2023, which led to pension withdrawals.

4.1 Talent Sustainability 4.1.1 Diversity, Equity, and Inclusion 4.1.2 Workforce Turnover 4.1.3 Compensation and Salary Levels 4.1.4 Employee Rights and Benefits 4.2 Talent Cultivation and Development 4.2.1 Performance and Career Growth **4.2.2 Occupational Health and Safety** 4.3 Occupational Health and Safety 4.3.1 Occupational Health and Safety Committee 4.3.2 Occupational Health and Safety Training and Education 4.3.3 Occupational Hazard Risk Management 4.4 Workplace Health 4.5 Corporate Social Impact

4.2.2 Occupational Health and Safety

Fudy is committed to providing a safe and healthy work environment as part of its responsibility to employees. Taipei Fudy is scheduled to undergo "RBA 8.0 Code of Conduct" external audit in 2025. Dongguan Fuyang passed the "RBA 8.0 Code of Conduct" external audit in May 2024 and completed the "SMETA-2P" external audit in March of the same year. Suzhou Fuyang adopted and continues to comply with the "RBA 8.0 Code of Conduct," "ISO 45001:2018 Occupational Health and Safety Management System," and "SMETA-4P" in December 2024, actively advancing occupational health and safety management and occupational hazard risk assessment operations. The scope of the occupational health and safety management system encompasses the main operational sites of Taipei Fudy, Dongguan Fuyang, and Suzhou Fuyang, covering a total of 743 employees (81.47%) and 169 non-employees (18.53%), with no categories of workers excluded. We have also established a comprehensive "Occupational Health and Safety Management Policy" in accordance with the Occupational Safety and Health Act and related regulations to comprehensively prevent the occurrence of occupational accidents.

▼ Workers Covered by the Occupational Health and Safety Management System

Occupational Health and Safety Management System – Employees

Operating Location	Taipei Fudy	Dongguan Fuyang	Suzhou Fuyang	Total
Number of employees covered by the OHS management system (a)	110	293	340	743
Number of employees audited internally under this system (b)	110	293	340	743
Number of employees audited/verified by external organizations under this system (c)	110	293	340	743
Total number of employees (d)	110	293	340	743
OHS management system coverage ratio (a/d)	100 %	100 %	100 %	100 %
Internal audit ratio under this system (b/a)	100 %	100 %	100 %	100 %

Occupational Health and Safety Management System – Non-employee Workers

Operating Location	Taipei Fudy	Dongguan Fuyang	Suzhou Fuyang	Total
Number of non-employee workers covered by the OHS management system (a)	0	19	150	169
Number of non-employee workers audited internally under this system (b)	0	19	150	169
Number of non-employee workers audited/verified by external organizations under this system (c)	0	0	0	0
Total number of non-employee workers (d)	0	19	150	169
OHS management system coverage ratio (a/d)	–	100%	100%	100%
Internal audit ratio under this system (b/a)	–	100%	100%	100%

Note

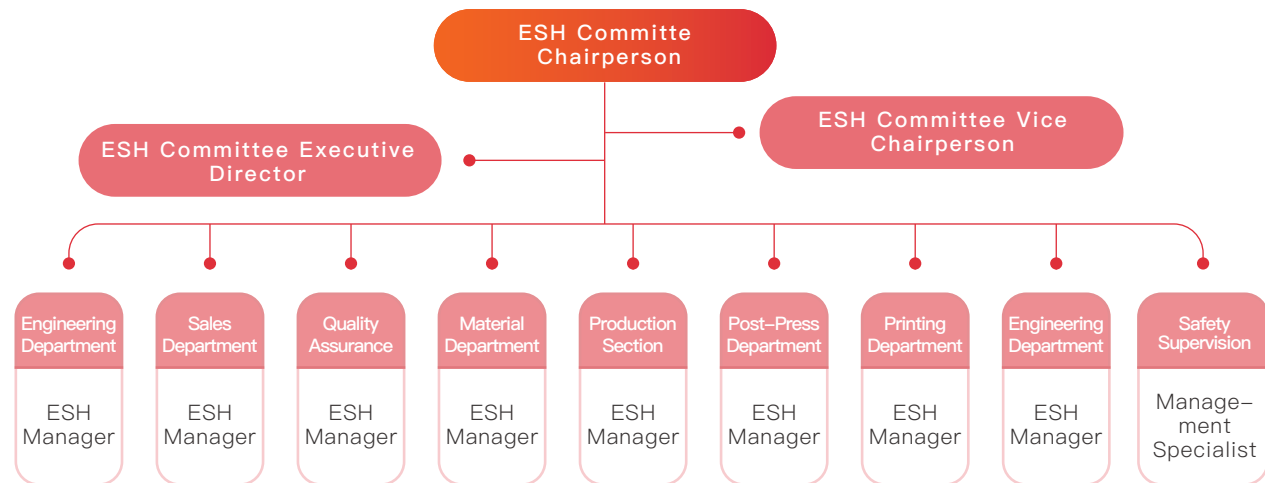
1. Non-employee workers under the OHS system include temporary staff and contractors.
2. Non-employee workers at Dongguan Fuyang and Suzhou Fuyang are not included in external audit verification due to their higher mobility and because their social insurance coverage is managed by dispatch companies.

4.3 Occupational Health and Safety

4.3.1 Occupational Health and Safety Committee

Fudy places great emphasis on protecting employee rights and well-being. Dongguan Fuyang and Suzhou Fuyang have both established "Occupational Health and Safety Committees," with labor representatives making up 7% and 9.8% of committee members, respectively. The committees hold regular monthly meetings where labor representatives voice concerns for all employees and collaborate with management to discuss safety, health, and occupational disease identification issues. Dongguan Fuyang plans quarterly safety drills, safety knowledge training for each department, and conducts safety training during monthly morning meetings to ensure effective workplace health and safety management. Suzhou Fuyang holds weekly plant-wide management safety meetings, arranges monthly safety meetings for each unit, and conducts specialized training for accident prevention on an ad-hoc basis.

Furthermore, although Taipei Fudy is not legally required to establish an Occupational Health and Safety Committee, the General Affairs Section of the Operations Management Office coordinates occupational safety management matters, strives to comply with customer-required occupational health and safety management measures, develops daily execution strategies, and reports directly to the General Manager to ensure employee occupational health and safety.



▲ Structure of the Occupational Health and Safety Committee

Contractor Occupational Health and Safety Management

For contractor occupational health and safety management, we have established contractor safety and health management measures, requiring contractors to submit written safety commitment documents and disclose potential operational hazards before construction to minimize risks. For non-employee workers, Fudy complies with regulatory requirements to implement necessary management measures, such as including safety regulations in contracts, conducting hazard notification briefings and safety supervision before contractor personnel enter the facility, along with related safety management and training. We also require contractors to comply with both regional occupational health and safety regulations and Fudy's own safety and health management measures.

4.1 Talent Sustainability 4.1.1 Diversity, Equity, and Inclusion 4.1.2 Workforce Turnover 4.1.3 Compensation and Salary Levels 4.1.4 Employee Rights and Benefits 4.2 Talent Cultivation and Development 4.2.1 Performance and Career Growth 4.2.2 Occupational Health and Safety 4.3 Occupational Health and Safety 4.3.1 Occupational Health and Safety Committee **4.3.2 Occupational Health and Safety Training and Education** 4.3.3 Occupational Hazard Risk Management 4.4 Workplace Health 4.5 Corporate Social Impact

4.3.2 Occupational Health and Safety Training and Education

To ensure workers acquire essential workplace safety knowledge, Fudy complies with regional regulatory requirements and regularly conducts safety and health training courses as well as fire emergency drills. In 2024, Fudy workers completed a total of 6,429 hours of occupational health and safety education and training, with 3,124 participations, averaging 2.06 training hours per person. Taipei Fudy workers participated in occupational health and safety education and training for a total of 1,036 hours, Dongguan Fuyang 2,129.5 hours, and Suzhou Fuyang 3,263.5 hours.

Additionally, Fudy provides subsidies for employees undertaking professional certification examinations, retraining, and refresher programs. Taipei Fudy invested NTD 7,330, Dongguan Fuyang NTD 142,999.86, and Suzhou Fuyang NTD 6,715.5, totaling NTD 157,045.36. This includes first aid personnel occupational safety training, 5S basic courses, self-defense fire brigade training, protective clothing and organic solvent leak handling, chemical use and management, and other occupational safety education and training. Taipei Fudy obtained 5 certifications, Dongguan Fuyang 20 certifications, and Suzhou Fuyang 4 certifications, totaling 29 certifications. Fudy continues to strengthen the company's occupational health and safety management capabilities through occupational safety education and training to reduce workplace accidents.

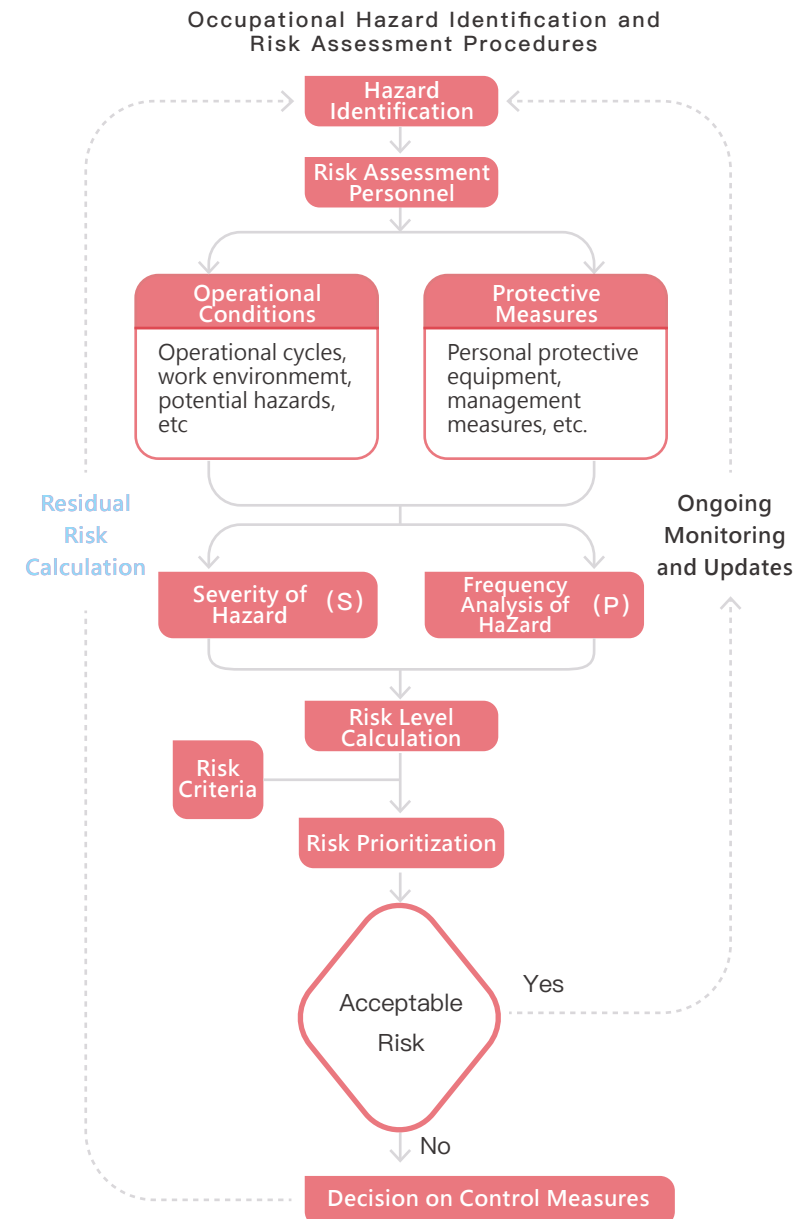
2024 Fudy Occupational Health and Safety Training Status						
Worker Category		Training Type	2024 Training Courses	Course Hours	Participants	Total Training Hours
Taipei Fudy Head-quarters	Newly hired employees	General Training	Occupational Health and Safety	2	12	24
		Specific Training	5S Basic Course	1	12	12
	Current employees	General Training	General Employee Safety	1	116	116
			Self-defense Fire Brigade Training (First Half)	4	110	440
			Self-defense Fire Brigade Training (Second Half)	4	107	428
		Specific Training	Protective Clothing and Organic Solvent Leak Handling	2	8	16
	Subtotal			14	365	1,036
Dong-guan Fuyang	Newly hired employees	General Training	Occupational Health and Safety Training (including Fire Safety)	2	37	74
	Current employees	General Training	Environmental Regulations	1.4	203	283
			Waste Classification and Management	1.2	215	263
			Occupational Health and Safety Training (including Fire Safety)	2.3	374	874
			Social Responsibility Knowledge (including Human Rights)	1.2	201	209
			Chemical Application and Protection	1.0	60	60
	Specific Training	Business Ethics Training/Integrity Management	1.4	255	366.5	
Subtotal			10.5	1,345	2,129.5	
Suzhou Fuyang	Newly hired employees	General Training	Safety, Health, and Fire Prevention Training Level 3	24	85	2,040
	Current employees	General Training	Occupational Health and Safety Specialized Training	2	340	680
			Fire Emergency and Volunteer Firefighter Specialized Training	1.5	36	54
			Chemical Use and Management	1	14	14
		Specific Training	Chemical Leak Drill	1	12	12
			Plant-wide Fire Safety Drill (Twice Yearly)	0.5	927	463.5
	Subtotal			30	1,414	3,263.5
Total				54.5	3,124	6,429

4.1 Talent Sustainability 4.1.1 Diversity, Equity, and Inclusion 4.1.2 Workforce Turnover 4.1.3 Compensation and Salary Levels 4.1.4 Employee Rights and Benefits 4.2 Talent Cultivation and Development 4.2.1 Performance and Career Growth 4.2.2 Occupational Health and Safety 4.3 Occupational Health and Safety 4.3.1 Occupational Health and Safety Committee 4.3.2 Occupational Health and Safety Training and Education **4.3.3 Occupational Hazard Risk Management** 4.4 Workplace Health 4.5 Corporate Social Impact

4.3.3 Occupational Hazard Risk Management

Adhering to the principles of proactive prevention, zero accidents, and zero disasters, Fudy conducts annual occupational safety risk assessments in accordance with the "Environmental Safety Risk Identification Management Procedure." Risk levels are determined based on severity classifications and the probability of occurrence. Currently, management representatives at each operational site are responsible for review and approval, after which implementation is carried out by the site's safety and health units and supervisors. Each operational site has also established occupational accident handling procedures, which clearly define emergency response processes to mitigate occupational hazards when incidents occur.

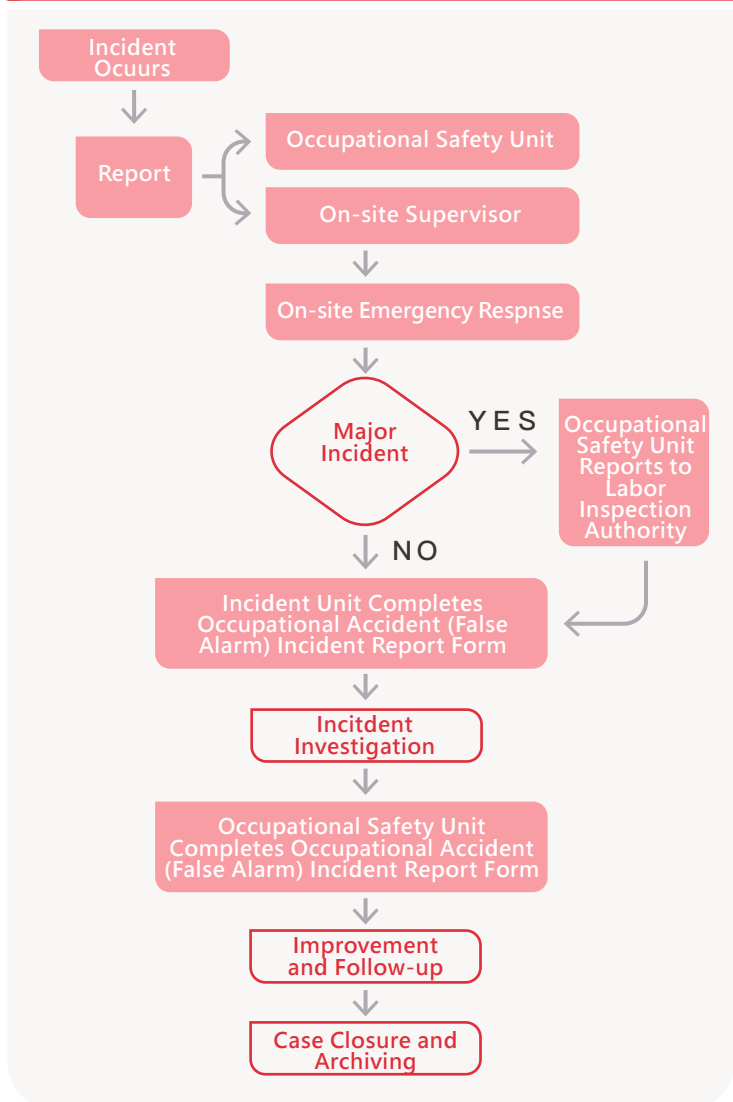
Risk Level	Risk Corresponding Measures
Level 5	Major Risk Immediate risk reduction measures must be taken; operations must not commence or continue until the risks have been reduced.
Level 4	High Risk Risk control measures must be implemented within a specified timeframe; operations must not commence until risks have been reduced.
Level 3	Moderate Risk Efforts should be made to reduce risks. For example, gradual risk reduction measures may be implemented based on cost or financial considerations, in order to progressively reduce the proportion of moderate risks. For moderate risks with major or extremely major severity levels, further assessment of occurrence probability is recommended as the basis for improving control measures.
Level 2	Low Risk No immediate risk reduction measures are required, but the effectiveness of existing protective facilities must be ensured.
Level 1	Minor Risk No risk reduction measures are required, but the effectiveness of protective measures must be ensured.



4.1 Talent Sustainability 4.1.1 Diversity, Equity, and Inclusion 4.1.2 Workforce Turnover 4.1.3 Compensation and Salary Levels 4.1.4 Employee Rights and Benefits 4.2 Talent Cultivation and Development 4.2.1 Performance and Career Growth 4.2.2 Occupational Health and Safety 4.3 Occupational Health and Safety 4.3.1 Occupational Health and Safety Committee 4.3.2 Occupational Health and Safety Training and Education **4.3.3 Occupational Hazard Risk Management** 4.4 Workplace Health 4.5 Corporate Social Impact



Occupational Incident Notification Process



Fudy's Significant Occupational Health and Safety Risks and Corresponding Control Measures

Significant Occupational Safety Risks	Occupational Health and Safety Objectives	Occupational Health and Safety Targets	2024 Control Performance
Elevator malfunctions due to improper operation		Obtain certification of elevator operation safety compliance	Engage qualified suppliers for on-site maintenance and servicing 66 times
Goods falling during loading and unloading processes due to errors	Zero fatalities and serious injuries, with a minor injury frequency rate lower than 0.1‰	Enforce safe stacking limits for goods to prevent accidents	- Post safety warning signs on-site - Conduct routine training sessions 120 times in 2024 -Taipei Fudy: Quarterly routine training sessions -Dongguan Fuyang: Monthly plant-wide training during morning meetings, and weekly audits by the management department -Suzhou Fuyang: Conduct safety awareness campaigns twice a week
Chemical leaks leading to fires	Zero fire accidents	Post chemical safety instructions for educational purposes	- In addition to designated smoking areas permitted by company regulations, smoking is prohibited in all other office premises - Conduct chemical leak drills 3 times in 2024
Chemical odors in the workshop causing illnesses	Zero occupational disease injuries	Require the use of activated carbon masks in chemical workshop	- Require workers to wear activated carbon masks or noise-canceling earmuffs and earplugs - Monitor a total of 11 times across the three plants according to the "Environmental Supervision and Measurement Management Procedure" in 2024 - A total of 636 workers underwent health check-ups in 2024
Loud process noise affecting employee hearing		Distribute earplugs to all personnel and conduct on-site noise monitoring	

4.1 Talent Sustainability 4.1.1 Diversity, Equity, and Inclusion 4.1.2 Workforce Turnover 4.1.3 Compensation and Salary Levels 4.1.4 Employee Rights and Benefits 4.2 Talent Cultivation and Development 4.2.1 Performance and Career Growth 4.2.2 Occupational Health and Safety 4.3 Occupational Health and Safety 4.3.1 Occupational Health and Safety Committee 4.3.2 Occupational Health and Safety Training and Education **4.3.3 Occupational Hazard Risk Management** 4.4 Workplace Health 4.5 Corporate Social Impact

Safe Production

To strengthen the management of hazardous chemicals in production, Taipei Fudy follows the “Chemical Substance Management Procedure” to regulate chemical operations. Dongguan Fuyang employs an online monitoring system to track chemical storage conditions and conducts weekly plant-wide safety inspections. Suzhou Fuyang enforces the “Hazardous Chemical Safety Management System” to manage the use, storage, and maintenance of hazardous chemicals, actively promoting safe production. In 2024, Suzhou Fuyang further enhanced intrinsic safety by installing intelligent smoke detection and sprinkler systems in key workshop areas.

To prevent any work-related injuries, illnesses, and accidents, Fudy has established relevant procedural guidelines for preventing or mitigating occupational health and safety risks in accordance with occupational health and safety regulations at each operational site. These measures aim to reduce occupational health and safety impacts directly associated with business operations and create a healthy and safe working environment.

Preventive or Mitigation Measures for Occupational Health and Safety

Measure	Implementation Description
Personal Protective Equipment Management	Provide protective equipment to ensure employee safety and minimize workplace hazards
Workplace Environment Monitoring	Create a healthy and safe working environment to prevent occupational diseases and injuries
Lockout/Tagout Management	Prevent accidental equipment startup or operation to ensure a safer working environment
Labor Protection Program	Distribute personal protective equipment and enforce proper usage through on-site supervision
Employee Safety and Occupational Health Training	Conduct two monthly safety training sessions in each department to enhance safety knowledge
Employee Cafeteria Hygiene Monitoring	Perform weekly hygiene inspections of employee dining facilities
Workshop Water Purification and Drinking Systems	Install clean water systems to prevent health risks from consuming untreated water
Machinery and Equipment Inspections	Conduct regular safety and operational checks on machinery and equipment
Fire Safety and Electrical Equipment Inspections	Ensure fire safety equipment functionality and electrical equipment compliance with safety standards



4.1 Talent Sustainability 4.1.1 Diversity, Equity, and Inclusion 4.1.2 Workforce Turnover 4.1.3 Compensation and Salary Levels 4.1.4 Employee Rights and Benefits 4.2 Talent Cultivation and Development 4.2.1 Performance and Career Growth 4.2.2 Occupational Health and Safety 4.3 Occupational Health and Safety 4.3.1 Occupational Health and Safety Committee 4.3.2 Occupational Health and Safety Training and Education 4.3.3 Occupational Hazard Risk Management **4.4 Workplace Health** 4.5 Corporate Social Impact

4.4 Workplace Health

We conduct regular health check-ups for employees and specialized health examinations for workers in specific roles, implementing tiered health management in accordance with legal requirements. Based on examination results, our plant nurses and occupational medicine specialists conduct health education and health monitoring follow-ups, performing on-site assessments of suspected work-related diseases when necessary. Employees with health management classifications of Level 3 or above receive follow-up monitoring the following year, while Level 4 employees receive health consultations and guidance from professional physicians at the health center. In 2024, a total of 596 Fudy employees underwent general health check-ups, while 264 completed specialized health examinations. As of the end of 2024, the company has a cumulative total of 2 Level 4 health management employees with abnormal examination results due to special operations.

▼ Health Check-up Measures at Fudy's Operational Sites

01

Taipei Fudy: Employee health check-ups are conducted every three years according to the "Labor Health Protection Rules," with annual examinations for employees over 65 and those in special operations. Fudy exceeds regulatory requirements by conducting internal health check-ups every two years out of consideration for employees.

02

Dongguan Fuyang: For employees with more than one year of service, the company arranges annual free health check-ups and annual specialized health examinations (occupational health check-ups).

03

Suzhou Fuyang: Through health check-up subsidies, we identify non-occupational abnormalities among permanent employees and screen for occupational health risks through occupational health examinations.

General and Specialized Health Check-up Statistics for Fudy Employees Over the Past 3 Years

(Unit: person-times)

Location/Year	2022		2023		2024	
	General Health Check-ups	Specialized Health Examinations	General Health Check-ups	Specialized Health Examinations	General Health Check-ups	Specialized Health Examinations
Taipei Fudy	94	11	0	0	114	3
Dongguan Fuyang	173	82	155	81	187	79
Suzhou Fuyang	124	47	334	94	295	182
Total	391	140	489	175	596	264

Note Due to misrepresentation of general and specialized health check-up data for 2023, the 2023 information has been restated.

4.1 Talent Sustainability 4.1.1 Diversity, Equity, and Inclusion 4.1.2 Workforce Turnover 4.1.3 Compensation and Salary Levels 4.1.4 Employee Rights and Benefits 4.2 Talent Cultivation and Development 4.2.1 Performance and Career Growth 4.2.2 Occupational Health and Safety 4.3 Occupational Health and Safety 4.3.1 Occupational Health and Safety Committee 4.3.2 Occupational Health and Safety Training and Education 4.3.3 Occupational Hazard Risk Management **4.4 Workplace Health** 4.5 Corporate Social Impact

Cumulative Health Management Classification Statistics for Fudy Employees Over the Past 3 Years

(Unit: person-times)

地點/年份	2022				2023				2024			
	Level 1	Level 2	Level 3	Level 4	Level 1	Level 2	Level 3	Level 4	Level 1	Level 2	Level 3	Level 4
Taipei Fudy	7	4	0	0	0	0	0	0	0	3	0	0
Dongguan Fuyang	173	82	0	0	108	125	0	3	87	133	8	1
Suzhou Fuyang	0	40	0	0	211	41	0	2	435	37	4	1
Total	180	126	0	0	319	166	0	5	522	173	12	2

Note

Level 1: examination results comprehensively assessed as normal; Level 2 : examination results comprehensively assessed as abnormal but unrelated to work; Level 3 : examination results comprehensively assessed as abnormal with uncertain work-relatedness, requiring further evaluation by occupational medicine specialists; Level 4 : examination results comprehensively assessed as abnormal and work-related.

2024 Fudy Employee Occupational Injury Statistics

Operational Site	Taipei Fudy		Dongguan Fuyang		Suzhou Fuyang		Total	
Worker Type	Employees	Non-employees	Employees	Non-employees	Employees	Non-employees	Employees	Non-employees
Total Hours Worked	231,888	0	731,328	47,424	848,640	374,400	1,811,856	421,824
Fatalities	0	0	0	0	0	0	0	0
Fatality Rate	0	0	0	0	0	0	0	0
Severe Occupational Injuries	0	0	0	0	0	0	0	0
Severe Occupational Injury Rate	0	0	0	0	0	0	0	0
General Occupational Injuries	0	0	1	1	1	1	2	2
Total Recordable Injury Frequency Rate	0	0	1.37	21.09	1.18	2.67	1.10	4.74
Injury Types	None	None	1 crush injury	1 laceration	1 sprain	1 mechanical injury	1 crush injury, 1 sprain	1 laceration, 1 mechanical injury

Note

- Severe occupational injuries: Lost workdays exceeding 180 days, excluding fatalities; General occupational injuries: Lost workdays within 180 days.
- Total Hours Worked: Sum of all workers' annual hours; for employees, calculated based on actual work and overtime hours; for non-employees (long-term contract workers), estimated as 8 hours/day × monthly working days for annual data.
- Fatality Rate = Fatalities due to occupational injuries ÷ Total Hours Worked × 1,000,000
- Severe Occupational Injury Rate = Severe occupational injuries ÷ Total Hours Worked × 1,000,000
- Total Recordable Injury Frequency Rate (TRIFR) = Total recordable occupational injuries (including severe occupational injuries, fatalities, and other recordable occupational injuries) × 1,000,000 ÷ Total Hours Worked
- Calculation method for points 3–5: Calculated to 2 decimal places without rounding.

4.1 Talent Sustainability 4.1.1 Diversity, Equity, and Inclusion 4.1.2 Workforce Turnover 4.1.3 Compensation and Salary Levels 4.1.4 Employee Rights and Benefits 4.2 Talent Cultivation and Development 4.2.1 Performance and Career Growth 4.2.2 Occupational Health and Safety 4.3 Occupational Health and Safety 4.3.1 Occupational Health and Safety Committee 4.3.2 Occupational Health and Safety Training and Education 4.3.3 Occupational Hazard Risk Management **4.4 Workplace Health** 4.5 Corporate Social Impact

2024 Fudy Employee Disabling Injury Frequency and Severity Rate Statistics

Operational Site	Taipei Fudy				Dongguan Fuyang				Suzhou Fuyang				Total			
Worker Type	Lost Work Days Due to Disabling Injuries	Disabling Frequency Rate (FR)	Disabling Severity Rate (SR)	Frequency-Sever-ity Indicator (FSI)	Lost Work Days Due to Disabling Injuries	Disabling Frequency Rate (FR)	Disabling Severity Rate (SR)	Frequency-Sever-ity Indicator (FSI)	Lost Work Days Due to Disabling Injuries	Disabling Frequency Rate (FR)	Disabling Severity Rate (SR)	Frequency-Sever-ity Indicator (FSI)	Lost Work Days Due to Disabling Injuries	FR	SR	FSI
Employee	0	0	0	0	0	1.36	0	0	22	1.17	25.92	0.17	22	1.10	12.14	0.11
Non-Employee	0	0	0	0	20	21.08	421	2.98	15	2.67	40.06	0.32	35	4.74	82.97	0.62

Note

1. Lost Work Days: Days unable to work (rest days); calculation criteria include occupational accident injury leave, excluding sick leave and menstrual leave.
2. Disabling Frequency Rate (FR) = Number of disabling injuries ÷ Total Hours Worked × 1,000,000 (calculated to two decimal places, without rounding).
3. Disabling Severity Rate (SR) = Days lost due to disabling injuries ÷ Total Hours Worked × 1,000,000 (rounded to the nearest whole number, without rounding).
4. Frequency-Sever-ity Indicator (FSI) for disabling injuries = $\sqrt{[(FR \times SR) \div 1,000]}$.

Based on tracking the 2024 workplace accident statistics, Fudy reported no severe workplace safety accidents or occupational disease cases in 2024. There were a total of 2 minor workplace safety incidents, with an employee disabling frequency rate of 1.10, disabling severity rate of 12.14, and a non-employee disabling frequency rate of 4.74. Following analysis of the causes of these incidents, improvement measures implemented at each operational site included safety configuration and adjustments for workplace equipment, safety training, installation of additional safety signage, and practical drills.

2024 Workplace Safety Incidents

Operational Site	Taipei Fudy	Dongguan Fuyang	Suzhou Fuyang
Incident Description	None	1 In October 2024, during the evening shift, an operator was injured on the left big toe by an iron plate of the paper collection lifting platform while pulling paper in the laminating workshop. 2 On July 1, 2024, an operator was cut on the left finger by a utility knife while installing molds in the premium workshop	1 In March 2024, during lunch break, an operator was moving between workshops when they stepped on the edge of two empty pallets that had been left on the ground instead of being placed in the designated area, causing the pallet to tip over and resulting in a sprained and fractured left foot. 2 In April 2024, an operator reached in to retrieve paper when the machine jammed during operation, and their finger was scraped by the conveyor belt, causing soft tissue injury.

4.1 Talent Sustainability 4.1.1 Diversity, Equity, and Inclusion 4.1.2 Workforce Turnover 4.1.3 Compensation and Salary Levels 4.1.4 Employee Rights and Benefits 4.2 Talent Cultivation and Development 4.2.1 Performance and Career Growth 4.2.2 Occupational Health and Safety 4.3 Occupational Health and Safety 4.3.1 Occupational Health and Safety Committee 4.3.2 Occupational Health and Safety Training and Education 4.3.3 Occupational Hazard Risk Management **4.4 Workplace Health** 4.5 Corporate Social Impact

Operational Site	Taipei Fudy	Dongguan Fuyang		Suzhou Fuyang	
Root Cause Analysis	None	(1) The sensor distance setting on the laminating machine lifting platform was too high. (2) Operator negligence and lack of safety awareness. - Operator negligence and insufficient safety awareness.		(1) Improper placement of workshop items, inadequate 5S implementation. (2) Management deficiencies, insufficient supervision of workplace safety hazards by supervisors. (3) Insufficient employee safety awareness, inadequate safety education and training. (1) Safety precautions must be emphasized in daily morning meetings. (2) Fixed personnel should operate machinery, with only qualified personnel allowed to work after assessment.	
Improvement Measures	None	(1) Request vendor to adjust the sensor distance on the laminating machine lifting platform. (2) Conduct safety knowledge training for team members to enhance safety awareness. (3) Install safety signage at work areas. (1) Pay attention to proper utility knife operation when repairing molds. (2) Maintain appropriate distance between right hand operating the utility knife and left hand. (3) Conduct safety knowledge training for team members to enhance safety awareness.		(1) Immediately gather all personnel for on-site safety briefing and precautions. (2) Organize the workplace, position forklifts at all times, and ensure all wooden boards are promptly returned to designated areas after use. (3) On-site supervisors regularly inspect 5S implementation; all personnel must immediately address and report any safety hazards discovered. (1) Install complete warning signs at machinery locations. (2) Conduct on-site assessment for all employee safety education and training; strengthen safety awareness through supervisor demonstrations and employee practical exercises.	
Before Improvement	None	- Laminating machine lifting platform before improvement  - Incorrect utility knife usage demonstration 		- Empty pallets incorrectly placed within the plant premises  - Improper use of machinery 	
After Improvement	None	- Laminating machine lifting platform after improvement  - Correct utility knife usage demonstration 		- Empty pallets correctly placed in the designated area  - Employees conducting practical drills on proper machinery operation 	

Health Promotion and Education

To promote worker health and safety, Fudy implements a series of health promotion and care initiatives aimed at enhancing employee health awareness, preventing diseases, and supporting work-life-health balance.

In 2024, we leveraged existing resources by occasionally sharing health knowledge through health education bulletin boards, invited medical experts to provide on-site health consultations and examinations, and organized related health seminars.

Health Promotion Activities and Education	Description	Resources Provided
Health Care	◆ Taipei Fudy has on-site medical personnel providing health services, medical assistance, and occupational disease prevention education	Physicians: 3 times/year Nursing staff : 3 times/month
	◆ In accordance with regulations, Taipei Fudy has 5 professionally trained first aid personnel, Dongguan Fuyang has 8 trained first aid staff, and Suzhou Fuyang has 4 professionally trained first aid personnel	17 personnel
Health Education Bulletin Board	◆ Share work safety and health-related information. In 2024, the company posted promotional posters and videos advocating green healthy commuting to collectively care for our green environment	As needed
One-Day Vegetarian Event	◆ Promote low-carbon diet concepts such as eating more vegetables and less meat, reducing carbon emissions while maintaining personal health	1 time/month
Mind-Body-Spirit Health Seminars	◆ The company organizes medical personnel to provide intelligent health screening and health knowledge education seminars for all employees	1 time/year

First Aid Capability Enhancement Program

Fudy is committed to creating a safe and healthy work environment. In addition to continuously implementing preventive occupational safety measures, we also prioritize strengthening emergency response capabilities. Taipei Fudy plans to install Automated External Defibrillators (AED) within the facility in 2025 to enhance immediate emergency response capabilities, ensuring we can secure precious golden rescue time when emergencies occur.

In conjunction with AED installation, we will offer annual basic first aid training courses to help employees develop fundamental first aid knowledge and skills, covering cardiopulmonary resuscitation (CPR), proper AED operation, and basic emergency treatment procedures. Dongguan Fuyang and Suzhou Fuyang will implement similar initiatives, promoting seed first aid personnel training programs to gradually establish a cross-facility first aid talent network.

This first aid capability enhancement program not only strengthens employee life safety protection but also aligns with our community health and safety initiatives (see AED donation program in the "Corporate Impact" chapter). We firmly believe that health and safety concepts should extend from within the enterprise to the entire community, collectively creating a safer and more caring living environment.

4.5 Corporate Social Impact

Fudy has long demonstrated unwavering commitment to supporting children, vulnerable communities, and animal welfare. Through charitable donations, sponsorships, and active participation in social initiatives, we extend care to those in need while providing emergency assistance to organizations facing sudden challenges, both domestically and internationally. Our mission is to help communities overcome difficulties and maintain essential living standards. We recognize that charitable programs involving financial support alone cannot match the enrichment that society provides to Fudy. Guided by the philosophy of "giving back to society," we actively encourage and guide our employees to participate in community engagement activities and programs, working collectively to create positive change and shared prosperity. We firmly believe that by embracing every opportunity for kindness and sustaining this continuous effort, we can become a catalyst for good and foster a virtuous cycle of impact.



2024 Fudy Charitable Contributions Overview

Donation Type	Category	Project	Contribution	Amount (NTD)
Long-term Donations and Participation Programs	Early Childhood Education	Sponsorship Program (Yu-An Private Children's Home, Seed of Love Education Foundation)	Donations	210,000
	Compassion for Life	Support for Sunshine Foundation, Taiwan Foundation for the Blind, Taiwan Heart for Animals Association, Red Cross Society	Donations	108,000
	Compassion for Life	Andrew Charity Association Volunteer Service	Donated 80 food boxes and 103.5 hours of corporate volunteer service	120,000
	Compassion for Life	Andrew Charity Association Support	Donations	5,748
	Environmental Education	Natural Disaster Reconstruction Donations	Gansu Earthquake Relief Project - 20,000 RMB donation	89,540
	Environmental Education	Water Source Protection Area Path Stewardship	Jingualiao Fern Path Maintenance Sponsorship	100,000

4.1 Talent Sustainability 4.1.1 Diversity, Equity, and Inclusion 4.1.2 Workforce Turnover 4.1.3 Compensation and Salary Levels 4.1.4 Employee Rights and Benefits 4.2 Talent Cultivation and Development 4.2.1 Performance and Career Growth 4.2.2 Occupational Health and Safety 4.3 Occupational Health and Safety 4.3.1 Occupational Health and Safety Committee 4.3.2 Occupational Health and Safety Training and Education 4.3.3 Occupational Hazard Risk Management 4.4 Workplace Health **4.5 Corporate Social Impact**

Donation Type	Category	Project	Contribution	Amount (NTD)
Long-term Donations and Participation Programs	Environmental Education	National Forest Land Reforestation Stewardship	Reforestation Land Cultivation Expenses	200,000
	Compassion for Life	Pack a Home - Wild Bird Rescue Tool Innovation Design Project	Professional expertise applied to redesign innovative toolkits for wild bird rescue and release	383,513
	Environmental Education	Collaborative Tree Planting Partnership	2024 Dongguan Fuyang partnership agreement with Taiwan Business Association for terrestrial ecosystem development	5, 820
	Environmental Education	Tongsha Reservoir Wetland Park Tree Planting Stewardship	2024 Dongguan Fuyang participation in Tongsha Reservoir Wetland Park tree planting initiative to enhance local ecological environment, with tree planting scheduled for March 2025	–
One-time Charitable Donations (Short-term Activities/-Sponsorships)	Compassion for Life	New Year Meal Fundraising	Fundraising for meal donations	41,895
	Compassion for Life	Shoes for Africa – Step 30 Used Shoe Collection	Donated 370 second-hand items and proceeds from charity sales	13,750
	Emergency Relief	National Dong Hwa University Post-Earthquake Reconstruction	Post-earthquake reconstruction donations	400,000
	Compassion for Life	AED Donation to Banqiao Railway Station	Donated 2 units	255,000
	Compassion for Life	University of Kaohsiung, Chung Shan Medical University	Donations	38,000
	Compassion for Life	Chung Shan Medical University	Rural medical support	100,000
	Compassion for Life	Festival Gift Charitable Procurement	Dragon Boat Festival procurement of Kanner Foundation of Taiwan gift boxes for clients and employees, supporting charitable activities	119,676
	Compassion for Life	Hualien Employee Trip (Economic Revitalization)	Post-earthquake Hualien employee trip to stimulate local economy	1,176,259
	Environmental Education	2024 Mountain Cleanup Activities	Two mountain cleanup events	124,163



4.1 Talent Sustainability 4.1.1 Diversity, Equity, and Inclusion 4.1.2 Workforce Turnover 4.1.3 Compensation and Salary Levels 4.1.4 Employee Rights and Benefits 4.2 Talent Cultivation and Development 4.2.1 Performance and Career Growth 4.2.2 Occupational Health and Safety 4.3 Occupational Health and Safety 4.3.1 Occupational Health and Safety Committee 4.3.2 Occupational Health and Safety Training and Education 4.3.3 Occupational Hazard Risk Management 4.4 Workplace Health **4.5 Corporate Social Impact**

Protecting Lives: Corporate-Led AED Donation and First Aid Advocacy

01 Enhancing Public Safety

In late 2024, Taipei Fudy donated two Automated External Defibrillators (AEDs) to Banqiao Railway Station to enhance emergency response capabilities at this vital transportation hub. Medical research demonstrates that cardiac arrest survival rates are critically time-dependent, with each minute of delay reducing survival chances by 7%–10%. Strategic AED placement in high-traffic public spaces significantly improves emergency response effectiveness, providing essential life-saving infrastructure for public safety.

02 Creating a Ripple Effect: Expanding Emergency Preparedness

Embracing the principle that "first aid awareness starts with us," Fudy will formally integrate first aid training into our corporate social responsibility framework starting in 2025, implementing systematic basic first aid certification programs for our workforce. This comprehensive approach creates a positive ripple effect that not only enhances employee emergency response capabilities and civic responsibility but also extends life-saving knowledge into families and communities. Each trained team member becomes a potential first responder, equipped to make a critical difference when lives are at stake.

03 Advancing Sustainable Development Goals

This initiative directly supports the United Nations Sustainable Development Goals, particularly SDG 3 "Good Health and Well-being" and SDG 11 "Sustainable Cities and Communities," while reflecting two core pillars of Fudy's P.A.R.T.N.E.R sustainability framework: 'Rights-respecting' (inclusive human rights) and 'Nurturing' (talent cultivation). Looking ahead, we will continue expanding our AED donation program, ensuring these life-protection initiatives reach communities throughout society.

▼ Fudy's AED Donation to Banqiao Railway Station





05

Robust and Reliable Quality Innovation

Building resilient corporate governance and delivering high-quality, innovative products and services.

5.1	Governance Structure	122
5.2	Business Integrity	127
5.3	Regulatory Compliance	129
5.4	Operational Risk Management	130
5.5	Information Security Management	135
5.6	Customer Relationship Management	136
5.6.1	Product Quality	138
5.6.2	Customer Satisfaction Survey	139
5.6.3	Outlook for Customer Satisfaction	141

Robust and Reliable Quality Innovation

5.1 Governance Structure

Board Composition and Operations

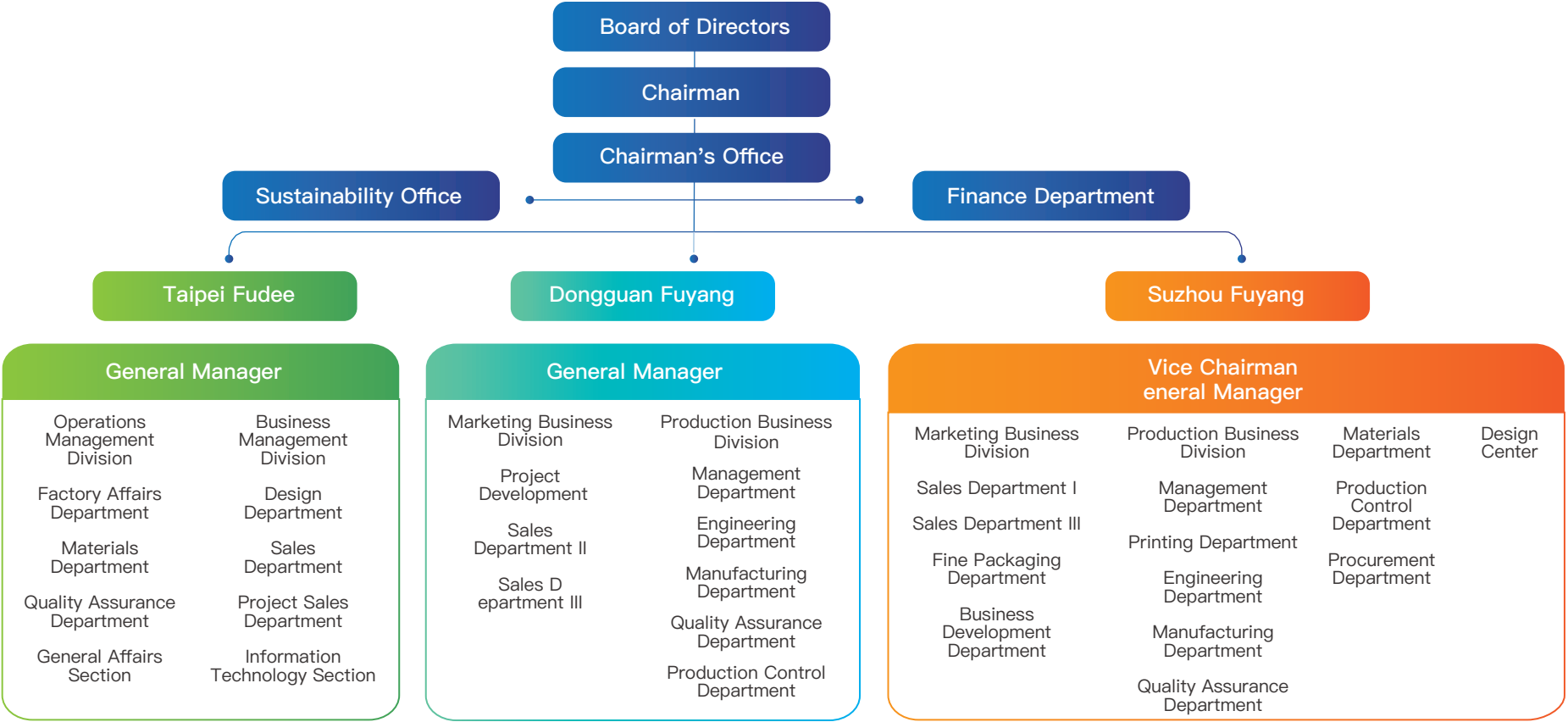
As a privately held limited company, Fudy's Board of Directors serves as our highest governance body. Chairman Huang Lianfeng leads the Board without concurrently holding other senior management positions within the company. Our current Board comprises 6 directors, including 1 female director (17% representation). Following our January 2022 re-election, the current term runs through January 2025, with all members do not belong to underrepresented groups We continue evaluating the addition of external independent directors to further strengthen our governance effectiveness.

We are developing a comprehensive "Code of Ethics" for Board members that incorporates robust conflict-of-interest policies. This framework will require directors to maintain the highest ethical standards, exercise rigorous self-discipline, and faithfully execute their fiduciary duties, promoting a culture of transparency and high ethical standards.

Board Oversight		Position	Name	Gender	Other Roles	Age Range	Expertise	Attendance
Taipei Fudy Headquarters	Dongguan Fuyang Suzhou Fuyang							
●	●	Chairman	Huang Lianfeng	male	N	61–70	Strategic Operations	4/100%
●	●	Director	Huang Yuyuan	male	Y	51–60	Business Management	4/100%
●		Director	Huang Chenyu	female	N	31–40	Sustainable Development	4/100%
	●	Director	Hsu Xianbao	male	Y	51–60	Production Processes	4/100%
	●	Director	Liao Juitsung	male	N	61–70	Industry Knowledge	4/100%
	●	Director	Wu Wanglong	male	Y	41–50	Finance & Accounting	4/100%

Directors are elected according to regulatory requirements and corporate bylaws at each operational site, serving three-year terms with eligibility for re-election. We are currently developing comprehensive "Board Nomination Guidelines" to establish more systematic selection procedures.

Our Board members bring diverse expertise across industry knowledge, strategic operations, financial analysis, business management, production processes, and sustainable development. This collective expertise enables us to provide concrete policy guidance, enhance operational foresight, and strengthen business efficiency, risk management, and industry insights.



Fudy Corporate Governance and Management Structure

In 2024, our Board demonstrated exceptional commitment with 100% attendance across 4 meetings, addressing critical strategic initiatives including sustainability roadmap development, global political risk management, North Vietnam expansion planning, and operational resource optimization.

Key strategic decisions included approving the closure of our Thailand joint venture due to post-pandemic market shifts, authorizing Suzhou Fuyang's profit distribution for capital structure optimization, and repositioning our China operations strategy amid evolving US-China trade dynamics.

5.1 Governance Structure

5.2 Business Integrity

5.3 Regulatory Compliance

5.4 Operational Risk Management

5.5 Information Security Management

5.6 Customer Relationship Management

5.6.1 Product Quality

5.6.2 Customer Satisfaction Survey

5.6.3 Outlook for Customer Satisfaction

The Board approved the formation of a dedicated Risk Management Group under the Chairman's office to systematically identify, assess, and monitor enterprise risks with regular Board reporting.

2024 Board Meeting Summary

Meeting Held	4 (2 virtual, 2 in-person)
Attendance Rate	100%
Key 2024 Resolutions	▪ Sustainability strategy roadmap and implementation framework ▪ Global political risk management and response protocols ▪ North Vietnam production site strategic positioning and development ▪ Thailand joint venture closure due to market underperformance ▪ Suzhou Fuyang profit distribution approval ▪ China operations strategic repositioning for trade environment changes ▪ Board-approved establishment of a Risk Management Group under Chairman's leadership ▪ Operational site prospect reviews and resource realignment ▪ Annual financial statement and budget approvals

Supervisory Framework

Each of our three plants maintains independent supervisory oversight through dedicated supervisors elected by shareholders for three-year terms, as mandated by our governance charter. Dongguan Fuyang and Suzhou Fuyang enforce strict separation, prohibiting directors and senior executives from serving as supervisors to ensure robust oversight and shareholder protection.

Supervisor responsibilities encompass:

- 1 Financial oversight and examination.
- 2 Director and executive performance monitoring, with authority to recommend removal for legal or regulatory violations.
- 3 Corrective action enforcement when leadership actions harm company interests.
- 4 Authority to convene extraordinary board meetings.
- 5 Shareholder proposal submissions.
- 6 Legal action initiation against directors and executives per Company Law Article 152.



Board and Executive Development and Education

We maintain a robust continuing education program tailored to individual director needs and feedback, strengthening our governance body's collective knowledge in sustainable development and enhancing decision-making quality.

In 2024, our Board and affiliated company directors completed 72 total education hours (12 hours per person average), with particular emphasis on climate change and carbon reduction strategies, reflecting our proactive approach to environmental challenges and strategic planning.

This ongoing professional development ensures our leadership stays current with global management trends while building governance expertise and industry insights essential for effective risk management.

2024 Fudy Executive Education

Focus Area	Program	Dura–	Participant
Leadership/Goveranace	Zero-Error Rapid Decision Management	3.5hrs	Chairman Huang Lianfeng
Environmental Strategy	"Leading the Trend: Green Transformation Pathways" Seminar	3hrs	Director Huang Chengyu
	Climate Adaptation to Corporate Ecological Innovation – 2024 Biodiversity Taiwan Forum	3hrs	
	Comprehensive Carbon Reduction Strategy Academy	12hrs	
	Taiwan Climate Alliance Corporate Learning – TSMC Exchange	2.5hrs	
	Cathay Sustainable Finance and Climate Change Summit	6hrs	
	2024 Enhancement Forum – Ecological Taiwan Session	3hrs	
	2024 Taishin Net Zero Summit	3hrs	
	Forest Carbon Sequestration × Net Zero Transformation Workshop	9.5hrs	
	Post-COP29 Climate Change and Corporate Sustainability Analysis	3.5hrs	
	2024 Taishin Net Zero Summit	3hrs	Director Wu Wanglong
	Comprehensive Carbon Reduction Strategy Academy	12hrs	
ESG Integration	Green Suzhou, Building Future Dreams (ESG Course)	4hrs	Director Huang Yuyuan
	外企協會ESG論壇	4hrs	

Director Remuneration Policy

While we have not yet implemented formal Board performance evaluation mechanisms, we're developing comprehensive assessment standards and methodologies to ensure governance effectiveness and decision-making quality.

Director compensation reflects company profitability and follows our established "Salary Management Procedures" for senior leadership evaluation. Across our operations, the ratio of highest individual compensation to median employee compensation ranges from 3.67:1 to 5.36:1.

For 2024, compensation increase ratios (highest-paid individual versus median employee increases) were: Taipei Fudy 8.64:1, Dongguan Fuyang 1.04:1, and Suzhou Fuyang 5.24:1.

2024			
Metric	Taipei Fudy	Dongguan Fuyang	Suzhou Fuyang
Total Compensation Ratio (Highest:Median)	5.02: 1	3.67: 1	5.36: 1
Compensation Increase Ratio (Highest:Median)	8.64: 1	1.04: 1	5.24: 1



Director compensation includes fees, salaries, and bonuses (latter two apply only to executive directors), while senior executive packages encompass salaries, bonuses, and retirement benefits. Our evaluation criteria consider financial performance, goal achievement, leadership effectiveness, and overall contribution.

Executive compensation does not include any additional special benefits beyond standard provisions with retirement plans matching those of all employees per regulatory requirements.

Our "Code of Ethics and Conduct" mandates that violations result in restitution of improper benefits plus disciplinary action ranging from bonus forfeiture to termination or legal proceedings, depending on severity. We expect all personnel, including executives, to uphold the highest ethical standards and fulfill their oversight responsibilities to ensure sustainable company growth and development.

5.2 Business Integrity

Commitment to Ethical Business Practices

In 2024, Fudy conducted corruption risk assessments across all major operational sites. Results showed no significant risks, and no incidents of corruption or breaches of ethical conduct were reported.

We maintain ethical business practices through our comprehensive "Code of Professional Ethics and Conduct," which clearly addresses conflict of interest prevention, self-dealing behaviors, confidentiality obligations, fair trading, and proper use of company assets. All employees are required to conduct business with honesty and transparency.

Ethical business practices are central to our philosophy. We implement annual action plans and reinforce stakeholder trust through training programs and value chain communications. We also require suppliers to sign "Social Responsibility Commitments," ensuring our partners uphold consistent ethical and social responsibility standards.

In 2024, we achieved our 2023 short-term goal of 100% employee participation in integrity commitment letters across Taipei, Dongguan, and Suzhou operations. Additionally, 673 employees participated in anti-corruption courses (73.79% participation rate). Our 2025 target is 80% participation.

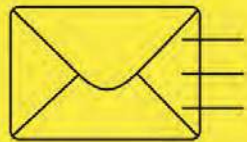
2024 Ethical Business Program Implementation

Program	Participants	Content	Frequency	Achieved	Objectives	2024 Results
Internal Training and Commitment	All Workers	Promote ethical business culture in new employee	As needed	Y	◆ Comprehensively enhance employee awareness and implementation of ethical business practices	Taipei Fudy ◆ 115 workers participated in anti-corruption courses (100%) ◆ 100% integrity commitment letter signing rate
		Anti-corruption courses	Annually	Y	◆ Achieve 80% worker participation in anti-corruption courses by 2025	Dongguan Fuyang ◆ 255 workers participated in anti-corruption courses (81.73%) ◆ 100% integrity commitment letter signing rate
		Signing "Worker Integrity Commitment Letters"	As needed	Y	◆ Maintain 100% worker signing of integrity commitment letters by 2025	Suzhou Fuyang ◆ 303 workers participated in anti-corruption courses (61.84%) ◆ 100% integrity commitment letter signing rate
Value Chain Engagement	Suppliers	Signing "Supplier Social Responsibility Commitment"	As needed	Y	◆ Actively promote supplier social responsibility consensus through dialogue and exchange ◆ Achieve 90% supplier signing of social responsibility commitments by 2025	◆ 88% of suppliers signed the social responsibility commitments

Reporting and Prevention Framework

We maintain robust governance through our transparent reporting mechanism based on the "Code of Professional Ethics and Conduct." Our company website features an "Integrity Reporting Mailbox" managed directly by the Chairman's Office, ensuring confidential and efficient stakeholder communication.

Our 2024 corruption risk assessment covered 100% of operations across Taipei Fudy, Dongguan Fuyang, and Suzhou Fuyang, with no significant risks or actual incidents identified.



違反誠信經營守則檢舉信箱

檢舉信箱：fudy_esg@mail.fudy.com.tw

檢舉專線：+886-2-2226-5868#301

受理單位：董事長室

檢舉不法人人有責，人員如有違反『誠信經營』原則，您可檢具事證透過電子信箱或專線電話向本公司 董事長室檢舉。

We provide multiple communication channels including labor-management meetings, suggestion boxes, and grievance systems. Our "Employee Grievance and Whistleblowing Management Procedures" establish clear handling processes and whistleblower protection, preventing retaliation.

2024 Performance: We resolved 1 employee salary grievance within three days, achieving 100% case resolution. This reflects our commitment to transparent, effective communication and reinforces a culture of fairness and trust in the workplace.



5.3 Regulatory Compliance

Fudy strictly adheres to applicable laws, regulations, and industry standards, fulfilling its corporate social responsibility to employees, local communities, regulators, and other stakeholders. Through robust compliance mechanisms, we ensure that all operations are conducted within legal frameworks, mitigating the risk of operational disruptions and supporting stable and sustainable business operations. In 2024, Fudy and its affiliated companies had no violations of major relevant regulations.

Fudy upholds ethical governance and strictly complies with all domestic and international laws, regulations, and industry standards. We have established comprehensive regulatory compliance and internal control mechanisms to fulfill our corporate social responsibility to employees, communities, customers, regulatory authorities, and other stakeholders. We view regulatory compliance as a fundamental requirement for sustainable business operations. Through regular audits and training, we proactively mitigate potential compliance risks, ensuring all operations remain lawful and compliant, thereby enhancing organizational resilience and operational stability.

As of 2024, Fudy and its affiliates have not recorded any significant legal or regulatory violations, reflecting the effectiveness of our compliance management system.

Definition of Major Regulatory Violations

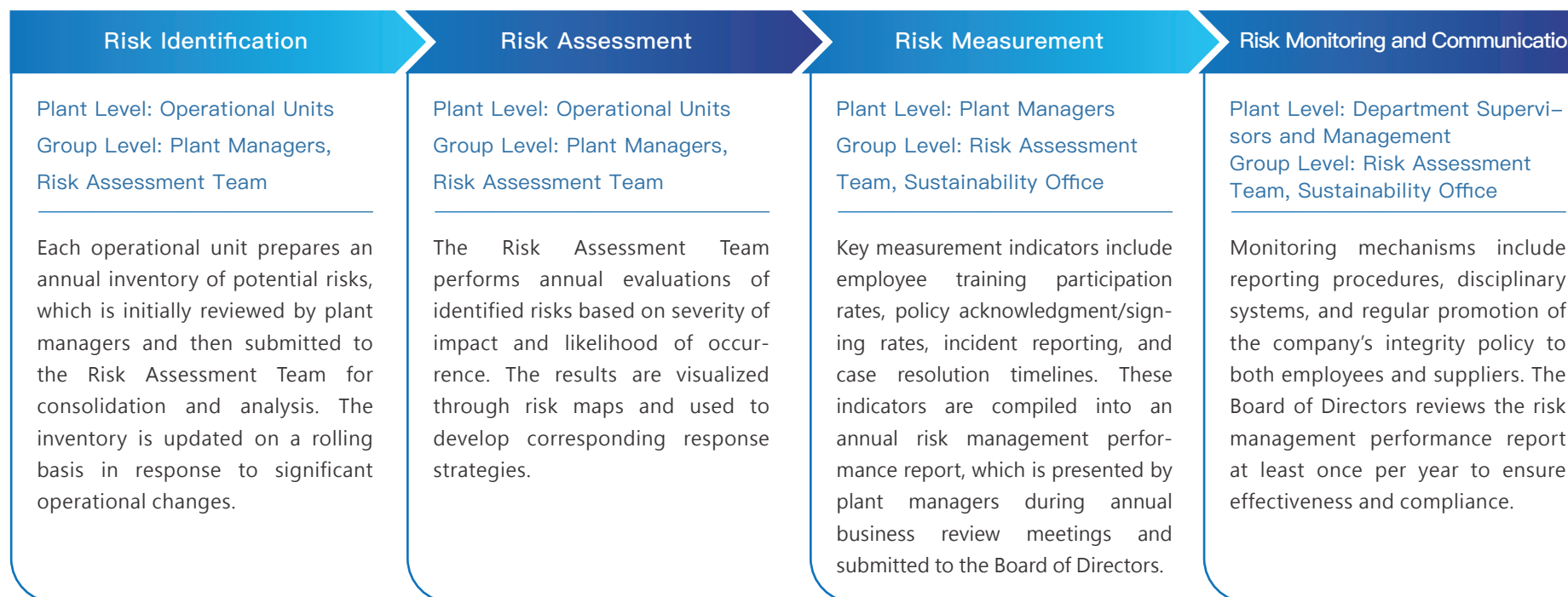
Category	Main Content
Financial Impact	Regulatory violations resulting in fines or compensation exceeding NTD 100,000
Operational Impact	Regulatory violations leading to suspension or revocation of main production lines or operating permits, affecting operations for more than two weeks
Reputational Impact	Regulatory violations triggering significant media coverage, resulting in substantial damage to company brand image or major negative public perception
Legal Liability	Regulatory violations involving legal proceedings that may lead to high legal liabilities for the company (exceeding 1% of annual revenue)
Stakeholder Impact	Regulatory violations severely affecting key stakeholders (including customers, suppliers, employees, shareholders, etc.), leading to significant distrust or divestment actions

5.4 Operational Risk Management

To mitigate operational risks and achieve sustainable development, Fudy has established a comprehensive risk management framework encompassing financial, operational, raw materials, talent, employee health, occupational safety and health, environmental, climate change, and infectious disease aspects. Responsible units are assigned according to risk impact types. They systematically identify, assess, measure, and monitor risks through institutionalized processes. Plant managers are required to report risk response strategies and implementation outcomes during annual business management meetings, with the Risk Assessment Team consolidating and tracking these reports.

The company plans to establish a Risk Management Group in 2025 to oversee risk information coordination, facilitate cross-plant communication, and optimize response mechanisms. This group will regularly report on operational risk monitoring to the Board of Directors. The Board is responsible for reviewing overall risk management effectiveness and resource allocation strategies to ensure alignment with corporate governance objectives. The Chairman is the top authority for risk management, continuously improving the company's risk identification and response capabilities to ensure Fudy's stable operations and sustainable growth.

Risk Assessment Management Process



5.1 Governance Structure 5.2 Business Integrity 5.3 Regulatory Compliance **5.4 Operational Risk Management** 5.5 Information Security Management 5.6 Customer Relationship Management

5.6.1 Product Quality 5.6.2 Customer Satisfaction Survey 5.6.3 Outlook for Customer Satisfaction

Risk Category	Key Risk Issues	Risk Description	Current and Future Response Measures	Responsible Units
Financial	Financing transactions	Potential risks include financing, investment, liquidity management, foreign exchange and interest rate hedging	Preliminary Financial Risk Identification and Control Guidelines have been developed to support financing, investment, and liquidity management practices. Moving forward, we plan to establish comprehensive Financial Risk Management Procedures, through which the Finance Department and unit supervisors will strengthen control mechanisms to enhance the overall transparency and responsiveness of financial risk management.	Finance
	Customer bad debts	Customer bad debts resulting in delayed payments, impacting company cash flow	For new customer engagements, the Finance and Sales departments conduct due diligence on contract terms and client creditworthiness in accordance with internal procedures, with strict controls on final payment terms.	Finance Department Sales Department
Operations	Operations, regional politics	Regional political dynamics may impact operations, leading to increased costs and potentially causing major customers to relocate	◆ Actively expanding our presence in the ASEAN region, with manufacturing sites established in both Northern and Southern Vietnam. In addition, we are actively forming strategic partnerships in countries such as the Philippines and Thailand to mitigate operational risks associated with regional political instability. ◆ Continuing to strengthen relationships with key electronics clients through robust customer relationship management, while proactively responding to ESG performance requirements by making sustainability commitments and implementing relevant changes. ◆ Increasing the proportion of new client development to reduce reliance on major accounts, while consistently enhancing our technological capabilities, talent pool, equipment, and supporting resources across diverse industry sectors.	Management Department QA Department
Raw Materials	Supply disruption, non-compliant environmental materials	Risks include untimely supplier deliveries, quality incidents causing supply disruptions, use of non-compliant materials	◆ Established "Supply Disruption Emergency Response Procedures" to stable and continuous access to raw materials ◆ Actively developing new supplier partnerships, diversifying supply sources, and flexibly adjusting logistics modes to mitigate risk ◆ Suppliers are required to conduct regular environmental compliance testing and provide valid third-party official reports ◆ The QA department strictly follows incoming material inspection procedures to ensure materials meet standards ◆ Responsible units strictly implement testing and environmental documentation verification for all newly introduced materials	Materials Department QA Department
Talent	Labor shortage, talent gap	Management aging, talent gap	◆ Assessment: Realigning organizational structure, roles, and talent to ensure team readiness for future strategic goals. ◆ Incentives: Differentiating high-potential talent from general workforce to foster a culture of excellence, boost morale, and attract top talent. ◆ Recruitment: Broadening talent acquisition channels through online platforms, industry-academia collaboration, and other outreach strategies. ◆ Development: Focusing on the cultivation and upskilling of core talent and key positions	HR Department Management Department Sustainability Office

5.1 Governance Structure 5.2 Business Integrity 5.3 Regulatory Compliance **5.4 Operational Risk Management** 5.5 Information Security Management 5.6 Customer Relationship Management

5.6.1 Product Quality 5.6.2 Customer Satisfaction Survey 5.6.3 Outlook for Customer Satisfaction

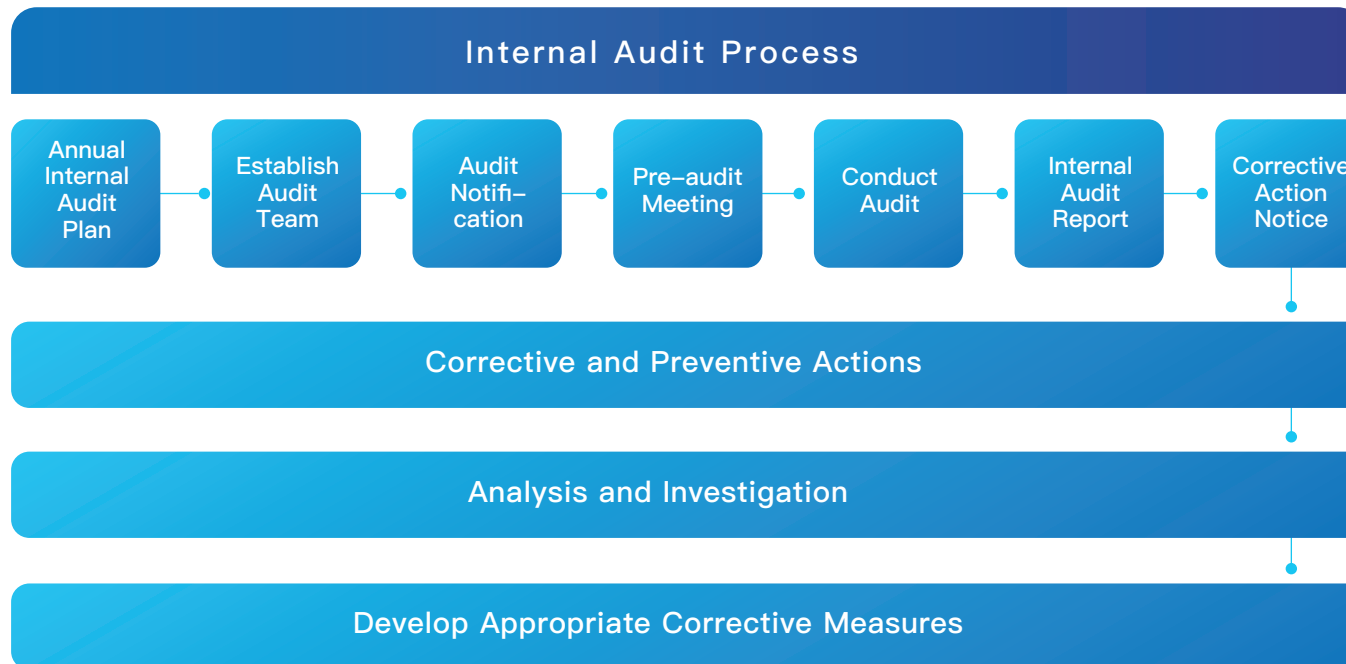
Risk Category	Key Risk Issues	Risk Description	Current and Future Response Measures	Responsible Units
Environmental, Health & Safety	Environment, occupational safety, employee health	Inadequate regulatory knowledge leading to violations, affecting reputation and causing order loss; employee physical and mental health directly impacts productivity and company operations	◆ To ensure environmental regulatory compliance, Fudy has established a suite of environmental management procedures, including the following: "Environmental Safety Risk Identification Management Procedure," "Water Pollution Management Procedure," "Rainwater Management Procedure," "Energy Resource Management Operating Procedure," "Greenhouse Gas Inventory Procedure," "Waste Management Procedure," "Chemical Substance Management Procedure." These procedures are published on the internal website and are mandatory for all employees to follow. ◆ To safeguard employee well-being, Fudy implements a proactive and comprehensive employee health management system. On-site medical personnel are assigned to provide immediate support, and the following key health and safety measures have been established: "Safety and Health Work Rules," "Maternal Health Protection Plan," "Ergonomic Hazard Prevention Plan," "Abnormal Workload Disease Prevention Plan," "Workplace Violence Prevention Plan." These programs are designed to ensure optimal physical and mental health for all employees.	General Affairs Division Management Department HR Department
Climate Change & Climate	Greenhouse gas emissions, climate disasters, carbon tax leading to increased operational costs	Extreme climate may cause raw material price increases, leading to increased operational costs	◆ Established "Greenhouse Gas Inventory Procedure" for comprehensive inventory and third-party verification. Taipei Fudy, Dongguan Fuyang, and Suzhou Fuyang are scheduled to complete 2024 greenhouse gas inventory ISO 14064-1:2018 third-party verification by 2025 ◆ Established "Emergency Preparedness and Response Management Procedure" for climate disaster response ◆ Taipei Fudy officially commenced green electricity use in November 2024, expected future usage rate approximately 4% of total electricity consumption ◆ Dongguan Fuyang actively evaluating energy storage, energy management, and green electricity procurement for energy saving and carbon reduction ◆ Suzhou Fuyang solar energy project began operations in 2022, with 2024 solar electricity usage approximately 13% of total electricity consumption	Sustainability Office General Affairs Division Management Department
Infectious	Employee health impacts, production interruption, supply chain disruption, market demand decline	Large-scale infectious disease outbreaks may affect employee health, causing factory shutdowns, supply chain disruption, or reduced consumer spending leading to market demand decline	◆ Established "Business Continuity Plan" for sudden large-scale infectious disease outbreaks ◆ Diversified supply chain to avoid dependence on single markets ◆ Implemented comprehensive preventive employee health management to maintain employee health	HR Department, Management Department

Audit System

Internal Audit

Fudy has established a comprehensive and rigorous internal audit system guided by "Internal Audit Operating Procedures" as the core framework, conducting systematic audit activities regularly. Through this mechanism, we ensure continuous effective operation of all company management systems while accurately identifying potential risk issues and management deficiencies, enabling timely implementation of appropriate corrective and preventive measures.

Our audit system is closely integrated with ISO management systems, covering diverse aspects including quality, environment, occupational safety and health, and hazardous substance management. Through regular review and update mechanisms, we continuously optimize risk management strategies, flexibly respond to rapidly changing internal and external environments, and effectively enhance enterprise resilience and market adaptability. Our audit work focuses not only on compliance checks but emphasizes driving continuous improvement, laying a solid foundation for Fudy's sustainable development.



In 2024, Fudy's Taipei Headquarters, Dongguan Fuyang, and Suzhou Fuyang all successfully passed external audits by third-party certification bodies on schedule. Results showed all systems operating well with no major deficiencies, and all certificates were successfully renewed. As shown in the table below, Fudy's three major operational sites have obtained multiple international certifications covering management systems, social responsibility, material control, professional certification, and sustainable development, fully demonstrating Fudy's commitment to standardized management and continuous improvement.

5.1 Governance Structure 5.2 Business Integrity 5.3 Regulatory Compliance **5.4 Operational Risk Management** 5.5 Information Security Management 5.6 Customer Relationship Management

5.6.1 Product Quality 5.6.2 Customer Satisfaction Survey 5.6.3 Outlook for Customer Satisfaction

Category	Certification	Issuing Authority	Certification Status by Site		
			Taipei Fudy	Dongguan Fuyang	Suzhou Fuyang
Management Systems	ISO 9001: 2015 Quality Management System	BSI	2026/10/24 (Taipei–Dongguan joint certificate)		2026/10/30
	ISO 14001: 2015 Environmental Management System		2026/10/24 (Taipei–Dongguan joint certificate)		2026/10/30
	IECQ QC 080000 : 2017 Hazardous Substance Process Management		2026/01/23	–	–
	ISO 45001: 2018 Occupational Health and Safety Management System	ACM	–	–	2025/6/20
	Customs–Trade Partnership Against Terrorism, C–TPAT	SGS	2024/01/16 Certified	–	–
Social Responsibility	RBA 8.0	LRQA LIMITED / BSI / TÜV SÜD	2027/02/17	2026/05/31	2025/12/31
	Sedex Social Audit	BV	–	2024/03/17 Audit Approved	–
	EcoVadis Supplier Sustainability Rating	EcoVadis	2025/12 Bronze Medal	–	–
Materials	FSC®CoC	SGS	2029/07/10	2030/04/21	2027/07/09
	BRCGS Packaging Materials Certification	ESTS	–	2025/06/22	2024/12/31
Professional Certification	G7 Certification	IDEALLIANCE	2025/07/31	2025/08/31	2024/05/31
	GMI(THD) Certification (Lowe's, Target, Bestbuy)	GMI	–	2018/06/20 Certified	–
Sustainable Development	ISO 14064–1:2018 Organizational GHG Emissions Verification Statement	ARES / CTI / Wantai	2025/06/20 Verified	2025/06/20 Verified	2025/07/17 Verified
	ISO 14067:2018 Product Carbon Footprint Verification	Wantai	–	–	2026/12/28

5.5 Information Security Management

Fudy maintains a dedicated Information Security Management Department that oversees and supervises cybersecurity operations across all business units, safeguarding the integrity and confidentiality of sensitive information. We implement robust security measures, regularly assess risks and scans for vulnerabilities to identify and mitigate potential threats. Our Information Security team provides periodic reports to senior management on security status and strategic planning. This ensures alignment between policy and implementation while protecting corporate information assets and enhancing organizational cyber resilience.

Personal Data Protection

We have established comprehensive "Personal Data Protection Management Procedures" and "Customer Property Control Operating Procedures" to maintain customer privacy and secure personal information, strengthening customer trust. In 2024, we received zero complaints regarding customer privacy violations or data loss, demonstrating our strong commitment to information security.

Operational Document Security

All company documents are managed under our internal "Document and Data Control Operating Procedures" to ensure data integrity and maintain confidentiality. Documents are classified as external or internal (with internal documents organized into four hierarchical tiers), with our Document Control Center managing the distribution, storage, and secure disposal of internal documents.

Information Disclosure Controls

We follow established "Information Disclosure Management Procedures" to balance corporate transparency with confidential information protection, safeguarding stakeholder interests. We continuously enhance network security architecture, strengthen firewalls, and expand cybersecurity training to build comprehensive protection and raise staff awareness.

Core Information Security Measures

- Establish an information security governance team to implement security policies and risk management frameworks.
- Implement comprehensive IT equipment security controls.
- Design and manage secure network architectures.
- Deploy multi-layered protection, including antivirus software, firewalls, and email filtering.
- Operate a 24/7 Security Operations Center (SOC) for threat detection and monitoring.
- Conduct regular cybersecurity risk assessments and implement remediation measures.
- Maintain an inventory and valuation of information assets.
- Follow secure procedures for equipment disposal and recycling.
- Provide regular employee cybersecurity training and awareness initiatives.
- Perform periodic access rights audits and reviews.
- Enforce structured onboarding and offboarding security procedures.
- Develop customized confidentiality protocols based on client requirements.

Information Security Enhancement Roadmap

Initiative	Progress and Timeline
Data Backup and Recovery	Target: 100% off-site backup implementation by 2025
Infrastructure Modernization	80% legacy hardware/software replacement completed in 2024
Access Security Enhancement	Complete network firewall firmware upgrade planned for 2025
Cybersecurity Training Enhancement	310 employees completed cybersecurity training across three plants in 2024
Network Account Control & Encryption	Ongoing password policy enforcement and system access controls
Employee Onboarding/Departure Management	100% implementation of secure onboarding/departure processes achieved in 2024

5.6 Customer Relationship Management

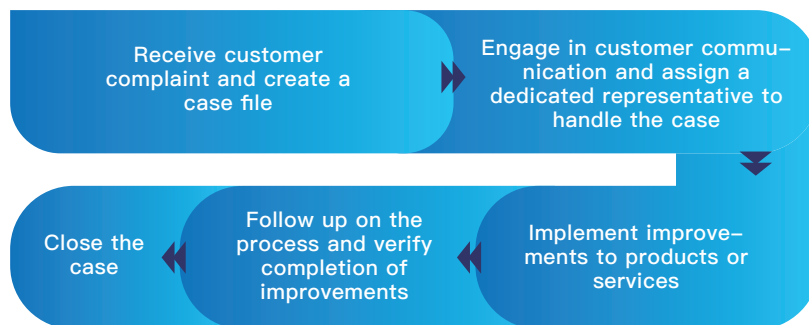
Fudy operates under the core philosophy of "Customer Satisfaction and Quality Excellence," building solid, long-term customer relationships while striving to become the most trusted partner in our customers' supply chains. Through diverse and transparent communication channels, we gain deep insights into customer needs and continuously enhance service experience and quality.

Multi-Tiered Customer Engagement

We implement a structured customer engagement strategy with systematic communication processes. Our teams conduct weekly customer visits to address immediate needs and concerns, while quarterly senior-level meetings focus on strategic requirements and future objectives, ensuring our service direction aligns with customers' long-term goals.

We maintain multiple communication channels—face-to-face meetings, emails, phone calls, and online conferences—supported by our internal "Customer Service Handling Procedures" and "Customer Service Improvement Forms" for prompt response and tracking. When complaints or issues arise, we immediately activate our resolution process to ensure rapid and effective solutions. Through diverse collaboration formats and active engagement, we listen to customer perspectives and deliver highly customized innovative packaging solutions.

▼ Customer Complaint Handling Process



Professional Value Sharing

In response to customer needs, we regularly deliver professional training programs covering cost analysis, sustainable materials, and production processes. These sessions are designed for customers' designers, engineers, product managers, and sales teams, and emphasize interaction through live Q&A and real-world case studies—enhancing knowledge transfer while deepening collaborative synergy.

In 2024, Fudy's operating sites participated in 20 supplier conferences across various locations. On average, we delivered over 36 customized design proposal presentations per month and held more than 10 virtual meetings with customers each week. Taipei Fudy also actively contributed to the Industrial Development Bureau's "Large Leading Small" program, partnering with customers to jointly pursue sustainability objectives. Our senior management team conducted four keynote presentations on green packaging design, with 46 participants and a total of 5.5 instructional hours. Additionally, we offered tailored training courses in response to specific customer requests, helping them gain deeper insights into printing technologies and sustainability trends.

These ongoing dialogues and knowledge-sharing initiatives strengthen our role as a strategic partner—going beyond traditional supplier functions. Through these comprehensive customer engagement efforts, Fudy creates sustainable business value and strengthens an innovative, resilient supply chain.

Through these comprehensive customer relationship management measures, Fudy not only provides customized innovative packaging solutions but also establishes strategic partnerships that transcend traditional supplier relationships, creating shared sustainable business value.

Activity	2024 Performance
Supplier Conference Participation	20 events
Design Proposal Presentations	More than 36 per month
Customer Video Conferences	More than 10 per week
Factory Audits or Inspections	More than 15 per year per plant



2024 Fudy Partnership Learning Program: Deepening Client Engagement & Green Packaging Trends						
Course	Content	Instructor	Audience	Ses–	Hours	Participants
Printing Fundamentals	Basic printing processes	Wu Hui–Ming, GM (Taipei Fudy)	Customer	1	3.5	16
Green Solutions & Market Dynamics	Trends: Global decarbonization policies, rising environmental awareness among consumers, and the shift toward green branding Customer Challenges: Explicit: High compliance costs, regulatory pressure, supply chain pollution risks Implicit: Brand trust erosion, customer loss due to sustainability gaps	Zhao Xue–Yong, Business Manager (Dongguan Fuyang)	Customer	3	2	20

5.6.1 Product Quality

High quality forms the foundation of our operations. Guided by the policy ‘Sincerity, Speed, Zero Defects,’ we deliver premium products and professional services while adopting environmentally friendly materials to support green production and minimize health and environmental impacts.

All Fudy operating sites have established hazardous substance management systems in accordance with local regulations and international standards:

- Taipei Fudy has implemented the IECQ QC 080000:2017 Hazardous Substance Management System.
- Dongguan Fuyang and Suzhou Fuyang comply with SONY SS-00259 and major global environmental regulations, including EU RoHS, WEEE, REACH, and HF, through internally developed Environmental Substance Management Guidelines.

To enhance product quality control, we have been adopted the ISO 9001:2015 Quality Management System across all sites and obtained multiple industry-recognized certifications:

G7® Color Management Certification

GMI (Graphic Measures International) Print Quality Certification

In response to product nonconformities, Fudy follows its Corrective and Preventive Action procedures and Continuous Improvement Procedures to ensure timely issue tracking and resolution. In 2024, the two main quality issues—color deviation and cracking—were fully resolved with a 100% improvement completion rate, reviewed and verified through management review processes.

2024 Product Yield Rates(%):

Taipei Fudy **98.71%**

Dongguan Fuyang **99.00%**

Suzhou Fuyang **96.70%**

Furthermore, in 2024, no product-related health or safety violations were recorded across any Fudy operations, demonstrating our strong commitment to product compliance and safety.

5.6.2 Customer Satisfaction Assessment

2024 Customer Satisfaction Scores

Taipei Fudy

93.8

Dongguan Fuyang

92.1

Suzhou Fuyang

91

Note Taipei Fudy originally applies a 60-point evaluation scale, with a raw score of 56.3 in 2024. For easier comparison across sites, the score has been converted to a 100-point scale.

Fudy is committed to putting customer satisfaction first by implementing a structured and data-driven customer satisfaction evaluation mechanism. A dedicated team conducts annual satisfaction surveys across all three major operational sites.

At each site, we randomly select at least 10 customers—including at least two from our top 10 revenue-generating clients—to participate in a comprehensive survey. The questionnaire evaluates multiple dimensions, including: service attitude, technical expertise, product quality, pricing, quality control, issue resolution, delivery performance, logistics, facility standards, and environmental products.

The collected data are analyzed to monitor satisfaction trends over time. Customer comments and suggestions are reviewed to implement targeted improvements, ensuring continuous enhancement of service quality.

▼ Customer Satisfaction Survey Process

Confirm order completion, reconcile transactions, and issue invoices

Conduct bi-annual or annual customer satisfaction survey and analysis

Compile and analyze customer satisfaction data and issues

Implement and track improvement measures based on survey results

Review customer satisfaction and make adjustments in management meetings



In 2024, the customer satisfaction scores for Taipei Fudy, Dongguan Fuyang, and Suzhou Fuyang were 93.8 (converted from Taipei Fudy's original 60-point scale), 92.1, and 91.0 respectively (on a 100-point scale, with scores above 80 considered satisfactory).

Compared to the previous year, satisfaction levels at Taipei Fudy and Dongguan Fuyang showed improvement. While Suzhou Fuyang experienced a slight decrease, its score remained above 90, reflecting consistently strong performance. In response to client feedback, targeted improvement plans have been developed to further enhance service quality.

Questionnaire structures at each site reflect their regional characteristics and operational focus. At Taipei Fudy, the business service dimension carries the highest weighting (20%), highlighting its emphasis on service quality. As key production hubs, Dongguan Fuyang and Suzhou Fuyang place greater focus on sales responsiveness, sample approval lead time, and delivery efficiency, in addition to service attitude.

Customer Satisfaction Survey Framework



Taipei Fudy	
Category	Weight
Business Service	20%
Product Delivery	15%
Product Quality	10%
Hazardous Substances	10%
Overall Satisfaction	5%

Dongguan Fuyang	
Category	Weight
Switchboard Service	9%
Sales Responsiveness	9%
Technical Expertise	9%
Product Quality	9%
Issue Resolution	9%
Sample Efficiency	9%
QC Responsiveness	9%
Delivery Service	9%
Delivery Speed	9%
Plant Standards	9%
Green Product	10%

Suzhou Fuyang	
Category	Weight
Service Attitude	10%
Business Responsiveness	10%
Professional Competence	10%
Delivery Quality	10%
Delivery Service	10%
Delivery Speed	10%
Product Pricing	10%
Quality Management	10%
Sample Efficiency	10%
Environmental Standards	10%

Fudy Customer Satisfaction Survey Results Over the Past 3 Years

Operational Site/year	Taipei Fudy			Dongguan Fuyang			Suzhou Fuyang		
	2022	2023	2024	2022	2023	2024	2022	2023	2024
Number of Responses	14	15	15	15	15	15	10	10	10
Response Rate	100%	100%	100%	100%	100%	100%	100%	100%	100%
Customer Satisfaction Score	53.8	54.6	56.3	92.1	91.6	92.1	91.6	91.2	91

Note Taipei Fudy uses a 60-point scale.

5.6.3 Outlook for Customer Satisfaction

Moving forward, we plan to standardize customer satisfaction surveys across all three plants while retaining site-specific assessment elements. This harmonization will enable more effective cross-plant benchmarking, streamline data collection processes, and facilitate best practice sharing across our operations.

The updated survey will also include dedicated modules focusing on sustainability topics such as:

Customer preferences and expectations for environmental packaging materials

Priority assessment of carbon reduction packaging solutions

Collaboration opportunities in circular economy and packaging recycling

Supply chain sustainability management priority concerns

Importance of environmental certifications (FSC® and others)

By gaining deeper insights into customer requirements for sustainable transformation pathways and sustainability-specific needs, we can develop targeted green packaging solutions that precisely align with market trends. These survey insights will be systematically integrated into Fudy's product development cycle to ensure that our new offerings align with customer sustainability strategies, thereby strengthening customer partnerships and jointly advancing sustainability goals.





06

Appendix

GRI Index Table	143
Restated Information Summary	145
Management System Certifications	148

General Disclosures

GRI Content Index

GRI Standard	Disclosure	Corresponding Chapter	Page	Additional Information
GRI 1: Foundation 2021 【Statement of use】: Fudy and its affiliated companies have reported the information cited in this GRI content index for the period January 1, 2024 to December 31, 2024 with reference to the GRI Standards.				
GRI 2 General Disclosures 2021	2-1 Organizational details	1.1 About Fudy Printing		
	2-2 Entities included in the organization's sustainability reporting	Report Overview		
	2-3 Reporting period, frequency and contact point	Report Overview		
	2-4 Restatements of information	Information Restatements		
	2-5 External assurance	Report Overview		
	2-6 Activities, value chain and other business relationships	1.1.1 Fudy, Your Product Packaging Consultant		
	2-7 Employes	4.1 Talent Sustainability		
	2-8 Workers who are not employees	4.1 Talent Sustainability		
	2-9 Governance structure and composition	5.1 Governance Structure		
	2-10 Nomination and selection of the highest governance body	5.1 Governance Structure		
	2-11 Chair of the highest governance body	5.1 Governance Structure		
	2-12 Role of the highest governance body in overseeing the management of impacts	5.4 Operational Risk Management		
	2-13 Delegation of responsibility for managing impacts	5.4 Operational Risk Management		
	2-14 Role of the highest governance body in sustainability reporting	Report Overview		
	2-15 Conflicts of interest	5.1 Governance Structure		
	2-16 Communication of critical concerns	5.1 Governance Structure		
	2-17 Collective knowledge of the highest governance body	5.1 Governance Structure-Board and Executive Development and Education		
	2-18 Evaluation of the performance of the highest governance body	Not applicable		Fudy's Board of Directors does not yet have specific performance evaluation mechanisms

GRI Standard	Disclosure	Corresponding Chapter	Page	Additional Information
GRI 1: Foundation 2021 【Statement of use】: Fudy and its affiliated companies have reported the information cited in this GRI content index for the period January 1, 2024 to December 31, 2024 with reference to the GRI Standards.				
GRI 2 General Disclosures 2021	2-19 Remuneration policies	5.1 Governance Structure-Director Remuneration Policy		
	2-20 Process to determine remuneration	5.1 Governance Structure-Director Remuneration Policy		
	2-21 Annual total compensation ratio	5.1 Governance Structure-Director Remuneration Policy		
	2-22 Statement on sustainable development strategy	Chairman's Message 1.2 Sustainability Strategy Blueprint		
	2-23 Policy commitments	Chairman's Message 1.2 Sustainability Strategy Blueprint		
	2-24 Embedding policy commitments	1.2 Sustainability Strategy Blueprint 5.4 Operational Risk Management		
	2-25 Processes to remediate negative impacts	5.2 Business Integrity		
	2-26 Mechanisms for seeking advice and raising concerns	5.2 Business Integrity		
	2-27 Compliance with laws and regulations	5.3 Regulatory Compliance		
	2-28 Membership associations	1.1.3 External Engagement		
	2-29 Approach to stakeholder engagement	1.2.1 Stakeholder Engagement		
	2-30 Collective bargaining agreements	4.1.4Employee Rights and Benefits-Labor Agreement		

Material Topics

GRI Content Index				
GRI Standard	Disclosure	Corresponding Chapter	Page	Additional Information
Material Topics				
GRI3 Material Topics 2021	3-1 Process to determine material topics	1.2.2 Sustainability Governance		
	3-2 List of material topics	1.2.3 Materiality Analysis		
GRI 3: Material Topics 2021				
GRI3 Material Topics 2021	3-3 Management of material topics			
Customized Topic				
Sustainable Products				
GRI3 Material Topics 2021	3-3 Management of material topics			
Customized Topic				
Waste Management				
GRI3 Material Topics 2021	GRI 3-3 Management of material topics	Material Topics Management Approach		
GRI 301 Materials 2016	GRI 301-1 Materials used by weight or volume	2.6.1 Circular Economy		
	GRI 301-2 Recycled input materials used	2.6.1 Circular Economy		
GRI 303 Water and Effluents 2018	GRI 303-1 Interactions with water as a shared resource	2.5 Water Resource Management		
	GRI 303-2 Management of water discharge-related impacts	2.5.1 Wastewater Management		
GRI 306 Waste 2020	GRI 303-2 Management of water discharge-related impacts	2.6 Waste Management		
	GRI 306-3 Waste generated	2.6 Waste Management		

GRI Standard	Disclosure	Corresponding Chapter	Page	Additional Information
GRI 306 Waste 2020	GRI 306–4 Waste diverted from disposal	2.6 Waste Management		
	GRI 306–5 Waste directed to disposal	2.6 Waste Management		
Climate Change Adaptation				
GRI3 Material Topics 2021	3–3 Management of material topics			
GRI 201 Economic Performance	GRI 201–2: Financial implications and other risks and opportunities due to climate change	2.1.1 Financial Impacts of Climate-Related Risks and Opportunities		
GRI 302 Energy 2016	GRI 302–1 Energy consumption within the organization	2.2 Energy Management		
	GRI 302–3 Energy intensity	2.2 Energy Management		
GRI 305 Emissions 2016	GRI 305–1 Direct (Scope 1) GHG emissions	2.3 Greenhouse Gas Management		
	GRI 305–2 Energy indirect (Scope 2) GHG emissions	2.3 Greenhouse Gas Management		
	GRI 305–4 GHG emissions intensity	2.3 Greenhouse Gas Management		
	GRI 305–5 Reduction of GHG emissions	2.3 Greenhouse Gas Management		
	GRI 305–6 Emissions of ozone-depleting substances (ODS)	2.4 Air Pollution Control		
	GRI 305–7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	2.4 Air Pollution Control		
Risk Management				
GRI3 Material Topics 2021	3–3 Management of material topics			
GRI 403 Occupational Health and Safety 2018	GRI 403–1 Occupational health and safety management system	4.2.2 Occupational Health and Safety		
	GRI 403–2 Hazard identification, risk assessment, and incident investigation	4.3.3 Occupational Hazard Risk Management		
	GRI 403–3 Occupational health services	4.4 Workplace Health		

GRI Standard	Disclosure	Corresponding Chapter	Page	Additional Information
GRI 403 Occupational Health and Safety 2018	GRI 403-4 Worker participation, consultation, and communication on occupational health and safety	4.3.1 Occupational Health and Safety		
	GRI 403-5 Worker training on occupational health and safety	4.3.2 Occupational Health and Safety Training and Education		
	GRI 403-6 Promotion of worker health	4.4 Workplace Health-Health Promotion and Education		
	GRI 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.3.3 Occupational Hazard Risk Management – Safe Production		
	GRI 403-8 Workers covered by an occupational health and safety management system	4.4 Workplace Health		
	GRI 403-10 Work-related ill health	4.4 Workplace Health		
GRI 205 Anti-corruption 2016	GRI 205-1 Operations assessed for risks related to corruption	5.2 Business Integrity		
	GRI 205-2 Communication and training about anti-corruption policies and procedures	5.2 Business Integrity		
GRI 407 Freedom of Association and Collective Bargaining 2016	GRI 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	4.1.4 Employee Rights and Benefits		
GRI 418 Customer Privacy 2016	GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	5.5 Information Security Management		
Talent Cultivation and Development				
GRI3 Material Topics 2021	3-3 Management of material topics			
GRI 202 Market Presence 2016	GRI 202-1 Ratios of standard entry level wage by gender compared to local minimum wage	4.1.3 Compensation and Salary Levels		
GRI 404 Training and Education 2016	GRI 404-1 Average hours of training per year per employee	4.2 Talent Cultivation and Development		
	GRI 404-3 Percentage of employees receiving regular performance and career development reviews	4.2.1 Performance and Career Development		
GRI 405 Diversity and Equal Opportunity 2016	GRI 405-1 Diversity of governance bodies and employees	4.1.1 Diversity, Equity, and Inclusion		
	GRI 405-2 Ratio of basic salary and remuneration of women to men	4.1.3 Compensation and Salary Levels		
GRI 406 Non-discrimination 2016	GRI 406-1 Incidents of discrimination and corrective actions taken	4.1.4 Employee Rights and Benefits		

Management System Certifications

Management System

▼ ISO 14001:2015 Environmental Management System Third-Party Verification

Taipei Fudy, Dongguan Fuyang Joint Certificate (Multi-site Audit)

bsi. 

Certificate of Registration

ENVIRONMENTAL MANAGEMENT SYSTEM - ISO 14001:2015

This is to certify that: **Fu Dy Printing Co., Ltd.**
7F-5
No. 196, Baonan Rd.
Zhonghe Dist.
New Taipei City
235
Taiwan

富迪印刷企業股份有限公司
臺灣
新北市
中和區
板南路196號
7樓之5
235

Holds Certificate No: **EMS 540091**

and operates an Environmental Management System which complies with the requirements of ISO 14001:2015 for the following scope:

1. The manufacture of color box, manual, catalog, rigid box.
2. The provision of printing and binding services.

1. 彩盒、手冊、型錄、硬盒的製造
2. 提供印刷和裝訂服務

For and on behalf of BSI: 
Michael Lam - Managing Director Assurance, APAC

Original Registration Date: 2008-10-25
Latest Revision Date: 2023-10-16

Effective Date: 2023-10-25
Expiry Date: 2026-10-24

Page: 1 of 3

...making excellence a habit™

This certificate was issued electronically and contains the property of BSI and is bound by the conditions of contract.
An electronic certificate can be authenticated online.
Printed copies can be verified at www.bsigroup.com/CertDirectory or telephone: +86 (0)10593 0333.
Taiwan Headquarters: 3rd Floor, No.37, 3-Hsi Rd., Neihu Dist., Taipei 114, Taiwan, R.O.C.
a Member of the BSI Group of Companies.

Valid until:2026.10.24

Suzhou Fuyang

bsi. 

Certificate of Registration

环境管理体系 - ISO 14001:2015

兹证明: **富扬包装材料(苏州)有限公司**
912205947311678830
中国
江苏省
苏州工业园区
创业路12号
邮编: 215127

Suzhou Fuyang Printing Corporation
Co., Ltd.
No. 42, Qiye Road
Suzhou Industrial Park
Jiangsu
215127
China

持有证书: **EMS 798831**

并证明符合 ISO 14001:2015 要求的环境管理体系, 认证范围如下:

包装装潢印刷品(包装盒、吊牌、说明书)的印刷及印刷加工。
The printing and post-press processing of packaging and decoration printed products
(packaging box, hanging tag, instruction manual).

BSI代表: 
Michael Lam - Managing Director Assurance, APAC

首次发证日期: 2023-10-31
最新发证日期: 2023-10-31

生效日期: 2023-10-31
有效期至: 2026-10-30

Page: 1 of 1

...making excellence a habit™

此证书为电子证书, 其内容受 BSI 所有并受合同条款约束。
电子证书可通过以下网址进行验证:
www.bsigroup.com/CertDirectory 或电话: +86 10 5930 3000。
台湾分公司地址: 3楼, 苏州工业园区创业路12号, 苏州工业园区, 江苏, 中国, 邮编: 215127。
BSI 集团成员。

Valid until: 2026.10.30

Material

▼ FSC®Chain of Custody (CoC) Certificate

Taipei Fudy Headquarters



Valid until:2029.07.10

Dongguan Fuyang



Valid until: 2030.04.22

Suzhou Fuyang



Valid until: 2027.07.09

BRCGS Packaging Materials Certification



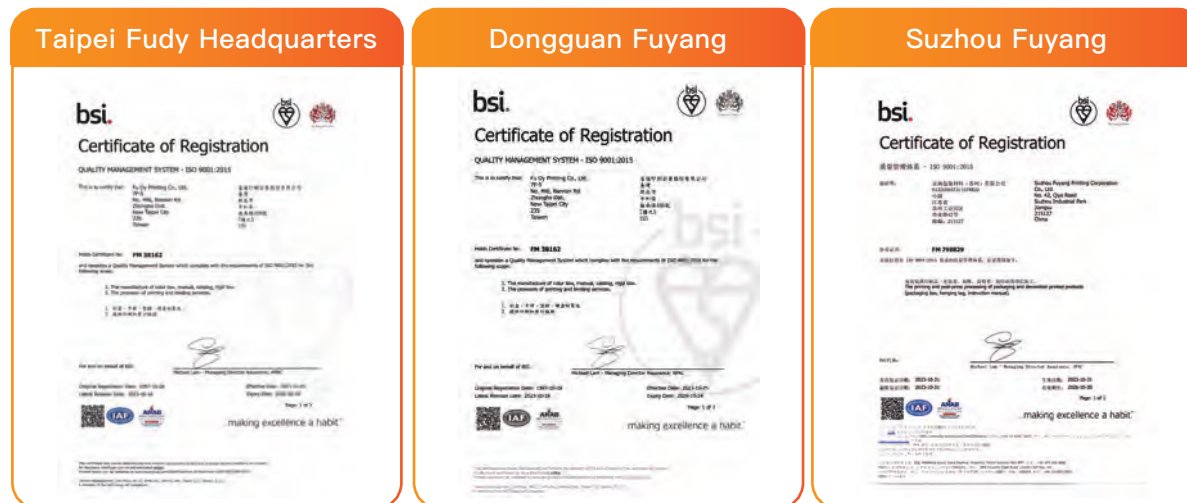
Valid until: 2025.06.22 (Dongguan Fuyang) / 2025.12.31 (Suzhou Fuyang)

Professional Certifications Sustainable Development

▼ Fudy ISO 14064-1:2018 Certification



▼ ISO 9001:2015 Quality Management System



Valid until: 2026.10.24

Valid until: 2026.10.24

Valid until: 2026.10.30

▼ Suzhou Fuyang ISO 14067:2018 Product Carbon Footprint Certificate



▼ IECQ QC080000:2017 Hazardous Substance Management System



Valid until: 2026.01.23

▼ G7、GMI Certificates

Taipei Fudy Headquarters
G7 Master Facility Colorspace Certificate

Valid until: 2025.07.31

Dongguan Fuyang
G7 Targeted Certificate

Valid until: 2025.08.31

Suzhou Fuyang
G7 Targeted Certificate

Valid until: 2026.05.31

Dongguan Fuyang
GMI CertificateInitially certified on: 2018.06.20 Annual product
data scoring re-evaluation