## SUSTAINABILITY PERFORMANCE

| Aspect      | Category                                      | SDGs  | Performance<br>Measurement<br>Indicators    | Page  | 2021 Performance   | 2022 Targets   |
|-------------|---|---|---|-------|--|--|
| Economy     | Corporate<br>Governance                       | -   | Corporate<br>governance<br>Evaluation       | 27    | The eighth annual Corporate Governance Evaluation ranked Zig Sheng in the 36% to 50% range.  | Our corporate governance<br>continues to steadily improve.   |
|             | Economic<br>performance                       | -   | Earnings per share                          | 33    | Earnings per share of \$1.73   | We continue to strive to achieve<br>profitability goals  |
|             | Supplier<br>sustainability<br>management      | -   | Supplier's Pledge                           | 30    | <ol> <li>Suppliers are required to fulfill their social responsibility, and 144<br/>suppliers have signed our Supplier's Pledge.</li> <li>The Contractor's Pledge has been signed by 214 engineering<br/>contractors.</li> </ol>   | Major suppliers: 158 signed<br>Engineering contractors: 246<br>signed<br>Compliance with our social<br>responsibility pledge   |
|             |   |   | Regular<br>evaluation of<br>suppliers       | 30    | All suppliers and contractors have passed their evaluations  | Suppliers and contractors<br>are continuously evaluated<br>for compliance with our<br>requirements in quality.   |
| Environment | Climate<br>change<br>and energy<br>management | 7 антан<br>Ж  | Reducing energy consumption                 | 38-39 | Energy savings rate of 1.13% in 2021; total savings amounted to 1,840,776 kWh<br>Cumulative energy savings rate of 10.07% from 2015 (base year) to 2021  | Our target total energy savings<br>is 1,784,137 kWh, and our target<br>energy savings rate is 1.08%  |
|             |   |   | Developing<br>renewable<br>energy           | 35    | In 2021, a 1,930kW solar power plant was built; its capacity has reached 2809.08kW   | Continued development of<br>green energy; the addition of a<br>559.3kW solar power plant   |
|             | Greenhouse<br>gas emissions                   | 13 data<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractions<br>Contractio | Total emissions                             | 36-37 | Emissions in 2021 increased by 23,638.987 metric tons of $CO_{2e}$ compared to last year due to increased production   | In addition to keeping carbon<br>reduction measures in place and<br>conducting regular greenhouse<br>gas verification, we expect to<br>add carbon footprint verification<br>for our products and apply for<br>carbon offset programs; our goal<br>is net zero emissions. |
|             | Green<br>products                             | 15 the  | Process recycling                           | 41    | At present, our polyester and nylon products are certified by the<br>Global Recycled Standard (GRS), which covers eight production units<br>for nylon chips, nylon filament, polyester chips, polyester filament,<br>DTY, and ATY. Our recycled polyester products are produced from<br>chips made from PET bottle flakes we purchased as well as recycled<br>chips and filament we purchased from external sources. As for our<br>nylon recycled products, they are produced from waste filament from<br>our own spinning plants and recycled fishing nets. Not only can we<br>meet our customers' demand for environmentally-friendly products,<br>but we can also increase the added value of our products. | Enhancing the development<br>of environmentally-friendly<br>products and maintaining the<br>quality of these products. We<br>aim to produce and sell 400 tons<br>of recycled polyester products<br>per month.  |
|             |   |   | Recycling rate<br>of packaging<br>materials | 41    | Recycled 14,872 polymer bags; recycling rate is 100%<br>Recycled 682,446 textile hole boards; recycling rate is 100%<br>Recycled 1,683,909 paper tubes at Spinning Plant 1; recycling rate is<br>80%<br>Recycled 1,733,965 paper tubes at Spinning Plant 2; recycling rate is<br>95%   | 100% recycling rate for polymer<br>bags and textile hole boards<br>80% recycling rate for paper<br>tubes at Spinning Plant 1<br>100% recycling rate for paper<br>tubes at Spinning Plant 2   |
| Society     | Occupational<br>health and<br>safety          | 3 internation   | Health and safety<br>performance            | 49-52 | Disabling Injury Frequency Rate (FR) 1.50 times/million work hours,<br>target achieved (< 2.0 times/million work hours)<br>Accident Frequency Rate (FR) 1.50 times/million work hours, target<br>achieved (< 1.56 times/million work hours)  | Disabling Injury Frequency Rate<br>(FR) < 1.9 times/million work<br>hours<br>Accident Frequency Rate (FR)<br>< 1.56 accidents/million work<br>hours  |
|             |   |   | Number of<br>occupational<br>accidents      | 49-52 | There were a total of 4 occupational accidents at Zig Sheng.   | Continue to promote disaster<br>reduction programs and move<br>toward our goal of "zero<br>occupational accidents"   |
|             | Social welfare                                | 4 constr<br>Lectores  | Scholarships                                | 55    | Provided scholarships to<br>The National Yunlin University of Science and Technology and the<br>National Chin-Yi University of Technology  | Continue to plan activities to give<br>back to local communities and<br>invest in culture and education  |

 $^{\ast}$  SDG icons are translated and produced by CSRone's sustainability reporting platform