



AGV PRODUCTS CORPORATION 2023 SUSTAINABILITY REPORT



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About the Report

This report is the 10th “Sustainability Report” issued by AGV Products Corporation (hereinafter referred to as “AGV”, the “Company” or “We”) in accordance with the “Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies”. By issuing this report, the Company transparently discloses its sustainability practices and performance in the three aspects of environment, society and corporate governance, enabling stakeholders to understand AGV’s efforts and determination to make continuous improvement in corporate sustainable development and the fulfillment of social responsibilities.

Boundaries and Scope of Reporting GRI 2-2

The data and content disclosed in this report mainly consist of the information of 2023 (January 1 to December 31, 2023). The scope of this report includes AGV’s headquarters and excludes non-TWSE/TPEX-listed subsidiaries, subsidiaries established for investment or tax purposes and subsidiaries over which AGV has no operational control. The scope of data and information disclosed in this report is consistent with that of the annual report (January 1 to December 31, 2023). If the scope of any other report is involved, it is described separately in this report. In addition to GRI’s materiality principle for disclosure, a more stringent standard has been adopted for preparation of this report. Through continuous improvement, we review the process and scope of data collection to enhance data quality year by year.

Principles for Compilation

The framework of this report has been prepared based on the GRI Universal Standards 2021 published in 2021, the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies”, the framework of the Task Force on Climate-related Financial Disclosures (TCFD), and the standards of the Sustainability Accounting Standards Board (SASB).

External Verification GRI 2-5

The information and data in this report have been provided by relevant departments, compiled by members of the sustainability reporting organization, reviewed by managers of the centers of the sustainability organization, and sent to the President for approval, finalization and publication and to the Board of Directors for resolution according to administrative procedures. We have engaged Crowe Taiwan to provide independent limited assurance of this report in accordance with the Standard on Assurance Engagements No. 3000 “Assurance not classified as audit or review of historical financial statements” issued by the Accounting Research and Development Foundation. For the related items and scope of assurance, see Appendix 5 of this report “CPA’s Limited Assurance Report.”

Restatements of Information GRI 2-4

The Company did not restate any information during the reporting period (January 1 to December 31, 2023). Therefore, the data and information in the report remain unchanged and have not been materially modified or adjusted. Their original accuracy and completeness will be maintained to reflect the actual situation during the reporting period.

Dates of Issue GRI 2-3

This is the 10th Sustainability Report prepared by AGV Products Corporation. The Company will issue the “Sustainability Report” on a regular basis each year and simultaneously publish it on the AGV website.

- ▶ Previous edition: issued in September 2023.
- ▶ Current edition: issued in August 2024.
- ▶ Next edition: issued in August 2025.

Contact Information GRI 2-3

If you have any questions, advice or suggestions regarding this report, please feel free to contact us.

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Chairman Kuan-Han Chen

FOR A HEALTHY TOMORROW

Commitments of the Management

GRI 2-22

Love is health, love is responsibility, love is commitment, and love is the source of all good things.

AGV was born out of love. As a caring company, this is what sets it apart from other companies! We still remember the sincere teachings from our childhood, “AGV should make products with love, AGV should bring health to consumers, AGV should love employees, consumers, society, and country, and The Company's responsibility, love is the promise of products, and love is the source of all good things.” “Love”, a short but powerful word, is still deeply rooted in the hearts of the management and every employee, turning it into an unwavering responsibility and commitment. Because of love, the responsibility is no longer heavy; because of love, we promise to make a moment of eternity. With the brand statement of “For a Healthy Tomorrow”, AGV's products can be found in every family's home precisely because everyone who handles it can confidently deliver products based on the five principles of love, intention, reassurance, sincerity, and thoughtfulness to the people you love the most. Since AGV was founded half a century ago, it has never wavered from upholding a forward-looking sustainable management philosophy based on “LOHAS, eco-friendliness, green-ness and health” to lead in the food industry, create consumer trends, protect the nation's health, fulfill its corporate social responsibility, uphold the philosophy of love and trust, and keep working hard to move toward the vision as a “sustainable enterprise promoting health and love”. With love as the DNA of its products, AGV regards consumers as family members and products and services as its career, and strictly controls every detail “from raw materials to finished goods, from production to sales, from R&D to QC, from promotion to brand and from management to laws and regulations”. AGV will continue to adhere to its three-more (more good materials, more nutrition, more love) and three-less (less salt, less sugar and less MSG) policy. The power of love is great, and AGV is named after love, starts its business from love and manages its business with love. The whole team will keep investing in R&D and innovation, guard food safety management, improve its service level, care for its employees and shareholders, fulfill its corporate social responsibility, and do its best for activation and improvement of the food industry of Taiwan, hoping to build a sustainable enterprise full of love for the country and society.

● Because of love, AGV is responsible

Commitment: ensuring the achievement of the four corporate commitments to health, responsibilities, families and the future.

Environment: seeking comprehensive conservation and recycling of materials, work, water, gas, electricity, oil, paper and waste.

Society: achieving policy compliance, industrial upgrade, food safety and labor-management harmony in all aspects.

Governance: achieving cross-industry and cross-market integration of resources with social and financial management performance.

● Because of love, AGV makes commitments

Commitment to great health: sustainability strategies and concrete actions (food safety, consumer trust)

Commitment to great responsibilities: patents, awards and certifications (enhancement of standards, development of talents) in many countries.

Commitment to a great family: eco-friendliness, sustainability, co-existence and shared prosperity (greenness, eco-friendliness, LOHAS and healthiness)

Commitment to a great future: in the name of love, starting from love and managing business with love (love knows no boundaries)

● Because of love, AGV is sustainable

We have established a Sustainable Development Organization, supported by our management in mobilizing labor power and corresponding resources to achieve the integration of corporate social performance (CSP) and corporate financial performance (CFP), with CFP sustaining CSP in the short term and CSP promoting CFP in the medium to long term. The whole team works together to promote the mission of corporate sustainability.

Environmental issues: The organization's environmental protection policies (dedicated team, environmental protection legal compliance, performance tracking) water, power and energy management policies (green power integration, wastewater recycling, carbon neutralization) pollution prevention and treatment policies (first circulation, secondary prevention, Compliance) green and environmentally-friendly policies (eco-friendly materials, energy conservation and weight reduction, bio-friendliness).

Social engagement: Food safety and health control (advanced deployment, ultra-high standards, automated equipment, and full supervision), industry-government-academia selection, training, and promotion (government resources, industry-academia collaboration, association interaction, internal promotion project) employee welfare, integration of public welfare and charitable performance of a company (lifelong career, welfare planning, family care, enterprise as a family) (appointment of disabled people corporate schools, career reengineering, and integration of dual accumulation).

Corporate governance: Risk control, crisis management (operational risk, food safety risk, environmental safety risk, pandemic risk), production, procurement, and supply management (certification and evaluation, traceability, diversion and division of labor, dynamic supervision), performance integration, internal control management (integration of KPIs, MBO, SMART, OKR) customer satisfaction service management (integration of ERP, PLM, CRM, SCM, SRM).

AGV is named after love, and the corporate name implies meticulous love for society and consumers! During the development since AGV's establishment half a century ago, its starting point, thinking and sharing regarding management for all operational plans and managerial decisions have been love, and it hopes to make contribution in facilitating the revitalization and upgrade of the Taiwanese food industry and to lead the country, society and the industrial, government, academic and private sectors onto a path of positive development with concrete actions. This has always been the team's original intention to promote corporate social responsibility, and the cornerstone of sustainable business operations. The brand declaration "For a Healthy Tomorrow" can be seen on each bottle of AGV's products, which is AGV's ultimate commitment to corporate social responsibility. Food safety and healthy consumption are the business philosophy that AGV has been upholding since its establishment: "In the Name of Love, Starting from Love, and Managing Business with Love"! For our loved ones, we only give the best! For our loved ones, we swear that we will never compromise on quality requirements, we will never shirk our social responsibilities, and we will never fail our commitments to the public. Looking forward to the future, because of love, AGV will not hesitate to take on an even greater corporate social responsibility and repay the land where we were born and grew with sustainable love, to convey and implement our commitment to environmental protection, carbon reduction, corporate sustainability, and co-existence and common prosperity through industry, government, and academia to our employees and their families, suppliers, shareholders, and counterparties.



1

Development of Sustainability Strategies

1.1 About AGV

1.2 Stakeholder Engagement

1.3 Identification and Analysis of Material Topics

1.1 About AGV

Founded in 1971, AGV Products Corporation primarily engages in the manufacturing and sales of food products and is actively moving toward diversified operations. With an outstanding management team, it pursues sustainable management and growth. Valuing every employee, we provide not only a good working environment but also space for learning and growth, and we welcome all who have outstanding skills to join AGV.

AGV's business philosophy adheres to the belief of "For a Healthy Tomorrow" and is committed to the corporate conscience of three "No", three "Less" and three "Lots of":

*Policy of three "No": No preservatives, no artificial coloring and no chemical spices.

*Policy of three "Less": Less sodium salt and more potassium salt; less sugar and more fructose or oligosaccharide; less MSG and more mushroom stock.

*Principle of three "Lots of": Lots of good ingredients, lots of nutrients and lots of love.

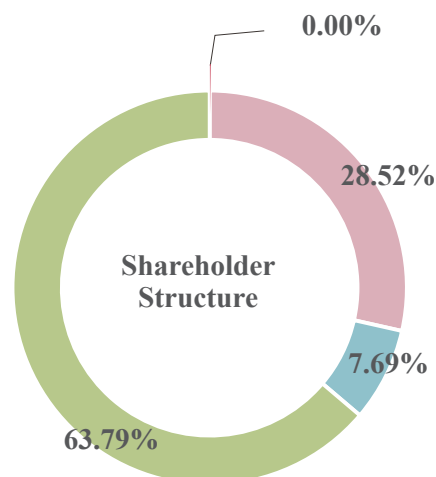
GRI 2-1

Company name	AGV Products Corporation
Headquarters	No. 11, Gongye 2nd Rd., Minxiong Township, Chiayi County
Company type	TWSE-listed company (stock code: 1217)
Chairman	Kuan-Han Chen
President	Chih-Chan Chen
Industry type	Food
Industry type	Food
Other operating locations	<ul style="list-style-type: none"> • Taipei Office • Sanchong Office • Xindian Office • Taoyuan Office • Hsinchu Office • Taichung Office • Tainan Office • Kaohsiung Office • Jiangwen Street Dormitory



Shareholder Structure

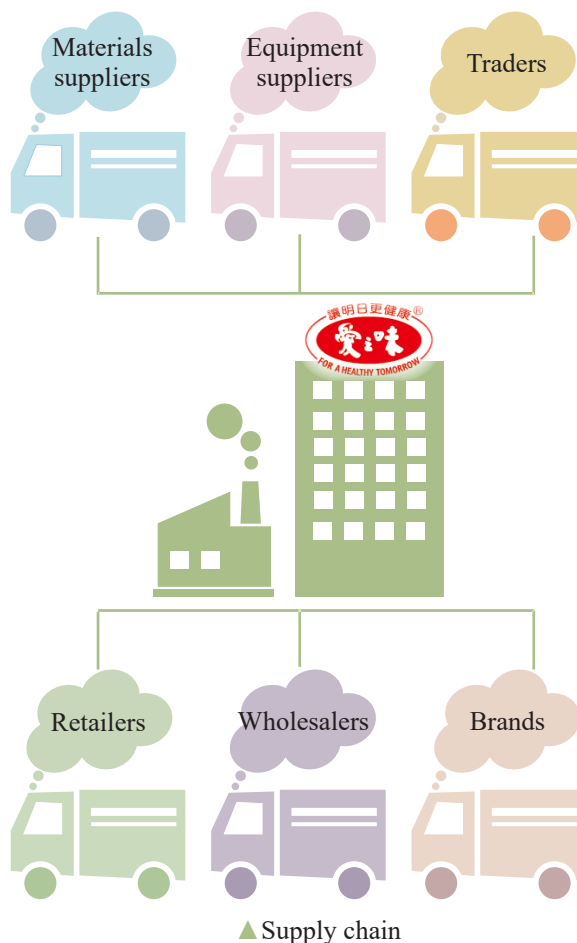
Shareholding structure		
As of: April 30, 2024		
Shareholder	Number of shares held	Shareholding (%)
Financial institutions	0	0.00
Other corporations	141,053,240	28.52
Foreign institutions and persons	37,998,343	7.69
Individuals	315,461,753	63.79



GRI 2-6

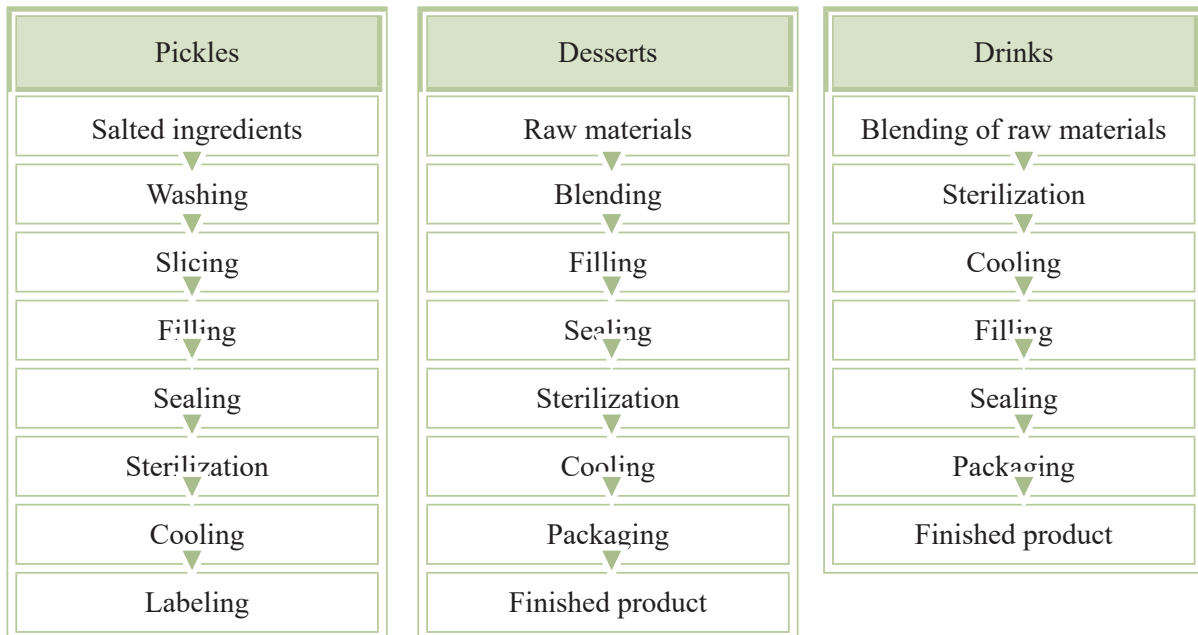
AGV is part of the food industry, and the scope of its primary business includes traditional foods, desserts, drinks, cereal milk, oils and dietary supplements, with all its products sold in Asia. As of 2023, AGV, together with Taiwan First Biotechnology Corp., owns the most high-end fully automated aseptic cold-filling production line in the industry, as well as two aseptic paper package production lines for the Swedish Tetra Pak. It is able to provide its partners with a full range of drink solutions such as OEM, ODM and OBM, as well as a complete one-time operational solution covering product R&D, manufacturing, marketing and sales. In 2017, AGV joined hands with Nestlé, the largest food company in the world, to begin cooperation in licensing the “Nestea” brand, becoming one of the key strategic partners of Nestlé in Asia.

Our customers include retailers and wholesalers, and our main selling channels include supermarkets, hypermarkets, PX Mart, convenience stores, traditional stores and online shops.



(I) Manufacturing processes for main products

Product manufacturing processes:



(II) Main brands and product series



Traditional foods

Among the traditional foods made by AGV, pickles are the best known products in the Taiwanese market. The products are unique in being free of preservatives, artificial colorants and artificial materials and containing very little sodium. The Pickled Cucumber (Sliced) in Soy Sauce is made of specifically selected, fresh cucumbers pickled partly using potassium salt instead of sodium salt. Exclusively seasoned with mushroom stock and soybean oil, the cucumbers have a mellow flavor and a sweet and crunchy taste, dipped in a nutritious and appetizing sauce.

The Fried Gluten with Peanuts in Soy Sauce is made of gluten fried with fresh soybean oil, which is free of rancid smells and is high quality. Containing a high amount of plant protein, the tenderly chewy and nutritious gluten is among the healthiest foods for women, middle-aged adults and children. The specifically selected peanuts are absolutely free of aflatoxins.



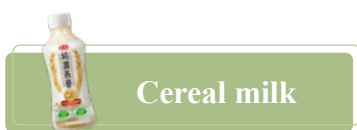
Desserts

The Peanuts in Milk is made of specifically selected peanuts in order to produce a combination of milk and peanuts of the best quality. With every peanut strictly picked by computers, the product is a mixture of exceptionally large peanuts and strongly tasty milk. Through an exclusive manufacturing process, the peanuts have become quite soft and melt in your mouth. They are a good choice as your breakfast or as a snack.

The Mixed Congee with Okinawan Brown Sugar is made of brown sugar from Okinawa, Japan and eight specifically selected grains: black soybeans, black rice, oats, pearl barley, red beans, mung beans, longans and sesame. Pure and natural, these ingredients are completely free of molasses and melt in your mouth, providing the congee with a mellow and lightly sweet taste.



Certified as a healthy food by the Department of Health, Executive Yuan, the Unsweetened Activate Green Tea is effective in lowering cholesterol and can contribute to reducing low-density lipoprotein cholesterol and increasing medium- and high-density lipoprotein cholesterol in blood. The tea has been certified to include functions that prevent the formation of body fat, and has been proved via animal experimentation to be helpful for decreasing the amount of body fat formed. With a strictly balanced diet and controlled calories and appropriate conditions of exercise, proper consumption of this product can make it less likely for body fat to form. Made of a mixture of several types of tea leaves, the finely blended tea is able to produce multiple layers of rich tea fragrance with a perfect mixing ratio, and anyone who drinks it will detect no bitterness and more smoothness. Using elements of Okinawan bitter melons extracted with an exclusively patented technology from Japan, the tea preserves many benefits of bitter melons while eliminating their bitterness. Each bottle of tea contains 8 to 11 g of dietary fiber, providing 50% of such fiber you need per day, and can facilitate mild peristalsis of your digestive tract and effectively keep your body healthy. Certified as a healthy food by the Department of Health, Executive Yuan, the Barley Drink has been proved via animal experimentation to be helpful for increasing probiotics in your gastrointestinal tract. Made of deeply roasted premium barley from the U.S. and Australia, the tea is able to produce the most natural barley fragrance with a fine taste and a cooling-off effect. The addition of oligosaccharides can facilitate peristalsis of your digestive tract, while the tea is mild and harmless to your stomach since it does not contain any tea leaf or caffeine.



Made of 100% natural oats, the Premium Oat Drink has been certified as a healthy food by the Department of Health, Executive Yuan, and has been proved by experiment to be helpful for lowering cholesterol and immunomodulation. Moreover, it has been proved via animal experimentation to be:

- (1) helpful for increasing the hyperplasia of immunocytes;
- (2) helpful for enhancing the activity of phagocytes;
- (3) helpful for enhancing the activity of natural killer cells;
- (4) helpful for modulating the secretion of cytokines;
- (5) helpful for increasing the content of immunoglobulins (IgG) in serum.

As one of the primary sources of diet in Europe and the U.S., oats have been an internationally recognized dietary supplement. Oats have been the only grain selected by the U.S. magazine *Time* as one of the top-10 recommended nutritional supplements, and they have been confirmed by the U.S. Food and Drug Administration to be a grain containing dietary nutrients. Using the latest biotechnology of dual enzyme hydrolysis, the “Premium Oat Drink” is the first oat drink that preserves the nutritious essence of oats. With a smooth, mellow, natural and sweet taste, the product is a nutritional supplement made of 100% oats which can be easily consumed anytime, anywhere.



Oils

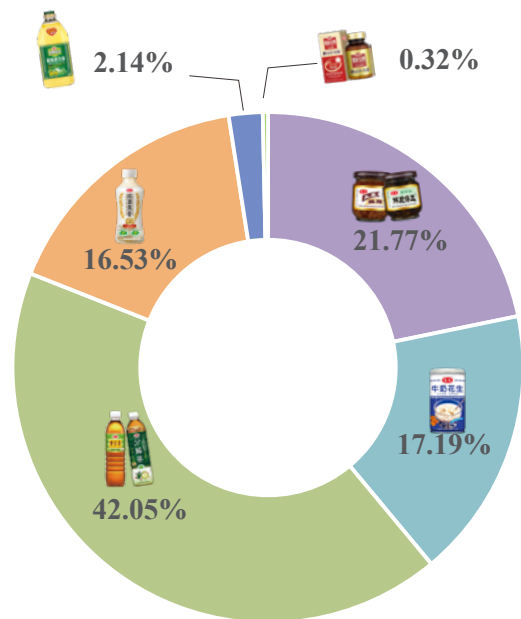
The Premium Blend Cooking Oil contains a rich amount of Omega-3 (α -linolenic acid), a necessary fatty acid which cannot be synthesized by the human body. The product is the healthiest cooking oil blended by AGV's Academy of Health Science using an exclusive oil manufacturing technology. Omega-3 accounts for no less than 18% of the content of polyunsaturated fatty acids, which constitute at least 90% of the unsaturated fats contained in each bottle of the oil. It generates an extremely low amount of cooking fumes and has a light, refreshing and non-greasy taste.



Dietary supplements

The Natto Kinase is made of specifically selected non-genetically modified soybeans that have received organic certification from the EU (ECOCERT). Cultured by high-quality *Bacillus natto* using the latest biotechnology, a very high amount of nattokinase is extracted, with the activity of each capsule reaching 5,000FU. The *Bacillus natto* has been fully preserved, so that you can directly ingest the essence of natto. By taking one capsule a day, you will be able to regulate your physiological functions and facilitate your metabolism.

AGV's products			
Product	Sales territory	Customer type	Sales amount (NTD thousand)
Traditional foods	Asia	Retailers	882,178
Desserts	Asia	Retailers	696,602
Drinks	Asia	Retailers	1,703,931
Cereal milk	Asia	Retailers	669,820
Oils	Asia	Retailers	86,911
Dietary supplements	Asia	Retailers	13,165



▲ Percentage of AGV's product sales

Note: In 2023, the annual sales volume of sold products amounted to 20,992,186 dozen.

GRI 2-28

AGV has been an active participant in various associations and organizations in the relevant industries, with the expectation to interact with industrial peers and promote mutual growth through participation in their activities.

Industry associations, other associations with membership, and national or international initiatives	Membership
Taiwan Grain Industry Association	Chairman
Manufacturers Association of Minxiong Touqiao Industrial Park, Chiayi County	Vice Chairman, Advisor
Taiwan Association for Food Science and Technology	Honorary Director
Chiayi County Industrial Association	Executive Director
Taiwan Beverage Industries Association	Director
Taiwan Quality Food Association	Director
Yi Yun CEO Club	Director
Chiayi County Chamber of Commerce	Member
Taiwan Cannery Association	Member
Taiwan Food Industry Development Association	Member
Health Food Society of Taiwan	Member
Agricultural Chemical Society of Taiwan	Member
Taiwan Listed Companies Association	Member
Chinese National Association of Industry and Commerce, Taiwan	Member
Taiwan Chamber of Commerce and Industry	Member
Chiayi County Business Association	Member
Council for Industrial and Commercial Development	Member
Cross-Strait Public Opinion Exchange Foundation	Member
Cross-Strait CEO Summit	Member
Taiwan Federation of Industry	Member
Chiayi City Industrial Association	Advisor

1.2 Stakeholder Engagement

GRI 2-29

AGV refers to the recommendations of the GRI Standards and identifies stakeholders that may be affected by positive and negative economic, environmental, and social impacts. Based on the experience of communicating with stakeholders, there is no significant difference from last year. Our continued communications with the eight categories of groups are used as the reference for the information disclosed in this report.

Following discussions at internal meetings, AGV has identified eight categories of stakeholders: business partners (in the food industry), customers and distributors, consumers, shareholders and other investors, suppliers, employees and other workers, government agencies, and financial institutions.

Channels for Stakeholder Communication

Stakeholder	Significance of the stakeholder to AGV	Communication channels	Frequency	Communication performance
Business partners (in the food industry)	Peers in the food industry are significant to AGV in terms of competition, cooperation, industrial development and compliance standards. AGV should remain vigilant in its competition with its peers, while also seeking cooperation and partnership to promote the development and mutual prosperity of the whole industry.	<ul style="list-style-type: none"> Trade associations Non-public contact Participation in food industry meetings Website information 	<ul style="list-style-type: none"> Regular participation Irregular Irregular Irregular 	<ol style="list-style-type: none"> We learn lessons and interact with peers during our participation in meetings to achieve a sustainable environment and economic development for the food industry. We inspire ideas for new products and use our strengths to make up for our shortcomings.
Customers and distributors	The significance of customers and distributors to AGV lies in providing revenue, promoting growth, giving valuable feedback, building good reputation and brand image, and enjoying AGV's products and services. They are also the key to business development.	<ul style="list-style-type: none"> Regular meetings between both sides Communication through product events Personal visits/ Telephone/Fax/ Email Customer service hotline Customer satisfaction survey Gifts for traditional holidays/Having meals together 	<ul style="list-style-type: none"> Regular quarterly or annual meetings Irregular Irregular Instant Annual Regular 	<ol style="list-style-type: none"> We are able to demonstrate our marketing performance on a regular basis and exchange ideas for a close partnership. We are able to exchange ideas and solve problems instantly. To ensure that consumers are safe and assured in consuming AGV's products. We understand customers' consumption habits through different channels and adjust the direction of products in line with the consumption trends of the general public.

Stakeholder	Significance of the stakeholder to AGV	Communication channels	Frequency	Communication performance
Consumers	Consumers are the key force driving AGV's development, and their needs have a significant impact on AGV's technological R&D, quality management and marketing decisions.	<ul style="list-style-type: none"> • Business visits/ Telephone/Fax/ Email • Customer service hotline • Customer satisfaction survey 	<ul style="list-style-type: none"> • Irregular • Instant • Annual 	<ol style="list-style-type: none"> 1. To ensure that consumers are safe and assured in consuming AGV's products. 2. We understand customers' consumption habits through different channels and adjust the direction of products in line with the consumption trends of the general public.
Shareholders and other investors	Maintaining good relationships with shareholders and investors, valuing their opinions, and sharing profits and risks with AGV through effective communication play an important role in corporate governance. Therefore, shareholders and investors are highly important to AGV's development and operations.	<ul style="list-style-type: none"> • Convening shareholders' meetings • Investor conferences • Publication of material information as required by the competent authorities • Regular publication of financial statements/ annual reports • Contact email for shareholder services • Disclosure of information on the website • Appointment of a spokesperson 	<ul style="list-style-type: none"> • Annual • Annual • Instant • Regular • Instant • Irregular • Irregular 	<ol style="list-style-type: none"> 1. We publish Chinese and English versions of the handbooks, annual reports and minutes of shareholders' meetings for investors as reference. 2. We organize an investor conference each year for investors to understand the revenues from our products and the status of our operations. 3. When an event with a material impact on shareholder equity or securities prices occurs, it is announced on the Market Observation Post System (MOPS). 4. We publish our financial reports on the MOPS on a quarterly basis. 5. A section for investors has been created on our website to provide a contact channel for sharing the latest news and development of AGV and answering shareholder questions.

Stakeholder	Significance of the stakeholder to AGV	Communication channels	Frequency	Communication performance
Suppliers	Suppliers are the key source of our food safety control, and we have established a good partnership with our suppliers to work together for food safety control.	<ul style="list-style-type: none"> Personal visits/ Telephone/Fax/ Email Discussion of problems Development of new products Questionnaire responses Supplier audits and interviews Annual contracting and contractor survey Gifts for traditional holidays/Having meals together 	<ul style="list-style-type: none"> Irregular Irregular Irregular Irregular Annual Irregular 	<ol style="list-style-type: none"> We and our suppliers jointly comply with the requirements of food safety management and environmental safety systems and receive certification as Authorized Economic Operators to enhance food safety awareness in the food industry. We assist suppliers in their commitment to comply with relevant governmental laws and regulations as well as the latest social responsibility requirements, including: labor and human rights, health and safety, environment, and ethics. We provide raw materials that meet the requirements of the relevant food safety management system and establish good supply channels to ensure a stable supply of raw materials.
Employees and other workers	Employees form the backbone of AGV's sustainable management and are the driving force behind its continued growth. In order to ensure effective use of human resources to achieve our goals, missions and vision, we make it possible for employees to work comfortably and bring out their potential, benefiting both AGV and its employees.	<ul style="list-style-type: none"> Employee message board Internal online bulletin board Two-way communication with the management Complaint hotline Employee Welfare Committee meetings Improvement proposal system Recommendation of outstanding employees Labor Pension Fund Supervisory Committee meetings Labor-management committee meetings Personnel Review Committee meetings 	<ul style="list-style-type: none"> Instant Instant Instant Instant Quarterly Irregular Irregular Annual Quarterly Irregular 	<ol style="list-style-type: none"> Through different communication channels established by AGV, employees are able to express their problems and needs effectively, and to solve them. We establish good communication channels to minimize the chance of confrontation between employees and AGV.

Stakeholder	Significance of the stakeholder to AGV	Communication channels	Frequency	Communication performance
Government agencies	Government agencies play an important role in building infrastructure, providing public services and improving the business environment for companies. All of our factories are subject to supervision and auditing by the competent authorities, such as the Securities and Futures Bureau, the Taiwan Stock Exchange, the National Taxation Bureau, the Fire Bureau, the Occupational Safety and Health Administration, Ministry of Labor, and the Environmental Protection Bureau, and we strictly comply with their requirements.	<ul style="list-style-type: none"> • We maintain good interactions with the competent authorities, such as paying personal visits to them. • Identification of the laws and regulations governing management systems • Official correspondence and information disclosure • Consultation and clarification on financial and tax issues • Factory inspection • Telephone • Email 	<ul style="list-style-type: none"> • Irregular • Instant • Irregular • Irregular • Irregular • Instant • Instant 	<ol style="list-style-type: none"> 1. We maintain good interactions with the competent authorities, and we cooperate with them in adopting relevant regulations, codes and procedures. 2. We cooperate with the competent authorities in audits and respond promptly and effectively to their questions. 3. We publish material information and report information in accordance with relevant regulations. 4. Ensuring proper functioning of fire safety equipment. 5. Protecting the safety of workers. 6. We establish a comprehensive identification and registration mechanism and evaluation of environmental laws and regulations. In case of any non-compliance, improvement and preventive measures will be taken immediately.
Financial institutions	The financial institutions dealing with AGV provide a stable source of funding.	<ul style="list-style-type: none"> • Email • Financial institutions dealing with AGV 	<ul style="list-style-type: none"> • Instant • Irregular 	The financial institutions dealing with AGV continue to provide a stable source of funding and financial planning services.

1.3 Identification and Analysis of Material Topics

GRI 3-1

In our sustainability report, stakeholders and material topics have been identified based on our experience in communication with stakeholders. The material topics stakeholders are concerned with have been identified through the following four steps:

1. Understanding the organizational context

We listed 20 sustainability issues based on the GRI standards and the standards of the Sustainability Accounting Standards Board (SASB).

2. Identifying actual and potential impacts

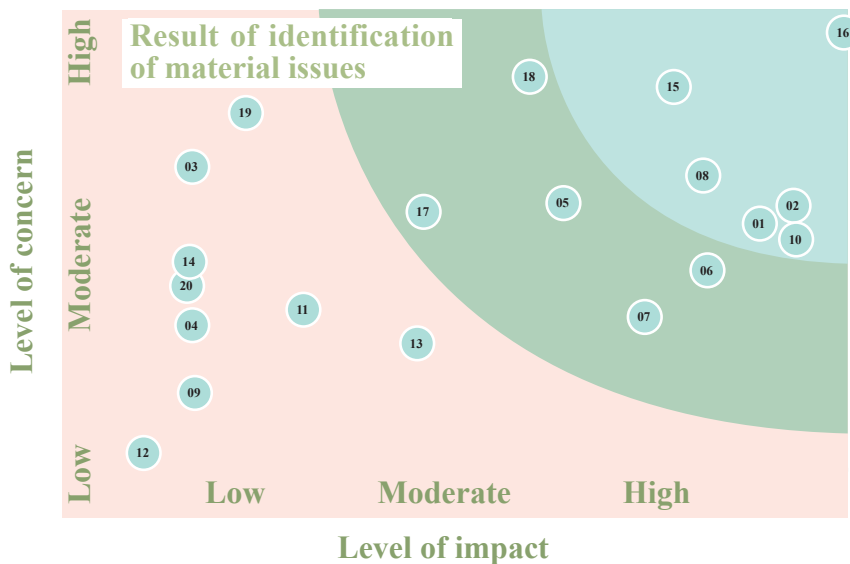
The Sustainable Development Task Force, based on the actual or potential negative and positive impacts of each sustainability issue to AGV in the aspects of the economy, environment and society (people and human rights), ranked the materiality of the issues by totaling the scores for actual negative impact, potential negative impact, actual positive impact and potential positive impacts of each issue in the aspects of the economy, environment and society (people and human rights), thus completing the identification and confirmation of AGV's material topics.

3. Assessing materiality and the significance of impact

Based on the result of the analysis of 251 returned questionnaires for the section of stakeholders, the Sustainable Development Task Force met to discuss the significance and likelihood of the impact of each issue based on past experience in operations. Eventually, six issues were selected as AGV's current material topics.

4. Prioritizing topics with the most significant impact for reporting

After a comprehensive assessment based on the nature of the topics, 6 management aspects for material topics were listed for each of the 6 material sustainability issues. The material topics have been assigned to the relevant chapters of this report for disclosure.



Sustainability issues

- 01 Procurement practices (Procurement of raw materials)
- 02 Economic performance
- 03 Anti-corruption
- 04 Tax
- 05 R&D of technologies
- 06 Corporate governance
- 07 Energy management
- 08 Water resource management
- 09 Supplier environmental assessment
- 10 Emissions
- 11 Waste management
- 12 Biodiversity
- 13 Materials
- 14 Supplier social assessment
- 15 Occupational safety and health
- 16 Food safety
- 17 Product quality (Marketing and labeling)
- 18 Labor-management relations
- 19 Talent development
- 20 Social engagement

Recognizing the importance of environmental protection and sustainable development, AGV has identified six material topics: “Procurement practices (Procurement of raw materials)”, “Economic performance”, “Water resource management”, “Emissions”, “Occupational safety and health”, and “Food safety”.

These issues will form the content of the key chapters of this report. At the same time, we will ensure communication and interaction with our stakeholders to enable them to understand our performance and commitments in the aspects of the economy, and environment and society (people and human rights).

List of material topics

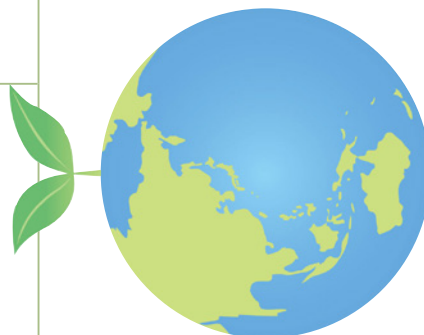
GRI 3-2

List of material topics	Description of the organization's policies or commitments related to the material topic (Description of their significance)	Description of impacts (Economy, environment and people (including human rights))	Actual/Potential Positive/Negative (The above scenarios may exist simultaneously)	Preventive or remedial measures for negative impacts	Goals and targets (Setting and evaluation of short-, medium- and long-term goals)
Procurement practices (Procurement of raw materials)	Committed to source management in the procurement of raw materials, we require our suppliers to achieve waste reduction and prevention in manufacturing processes and put emphasis on social responsibilities and human rights protection.	<p>Economy: Stable and instant supply of raw materials to ensure the operation of manufacturing processes.</p> <p>Environment: Achieving carbon reduction, energy consumption and regeneration of water resources.</p> <p>Human rights: Putting emphasis on corporate social responsibility, improving human rights protection and reducing inequality/discrimination.</p>	<p>Positive: Requiring suppliers to implement environmental, social responsibility and human rights measures helps ensure the sustainability of raw material sources and increase the social and environmental benefits of our supply chains, thus enhancing our reputation.</p> <p>Negative:</p> <ol style="list-style-type: none"> 1. Failure of any supplier to comply with environmental, social and human rights measures may exacerbate environmental risks and social impacts, causing damage to our image and operations, and even leading to legal and business interruption risks. 2. If a supplier is found to be in violation of the requirements during an audit, we will require immediate improvement and suspension of supply. 	There may be a situation where no suppliers are qualified, so there must be no fewer than two suppliers to supply us.	<p>Short-term: Our suppliers are able to achieve waste reduction and prevention in manufacturing processes and put emphasis on social responsibilities and human rights protection.</p> <p>Medium- and long-term: Our suppliers are able to acquire certifications for environmental management standards (ISO 14001), greenhouse gas (GHG) inventory (ISO 14064) and water footprint (WFN).</p>



List of material topics	Description of the organization's policies or commitments related to the material topic (Description of their significance)	Description of impacts (Economy, environment and people (including human rights))	Actual/Potential Positive/Negative (The above scenarios may exist simultaneously)	Preventive or remedial measures for negative impacts	Goals and targets (Setting and evaluation of short-, medium- and long-term goals)
Economic performance	<p>1. Basic policy: revenue growth, profit increase, ratio improvement, economic value added.</p> <p>2. Execution strategy: Performance management, innovative development, cross-industry expansion, and sustainable responsibility.</p> <p>Economic performance is fundamental to corporate operations and has always been one of the potentially material sustainability topics. On the one hand, it meets the basic requirements of stakeholders (investors, government, employees, consumers, third-party manufacturers, third-party certification bodies, academic institutions, and public welfare groups) for corporate sustainable management; on the other hand, economic performance can help create non-economic benefits. The various operational resources required for performance act as the engine in the early stage and the pillars of the virtuous interactive cycle to support the overall sustainable operation of the enterprise.</p>	<p>Economy:</p> <p>Most of the TWSE/TPEX listed companies are leaders in the industry. If economic performance fails to meet the standards, this will have the most direct impact on all stakeholders. In the short term, the economic impact will be greater, and the medium and long-term amounts will expand to the economic level.</p> <p>Environment:</p> <p>The impact will include the internal environment of the enterprise, the industrial environment, countries, regions, and even the global economy in the form of the industrial chain.</p> <p>People:</p> <p>All stakeholders may be affected, including investors, the government, employees, consumers, third-party manufacturers, third-party verification units, academic institutions, and non-profit organizations.</p>	<p>Positive:</p> <ol style="list-style-type: none"> Stable revenues and profits enable the stable growth of related industries and the overall market, promote national society and the economy, and increase related employment opportunities. Pursue medium- and long-term economic performance, establish a governance culture, grasp goals and tasks, and regularly conduct internal relationship management and communication to stabilize corporate development and enhance competitiveness. Pursue medium and long-term economic performance, implement ethical corporate management, enhance corporate reputation, boost investor confidence, promote sound operations, and pursue sustainable management. <p>Negative:</p> <ol style="list-style-type: none"> Failure to meet market expectations or distribute earnings fairly and reasonably leads to damage to the rights and interests of investors, or violation of relevant laws and regulations to damage the rights and interests of stakeholders (economic, social, environmental, human rights). Inadequate corporate governance results in ineffective governance and increased operational risks; or violations of laws and regulations and damage to the rights and interests of stakeholders (economic, social, environmental, human rights), etc. The Company's reputation is damaged due to poor management or food safety incidents, investors withdraw capital, and consumer loyalty decreases, affecting the Company's access to funds or revenue; or violating relevant laws and regulations and causing harm to stakeholders (economic, social, environment, human rights) rights. 	<ol style="list-style-type: none"> R&D, production, and marketing strategic team: The R&D, production, manufacturing, sales, and planning teams are the reserve teams at any time to fill the gap between the revenue and profit targets with their respective business items. Sustainable Development Task Force: In accordance with the GRI 201 Economic Performance Standards, the Task Force constantly supervises the sustainable development of the Company from an ESG macro perspective, meeting the Company's commitment to stakeholders, and it regularly monitors economic performance taking into account corporate responsibility, energy conservation and carbon reduction, employee benefits, and corporate governance. <p>Measures to prevent or remediate impacts can be taken during the bi-weekly business reports, monthly meetings, quarterly business review meetings, monthly Board of Directors meetings, annual shareholders' meetings, and corporate briefings.</p>	<p>Goal: Steady growth in the short term and growth in the medium and long term.</p> <ol style="list-style-type: none"> Revenue and three ratios (gross margin, operating margin, and net margin). Return on assets (ROA), return on equity (ROE), earnings per share (EPS). Direct economic values, distributed economic values, retained economic values.

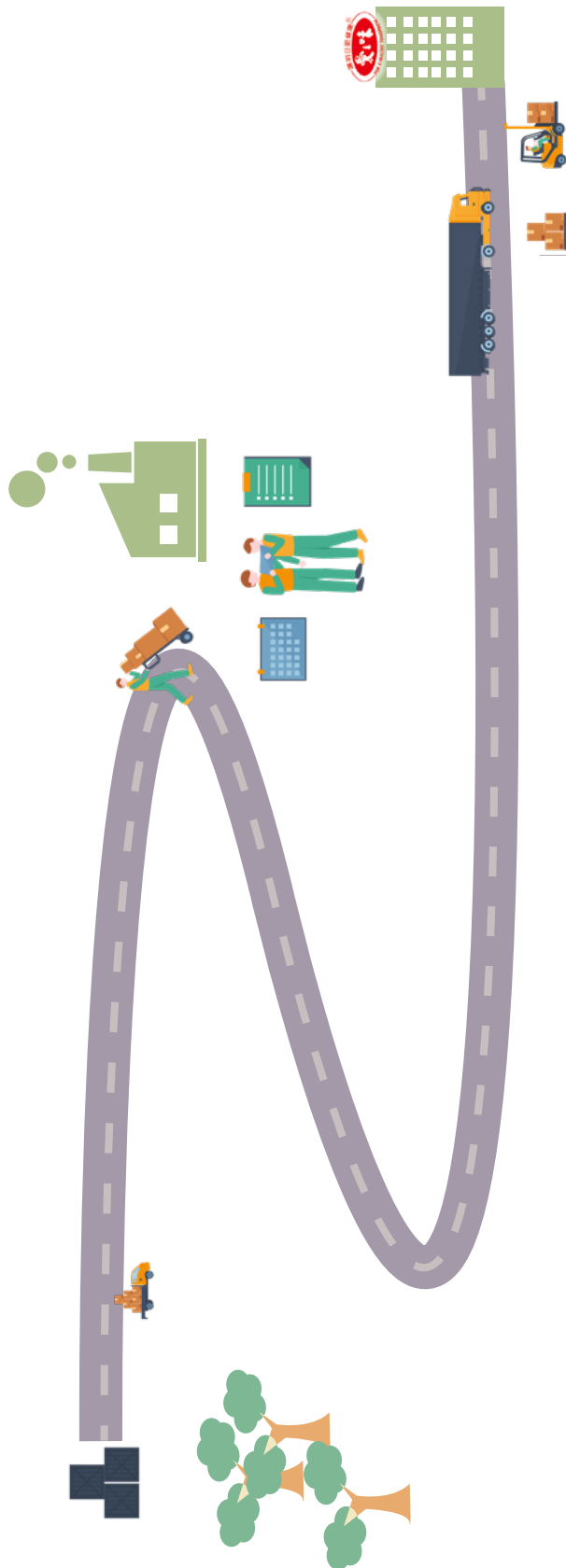
List of material topics	Description of the organization's policies or commitments related to the material topic (Description of their significance)	Description of impacts (Economy, environment and people (including human rights))	Actual/Potential Positive/Negative (The above scenarios may exist simultaneously)	Preventive or remedial measures for negative impacts	Goals and targets (Setting and evaluation of short-, medium- and long-term goals)
Water resource management	Faced with different water resource risks, AGV has started to take action in the three aspects of developing more sources of income, reducing expenses and emergency responses. AGV has held regular meetings to discuss issues concerning water resources, formulate policies and review the performance in water conservation, and has been promoting the idea of water conservation in various ways such as posters, slogans and educational sessions in order to integrate such ideas with every aspect of planning, design, production and office life.	<p>Economy:</p> <ol style="list-style-type: none"> 1. Water Pollution Control Act 2. Regulations on Charge of Water Consumption Fee 3. Shortage of water resources 4. Higher probability of floods caused by rainstorms <p>Environment: Wastewater discharged indiscriminately pollutes the surrounding environment of the plant.</p> <p>People: People's livelihoods are affected by water shortages.</p>	<p>Positive: Due to the shortage of water resources, we have adopted various methods to save water and reuse water resources to reduce the use of tap water.</p> <p>Negative: Shortage of water resources may affect production and operations, and the Water Pollution Control Act and water consumption fees may result in increased operating costs.</p>	<ol style="list-style-type: none"> 1. Establishing a water response task force to monitor the amount of water consumed by each factory and information about local water situations. 2. Investing in and improving environmental protection equipment, and setting and monitoring targets for the quality of water discharged. 3. Establishing operating procedures for emergency responses to disasters, implementing a water conservation plan, increasing the efficiency of water consumption, and adopting a water rationing response plan. 	With 2023 as the base period, our expected target is to reduce water consumption by 3% by 2025.



List of material topics	Description of the organization's policies or commitments related to the material topic (Description of their significance)	Description of impacts (Economy, environment and people (including human rights))	Actual/Potential Positive/Negative (The above scenarios may exist simultaneously)	Preventive or remedial measures for negative impacts	Goals and targets (Setting and evaluation of short-, medium- and long-term goals)
Emissions	Due to global climate change and warming, GHG inventory and reduction are currently vital issues. Based on the results of inventory, reduction targets and priorities can be determined to make the subsequent reduction process more effective and verify the outcome of reduction.	<p>Economy:</p> <ol style="list-style-type: none"> 1. Air Pollution Control Act 2. Procurement of equipment <p>Environment: The Company reduces carbon emissions.</p> <p>People: Air pollution affects people's health.</p>	<p>Positive: Helps mitigate the greenhouse effect.</p> <p>Negative: Enhanced government regulations on emissions may require us to make additional environmental investments or improvement, and failure to meet our emission targets may lead to criticism from the public and investors, damaging our reputation.</p>	<p>As a citizen, AGV has placed great efforts into energy conservation and waste reduction. To save water and electricity used by offices, the power supply and air conditioning units are designed for the purpose of management by area. In any area that do not require lighting, the light will be turned on in sub-areas. In any conference room that does not need air conditioning, it will be turned off. In terms of spatial design, glass is used as much as possible to increase lighting, while window films and curtains are used to reduce temperature. If possible, the temperature of air conditioning will be adjusted appropriately to reduce the operating energy consumed for living, office and experimental purposes. To reduce the waste of water resources as much as possible, non-contaminated cooling water used by the manufacturing processes will be recycled for reuse after preliminary filtration.</p>	<p>We expect to introduce the ISO 50001 energy management system in 2025 in order to keep track of the status of our GHG emissions, find room for reduction of emissions, and formulate corresponding reasonable plans for emissions reduction.</p>

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List of material topics	Description of the organization's policies or commitments related to the material topic (Description of their significance)	Description of impacts (Economy, environment and people (including human rights))	Actual/Potential Positive/Negative (The above scenarios may exist simultaneously)	Preventive or remedial measures for negative impacts	Goals and targets (Setting and evaluation of short-, medium- and long-term goals)
Occupational safety and health	<ol style="list-style-type: none"> 1. Respect for life and concern for safety 2. Conserving resources and ensuring their management 3. Continuous improvement and sustainable development 4. EHS is everybody's responsibility 	<p>Economy: The Company bears medical expenses, responsibility for compensation, and the cost of money and time for the accident.</p> <p>Environment: Creating a safe, healthy and comfortable work environment and reducing the occurrence of occupational accidents to meet the requirements of the law.</p> <p>People: Employees are unable to work and lose a source of income.</p>	<p>Positive:</p> <ol style="list-style-type: none"> 1. Establishing a culture of safety and health and providing employees with a safe working environment to reduce the occurrence of occupational accidents and protect the health and safety of employees. 2. Compliance with applicable laws and regulations is able to reduce legal risks, protect our reputation, and attract the trust of investors and consumers. 3. Establishing a good image of occupational safety and health to attract outstanding talents and enhance our competitiveness. <p>Negative:</p> <ol style="list-style-type: none"> 1. Personnel experience disabling injuries due to failure to implement operational safety regulations. 2. According to the relevant internal indicators, if the target is not met, analyze the cause and propose improvement measures. 	<p>Reviewing FR and SR annually and organizing training to ensure the most solid protection of our employees.</p>	<p>In accordance with EHS policies and strategies, we will develop management indicators and set target values to reduce personal health and safety accidents. In addition, we will improve the protection of process safety to continuously enhance our performance in occupational safety and health.</p>



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Food safety	To maintain good product quality, it is necessary to establish and implement a QA system covering our overall quality operations. As the current mainstream food safety system applied in the food industry, ISO 22000 is able to ensure the quality of our products through certification and implementation of the system, and therefore can definitely prevent the impact of any material food safety incident from affecting our brand image and overall operations.	<p>Economy: In recent years, the food industry has been susceptible to the impact of economic cycles. Raw materials, materials, and wages have risen. The costs of the food industry have been impacted. Therefore, it is necessary to focus on and continue to maintain food safety, establish a good brand value and company image, and promote business performance. Make products more economical.</p> <p>Environment: Public confidence in the food safety of the food industry has been impacted due to drastic changes in the industry and the occurrence of major food safety incidents (Sudan Red, Ethane Oxide) in the country.</p> <p>People: Increasing health awareness on the part of consumers and stricter popular requirements for the food chain, including the sources of food materials and the processes of food manufacturing or transportation, are factors likely to have an impact on our operations. In the face of such impact to the industrial environment, our future focus of development will be based on our brand reputation and size of operations to create high-quality, easily transportable and affordable products.</p>	<p>Positive: Through the establishment and implementation of an ISO 22000 food safety system, we are able to maintain product quality, protect customer health and safety, enhance our brand image and trust, increase customer loyalty, and promote continuous business growth.</p> <p>Negative: When food safety concerns arise, if measures are not taken in time, it will not only cause panic among consumers, but also lead to more negative news.</p>	<p>In case of food safety concerns, our customer service representatives will first check customers' situations and initiate a product investigation at the same time. If the food safety concern comes from the raw materials provided by the supplier, we will audit or return the raw materials of the upstream suppliers. In addition, we have established a system for recall and destruction of finished products, and the recall mechanism will be activated if it is confirmed that there are food safety concerns for the products.</p>	<ol style="list-style-type: none"> The food safety management system must be implemented with the relevant information updated throughout the company. The level of food safety must meet the requirements specified in the "System Requirements for Hazard Analysis and Critical Control Points" of the ISO 22000:2018 food safety management system. The food safety management system must be regularly assessed and, if required, updated, to ensure that the system is able to reflect our activities. The system must also include the latest information about controlled food safety hazards. A "procedure governing identification of laws and regulations" must be established to ensure continued compliance with the latest laws, regulations and customer requirements concerning food safety. <p>For implementation, operation or evaluation of the food safety management system, the personnel responsible for implementing the system must possess competency, and must have undergone appropriate internal or external training and received the relevant certificates.</p>



2

Ethical Governance and Sustainable Management

- 2.1 Governance Development**
- 2.2 Operating Performance**
- 2.3 Operational Risks**
- 2.4 Legal Compliance**

GRI 3-3

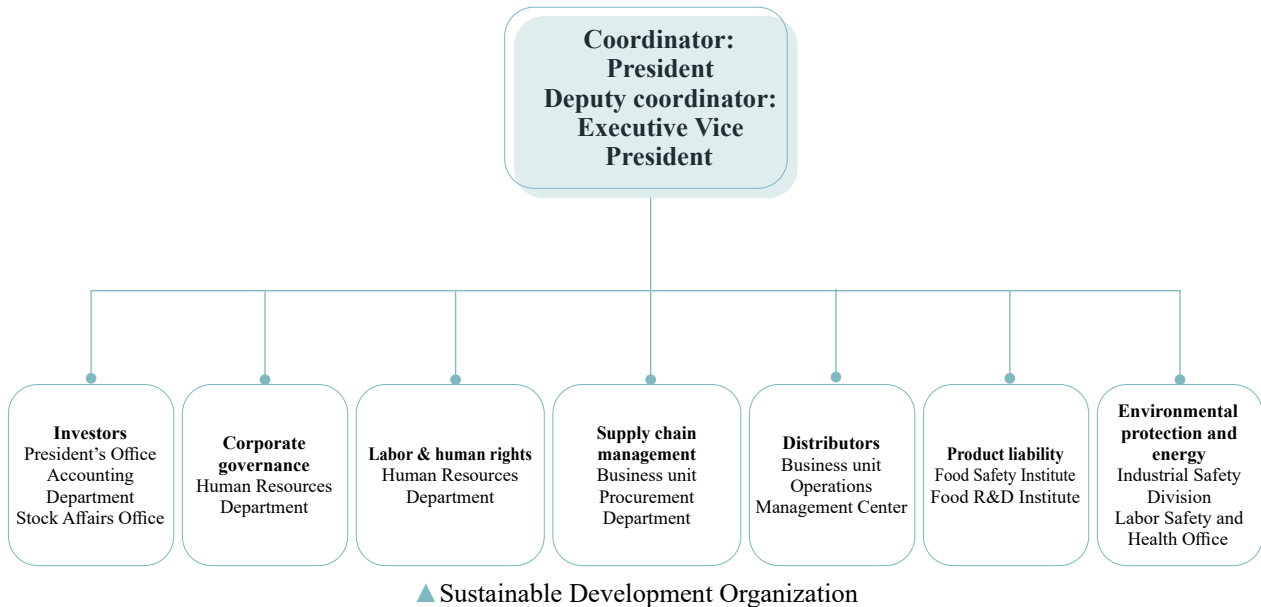
Material topic: Economic performance

Reporting requirements	Description and example of reporting requirements
Reason for the materiality of this issue	<ol style="list-style-type: none"> 1. Economic performance is the foundation of corporate operations and one of the potential material sustainability topics. 2. Satisfy the basic requirements of stakeholders (investors, government, employees, consumers, third-party manufacturers, third-party verification units, academic institutions, public welfare groups) for corporate sustainable management. 3. Economic performance can provide various operational resources required to create non-economic performance, serving as the initial engine and the pillar of a virtuous interactive cycle to support the overall sustainable operation of the enterprise.
Policy/Strategy	<ol style="list-style-type: none"> 1. Basic policy: revenue growth, profit increase, ratio improvement, economic value added. 2. Execution strategy: Performance management, innovative development, cross-industry expansion, and sustainable responsibility.
Goals and targets	<p>Goal: Steady growth in the short term and growth in the medium and long term.</p> <ol style="list-style-type: none"> 1. Revenue and three ratios (gross margin, operating margin, and net margin). 2. Return on assets (ROA), return on equity (ROE), earnings per share (EPS). 3. Direct economic values, distributed economic values, retained economic values.
Management and evaluation mechanism	<ol style="list-style-type: none"> 1. Revenue and three ratios: The performance exceeds the average target compared to food industry peers. 2. ROA, ROE, EPS: YOY in the short, medium, and long term. 3. Direct, distributed, and retained economic values: YOY in the short, medium, and long term.
Performance and adjustment	<p>The Company's long-term economic performance strategy focuses on “intensive health cultivation, decisive innovation, in-depth promotion of publicity, and strengthening of food safety”. We will continue to intensively cultivate the health field, prepare for decisive battles in R&D and innovation, strengthen and deepen public relations, and strengthen food safety and loyalty consumption. The Company conducts weekly, monthly, quarterly, semi-annual, and monthly high-level management meetings, Board of Directors meetings, etc., in response to external political, economic, and market conditions to track performance and flexibly adjust strategy execution and resource investment to achieve related goals.</p>
Preventive or remedial measures	<ol style="list-style-type: none"> 1. R&D, production, and marketing strategic team: The R&D, production, manufacturing, sales, and planning teams are the reserve teams at any time to fill the gap between the revenue and profit targets with their respective business items. 2. Sustainable Development Task Force: In accordance with the GRI 201 Economic Performance Standards, the Task Force constantly supervises the sustainable development of the Company from an ESG macro perspective, meeting the Company's commitment to stakeholders, and it regularly monitors economic performance taking into account corporate responsibility, energy conservation and carbon reduction, employee benefits, and corporate governance.



2.1 Governance Development

The ESG Task Force is responsible for developing AGV's ESG policies and guidelines to specify its commitments and goals for the environment, society and corporate governance. These policies and guidelines can reduce environmental impacts, improve employee welfare and enhance transparency and ethical governance. It is important to ensure the ESG Task Force works closely with AGV's senior management to fulfill AGV's sustainability goals.



Policy commitments

GRI 2-23

GRI 2-24

In order to keep strengthening corporate governance, we have established the “AGV Products Corporation Corporate Governance Best Practice Principles” with reference to the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”. The Principles require compliance with laws and regulations and the Articles of Incorporation, and cover the principles of protecting shareholder equity, strengthening the functions of the Board of Directors, utilizing the functions of the Audit Committee, respecting the rights and interests of stakeholders, and enhancing information transparency.

GRI 2-11

GRI 2-12

GRI 2-13

GRI 2-14

GRI 2-15

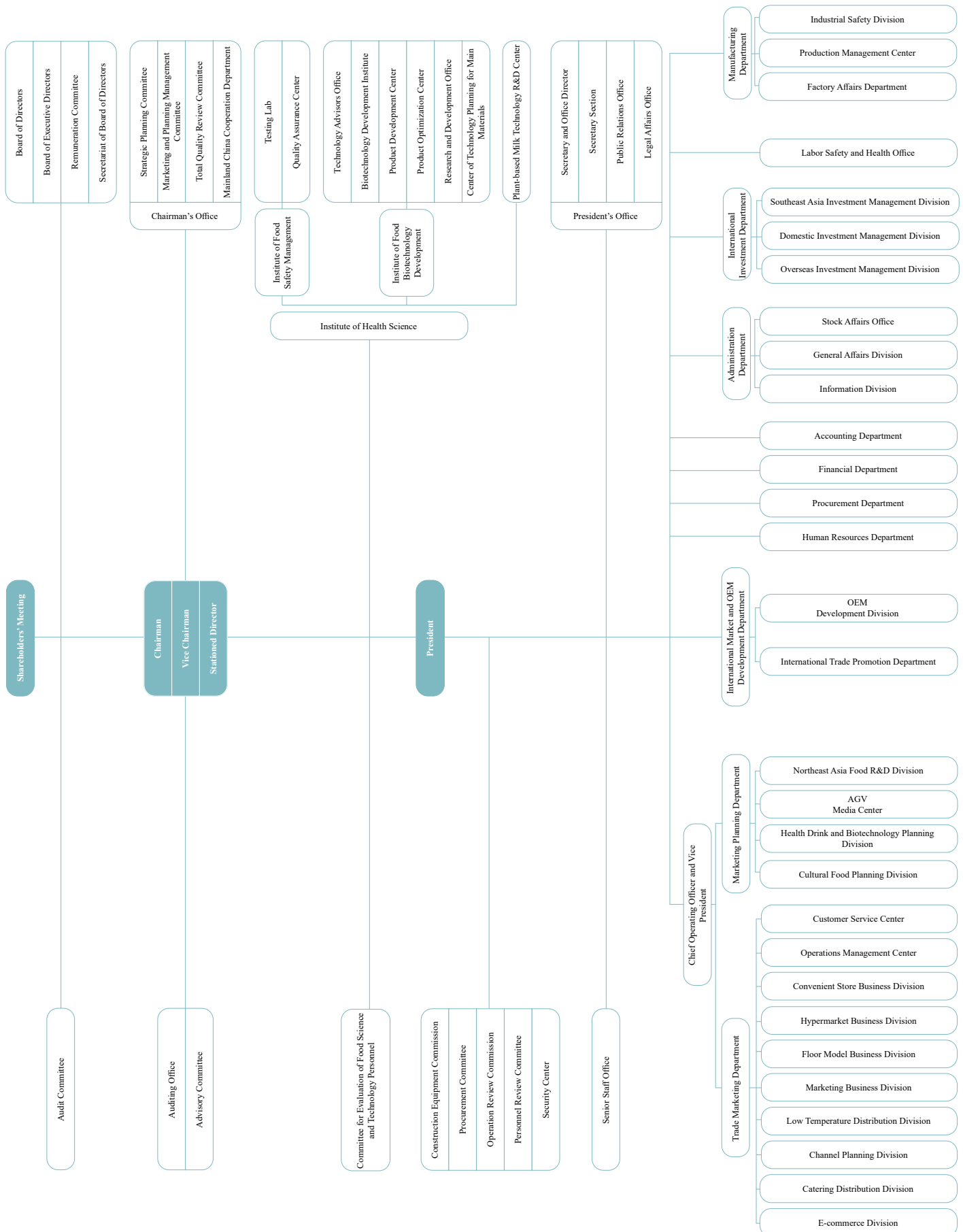
Composition and Structure of the Board of Directors

The Chairman of AGV is Kuan-Han Chen, and its President is Chih-Chan Chen. The President also acts as the chief coordinator of the Sustainable Development Task Force. The goals of ESG development are within the authority of the President, and the Sustainable Development Task Force is responsible for preparing and reviewing the sustainability report, which may be issued after approval by the President. A report on the implementation of ESG will be submitted to the Board of Directors in Q4 of each year.

GRI 2-9

The highest corporate governance body of AGV is the Board of Directors, consisting of nine directors (including three independent directors) serving a three-year term (current term: June 24, 2022 to June 23, 2025). It holds meetings at least on a quarterly basis, with the CPAs and relevant managers invited to attend the meetings, where the chief auditor is also present to give an audit report. Yueh-Chu Tsai, the manager of the Human Resources Department, is acting as our chief corporate governance officer, who is mainly tasked with managing the affairs of the Board of Directors, Audit Committee, Remuneration Committee and shareholders' meeting, providing accurate, effective and real-time information to directors, assisting directors in conducting business, exercising supervisory functions and serving as a bridge between the Board of Directors and business units and the competent authorities. In 2023, AGV held five Board of Directors meetings to discuss its overall operations.

Organizational chart



I. Method for nomination of members of the Board of Directors:

According to its “Articles of Incorporation”, AGV has seven to nine directors, among which the number of independent directors shall be no fewer than three and no less than one-third of the total number of directors. All directors shall be elected under a candidate nomination system in accordance with the method for nomination under Article 192-1 of the Company Act, and they shall serve a three-year term and may be re-elected.

II. Process for selection of members of the Board of Directors:



We will first identify the skills, experience, background and diversity required for directors, including relevant industrial knowledge, strategic planning, financial management, laws and regulations, corporate governance and other professional competencies.



Nomination process: We will identify potential candidates for directors based on the needs and criteria of the Board of Directors, including internal and external recommendations and other methods.



We will evaluate the background, experience and suitability of the candidates for directors and require them to provide personal résumés and certificates of identity documents to ensure their credibility and suitability. The process of selection must meet the qualification review and other requirements.



The Board of Directors will conduct a review and adopt a final resolution for approval or disapproval to select suitable candidates to join the Board of Directors.



An election will be held at the shareholders' meeting, and the votes will be counted after the end of voting. The results of vote counting will be announced by the chairperson, including the list of elected directors and the numbers of votes they have received. The new directors will formally join the Board of Directors and start to fulfill their duties and obligations.

Members of the Board of Directors

GRI 2-9

The following table indicates the information of directors:

Title	Name	Gender	Age	Date of first appointment (election)	Primary education and experience	Positions held concurrently at AGV and other companies	Industrial experience				Professional competencies		
							Banking/ Finance	Business management	Business marketing	R&D	Accounting and financial analysis	Information technology	Risk management
Director	Taiwan First Biotechnology Corp. Representative: Kuan-Han Chen	Male	51-60	June 28, 2016	Post-Doctoral Program of Food Science Graduate School, Cornell University; Adjunct Assistant Professor at Institute of Food Science and Technology, National Taiwan University Chairman, Taiwan Grain Industry Association	Chairman, AGV President of Academy of Health Science, AGV Chairman, Taiwan First Biotechnology Corp.	✓	✓	✓	✓	✓		✓
Director	Y Le Shan Investment Co., Ltd. Representative: Ching-Jen Chen	Male	81-90	June 24, 2022	MBA of Department of Business Administration, National Cheng Kung University President, AGV	Vice Chairman, AGV Vice Chairman, Janfusun Fancyworld Corp.	✓	✓	✓		✓		✓
Director	NICE Enterprise Co., Ltd. Representative: Kuan-Chou Chen	Male	51-60	June 1, 2004	Master, The London School of Economics and Political Science Managing Director, Pao Hwa Commercial Bank	Director, AGV Director and President, International Bills Finance Corporation	✓	✓			✓		✓
Director	Fang Tien Enterprise Co., Ltd. Representative: Huai-Hsin Liang	Male	51-60	June 24, 2022	Master of Law, Fu Jen Catholic University	Licensed attorney	✓	✓			✓		✓
Director	Yin-Ji-Li International Consulting Corp. Representative: Hsien-Chueh Hsieh	Male	61-70	June 17, 2010	Bachelor of Department of Electronic Engineering, Chung Yuan Christian University Chief Auditor, Assistant Vice President at Administration Department and Manager at Information Department, AGV	Director, AGV Chairman, Yunlin Dairy Technology Corp.	✓	✓			✓	✓	✓
Director	Cunyuan Heye Co., Ltd. Representative: Chih-Chan Chen	Male	51-60	June 17, 2010	MBA, University of Nottingham Vice President, AGV	President, AGV	✓	✓	✓		✓		✓
Independent Director	Yung-Chien Wu	Male	71-80	June 28, 2016	PhD in Law, University of Washington President, Shih Hsin University	Currently Chair Professor of the School of Law, Shih Hsin University Chairman, Chinese Arbitration Association; Director, Taiwan Research Institute Convener of Audit Committee, AGV	✓	✓			✓		✓
Independent Director	Yung-Fu Tseng	Male	81-90	June 28, 2016	Bachelor of Law, National Taiwan University Minister of Justice	Independent Director, Chun Yuan Steel Industry Co., Ltd	✓	✓			✓		✓
Independent Director	Wei-Lung Chen	Male	61-70	June 27, 2019	MBA, National Taiwan University Deputy Director General of Securities and Futures Bureau, Financial Supervisory Commission Chairman, SinoPac Securities, Investment and Trust Corporation Chairman, SinoPac Securities Corporation	Convener of Remuneration Committee, AGV Independent Director, IBF Financial Holdings Co., Ltd. Independent Director, Janfusun Fancyworld Corp.	✓	✓			✓		✓

Note: four members of the Board of Directors are ages 50-60, and five of them are ages over 60.

Avoidance of Conflict of Interests among the Board of Directors

GRI 2-16

With respect to the recusal of any director with a stake in a proposal in 2023, the name of the director, the proposal, the reason for recusal and his/her participation in the voting must be specified:

1. 4th meeting of the 18th Board of Directors on January 10, 2023:
 - a. To consider the proposal to reappoint the Company's Consultant B. Independent directors Yung-Fu Tseng and Tsang, Ji-Ying are father and daughter; Chairman Kuan-Han Chen and Kuan-Ju Chen are brothers; and Director Ching-Jen Chen, Ching-Tan Chen and Ching-Yao Chen are siblings. As their own interests are involved, they recused themselves from discussing and voting on this case.
 - b. During the discussion of change to the senior management of AGV, director Ching-Jen Chen, a lineal relative of Vice President Kuan-Hua Chen and Director Hsuan-Hui Chen, recused himself and did not participate in the discussion and voting on the proposal due to involvement of his personal interest.
2. 5th meeting of the 18th Board of Directors on March 13, 2023:

During the discussion of the new appointment of Ching-Liang Chen by AGV, director Ching-Jen Chen, a brother of Ching-Liang Chen, recused himself and did not participate in the discussion and voting on the proposal due to involvement of his personal interest.
3. 8th meeting of the 18th Board of Directors on November 9, 2023:

During the discussion of change to the position of Hsien-Chueh Hsieh, Director and Secretary of the Board of Directors, he recused himself from the discussion and voting on the proposal due to his conflict of interest.

Nature	Total number of material events	Method and frequency of communication	Communication performance
Economic aspect	The Q1, Q2, Q3 and annual financial reports, including balance sheets, statements of comprehensive income, statements of changes in equity and statements of cash flows, as well as AGV's operational plans, investment policies and dividend policies, are submitted to the Board of Directors on a regular basis to ensure that the Board of Directors, the highest governance body, has a thorough understanding of AGV's financial situation and is able to make correct decisions. In addition, AGV abides by relevant laws and regulations to ensure proper disclosure of information and compliance with the law.	Board of Directors 4-6 times/year	Good
Environmental aspect	Through meetings or written reports, the relevant departments submit reports on data and information in numerous aspects, including environmental impact assessment, carbon emission data, energy and resource consumption, waste management and environmental compliance, to the Sustainable Development Task Force and the President. Such reports are designed to ensure that the senior management of AGV has a thorough understanding of AGV's environmental performance and environmental risks, and that it is able to take appropriate measures to manage and improve AGV's environmental performance. In addition, AGV is in compliance with relevant environmental laws, regulations and requirements.	Meetings or written reports Irregular	Good

Nature	Total number of material events	Method and frequency of communication	Communication performance
Social aspect	The relevant departments provide data and information from social responsibility reports and assessments in numerous aspects, including employee welfare, community engagement, supply chain management, human rights protection and social investment, to ensure that senior management has a thorough understanding of AGV's social responsibilities and social impacts and is able to take appropriate measures to manage and improve AGV's social performance. In addition, AGV is in compliance with relevant social laws, regulations and requirements.	Meetings or written reports Irregular	Good

Audit Committee

We have established the Audit Committee for the purposes of fair presentation of our financial statements, the appointment (discharge), independence and performance of the certifying accountants, effective implementation of our internal control, our compliance with the applicable laws and regulations, and the control of our existing or potential risks.

The Audit Committee has been established to ensure the financial health and legality of AGV and enhance the effectiveness and transparency of corporate governance. The purpose of the committee is to establish reliable financial reports and internal controls to promote AGV's sustainable development and creation of long-term values. In 2023, the Audit Committee held five meetings and submitted its proposals to the Board of Directors for resolution.

Responsibilities and powers of the Audit Committee:

1. Establishment or amendment of the internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
2. Assessment of the effectiveness of the internal control system.
3. Establishment or amendment of the procedures for material financial business activities, including the acquisition or disposal of assets, transaction of derivatives, loaning of funds to others and endorsements/guarantees for others in accordance with Article 36-1 of the Securities and Exchange Act.
4. Matters involving any directors' personal interests.
5. Significant transactions of assets or financial derivatives.
6. Significant loans of funds, and endorsement/guarantees.
7. The offering, issuance, or private placement of equity-type securities.
8. The hiring or dismissal of CPAs or the remuneration given thereto.
9. The appointment or discharge of a financial, accounting, or internal audit officer.
10. Q1, Q2 and Q3 financial statements and annual financial statements signed or sealed by the Chairman, President, and accounting manager.
11. Any other material matter required by the Company or the competent authority.

In 2023, the Audit Committee held 5 meetings, and the attendance of independent directors in these meetings is as follows:

Information on operations of the Audit Committee					
Title	Name	Actual number of meetings attended	Number of meetings attended by proxy	Actual attendance rate (%)	Remarks
Independent Director	Yung-Chien Wu	4	1	80%	
Independent Director	Yung-Fu Tseng	5	0	100%	
Independent Director	Wei-Lung Chen	3	2	60%	

Date of meeting	Proposals	Resolution of the Audit Committee	Opinion of the Board of Directors regarding the Audit Committee meeting
3rd meeting of the 2nd Audit Committee on January 10, 2023	<ol style="list-style-type: none"> Report on implementation of the internal audit plan. Communication between the CPAs and the governance bodies. Review of the proposal for purchase of shares issued by the subsidiary "Sontenkan Resort Development Co., Ltd." for cash capital increase. 	Approved	Approved
4th meeting of the 2nd Audit Committee on March 13, 2023	<ol style="list-style-type: none"> Report on implementation of the internal audit plan. Communication between the CPAs and the governance bodies. Review of the 2022 financial statements (including consolidated financial statements). Review of the proposal for distribution of the earnings of 2022. Review of the 2022 "Statement of Internal Control System". Review of the issuance of common shares for cash capital increase via private placement approved by the 2022 annual shareholders' meeting, proposed to be discontinued during the remaining period. Review of the proposal for issuance of common shares for cash capital increase via private placement. Reviewed the proposal to incorporate the operating procedures for the preparation and verification of the sustainability report into the internal control system and internal audit implementation rules. Review of the proposal for assessment of the engagement and independence of the CPAs. Review of the proposal for provision of endorsement and guarantee by AGV to the subsidiary Sontenkan Resort Development Co., Ltd. for financing. 	Approved	Approved

Date of meeting	Proposals	Resolution of the Audit Committee	Opinion of the Board of Directors regarding the Audit Committee meeting
5th meeting of the 2nd Audit Committee on May 9, 2023	<ol style="list-style-type: none"> 2023 Q1 consolidated financial statements reviewed by the CPAs. Report on implementation of the internal audit plan. 	Approved	Approved
6th meeting of the 2nd Audit Committee on August 9, 2023	<ol style="list-style-type: none"> Report on implementation of the internal audit plan. 2023 Q2 consolidated financial statements reviewed by the CPAs. 	Approved	Approved
7th meeting of the 2nd Audit Committee on November 9, 2023	<ol style="list-style-type: none"> Report on implementation of the internal audit plan. 2023 Q3 consolidated financial statements reviewed by the CPAs. Review of the 2023 audit plan. 	Approved	Approved

Remuneration Committee

The Remuneration Committee has been established to ensure that the Company's salary and remuneration policies meet the standards. The purpose of the committee is to ensure that the company's remuneration policy is consistent with the company's goals, and to ensure that the remuneration system is reasonable, fair and sustainable. The committee submits the remuneration plan to the Board of Directors for resolution to ensure that it will not have a negative impact on the interests of the company or shareholders. It helps to create a motivating and competitive work environment and promotes the creation of long-term value for the Company. The Remuneration Committee also ensures that the salary design is related to risks, promotes employees' awareness of risks and a sense of responsibility, and ensures that the Company complies with relevant laws and regulations.

The Remuneration Committee convenes at least two meetings a year, and committee members are notified seven days in advance. The notice may be given in writing, by fax, or by e-mail. At least one independent director shall participate in the committee, and an independent director shall be elected by all members to serve as the convener and meeting chairperson. If the convener is unable to convene the meeting, the convener may appoint another independent director or committee member to act as his/her proxy. When discussing remuneration matters, committee members shall avoid participating in the discussion and voting if there is a conflict of interest. Relevant personnel may be invited to attend the meeting and provide necessary information, and the Committee may appoint lawyers, accountants or other professionals to conduct audits and provide consulting services. The Human Resources Department is responsible for the affairs of the Remuneration Committee. Two meetings were held in 2023, and proposals were submitted to the Board of Directors for resolution.

Responsibilities and powers of the Remuneration Committee:

The Remuneration Committee shall perform the following responsibilities and powers faithfully and submit proposed suggestions to the Board of Directors for discussion to fulfill the duty of care as a prudent administrator:

1. Regularly reviewing the Charter and proposing suggestions on amendments.
2. Defining and regularly reviewing policies, systems, standards and structures in relation to evaluation of the performance of directors and managers and their remuneration.
3. Regularly evaluating the scope and amount of remuneration for directors and managers.

The Remuneration Committee shall comply with the following principles when performing the above responsibilities and powers:

1. The remuneration for directors and managers must be paid with reference to the business performance with the level of the peers in the practice while considering the time spent by the individual and their responsibilities and performance and the reasonableness of the correlation between our business performance and future risks.
2. Directors and managers must not be induced to engage in activities involving risks beyond the tolerance limits of the company in order to pursue monetary rewards.
3. The dividend distribution ratio of short-term performance and partial changes in the payment time of remuneration for the directors and senior managers must be determined based on the characteristics of the industry and nature of our business.
4. Making sure our remuneration arrangements meet the relevant laws and regulations and are sufficient to attract outstanding talents.
5. The members of the Remuneration Committee may not participate in any discussion or voting on determination of their individual remuneration.

GRI 2-20

Information on operations of the Remuneration Committee:

- (1) The Remuneration Committee consists of a total of three members.
- (2) Term of the current members: June 24, 2022 to June 23, 2025. In 2023, the Remuneration Committee held two meetings, and the qualifications of its members and their attendance in these meetings are as follows:

Information on operations of the Remuneration Committee					
Title	Name	Actual number of meetings attended	Number of meetings attended by proxy	Actual attendance rate (%)	Remarks
Independent Director	Yung-Chien Wu	2	0	100	
Independent Director	Yung-Fu Tseng	2	0	100	
Independent Director	Wei-Lung Chen	0	2	0	

Date of meeting	Proposals	Resolution of the Remuneration Committee	Opinion of the Board of Directors regarding the Remuneration Committee meeting
The 1st session of the 5th term on January 10, 2023	<ol style="list-style-type: none"> 1. Review of the plans for distribution of year-end bonus for 2022. 2. This is a comprehensive salary adjustment plan for employees with monthly salaries (including managers) in 2023, proposed for review. 3. The Company's senior managers and personnel are promoted, and the monthly salary structure and payment amount are proposed for review. 	Approved without amendment and submitted to the Board of Directors for review	Approved by a resolution of the Board of Directors without amendment
The 2nd session of the 5th term on March 13, 2023	Review of the proposal for distribution of the remuneration for directors and employees for 2022.	Approved without amendment and submitted to the Board of Directors for review	Approved by a resolution of the Board of Directors without amendment

Continuous Training of Directors GRI 2-17

While all members of the Board of Directors possess knowledge associated with industrial experience and professional competencies, AGV regularly arranges for its directors to attend a variety of training courses each year, covering topics such as corporate governance, laws and regulations, finance, consumer protection, corporate social responsibility and net-zero emissions as well as other related issues. AGV also enhances their professionalism by continuing to arrange a wide range of external training courses to maximize their operational decision-making and leadership and supervisory functions. In 2023, each director attended training for an average of at least six hours, for a total of 54 training hours

Title	Name	Date of training	Organizer	Course title	Training hours	Total hours
Director	Kuan-Han Chen	July 31, 2023	Taiwan Investor Relations Association	How to innovate and break through profitability in the digital economy era	3	3
Director	Ching-Jen Chen	December 08, 2023	Securities and Futures Institute	2023 Conference on Awareness of Compliance with the Laws Governing Trading of Equity by Insiders	3	3
Director	Kuan-Chou Chen	October 03, 2023	Securities and Futures Institute	Carbon rights trading mechanism, carbon management application, and resource circulation	3	6
		December 08, 2023	Securities and Futures Institute	Anti-money laundering and ethical corporate management	3	
Director	Hsien-Chueh Hsieh	July 31, 2023	Taiwan Investor Relations Association	How to innovate and break through profitability in the digital economy era	3	3
Director	Chih-Chan Chen	October 19, 2023	Taipei Financial Research and Development Foundation	Use family trusts and family constitutions to improve the succession of family businesses and inheritance of wealth	3	6
		November 23, 2023	Taiwan Academy of Financial Studies	Corporate Governance Green Energy Innovation Business Model	3	
Director	Huai-Hsin Liang	December 19, 2023	Securities and Futures Institute	Discussion on post-merger integration issues and establishment of management mechanism	3	6
		December 21, 2023	Securities and Futures Institute	2024 Economic Outlook and Industry Trends	3	

Title	Name	Date of training	Organizer	Course title	Training hours	Total hours
Independent Director	Yung-Chien Wu	March 10, 2023	Taiwan Corporate Governance Association	Shareholders' Meeting and Equity Management	3	12
		July 04, 2023	Taiwan Corporate Governance Association	2023 Cathay Sustainable Finance and Climate Change Summit	6	
		December 21, 2023	Taiwan Academy of Financial Studies	Anti-Money Laundering and Counter-Terrorism Financing Requirements for the Board of Directors	3	
Independent Director	Wei-Lung Chen	September 11, 2023	Taiwan Corporate Governance Association	Better, faster, and more valuable - Improve corporate processes and e-maturity	3	9
		October 03, 2023	Securities and Futures Institute	Carbon rights trading mechanism, carbon management application, and resource circulation	3	
		October 13, 2023	Securities and Futures Institute	2023 Conference on Awareness of Prevention of Insider Trading	3	
Independent Director	Yung-Fu Tseng	June 02, 2023	Chinese National Association of Industry and Commerce, Taiwan	2023 Taishin Net Zero Power Summit Forum	3	6
		September 04, 2023	Financial Supervisory Commission	14th Taipei Corporate Governance Forum	3	

Evaluation of the performance of the Board of Directors

In 2023, the Board of Directors held 5 meetings, and the attendance of directors in these meetings is as follows:

Title	Name	Actual number of meetings attended	Number of meetings attended by proxy	Actual attendance rate (%)	Remarks
Chairman	Taiwan First Biotechnology Corp. Representative: Kuan-Han Chen	5	0	100%	
Vice Chairman	Yueshan Investment Co., Ltd. Representative: Ching-Jen Chen	5	0	100%	
Director	NICE Enterprise Co., Ltd. Representative: Kuan-Chou Chen	2	3	40%	
Director	Fang Tien Enterprise Co., Ltd. Representative: Huai-Hsin Liang	4	1	80%	

Title	Name	Actual number of meetings attended	Number of meetings attended by proxy	Actual attendance rate (%)	Remarks
Director	Yin-Ji-Li International Consulting Corp. Representative: Hsien-Chueh Hsieh	5	0	100%	
Director	Cunyuan Heye Co., Ltd. Representative: Chih-Chan Chen	5	0	100%	
Independent Director	Yung-Fu Tseng	5	0	100%	
Independent Director	Yung-Chien Wu	4	1	80%	
Independent Director	Wei-Lung Chen	3	2	60%	

- Purposes and basis for establishment:

In order to implement corporate governance and improve the functions of the Board of Directors and set performance targets to enhance the efficiency of the Board of Directors, we established the Rules for Performance Evaluation of Board of Directors in 2019 in accordance with Article 18 of the Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers and Article 37 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and we amended some of its provisions in 2020 for the first time. In March 2024, we amended part of its provisions for the second time.

- Scope and methods of evaluation:

The scope of evaluation of the Board of Directors includes the evaluation of the performance of the whole Board of Directors and individual directors, the Audit Committee and the Remuneration Committee. The methods of evaluation include internal self-evaluation of the Board of Directors, self-evaluation of individual directors, self-evaluation of the Audit Committee and the Remuneration Committee, and other appropriate methods for performance evaluation.

- Evaluation indicators and scoring criteria:

According to the Regulations for Evaluation of Performance of the Board of Directors, an internal evaluation of the performance of the Board of Directors shall be conducted each year, and the results of evaluation shall be reported to the Board of Directors by Q1 of the next year. AGV shall take into account its situation and needs to determine the items for evaluation of the performance of the Board of Directors, which shall include at least the following five aspects consisting of a total of 25 indicators:

Evaluation of the performance of the Board of Directors				
Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation items
Once each year	January 1 to December 31, 2023	Evaluation of the performance of the whole Board of Directors	Internal self-evaluation of the Board of Directors	<ol style="list-style-type: none"> 1. Level of participation in AGV's operations 2. Improvement of the quality of decision-making by the Board of Directors 3. Composition and structure of the Board of Directors 4. Election and continuous training of directors 5. Internal control

The items for evaluation of the performance of individual directors shall include at least the following six aspects consisting of a total of 20 indicators:

Evaluation of the performance of individual directors				
Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation items
Once each year	January 1 to December 31, 2023	Evaluation of the performance of individual directors	Self-evaluation of individual directors	<ol style="list-style-type: none"> 1. Understanding of AGV's goals and missions 2. Awareness of directors' responsibilities 3. Level of participation in AGV's operations 4. Internal relationship management and communication 5. Professional and continuous training of directors 6. Internal control

The items for evaluation of the performance of the Audit Committee and Remuneration Committee shall include at least the following five aspects:

Performance evaluation of members of the Audit Committee and Remuneration Committee				
Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation items
Once each year	January 1 to December 31, 2024	Evaluation of the performance of individual directors	Self-evaluation of individual directors	<ol style="list-style-type: none"> 1. Level of participation in AGV's operations. 2. Understanding of the duties of the functional committee. 3. Improvement of the quality of decision-making by the Board of Directors. 4. Composition of the functional committees and election of members. 5. Internal control.

The indicators for evaluation of the performance of the Board of Directors shall be based on AGV's operations and needs, and items meeting the requirements of and suitable for the performance evaluation conducted by AGV shall be formulated. When generating statistics of the results, the scores for self-evaluation of the performance of the Board of Directors and individual directors shall be calculated separately, and the total scores shall be based on the following criteria:

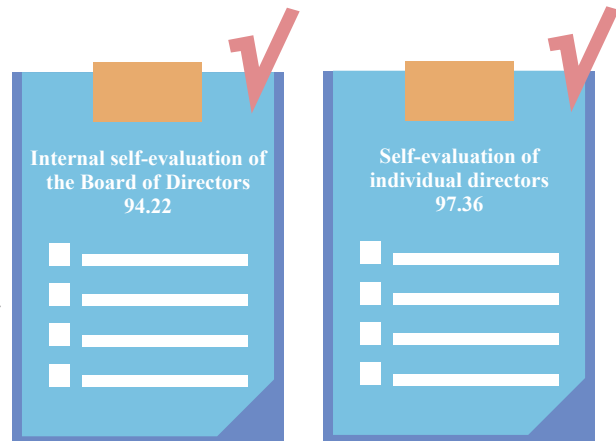
1. A score of 90 or above is considered "Excellent";
2. A score of 80 or above but less than 90 is considered "Good";
3. A score of 70 or above but less than 80 is considered "Fair";
4. A score of less than 70 is considered "Need improvement".

The scoring criteria may be revised and adjusted according to AGV's needs, and the scores may be weighted according to each aspect of evaluation.

- Use of the evaluation results

The results of evaluation of the performance of the Board of Directors shall be used as reference for the selection or nomination of directors, and the results of evaluation of the performance of individual directors shall be used as reference for the determination of their remuneration.

In 2023, the results of the performance evaluation of the Company's Board of Directors and the self-performance evaluation of directors were both "excellent", and the implementation of the performance evaluation results was disclosed on the MOPS, in the annual report, and on the Company's official website.



2.2 Operating Performance

GRI 201-1

GRI 201-4

Since the Chiayi headquarters of AGV is a key location for production and operation, the scope of disclosure in this table only includes the parent company of AGV and does not include its subsidiaries and sub-subsidiaries.

Financial Information

Unit: NTD thousand

Item/Year	2021	2022	2023
Operating revenue	3,956,221	4,014,234	4,052,607
Gross profit	1,174,413	1,165,041	1,138,617
After-tax net profit for the current period	201,182	277,890	200,936

Economic Performance

Unit: NTD thousand

Item/Year	2021	2022	2023
Direct economic values generated			
Operating revenue	3,956,221	4,014,234	4,052,607
Direct economic value generated and distributed			
Gross profit	1,174,413	1,165,041	1,138,617
Operating costs	2,781,808	2,849,193	2,913,990
Employee remuneration (including employee welfare)	460,734	458,115	470,854
Payments to capital contributors	229,524	278,317	211,020
Payments to the government	97,098	95,239	97,922
Investments in communities	1,303	388	678
Direct economic values generated	385,754	332,982	358,143

Note:

1. Payments to capital contributors refer to dividends paid to all shareholders, plus interest paid to lenders (including interest on debts and loans of any kind) and unpaid dividends payable to holders of preferred shares.
2. Payments to the government refer to all taxes (including business, income and property taxes) and fines.
3. Investments in communities refers to donations and contributions.
4. Retained economic values: "Direct economic values generated" - "Economic values distributed".
5. Direct economic values generated: Revenue.
6. Economic values distributed: Operating cost, employee remuneration and welfare, payments to lenders, payments to the government by country, and investments in communities.



Financial subsidies received from the government

Unit: NTD thousand

Item	Unit	Subsidy amount
Article 23-3 of the Statute for Industrial Innovation, undistributed earnings less actual investments	Financial assistance received from government	14,338

Note: Tax relief, subsidy programs, and pandemic subsidies are all government financial subsidies.

Tax Policies

GRI 207-1

GRI 207-2

GRI 207-3

The Accounting Division is the department responsible for tax governance. When filing tax returns in accordance with tax laws and regulations, the department will submit reports to the relevant managers for approval. It also provides support to the government in promoting policies on business innovation, R&D and tax incentives, and is committed to achieving transparency of tax information. Depending on job needs, external professional advisors will be engaged or consulted to provide opinions in order to ensure accurate compliance with tax requirements and the obligations to file tax returns.

AGV strictly abides by relevant tax laws, such as those governing securities transaction tax, futures transaction tax, business tax and income tax for profit-seeking enterprises. To pursue sustainable management and development and fulfill our corporate social responsibilities, we have established the following tax guidelines and policies for the purpose of tax governance:

- (1) We will comply with tax laws and regulations by filing truthful tax returns and paying taxes as required to fulfill our responsibilities as a taxpayer.
- (2) We will disclose our tax information in the financial statements to ensure information transparency and reduce the risk of information asymmetry.
- (3) We will build a communicative relationship with the tax authorities based on mutual trust and honesty.
- (4) Regarding our material transactions and decisions, we will take into account the effect of taxes to ensure effective risk control.
- (5) We will strengthen our tax competencies through continued nurturing of talents.

We are committed to enhancing the tax competencies of the relevant personnel and continuing the training of talents to ensure they are competent in dealing with tax matters. When encountering tax matters unfamiliar to them, they must actively communicate with tax authorities including the Revenue Service and the National Taxation Bureau and, depending on their job needs, engage or consult with external professional advisors for their opinions to ensure accurate compliance with tax requirements and obligations to file tax returns. In this way, we are able to reduce the risks of suffering legal penalties, financial losses or reputational damage due to non-compliance with tax laws, and we seek to minimize the tax risks.

AGV has met the requirements of Point 2 of Order Tai-Cai-Shui-Zi No. 10804651540, dated December 10, 2019, from the Ministry of Finance, which stipulates that the ultimate parent company shall be located in the territory of the Republic of China and be part of a multinational business group whose total consolidated revenue for the previous year is less than NTD 27 billion.

Information related to AGV's annual report is available on the MOPS (stock code: 1217) or through the following link:

https://doc.twse.com.tw/server-java/t57sb01?step=1&colorchg=1&co_id=1217&year=112&mtype=F&



2.3 Operational Risks

(Source of the following information: pages 295–298, AGV’s 2023 Annual Report)

Analysis and assessment of risk events:

(I) Effects of changes in interest rate and exchange rate and inflation on the profit/loss of AGV, and future measures in response

Scope of risk control		
Type	Possible risk	Measures in response
Interest rate change	The interest rate interval of AGV’s short-term bank loans in 2023 was between 1.975% and 2.328%. Due to the impact of COVID-19 and the Russia–Ukraine war on the world, in consideration of the unclear status of the international environment and domestic economy, the Central Bank is expected to follow the Fed’s lead and gradually raise short-term interest rates in order to suppress inflation.	The designated personnel of the Financial Department conducts regular or irregular evaluation on the interest rate of bank loans and pays attention to the changes in financial markets at home and abroad at all times while maintaining close connections with banks to acquire more favorable interest rates and sufficient limits.
Exchange rate change	AGV does not accept foreign currency payments for the products it sells, but it is still in need of foreign currencies since some of its finished goods are processed abroad.	AGV has directed designated personnel at the Financial Department to pay constant attention to changes in the exchange rate market and keep full track of trends in exchange rates and the timeliness of exchange based on the information of exchange rate changes provided by banks dealing with AGV. The personnel have also been directed to open foreign exchange deposit accounts for purchasing foreign currencies at appropriate times in order to meet the need for foreign currency payments arising from imported finished goods and to reduce the risks caused by exchange rate fluctuations.
Inflation	In recent years, the world has witnessed rising prices of commodities, including raw materials used for food production, as a result of out-of-balance agricultural production caused by climate anomalies, leading to potential inflation concerns. Nevertheless, the inflation rate in Taiwan has remained within certain levels thanks to government efforts in stabilizing financial order and prices. Furthermore, AGV has continued to control production costs and the expenses of marketing, management and research in recent years, thus limiting the impact of inflation on the operations and profits of AGV.	In the future, in order to reduce the negative effect of inflation on its operations, AGV will increase the added values of products through strategies such as product innovation and differentiation, and will maintain control over costs.

(II) Policies for engaging in high-risk and highly leveraged investments, loaning of funds to others, endorsements and guarantees, and transactions of derivatives, the main reasons for profits or losses, and future measures in response

Item	Policy	Main reason for profit or loss	Future measures in response
High-risk and highly leveraged investment	AGV does not engage in any high-risk or highly leveraged investments	None	None
Loaning of funds to others	In accordance with the “Regulations Governing Loaning of Funds to Others”	None	None
Endorsement/Guarantee	In accordance with the “Regulations Governing Endorsements/Guarantees”	None	None
Transaction of derivatives	AGV does not engage in any transaction of derivatives	None	None

(III) Future R&D plan and the R&D expenses expected to be invested

1. Our design will comply with food health regulations and take into account the ideas of environmental and ecological conservation as well as economic efficiency, and we will develop products that meet the functional requirements of nature, health, nutrition, safety and hygiene.
2. We will promote the development of products that are marketing-oriented and give consumers a sense of belonging, and we will keep track of consumer and market trends, channeling information and after-sales services to provide products that are fully satisfactory for customers.
3. Based on the ideas of “food and medicine sharing the same root” and preventive medicine, we will use biomedical and pharmaceutical technologies to develop dietary supplements that feature “anti-oxidation and prevention of diseases of affluence”.
4. We will build a creative and innovative learning environment for R&D to develop R&D talent with health, skills, intelligence and high quality with a comprehensive international vision.
5. We are committed to “extracting biotechnology materials” and using the core technology of “aseptic cold-filling” for production and manufacturing to develop new-concept products that meet the trend of the times in being “aseptic, non-contaminated, preserving natural flavors, nutritious, healthy and eco-friendly”.
6. Taiwan has entered an aging society due to its aging demographic structure. In the future, we will actively develop products for elderly people and with complete nutrient formulas through cooperation between the industry, government and academia.
7. We will introduce foreign technologies and seek strategic alliances with international companies to establish a global operation mechanism for our group’s R&D and develop a smart network, and accelerate the integration of the overall R&D technologies to create global competitive advantages for our group.
8. Planning for the stay-at-home economy in the post-pandemic era, we will actively invest in innovation and R&D of new products, such as plant-based protein drinks, traditional foods, appetizers and prepared foods.
9. By investing in integrated food and beverage factories and new production lines in combination with R&D and new production equipment, we will actively develop functional cereal drinks, which AGV has invested in for many years, such as oat milk, peanut milk and almond milk.
10. In 2024, we expect to invest approximately NTD 71,000 thousand in R&D.

(IV) Impact of technological changes (including information security risks) and industrial transformations on AGV's financial business, and measures in response

As consumers' dietary habits shift toward high value-added foods and simplified forms and wider choices of food, and in response to an aging society and current consumer demand, the market demand for frozen prepared foods, prepared foods suitable for elderly people and current demand, functional dietary supplements and simplified prepared foods is growing. Recently, advancement in food processing, micro-nano grinding technology and extraction technologies have become the focus of the efforts of food-related companies.

However, rising prices of raw materials in the post-pandemic era has caused pressure on the industry to increase production costs. Moreover, increasing public awareness of health is causing consumer demand to change from the pursuit of larger quantity to a requirement for quality. In the face of such technological and industrial changes, we will respond with the following measures:

1. Production and manufacturing innovation: We will use the production and manufacturing advantages of aseptic cold-filling to develop products which other competitors are unable to produce or manufacture.
2. Sales innovation: We will expand domestic and international markets through innovative R&D of quality products in cooperation with our strategic partners.
3. Human resource innovation: We will enhance creativity, improve execution and strengthen talents in departments with a high degree of teamwork.
4. Human resource innovation: In response to increasing health awareness on the part of the people in Taiwan, we will develop prepared foods, drinks or dietary supplements, such as the Premium Oat Drink series, appetizers, complex lactobacillus drinks, capsules and tablets, as well as prepared foods and nutritional supplements for elderly people, and other series of products with extended health appeals, to meet the needs of the people in Taiwan.

(V) Risks of concentration of purchases or sales, and measures in response

AGV mainly produces and sells foods and drinks processed under normal and low temperatures, with a wide range of products. With respect to AGV's sales to its top 10 customers in the most recent three years, as a result of Ho Kang Trading Co., Ltd. being dedicated to the sales and distribution of products processed under normal temperature through AGV's traditional channels in Taiwan, and PX Mart being the largest supermarket chain in Taiwan, AGV's sales to these companies have accounted for a higher share of its total sales in recent years, while its sales to any of the remaining customers have failed to reach 10% of annual net sales. In addition, Ho Kang Trading Co., Ltd. is a subsidiary wholly owned by AGV, over which AGV has maintained control. It offers a wide range of products, and its downstream customers include traditional grocery stores, small stores and small- and medium-sized supermarkets, resulting in a deconcentrated customer base. To summarize, AGV is unlikely to have any risk of concentration of sales.

Since 2006, AGV has engaged Taiwan First Biotechnology Corp. to manufacture PET-bottled drinks, which accounted for 35.30% and 37.34% of AGV's purchases in 2022 and 2023 respectively, making the company AGV's largest supplier. Nevertheless, Taiwan First Biotechnology Corp. is an affiliated company in which AGV holds 41.28% of shares, and the quality and delivery schedules of its supplies have been good over the years, with no shortage or disruption of its supplies. Overall, there is no risk of concentration of AGV's purchases.

2.4 Legal Compliance

GRI 2-27

AGV actively pays attention to all aspects of laws and regulations, not only to comply with legal requirements, but also to build a reliable and honest environment, and to coordinate with the adjustment of the operation of relevant internal systems, to shape a good internal culture of legal compliance, and to promote the sound development of the Company.

AGV was not fined for any major violations in 2023. ^{Note:}

Compliance Incident Statistics			
Year	Type	Laws or regulations violated	Improvement measures
2023	Occupational safety and health	The LED lamp cable does not use an explosion-proof structure, which violates Article 6, paragraph 1 of the Occupational Safety and Health Act. A fine of NTD 100,000.	Explosion-proof cables are used for LED lights.
	Occupational safety and health	Failure to comply with Article 228 of the Regulations on Occupational Safety and Health Facilities when operating in a place with a height difference of more than 1.5 meters A fine of NTD 100,000.	Implement the use of auxiliary ladders for workers to get on and off safely.
2022	Occupational safety and health	Failure to provide guards or enclosures for the transmission chains and belts of machines and equipment, in violation of Article 6, paragraph 1 of the Occupational Safety and Health Act. A fine of NTD 80,000.	Providing guards or enclosures for the transmission chains and belts of machines and equipment. Improvement was also made for identical and similar machines and equipment.
	Occupational safety and health	Failure to maintain a safe condition that will prevent workers from falling, slipping, getting stepped on or tumbling, in violation of Article 6, paragraph 1 of the Occupational Safety and Health Act. A fine of NTD 110,000.	The working area is marked with warning signs and has handrails installed.

Note: AGV defines a material violation based on the matters listed in Article 4 under Chapter 2 “Material Information” of the Taiwan Stock Exchange Corporation Procedures for Verification and Publication of the Material Information of Companies with TWSE-listed Securities.

Anti-corruption System

GRI 205-1

GRI 205-2

GRI 205-3

GRI 206-1

AGV strictly prohibits all acts of corruption and bribery. In order to guide its employees to behave in an ethical manner, the work rules stipulate that employees must speak and act prudently and maintain their integrity, and that they may not engage in malpractice or accept gifts from others. AGV also continues to strengthen the training of employees to ensure they understand and abide by the regulations on anti-corruption. In 2023, there was no case of corruption at AGV (including its business locations).

Adhering to the business philosophy of integrity, transparency and responsibility, we seek to build good systems for corporate governance and risk control to create a business environment for sustainable development. The ethics and integrity of our organization are closely linked with every employee, whose behavior will affect the reputation of our organization. Thus, all employees bear responsibilities and are obliged to prevent damage to our interests and training sessions regarding the relevant laws and codes of conduct that have been held on a non-periodic basis to make sure that every employee fully understands the importance of ethics and ethical management. In 2023, a total of 156 people participated in education and training on ethical corporate management-related topics, and a post-training test was conducted.

In order to ensure the implementation of ethical management, we have established effective accounting and internal control systems. The Auditing Office will prepare an annual audit plan for the auditing and monitoring of operating cycles to ensure they are in compliance with the standard operating procedures, and to provide advice on the improvement of systems and processes, including the supervision and management of subsidiaries.

We have established the “Ethical Management Best Practice Principles”, a combination of our ethical management policies, the evaluation of employee performance and our human resources policies. At AGV, regardless of level, everyone complies with the laws and regulations and implements the principles of ethical management with a responsible attitude to strengthen the values of compliance for all employees, with the expectation in turn to enhance their compliance capabilities. We have also established a clearly effective system for rewards and penalties. We have disclosed the status of ethical management on our website and in our annual reports and prospectuses and the content of the Ethical Management Best Practice Principles on the MOPS.

Continue to promote corporate sustainable development, implement and promote high-quality corporate governance, and uphold the corporate vision of “For a Healthy Tomorrow”. Committed to the philosophy of “For a Healthy Tomorrow”, we strive to fulfill our social responsibilities to consumers and stakeholders in a careful and prudent manner. We continue to strengthen product quality management, establish a safe food traceability system, and provide our customers with assuring and reliable products and services. We actively promote engagement in business activities in a fair and transparent manner when negotiating or signing contracts with business partners, and refuse to cooperate with any counterparty involved in unethical conduct. When performing duties, conducting handover of upstream and downstream projects and engaging in cross-department cooperation, we are practical and realistic based on the highest principles of ethical management to implement ethical management.

“Integrity” is definitely an advantage that must be created. Whatever external advantages a business possesses can be

easily imitated, but an internal culture of integrity is able to generate irreplaceable values for the business and form the foundation of its perpetual existence. We have set up a section for stakeholders on our website to receive real-time reports and feedback from stakeholders. We have also established a mechanism by which the Human Resources Department and the Auditing Office are responsible for investigating and addressing violations of employees' working rules.

According to the audit findings, AGV did not engage in any anti-competitive, antitrust or monopolistic practice in 2023. At the same time, AGV has maintained a good relationship with the Fair Trade Commission.

GRI 2-25

GRI 2-26

Whistleblowing system

In order to achieve protection of the environment, human rights, safety and health as well as sustainable development, AGV has maintained a stable and good relationship with suppliers. The material issues of concern for suppliers include the establishment of a system for production traceability and sales of raw materials. Labor conditions include human rights regulations that prohibit the employment of child workers, forced labor, and violation of the freedom of association and collective bargaining rights. Regarding the environmental responsibilities of suppliers, compliance with national laws, social standards and environmental protection plans is required, while priority is given to companies with environmentally friendly policies, in order to enhance the importance and implementation of environmental issues in the entire supply chain. Furthermore, AGV provides multiple channels for communication and information disclosure, understands the reasonable expectations and needs of stakeholders, and responds appropriately to important issues of concern for them.

The Company has established an independent

Corporate governance

Sustainable Development Organization Management Team

Professional background of board members Diversity and Independence of Board of Directors

Main Products and Related Scope of Business Internal Audit Status of Corporate Governance

Relevant Regulations and Rules

Communication between Independent Directors and Internal Audit Supervisor

Implementation Status of Insider Trading Prohibition Implementation of the Code of Conduct

Violation of Professional Ethics Reporting System Corporate Governance Officer

Private placement of common stocks Cyber Security Management

Violation of Professional Ethics Reporting System

To implement the policy of integrity management and actively prevent dishonest behavior, if you discover any employee of the company or any person representing the company involved in corruption, fraud, or other illegal and unethical activities, please contact the Human Resources Department (whistleblower email: yuehd@agv.com.tw). The following is an explanation of the company's whistleblower protection policy and the points to note when reporting:

- Regarding the personal information provided by the whistleblower, unless otherwise stipulated by law, the company will keep the identity of the whistleblower and the content of the report confidential. The company will take appropriate protective measures in accordance with the law to ensure that the whistleblower is not subjected to improper treatment due to the report, thus safeguarding the whistleblower's personal information and privacy. During the investigation of the report, the company may proceed and use the personal information and related data provided by the whistleblower as necessary for the investigation or communication. The company may also provide such information to its affiliated enterprises as deemed necessary.
- To expedite the acceptance and verification of the case, please be sure to provide the following information when submitting a report:
 - The whistleblower's real name and contact information.
 - The name, department, position, or other identifying information of the person being reported.
 - Details of the incident, including the time and place it occurred, along with specific evidence that can be used for investigation (e.g., receipts, vouchers, contracts, letters, recordings, videos, photos, etc.).
- The whistleblower shall not disclose any information provided by the company to any person without the prior written consent of the company. Additionally, the whistleblower shall not use the aforementioned information to initiate legal action against the company or any third party, nor use it as evidence in legal proceedings.
- Written or electronic records should be maintained for the acceptance, investigation process, and investigation results of whistleblower cases, and these records may be stored electronically.
- If the whistleblowing content is false or untrue, the whistleblower shall bear legal responsibility.

Thank you for your assistance.

Name*

Tel* E-mail*

Tel Email

Relationship with the company*

☐ Customers and distributors

☐ Suppliers

☐ Employees

☐ Other

Name of the person involved in the violation or incident*

Name of the person involved in the violation, their department, position, or other identifying details*

Date/period of the violation or incident

Location of the violation or incident*

Description of the violation or incident*

Please upload related evidence files

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reporting channel managed by dedicated personnel for employees, suppliers, and stakeholders to report illegal acts, violations of human rights, the Code of Conduct, or the Ethical Corporate Management Best Practice Principles.

There are standard investigation operating procedures, follow-up procedures, and related confidentiality mechanisms for accepting reports. The head of the human resources department may request the heads of relevant units to assist in handling. All relevant units shall return the handling result form to the personnel within two weeks. The Human Resources Department will then triage the case according to the outcome, and the head of the Human Resources Department will reply to the whistleblower within one week after receiving the handling result form. The acceptance, investigation process, investigation results and related documents of reported cases shall be recorded and preserved by the head of the Human Resources Department. In addition, it is stated in the relevant regulations that violations of the Company's ethical corporate management regulations will be punished according to the "Employee Reward and Punishment Regulations" depending on the severity of the violation. The responsible personnel are the President and the head of human resources.

In order to implement the ethical management policy and actively prevent unethical behavior, a reporting system has been set up on the official website. If any employee of the Company or any relevant person on behalf of the Company is suspected to be involved in illegal and unethical behavior such as corruption or fraud, contact the Company's Human Resources Department (email: yuehchu@mail.agv.com.tw). The Company's personal data protection policy for whistleblowers and the precautions for whistleblowers are explained below:

1

Except as otherwise required by law, the identity of the whistleblower and the content of the report shall be kept confidential, and appropriate protection measures shall be taken in accordance with the law to prevent improper treatment due to the whistleblowing, so as to protect the whistleblower's personal data, personal information and privacy. During the reporting period, the Company may process and use the personal data and reporting-related data provided by the whistleblower for the investigation of the reported matter or communication needs, and may provide the aforementioned information to the Company's affiliates as the case may be.

2

To expedite case acceptance and verification, whistleblowers are requested to provide the following information for verification when making a report.

- The true name and contact information of the whistleblower.
- The name, service unit, job title, or other information sufficiently identifying the identity of the accused.
- The content of the report, the time and place of occurrence; attach specific evidence for investigation (such as receipts, vouchers, contracts, letters, audio, video, photos, etc.).

3

The whistleblower shall not disclose the information provided to the whistleblower by the Company without the Company's prior written consent, nor shall the previously disclosed information be used to bring a lawsuit against the Company or a third party, or use the information as litigation information.

4

The acceptance of a reported case, the investigation process, and the investigation results shall be preserved in written or electronic files, which may be preserved electronically.

5

If the content of the report is hypocritical or untruthful, the whistleblower shall be held legally responsible.

Whistleblowing channels

Responsible department	President's Office and Human Resources Department
Mailing address	No. 11, Gongye 2nd Rd., Minxiong Township, Chiayi County
Whistleblowing hotline	05-2211521
Email	ccj@mail.agv.com.tw & yuehchu@mail.agv.com.tw
Written mail	Next to the swipe machine in the weighbridge room
Website path	https://www.agv.com.tw/ 投資人專區 / 公司治理專區 / 違反從業道德行為檢舉系統 /



Prepared Foods Series

3

Control of Food Safety and Quality

3.1 Food Safety Management

3.2 Customer Service and Communication

3.3 Supplier Management

GRI 3-3

Material topic: Procurement practices (Procurement of raw materials)

Reporting requirements	Description and example of reporting requirements
Reason for the materiality of this issue	Considering the food safety characteristics of the food industry, we will conduct traceability and production audits based on the types of manufacturers and traders in accordance with the “Regulations Governing Traceability Inventory and Production Audit for Second-tier Raw Materials from Suppliers”, established under the food tracing and tracking system. If the environment of any supplier fails to comply with the relevant regulations, the quality of raw materials for food will be affected, which in turn will affect AGV’s image.
Policy/Strategy	<ul style="list-style-type: none"> We are committed to source management in the procurement of raw materials for our products, and we require our suppliers to achieve waste reduction and prevention in manufacturing processes and put emphasis on social responsibilities. The environment of our factories is in compliance with health laws and regulations, and the management of air pollution, wastewater and chemicals has met the requirements of the Environmental Protection Administration. We comply with the requirements of the “Labor Standards Act” and “Human Rights Policy” to emphasize human rights protection and the prohibition of child labor.
Goals and targets	<ul style="list-style-type: none"> Short-term: We will continue to implement the requirements of applicable laws and regulations, including regulations on good hygiene practice for food (GHP), food safety management system (FSSC 22000 and ISO 22000) and food safety control system (HACCP), and ensure labor safety and a circular economy. Medium- and long-term: Our suppliers are able to acquire certifications from impartial third-party organizations, including those for environmental management standards (ISO 14001), GHG inventory (ISO 14064), water footprint (WFN) and occupational safety and health assurance system (OHSAS 18000).
Management and evaluation mechanism	<p>To meet the constantly changing need for sustainable development, we require the following for suppliers:</p> <ol style="list-style-type: none"> The “Supplier On-site Evaluation Form”, including the following main items for evaluation: management system, food safety system, quality system, environment, building and equipment evaluation, staff operations, acceptance, storage and transportation, processing, hygiene management, and food protection. Suppliers are required to sign the “Social Responsibility Commitments for Suppliers”, which mainly contains the following parts: 1. labor and human rights; 2. health and safety; 3. environment; and 4. ethics, with checks conducted using the “Supplier Social Responsibility Audit Checklist”.
Performance and adjustment	<p>Performance:</p> <p>In 2023, the total number of contractors for our primary raw material was 227. Among them:</p> <ol style="list-style-type: none"> 54 were suppliers of our primary raw materials, all of which have signed the “Social Responsibility Commitments for Suppliers” with checks conducted using the “Supplier Social Responsibility Audit Checklist”. On-site evaluations were completed for 79 suppliers, accounting for 34.8%. <p>Adjustment:</p> <p>To pass an on-site evaluation, a supplier must receive a score of no less than 60 without any significant deficiency to be deemed qualified. If any deficiency has been verified by the food safety and health management system, the relevant food product will be checked for any immediate safety hazard and subject to immediate improvement. In 2023, none of the suppliers to whom advice regarding improvement was given were disqualified.</p>
Preventive or remedial measures	<ul style="list-style-type: none"> Considering that there may be a situation where no suppliers are qualified, there must be no fewer than two suppliers to supply us. If a supplier is found to be in violation of the requirements during an audit, we will require immediate improvement and suspension of supply.

Material topic: Food safety

Reporting requirements	Description and example of reporting requirements
Reason for the materiality of this issue	<ul style="list-style-type: none"> In order to ensure consumer health, we not only offer the healthiest, safest and tastiest products, but also will continue to develop innovative food technologies that apply biotechnology to natural ingredients and materials. In light of the increasingly prevalent diseases of affluence and chronic illnesses, preventive healthcare has also been one of our R&D ideas. In this respect, our efforts have resulted in a professional area with outstanding performance. With regard to the labeling of our products, the safety of the formula designed by the development center must be reviewed and approved by a professional team before the products hit the shelves. Before a product hits the shelves, it will be reviewed by the planning and QA departments in accordance with the labeling provisions of laws and regulations concerning food safety and health to meet the legal requirements of the government.
Policy/Strategy	We remain committed to the idea of “natural product quality, optimized environmental health and popularized customer satisfaction” in order to fully promote the activities of the food safety management system from the development, design, production and manufacturing of products to the quality and safety of on-sale products, build a well-functioning food safety management system and improve product quality and productivity to meet customers’ requirements for food safety.
Goals and targets	<p>Short-term:</p> <ol style="list-style-type: none"> We will maintain the development of core food technologies and products for consumer health to strengthen our brand resources. We will promote food safety management and create complete information for product labeling. <p>Medium- and long-term:</p> <ol style="list-style-type: none"> We will invest in core technologies and products to develop high value-added and healthy products. We will select domestic raw materials and connect industry chains to enhance the production value of traditional raw materials and create a win-win partnership, while at the same time supporting the development of quality agriculture in Taiwan. To implement our business philosophy of “For a Healthy Tomorrow” and ensure a healthy diet for consumers, we will continue to focus on developing functional products to realize our R&D idea of preventive medicine.
Management and evaluation mechanism	<ul style="list-style-type: none"> To meet consumer requirements for product quality, all of our products have been certified by an independent third party to be in conformity with internationally recognized standards of food safety management systems. In 2023, we manufactured a total of 240 products, including: drinks in tin cans, desserts in tin cans, sour pickles, sauces, bottled drinks, Tetra Pak drinks, oils, refrigerated desserts, prepared foods, refrigerated drinks, and room-temperature drinks outsourced for manufacturing and dietary supplements, all of which have passed ISO 22000 certification.
Performance and adjustment	<ul style="list-style-type: none"> We are committed to developing and acquiring products certified as healthy foods by the Taiwan Food and Drug Administration to provide consumers with choices of healthy, nutritious and tasty foods. In 2023, the total sales revenue from healthy foods amounted to NTD 1,117,613 thousand. In 2023, there was no violation of the requirements for marketing and labeling.
Preventive or remedial measures	To maintain good product quality, we maintain the quality of our products through certification and implementation of the ISO 22000 food safety system to prevent the impact of any material food safety incident from affecting our brand image and overall operations. Additionally, we have set up a toll-free product service hotline with service representatives to provide services for consumers regarding the distribution channels of products, description of orders and answering consumers’ questions.

3.1 Food Safety Management

GRI 416-1

GRI 416-2

From the development, design, production and manufacturing of products to the quality and safety of on-sale products, we have remained committed to the idea of “natural product quality, optimized environmental health and popularized customer satisfaction” in order to fully promote the activities of the food safety management system, build a well-functioning food safety management system and improve product quality and productivity to meet customers’ requirements for food safety.

Before a product hits the shelves, we will review its formulas, test its quality and inspect and control the sources and safety of the raw materials used by it. For food additives, we have three “designated” for their management (designated personnel, designated department and designated register). Aside from building a food source management system, we have established a food safety laboratory and strictly required our inspection rooms to be capable of testing product quality and food safety. Through inspections at the laboratory and operations of our accreditation and certification management system, we seek to further improve and maintain consumer health and safety.

Management of Raw Materials

GRI 301-1

The raw materials and non-renewable materials consumed by AGV are shown in the following table: Unit: Tonne

Name of raw material	Renewable/ Non-renewable	2021	2022	2023
Peanuts	Non-renewable	1,184	1,257	1,108
Chinese cabbage	Non-renewable	1,091	983	781
Salted ingredients	Non-renewable	1,212	1,327	1,506
Fried gluten	Non-renewable	217	199	163
Sour bamboo shoots	Non-renewable	565	539	375
Sugar	Non-renewable	1,270	1,150	1,149
Canola oil	Non-renewable	1,172	873	830
Soybean oil	Non-renewable	696	637	674
Cartons	Renewable	692	999	861
Glass bottles	Renewable	3,479	3,609	2,675
Twist caps	Renewable	268	273	197
Tin cans	Renewable	2,232	2,129	2,140

Note:

1. The types of materials include: raw natural resources such as ores, iron, woods and plastic pellets; lubricants used in machines, parts or components of semi-finished products; and packaging materials.
2. “Non-renewable” refers to resources that cannot be replenished in the short term, such as coal, natural gas, metals, minerals and oil; “renewable” refers to resources that will regenerate after being extracted.

Each year, we will rate our suppliers based on the quality, delivery time and amount of actual deliveries. The ratings consist of four levels: A (a score of 85–100), B (a score of 70–84), C (a score of 60–69) and D (a score of less than 59). Any supplier not listed as passing the evaluation after review may, depending on its deficiencies and the results of follow-up on their correction, be listed as a new supplier again if it passes an on-site re-evaluation.

Of a total of 163 suppliers rated in 2023, 148 were rated A, 13 were rated B, and 2 were rated C.

The following table indicates the levels of our suppliers rated by on-site evaluation and their treatment:

Level	Score	Treatment
A	85–100	Qualified: Purchase will continue through regular transactions with such suppliers.
B	70–84	
C	60–69	
D	<59	Unqualified: No purchase from such suppliers.

Product tracking and tracing

The sources of raw materials for products and high-quality suppliers are critical to maintaining the safety of food products. In reviewing suppliers, we select companies that are legal, have an outstanding reputation, and emphasize food safety and environmental protection, and we require them to be committed to and comply with the provisions for relevant matters in the cooperation contract. Any supplier failing to comply with such requirements will be given further advice, and will be disqualified if it fails to meet AGV's requirements after receiving advice. We insist on purchasing from suppliers that comply with our procurement policy.

In managing the sources of our products, we require a supplier to provide the product information for each raw material, including the name of the raw material, the name, address and phone number of the supplier, the place of origin, the quality specifications of the raw material, the packaging type, a quality inspection report, an additive permit and a related QA statement. In order to ensure the quality and safety of raw materials used by our products, we review information in a strict manner, and we conduct inspections via our internal inspection center and carry out on-site evaluation of suppliers. With the database, we engage in traceability management to ensure the sources of suppliers of goods and raw materials are clear. In the future, we will continue to strengthen traceability management for food ingredients to provide customers with safer products.

From the sources of raw materials, the health and safety information of the relevant foods can be acquired, and we are able to trace and track every stage during the production process and the inspection, distribution and selling of finished products. Such traceability and trackability form part of a management system for food health and safety, while the transparency and real-time availability of information will be ensured via an SAP system.

According to the “Regulations Governing Traceability of Foods and Relevant Products” enacted and issued by the Ministry of Health and Welfare, a food business is required to record and trace the sources of supply or track the destinations of products with regard to the processes of supply of foods and relevant products.

AGV has already established a database for tracing and tracking the process from supplier of incoming raw materials of the prior tier to customers receiving outgoing finished products of the next tier, covering 100% of the categories of our products.

AGV uploaded the information of 110 products subject to mandatory tracing and of 116 products outsourced for manufacturing, accounting for 94.17% of all products, of which 5.83% were subject to voluntary tracing and tracking. All relevant information has been uploaded to the “Food Tracing and Tracking Management Information System (Mandatory Tracing)” of the Ministry of Health and Welfare.

Pursuant to the said regulations, we conduct supplier traceability audits, whose scope includes the audits of production traceability, production processes, inspection reports and good hygiene practices for food. An audit of production traceability means a review of the traceability of raw materials used by a supplier. The scope of such review includes import declaration, import permit, additive permit, expiry date, allergen information, and food safety inspection report.

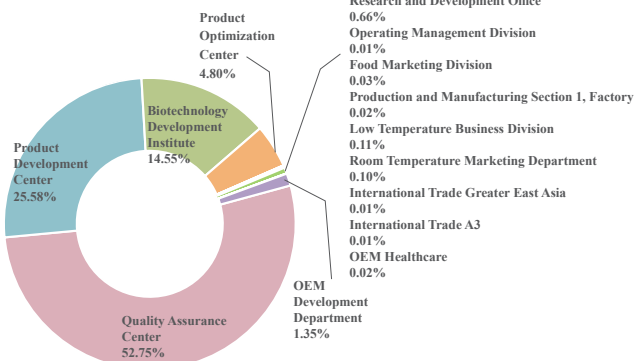
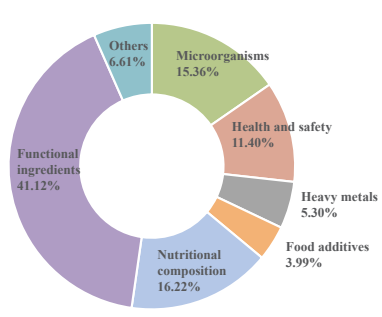
Safeguarding Food Safety: Food Safety Lab

In order to provide consumers with nutritious, healthy and safe foods, AGV established the Food Safety Lab - TAC in 1990 to ensure the strictest food safety control of its products. In Taiwan, food health and safety incidents have become a frequent occurrence, with consumers increasingly giving attention to food safety issues. In support of the national policy of “Building a Network of Food Safety Labs,” the TAC has been accepting requests for testing services from ordinary citizens, the food industry, educational and academic research institutions and government agencies since 2005.

The TAC has accumulated years of experience in food testing. It was accredited by the Taiwan Accreditation Foundation (TAF, formerly the CNLA-TAF system) as a testing lab in 2003, and was certified by the Taiwan Food and Drug Administration as a “Food Testing Institution” in 2009. The TAC has been a leader in the domestic food industry in terms of food testing and within the scope of ISO 17025 certification. As of December 31, 2023, the total number of items for which AGV received TAF and TFDA certifications reached 513 (including 410 for pesticide residue testing).

AGV’s food safety lab – TAC is capable of testing a wide range of items. They can be categorized into physical and chemical properties of food (such as density and color difference), nutritional ingredients of food, food microorganisms, food additives, food safety and hygiene (such as mycotoxins, pesticide residues, plasticizers and other hazardous ingredients), product specifications (COA), water quality, heavy metals, and functional ingredients of food (such as antioxidant, glucan, dietary fiber and catechin).

Performance of Requested Tests in 2023

Internal	<p>The testing cases requested by internal departments consisted of 3,148 samples with 7,366 items, of which 52.8% were requested by the QA Center, 25.6% by the Product R&D Center, 14.6% by the Biotechnology Development Center, and 4.8% by the Product Optimization Center. All testing results were provided in paper form to the requesting departments for approval and decision making.</p>	 <p>Donut chart showing the distribution of internal testing requests by department:</p> <ul style="list-style-type: none"> Quality Assurance Center: 52.75% Product Development Center: 25.58% Biotechnology Development Institute: 14.55% Product Optimization Center: 4.80% OEM Development Department: 1.35% Research and Development Office: 0.66% Operating Management Division: 0.01% Food Marketing Division: 0.03% Production and Manufacturing Section 1, Factory 1: 0.02% Low Temperature Business Division: 0.11% Room Temperature Marketing Department: 0.10% International Trade Greater East Asia: 0.01% International Trade A3: 0.01% OEM Healthcare: 0.02%
External	<p>The testing cases requested by external parties consisted of 3,665 samples with 8,407 items. Of the testing items, 41.12% were for functional ingredients, 16.22% for nutritional ingredients, 15.36% for microorganisms, 11.40% for hygiene and safety items such as pesticide residues, 3.99% for food additives, 5.30% for heavy metals in food, and 6.61% for other testing items such as water quality testing.</p>	 <p>Donut chart showing the distribution of external testing requests by category:</p> <ul style="list-style-type: none"> Functional ingredients: 41.12% Nutritional composition: 16.22% Microorganisms: 15.36% Health and safety: 11.40% Heavy metals: 5.30% Food additives: 3.99% Others: 6.61%

Testing and Analysis Center, AGV Products Corporation (TAF1027), (TFDA20)

Testing item	Testing result
Inspection on product labeling of 8 major nutrients	Not related to the conformance rate and for product labeling of nutrients only.
Acceptance of incoming raw materials: testing of quality, health and safety	100% conformance rate
Testing of product quality, health and safety	100% conformance rate
Testing items relating to the process of product R&D	Not relating to the conformance rate and as data of reference for R&D personnel only.
Testing of the stability of effective ingredients of food products numbered Jian-Zi	Cooperate with the R&D personnel to conduct product stability tests, and provide R&D personnel with data for reference and decision-making.

Testing and Analysis Center, AGV Products Corporation (TAF1027), (TFDA20)

Testing item	Testing result
Monitoring of the quality of water used by factories	100% conformance rate
Monitoring of the quality of wastewater discharged	100% conformance rate
Monitoring of process control	100% conformance rate
Associated expense and its percentage in the net operating revenue	In 2023, the associated expense amounted to NTD 22,127,777, accounting for 0.55% of our net operating revenue.

Product quality

To maintain product quality during the production process, all of our production lines must operate in accordance with the relevant accreditation (certification) requirements and internal regulations. To assure and satisfy customers, strict control measures have been adopted for personal clothing, access routes and equipment production lines and all personnel on the lines have received the relevant training.

According to the Act Governing Food Safety and Sanitation and the Regulations on Good Hygiene Practice for Food, a heat penetration measuring report must be obtained for low-acid and acidified canned foods before they are produced and hit the shelves. Based on our expectations for the management of product quality, health and safety, we have applied for certification of self-measurement of heat distribution and heat penetration, and we have passed the self-measurement evaluation conducted by and received qualifications and regular retraining for our trained personnel from the Food Industry Research and Development Institute, an institution with expertise in sterilizing equipment and sterilization recognized by the Taiwan Food and Drug Administration. Moreover, we have acquired “pointed wireless temperature measuring devices” for detection on our internal low-acid and acidified canned products regardless of the type of contents, shape of granules or size specifications. We have thus achieved the criteria and goal of full self-detection for sterilization.

The certification of self-measurement of heat distribution and heat penetration has significant meaning, both in substance and symbolically, for a canned food manufacturer. It serves to enhance the professional skills of production, manufacturing and QA personnel at the factories, monitor product safety, facilitate overall upgrade of the canned food industry and build our professional image and brand values.

Establishment of packaging laboratory

I. Origin of establishment:

The units of the Quality Assurance Center are scattered in various places. The time and space background of the Quality Assurance Center is to facilitate the convenience of the production line inspection and timeliness. Moreover, since there is no space for additional equipment and personnel in various places/classwork premises, we plan to set up an integrated office and laboratory. The Company has applied for 17025 laboratory preparations from the Quality Assurance Center to move towards the blueprint of Taiwan's canned food inspection laboratory and packaging material inspection laboratory that can operate externally.

II. Purpose:

Strengthen AGV's capabilities in canned food packaging, material testing and product anomaly analysis, build AGV into a leading packaging laboratory in the can industry, and allow AGV to be certified as a testing laboratory for canned food packaging ISO 17025. AGV's vision is to become the largest canned food company in Taiwan.

III. Future prospects:

1. Short-term: Set up a packaging material laboratory. Aiming at the canned food packaging material laboratory, we have purchased inspection equipment, including glass bottles, claw caps, tin cans, Tetra Pak, bottle, cartons, and color boxes, to evaluate the purchase step by step.
2. Medium-term: The canned food packaging laboratory applied for ISO 17025 laboratory status. At the same time, the scope of business of the laboratory was expanded to move towards the goal of becoming a business packaging laboratory. The scope of business has been expanded to include testing technical services, capability test comparison, laboratory quality assurance system establishment, and establishment and transfer of testing technology.
3. Long-term: The packaging material laboratory for external business creates the Company's profit and business items.



Product certification

AGV has received the CAS (for certified agricultural products), TQF (Taiwan Quality Food Certification) and HACCP (Hazard Analysis Critical Control Points) certifications. In 2007, it became the first food manufacturer passing the SGS (SGS Taiwan Limited) and ISO 22000 (food safety management system) certifications. With regard to the maintenance of food safety, we require ourselves to make further improvements. Our Food Factory 1, Food Factory 2 and Food Factory 3 passed the SGS (SGS Taiwan Limited) and FSSC (food safety management system) certifications in 2016. In 2023, all of AGV's factories passed the ISO 22000 and FSSC certifications for quality system (a passing rate of 100%).

In 2023, we manufactured a total of 240 products, including: drinks in tin cans, desserts in tin cans, sour pickles, sauces, bottled drinks, Tetra Pak drinks, oils, refrigerated desserts, prepared foods, refrigerated drinks, room-temperature drinks outsourced for manufacturing and dietary supplements.

Statistics of products or services receiving international certifications and meeting safety requirements		
Name of product or service	Certification for safety requirements	Percentage of evaluated products or services provided to customers (%)
Factory-wide certification	FSSC 22000 for food safety management system	100
Factory-wide certification	ISO 22000 for food safety management system	100
Factory-wide certification	HACCP for food safety control system	100
Traditional pickles - Pickled Bamboo Shoot (Strips) Solid Pack	CAS for certified agricultural products in Taiwan	4.17
Prepared foods - Soken Vegetarian Barbecue Sauce	Halal certification (HALAL)	35.71
Factory-wide production lines	Taiwan Quality Food Certification (TQF)	30.91
Note: Percentage = (Total amount of evaluated products or services provided to customers/Total amount of products or services provided to customers)*100.		

The following are external certificates received by AGV:

TQF for sauces -17012



CAS Certificate



ISO 22000 Certificate



TQF for drinks -01165



FSSC 22000 Certificate



HALAL Certificate



TQF for canned foods -16024, 16074 and 16075



HACCP Certificate



TAF Certificate



Sharing of Returned Foods as Welfare

GRI 301-3

As a food manufacturer, AGV collects products returned from vendors each month. Most of the returned products are still edible after being processed in our return warehouse, but they cannot be sold in the market anymore. Thus, they are delivered to our employee welfare store and sold to our employees at staff prices. In addition, slow-selling products with good appearance and packaging are sold through other specialized channels.

GRI 417-1

GRI 417-2

GRI 417-3

3.2 Customer Service and Communication

In order to assure consumers purchasing AGV's products and services, we disclose the necessary information for each of the products and services provided by us. Regarding the packaging and description of each product manufactured and marketed by AGV, we make a list of detailed information including raw materials, ingredients, expiration date, place of origin, conditions for preservation, and instructions for use, so that consumers are able to understand the information about AGV's products. We have also set up a consumer service hotline to provide solutions and answer questions. Furthermore, the labeling and descriptions of the products and services provided to consumers are in compliance with relevant laws and regulations, and we have voluntarily introduced a food safety management system and certification labels, with a 100% rate of completion of evaluation. In 2023, AGV did not violate any laws or regulations governing the information and labeling of products and services, or any laws or regulations governing marketing and communication.

Customer privacy

GRI 418-1

AGV takes customer privacy and data security very seriously. If it is necessary to collect personal data, we will strengthen the protection mechanism and security maintenance of personal data in accordance with the Personal Data Protection Act. Access to such data is only limited to relevant processing personnel, and the Information Department also controls the qualifications and applications of login personnel. Responsible employees must abide by strict confidentiality obligations, and we regularly conduct training and risk assessment to ensure that customer privacy or data will not be lost or violated. In 2023, there were no substantiated breaches of customer privacy or losses of customer data.

3.3 Supplier Management

GRI 204-1

Percentages of Purchase at AGV's Operating Locations

Percentages of the amount of purchase by AGV from domestic and foreign suppliers in the most recent three years:

Type of contract	Source of procurement	2021		2022		2023	
		Number of suppliers	Percentage of the amount of the purchase in the total amount of purchase (%)	Number of suppliers	Percentage of the amount of the purchase in the total amount of purchase (%)	Number of suppliers	Percentage of the amount of the purchase in the total amount of purchase (%)
Property (raw materials)	Domestic	225	75	225	89	226	96
	Foreign	3	25	1	11	1	4
Total		228	100	226	100	227	100

Notes:

1. "Domestic" refers to Taiwan. "Foreign" refers to areas outside of Taiwan (e.g., the US and Vietnam).
2. The types of contract are mainly based on AGV's internal categories, and the default items (service, property, and construction project) can be ignored if they are not applicable.

Amount and percentage of purchase expenses from local suppliers in 2023:

Unit: NTD thousand

Local suppliers	Total purchase	Percentage from local suppliers (%)
2,430,371	2,543,965	96%

Supplier Environment

GRI 308-1

GRI 308-2

In order to strengthen the mechanism for sustainable management of suppliers, AGV will conduct “on-site supplier evaluation” of existing suppliers and determine the scope of evaluation applicable to different categories of suppliers in accordance with the “Regulations on Good Hygiene Practice for Food” and the “Regulations on Food Safety Control System.”

For a new supplier, in addition to conducting “on-site evaluation of suppliers,” we have also created the “Record of Visits to the Factories of New Suppliers,” with unscheduled visits for on-site evaluation conducted by the R&D Center and Optimization Center together with personnel from the procurement, QA and other relevant departments each year, including the following main items: management system, food safety system, quality system, environment, building and equipment evaluation, staff operations, acceptance, storage and transportation, processing, hygiene management, and food protection. The purpose is to check the current status of the fulfillment of CSR.

In 2023, among a total of 227 suppliers, on-site evaluations were completed for 79 suppliers, accounting for 34.8%. Evaluation results indicated no unqualified suppliers. In the future, we will continue to emphasize the importance of on-site evaluation of suppliers and further expand the scope of evaluation, and will encourage our supply chain to obtain GFSI-recognized certifications.

Supplier Social Management

GRI 408-1

GRI 409-1

GRI 414-1

GRI 414-2

In order to establish a supply chain that ensures protection of the environment, human rights, safety and health as well as sustainable development, we introduced the processes of “Social Responsibility Commitments for Suppliers” and “Supplier Social Responsibility Audit Checklist” in 2022 to determine items for regular monitoring of suppliers and quantify their performance, and to evaluate whether they meet the required criteria through external audits. The “Social Responsibility Commitments for Suppliers” mainly contains the following parts: 1. labor and human rights; 2. health and safety; 3. environment; and 4. ethics.

To ensure the implementation of labor rights and compliance with the “Labor Standards Act” and the “Act of Gender Equality in Employment”, we not only meet the needs of our customers, but also regularly review our suppliers for violations of the requirements concerning child labor, underage labor, forced labor, sexual harassment, labor-management communication, freedom of expression and other issues.

In 2023, a total of 54 suppliers of our primary raw materials signed the “Social Responsibility Commitments for Suppliers” to ensure that our products meet the highest standards of ethics, environment and social responsibility during the process of their production. There were no cases where employees were forced to work overtime by AGV or its suppliers.

If a supplier is found to be engaging in forced labor, we will take the following measures and require it to make improvement:

1. We are required to investigate the problem and cause of forced (compulsory) labor.
2. We will communicate with management and collect relevant information.
3. When we confirm that the supplier is involved in any improper employment of workers through human trafficking, slavery or any form of forced labor, we will immediately initiate an “on-site evaluation for suppliers” to re-evaluate whether the supplier is qualified.

Awards received by AGV

1981-1990

1981

We had received the Award for Outstanding Supplier of Discount Goods from the General Welfare Service, Ministry of National Defense for three consecutive years.

The Pickled Cucumber (Sliced) in Soy Sauce, Chili Sauce and QQ Fried Gluten won the Gold Award for Chinese and Foreign Foods.

The Fried Gluten with Peanuts, Marinated Turnip, NeoNeo-series Sweet Congee, Missik and Pearl Balls won an award from the Chinese Institute of Food Science and Technology.



1991-2000

1991

The Peanuts in Milk won the Award for Best Quality Flavor as the highest special honor from the TSSD News.

The Good Wife-series Braised Pork Balls won the Gold Award for Canned Food from TSSD News.

The Sasaya-series Coconut Milk won an award for packaging design at the Creativity 94 Award Show in the U.S.

The Braised Pork Balls, Starfruit Juice, Taiwanese Kimchi (Sliced) in Sauce, Korean Kimchi (Sliced) in Sauce, Japanese Burdock Root, Hawaiian Mixed Fruit Juice, Sasaya-series Coconut Drink, Sasaya-series Asparagus and Coconut Water, Peeled Chili Pepper, Milk Oatmeal, Red Bean Milk Oatmeal, Rye Tea, Konjac Green Bean Noodle, Red Sugar Cane Asparagus Juice, Red Bean Milk, Peanut Milk, Stewed Potato, Hot and Sour Sauce, New Zealand Milk Tea, Green Milk Tea, and Four-Fruit Mixed Juice won an award from the Chinese Institute of Food Science and Technology.

2001-2010

2001

The Sweetened (Rock Sugar) Kappaphycus with Honey and Sweetened (Rock Sugar) Kappaphycus with Plums won an award from the Chinese Institute of Food Science and Technology.

The Tomato Juice (with Enhanced Dietary Fiber) was certified as a healthy food.

The Catechin Green Tea, Redgold Bank Tomato Drink and Sugar-reducing Tea were certified as healthy foods. The Premium Oat Drink (Original) was certified as a healthy food.

The Sugar-reducing Tea was certified as a healthy food that makes it less likely for body fat to form.

The Happy Ranch Healthy Milk with GOS won the IDF World Dairy Innovation Awards (Best Dairy Brand).

2011

The Premium Oat Drink (Original), Spicy Chili Sauce, Happy Ranch Healthy Milk with GOS, Mayakia Chia Seed Drink, Chili Sauce and Nestea Roasted Organic Tea won the Monde Selection Grand Gold Award.

The Multigrain Activate Tea, AGV Sweet Chili Sauce, Okinawan Black Eight Treasures, AKI Wantan Red Bean Water, AKI Royal White Jade Barley Drink, AGV Golden Ten Thousand Ears Corn Kernels, AGV Dip Gold The tangerine vinaigrette sauce, AGV Jumbo Sandwich with Tuna, and AGV Chocolate Oat Drink won the Monde Selection Silver Award.

Happy Ranch Healthy Milk with GOS, AGV Milk and Peanut Drink, Taiwanese Bubble Tea, Golden Walnut Milk, AGV Sasaya Coconut Milk, Kimball Porridge, Kimchi, Red God Roselle Healthy Capsules, AGV Peanuts in Milk, The AGV's Geely Peanut Milk, Latte Latte Classic, Oat Latte Black Tea Latte, and Multifiber Mine Barley Tea won the Monde Selection Bronze Award.

The Spicy Chili Sauce, Japanese BBQ Sauce, Adlay Barley Tea, Functional Tea Drink, Purple Sweet Potato Drink won the Award for Innovative Products from the Taiwan Association for Food Science and Technology.

The Happy Ranch Healthy Milk with GOS and Premium Oat Drink (Original) won the National Biotechnology and Medicine Care Quality Award.

Happy Ranch Healthy Milk with GOS, AGV Premium Oat Drink (Original), Shuang Jian Tea King, Koyaka Silkie Chicken Essence, Red Roselle Healthy Capsules, and UNIVITA Vitamin Smoothie Tablets won SNQ National Quality Mark.

The high-quality formula of the Happy Ranch Healthy Milk with GOS and Nutritional Roselle Powdered Food was certified as a healthy food.

The Instant Roselle Tea Powder was certified as a healthy food helpful for modulating blood fats and protecting the liver.

The Premium Oat Drink (Original) was certified as a healthy food helpful for immunomodulation.

The Multigrain Activate Tea was certified as a healthy food that makes it less likely for body fat to form.

The high-quality formula of the Happy Ranch Healthy Milk with GOS was certified as a healthy food.

2011

Koyaka Oatmeal, Multigrain Activate Tea, AGV Barley Tea, AGV Red Yeast Yeast Capsules, AGV Fish Oil Capsules, Roselle Healthy Capsules, Happy Ranch Milk Premium Formula, Koyaka Silkie Chicken Essence, Light Lemon Tea, Sasaya Coconut Milk, Roselle Healthy Capsules, Mixed Vegetable Juice with Fresh Tomato, and Aiken Banten Red Bean Water that were certified as healthy foods.

The Premium Oat Drink (Original) and Nestea Roasted Organic Tea received the Anti-Additive (A.A.) Three Stars certification for additive-free foods.

The Premium Oat Drink (Original) was one of the Asia Pacific winners of the A.A. Taste Awards.

The Premium Oat Drink (Original) and Happy Ranch Healthy Milk with GOS received Taiwan and Chinese invention patents.

The Premium Oat Drink (Original), Happy Ranch Healthy Milk with GOS, “oligo-rich dairy products capable of modulating blood fats, improving the gut microbiota and enhancing immunity, and their manufacturing methods”, and “a high-fiber whole soybean milk enhancing the bioavailability of soy isoflavones and its manufacturing method” received a Taiwan invention patent.

The Premium Oat Drink (Original) received a Chinese invention patent.

The Premium Oat Drink (Original) received two U.S. invention patents for efficacy and process technology.

The L’avena’s Premium Oat Latte and Black Tea Oat Latte won the Innovation Award for Nutritional and Dietary Supplements from the Health Food Society of Taiwan.

The Aiken Azuki Essence Water was among the top 10 winners of the GOOD Award from the Taiwan Grain Industry Association.

2021 - now

2021

The High-fiber and Mineral-rich Barley Tea was certified as a healthy food that makes it less likely for body fat to form.

The Premium Oat Drink (Original) received the Anti-Additive (A.A.) Three Stars certification for additive-free foods.

Premium Oat Drink (Original), Honey Oolong, Premium Oat Drink (Original), Chocolate Dark Oat Drink, OKINA Kume Island Deep Sea Mineral Water, Premium Oat Drink (Natural Flavor), AGV Tea (Japanese green tea), AGV Premium Oat Drink (Original), Premium Oat Drink (Natural Original) Instant Oat Powder, AGV Sweet Chili Sauce, Jelly Green Tea Flavor Received the Monde Selection Gold Award.

2021

The Premium Oat Drink (Oat Latte), Premium Oat Drink (Glucosamine Vitality Plus), Mapo Tofu, Multigrain Activate Tea and Ice Brew Barley Drink won the Monde Selection Silver Award.

The Unforgettable Walnut Oat Congee, Curry Tofu and Taiwanese Savory Rice Pudding won the Monde Selection Bronze Award.

The Curry Tofu won a one-star award from the Food Professional Award in Japan.

The Mapo Tofu won a two-star award from the Food Professional Award in Japan.

The Premium Oat Drink (Glucosamine Vitality Plus) won the Innovation Award for Nutritional and Dietary Supplements from the Health Food Society of Taiwan.

The Chili Sauce and Hakka Pickled Bamboo Shoot won a Two Stars award from the A.A. Taste Awards.

The Premium Oat Drink (Barista Oat Milk), Dark Chocolate Oat Drink, Green Tea Tea, and Oat Drink Premium (Sleep Relief) won three stars in the Global Taste Awards. Award.

The “oligo-rich dairy products capable of modulating blood fats, improving the gut microbiota and enhancing immunity, and their manufacturing methods” received a U.S. invention patent.

The Taiwanese Savory Rice Pudding won the Food Innovation Award's Top Ten New Delicious Products Award.

The Korean Kimchi Tofu Stew won the Food Innovation Award – Grand Premium Award for Food and Beverage Innovations.

The Taiwanese Savory Rice Pudding won the Food Innovation Award – Grand Premium Award for Food and Beverage Innovations.

The Mapo Tofu won the Food Innovation Award – Grand Premium Award for Food and Beverage Innovations.

The Premium Oat Drink (Collagen Beauty Plus) and OKINA Probiotic Water won the Food Innovation Award – Premium Award for Food and Beverage Innovations.

The Premium Oat Drink (Original), Oat Drink Premium (Sleep Relief) and Oatmilk Peanut Soup won a one-star Superior Taste Award from the International Taste Institute.

The Premium Oat Drink (Barista Oat Latte), Chili Sauce and Premium Oat Drink (Dark Chocolate) won a two-star Superior Taste Award from the International Taste Institute.

The Chili Sauce won a two-star Superior Taste Award from the International Taste Institute.

The Premium Oat Drink (Glucosamine Vitality Plus) and Curry Tofu were recognized as an Eatender food.



Monde Selection

The Monde Selection is an international quality evaluation institution based in Brussels, Belgium. It is one of the oldest quality research institutes in the world, and is the only international quality evaluation institution testing and evaluating consumer products on a comprehensive basis. Every year, international experts from across the world evaluate and test products in a fully independent manner. To ensure evaluation is carried out in the most impartial and independent way, a product is evaluated based on multiple sensory parameters including taste, overall appearance, aftertaste, mouthfeel and smell, and with reference to the information provided by the product to consumers, such as the ingredients used, innovation, packaging and the veracity of the commercial claims.



Superior Taste Award



The Superior Taste Award is the most prestigious certification worldwide, which is 100% focused on taste evaluation. Every year, evaluations are conducted by top-tier taste experts with experience in numerous professional fields around the world. To ensure objectivity of the evaluators, product evaluation is conducted via a method of “blind testing,” and the sensory quality of each product is evaluated with systematic approaches according to the five criteria of the International Hedonic Sensory Analysis, such as first impression, vision, olfaction, taste and texture (for food) or final sensation (for drinks). With the most rigorous evaluation methodology, the evaluations are guaranteed to be the most objective. Based on the final result of evaluation, a product is certified as three-star (“Exceptional”), two-star (“Remarkable”) or one-star (“Notable”).



Anti-Additive Clean Label

Encourage global catering companies to follow the traditional cooking methods of various countries, uphold the belief of integrity, control the process and the source of ingredients, gradually restore the original food culture, retain valuable unique characteristics, and eliminate artificial or chemical food additives that have direct or potential harm to the human body. Promote additive-free certification for the catering and food industry processes with an impartial third-party position, and invite experts and scholars in related fields to serve as consultants. Through the additive-free certification of the catering and food industry processes, it is hoped that the use of food additives can be effectively reduced, providing consumers with more choices of high-quality food to protect their health and consumer rights.



Food Innovation Award

The innovation evaluation of Taiwan's catering industry organized by the professional media “foodNEXT” is known as the “Oscars of Taiwan's catering industry.” The award aims to inspire Taiwan's catering industry to break through the limitations of the unpredictable consumer market and solve the food safety crisis, sales bottleneck, and aging brand through a two-stage written evaluation and a strong panel of reviewers. Despite the highly challenging global environment, we continue to be an example of sustainability, resilience, and innovation, promote the development and upgrading of the food industry, and enhance the diversity and quality of Taiwan's food culture.



Healthy food

According to the Health Food Control Act, the term “healthy food” means any food proved by scientific assessment of safety and healthcare effects to be having “healthcare effects,” and which is labeled or advertised as having such effects. The term “healthcare effect” means an effect announced and approved by the Taiwan Food and Drug Administration, that has been scientifically proven to be capable of improving people's health and reducing the harms and risks of diseases, and which is not a medical effect treating or remedying human diseases. Only foods with such an effect will be approved as “healthy foods.”





Comprehensive Management of Sustainable Environment

4

- 4.1 Adaptation to Climate Change Risks
- 4.2 Energy management
- 4.3 Management of GHG Emissions
- 4.4 Waste Management

GRI 3-3

Material topic: Emissions

Reporting requirements	Description and example of reporting requirements
Reason for the materiality of this issue	In recent years, the overall environment has been strongly impacted by economic growth, causing indirect effects on many habitats. Therefore, we have put more efforts into energy conservation and carbon reduction and developed an environmental improvement management plan under the P-D-C-A management model. In the process, in addition to the management of energy consumption and other related items, indicators are also established and monitored and controlled continuously. Based on the results of GHG inventory, we have determined reduction targets and priorities to make the subsequent reduction process more effective and verify the outcome of reduction.
Policy/Strategy	AGV adheres to the ideas of “conserving resources and ensuring their management,” “continuous improvement and sustainable development” and “EHS is everybody’s responsibility,” and complies with applicable laws and regulations.
Goals and targets	To understand the status of our GHG emissions, an inventory of our internal GHG emissions is considered fundamental to carbon management. A GHG inventory may not only verify the accurate amount of emissions but also help find room and opportunities for reduction. We plan to conduct a company-wide inventory of carbon emissions in 2024 to facilitate the subsequent development of reasonably practicable improvement plans for sources of greater emissions, and introduce the ISO 50001 energy management system in 2025 to keep track of the status of our GHG emissions, find room for reduction of emissions, and formulate corresponding reasonable plans for emissions reduction.
Management and evaluation mechanism	<ul style="list-style-type: none"> We engages in supervision and management on a regular basis: <ul style="list-style-type: none"> A. Internal audit: once per year. B. External audit: once per year. Compliance with environmental laws and regulations: Each month, we will check for the latest amendments to environmental laws or regulations and verify their regulatory identifiability.
Performance and adjustment	Our active promotion of energy conservation has achieved certain results. The Company will continue to replace old equipment with energy-efficient equipment to reduce energy consumption and improve the performance of equipment.
Preventive or remedial measures	By establishing an energy-saving performance system, we are striving to optimize the improvement of manufacturing processes and implement enhanced competency training for product line personnel and equipment maintenance to further improve the production efficiency of equipment. Moreover, we are increasing our employees’ awareness of energy conservation and carbon reduction to work together to achieve energy conservation and waste reduction.

CO₂CH₄N₂O

Material topic: Water resource management



Reporting requirements	Description and example of reporting requirements
Reason for the materiality of this issue	<p>AGV makes a wide range of products, among which fruit juices, pickles and canned desserts are highly reliant on water during their manufacturing processes. In addition, the distribution of water resources in Taiwan is uneven, and extreme weather has become a more frequent occurrence which constantly causes rainstorms and water shortages, virtually exacerbating the complexity of water resources management. Thus, we consider water resources to be an important environmental and operational issue, and are committed to enhancing our adaptation capability in relation to water resources management.</p>
Policy/Strategy	<p>We promote the idea of water conservation in various ways such as posters, slogans and educational sessions in order to integrate such idea with every aspect of planning, design, production and office life.</p>
Goals and targets	<p>With 2023 as the base period</p> <ul style="list-style-type: none"> • Short-term goal: Our expected target is to reduce water consumption by 3% by 2025. • Medium- to long-term goals (after 2025): <ol style="list-style-type: none"> 1. Building an eco-friendly and energy-saving environment, and enhancing the efficiency of resource use. 2. Following our energy management policy, with all of our employees participating in energy saving and carbon reduction.
Management and evaluation mechanism	<p>Faced with different water resource risks, we have started to take actions in the three aspects of developing more sources of income, reducing expenses and emergency responses. We hold regular meetings to discuss issues concerning water resources, formulate policies and review the performance in water conservation.</p>
Performance and adjustment	<ol style="list-style-type: none"> 1. In 2023, we used a reclaimed water recycling system to recover wastewater at pipe ends and reused it for cleaning restroom toilets or surrounding floors and for irrigation, reducing water consumption by approximately 22,299 tonnes. 2. In 2023, total water withdrawn was reduced by 9.68%.
Preventive or remedial measures	<ol style="list-style-type: none"> 1. Establishing a water response task force to monitor the amount of water consumed by each factory and information about local water situations. 2. Investing in and improving environmental protection equipment, and setting and monitoring targets for the quality of water discharged. 3. Establishing operating procedures for emergency responses to disasters, implementing a water conservation plan, increasing the efficiency of water consumption, and adopting a water rationing response plan.

4.1 Adaptation to Climate Change Risks

GRI 201-2

In the face of increasingly severe climate change globally, the resulting effects and impacts are issues which businesses must take seriously. Besides meeting the environmental requirements of national policies, we also hold meetings to discuss the risks arising from climate change, analyze future strategies in response to such risks through the perspectives of different fields and engage in project-based management to fulfill the spirit of sustainable development.

Given the existing production policy oriented toward low carbon emission adopted in Taiwan, we analyze and control our production capacity and engage in production under the energy-conservation model. Meanwhile, we engage in the analysis and adjustment of big data by product categories to reduce carbon emissions and achieve the objectives of environmental friendliness. Based on the recommendations of the “Task Force on Climate-related Financial Disclosures” (TCFD) issued by the Financial Stability Board (FSB), we assess the impact posed by climate change to us and identify climate-related risks and opportunities to adopt corresponding measures in response to such risks:

Governance body	Regarding the governance of climate change risks, the President is responsible for coordinating and leading the Sustainable Development Organization in controlling related issues. Under the Sustainable Development Organization, several sub-committees have been formed for risk management and issue assessment, and they will submit regular reports on the status of implementation to the Board of Directors in the future in order to reduce the risks and impact caused by climate change to our sustainable management.
Type of risks	<ol style="list-style-type: none"> 1. The severity and frequency of extreme weather events (such as typhoons and floods) increases, causing power outages or abnormal power supply. 2. Changes in the pattern of rainfall (precipitation) (such as drought and water shortage) would lead to interruption or shortage of raw material supplies or a need to increase the number of days for warehousing of raw materials and products, directly affecting the progress of factory schedules and manufacturing. 3. According to the requirements of domestic and foreign environmental laws and regulations and those of the government for GHG management, a certain percentage of energy used by energy-consuming companies must be renewable, or such companies must reduce the amount of packaging materials and investigate the carbon footprints of products. Failure to meet such requirements may result in the payment of carbon fees (taxes) or fines.
Type of opportunities	<ol style="list-style-type: none"> 1. Developing green power and installing energy storage systems. 2. Increasing the efficiency of water usage by equipment, adjusting or combining production processes of the same nature to decrease the frequency of CIP and reduce the amount of water used for cleaning. 3. We will continue to improve our manufacturing processes and equipment to increase the conformance rate of products and reduce food waste and at the same time actively install green power and energy storage equipment to create a friendly environment and enhance our reputation.
Strategy	<p>In response to the relevant environmental laws and regulations, we actively control energy consumption, including the management of electricity and water use, GHGs and food waste. We continue to develop products with healthcare effects for consumers, and adhere to our business philosophy of “For a Healthy Tomorrow” with respect to consumers and the environment.</p> <ul style="list-style-type: none"> • Short-term: Installing emergency power generators and an uninterruptible power supply (UPS) for power consumption. • Medium- and long-term: <ol style="list-style-type: none"> 1. Actively finding “secondary suppliers” to prevent interruption of supply chains and lower procurement costs. 2. Adjusting the production processes and arranging for the order of manufacturing based on the circumstances of shortages of materials and water. 3. Establishing a mechanism for the recovery, recycling and re-use of discharged water.

Risk management	<p>A Risk Management Task Force is formed by the R&D, QC, manufacturing, procurement, financial, audit and industrial safety departments. It is tasked with conducting an overall assessment of climate change risks based on the duties of the departments to enhance our knowledge of the relevant issues and provide decision makers with a basis of reference to formulate strategies in response, such as a comprehensive inventory of the power restoration and storage system and the establishment of emergency response procedures, with the purpose of dealing with unexpected power shortages and mitigating our operating losses. In terms of production, we hold management meetings from time to time and continue to adjust and control our production and sales volumes to facilitate inventory management and reduce inventory costs. Additionally, to improve the quality of raw materials and maintain stable sources of supply, we will seek cooperation from contract farming and secondary suppliers to minimize shortages of materials caused by climate change, hoping to reduce their impact and effect on our operations. At the same time, we conduct energy consumption inventories to reduce and control the consumption of water, energy and resources, and to further recycle and reuse usable resources.</p>
Indicators and targets	<p>AGV is primarily a food and drink manufacturer. In the course of developing green products and services, we are committed to setting targets related to energy conservation, waste reduction and water conservation in terms of energy, GHG emissions, water resources and waste. Moreover, through measures such as supplier source management and the introduction of eco-friendly packaging materials, we seek to implement the indicators directly related to our operations and environmental friendliness, and to fulfill the responsibilities required for society and the environment.</p> <div> <div>Energy and emissions management</div> <ul style="list-style-type: none"> With 2023 as the base period, our expected target is to reduce energy consumption by 2% by 2025. We expect to introduce the ISO 50001 energy management system in 2025 in order to keep track of the status of our GHG emissions. </div> <div> <div>Water resource management</div> <p>Our expected target is to reduce water consumption by 3% by 2025.</p> </div> <div> <div>Waste management</div> <p>Our set target is to reduce the amount of waste by 1~3% per year, and we expect to reduce the total amount of waste by 10% by 2025.</p> </div>
Financial impact	<ul style="list-style-type: none"> Abnormal power supply would affect the aseptic production process, resulting in not only higher manufacturing process costs but also losses from disposal of raw materials and semi-finished goods with irregular quality. To reduce energy consumption and increase the percentage of renewable energy used, the costs of newly installed relevant equipment will rise. Operating expenses will increase due to expenses for the relevant carbon footprint certifications or carbon fees, and the waste treatment expenses will decrease as a result of products becoming lightweight.

4.2 Energy Management

GRI 302-1

GRI 302-2

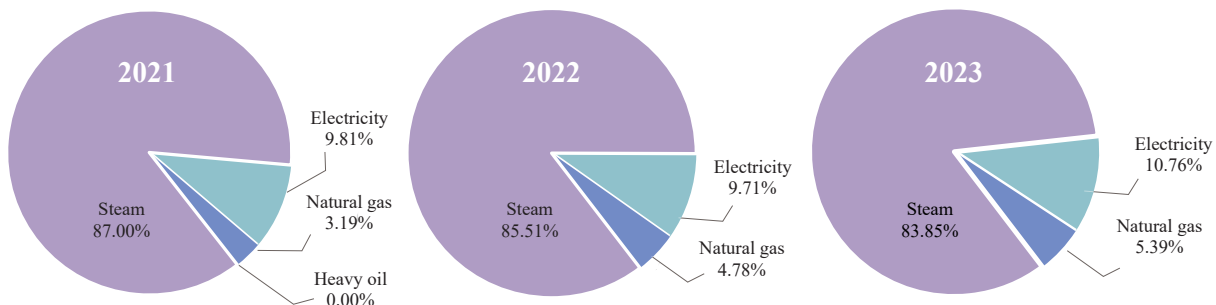
GRI 302-3

The energy consumption of AGV in the most recent three years is shown in the table below:

Quantitative metric	Unit	2021	2022	2023
Electricity consumption	kWh/year	10,513,600	10,788,451	10,894,715
	GJ	37,848.96	38,838.42	39,220.97
Heavy oil consumption	kL per year	253	0	0
	GJ	10.16	0	0
Natural gas (LNG) Amount consumed	m ³	367,466	571,421	587,097
	GJ	12,299.82	19,126.60	19,651.31
Steam consumption	Tonnes/year	20,062	20,438	20,285
	GJ	335,757.63	342,050.37	305,540.78
Value of specific metric used by the organization (Total production)	Thousand dozens	7,095	7,321	7,343
Total energy consumption	GJ	385,916.58	400,015.40	364,413.06
Energy intensity	GJ/thousand dozens	54.39	54.64	49.63

Notes:

1. The coefficient of steam calorific value is provided by Shih Hua Energy Co., Ltd.
2. The heat value of electricity is calculated as 1 kWh = 0.0036 GJ.
3. The conversion factor is based on the fuel heat value calculated according to the EPA's Gas Emission Factors Management Table version 6.0.4: 7,800 kcal/L for gasoline, 8,400 kcal/L for diesel fuel, and 8,000 kcal/m³ for natural gas; 1 kcal = 4.184 KJ.
4. The data of heavy oil consumption by steam boilers was changed to that of natural gas (LNG) consumption in 2021, so the heavy oil consumption in 2022 and 2023 was zero.
5. The total output of the year does not include outsourced labor.



Performance in Energy Conservation

GRI 302-4

GRI 302-5

We have adopted the following action plans to reduce energy consumption to contribute to the green environment. As of now, AGV has been focusing on the current methods for management of energy emissions:

1. Replacing old motors with 100HP IE3 energy-efficient motors, which are highly efficient, to reduce energy consumption and enhance equipment effectiveness.
2. Replace the worn-out aeration trays in the wastewater depot and reduce the blower startup time to reduce consumption.
3. Recycling cleaner treated water, which is stored and pressurized and then made available to the factories for road cleaning, toilet flushes and irrigation.
4. Utilizing the condensate water discharged from the steam pipes of boilers, by mixing it to the cloth filter cleaning pipes of sludge dehydrators, and washing cloth filters with heated water, in order to clean cloth filters more effectively from residual oil, increase cleaning efficiency, and achieve the purpose of energy saving.

Electricity saving and efficiency improvement by AGV in 2023

No.	Measures and practices for energy conservation	Actual reduction in energy consumed		GHG emissions (tonCO ₂ e)
1	Replaced with 100HP IE3 air compressors to reduce energy consumption by 10HP	Calculation for a single day: 7.45KW*24h=178.8KW/d; calculation of total power consumption for the current year: 178.8KW/d*365=65,262 KW/d	235 GJ	116
2	Replace the aeration trays in the wastewater field to reduce the startup time of the blower.	Calculation for a single day: 30KW*24h=720KW/d; calculation of total power consumption for the current year: 720KW/d*365=262,800KW/d	946 GJ	467
Total			1,181 GJ	583

Recycled Water Reused by AGV in 2023

Measures and practices for water treatment	Actual amount of water recycled and reused
Recycling cleaner treated water, which is stored and pressurized and then made available to the factories for road cleaning, toilet flushes and irrigation.	22,299 tonnes of recycled water from January to December 2023

Water resource management

GRI 303-1

AGV is highly reliant on water during the product manufacturing process. In addition, the distribution of water resources in Taiwan is uneven, and extreme weather has become a more frequent occurrence which constantly causes rainstorms and water shortages, exacerbating the complexity of water resource management. We consider water resources to be an important environmental and operational issue, and are committed to enhancing our adaptation capabilities in relation to water resource management. The headquarters of AGV is located in Chiayi County, and the main sources of its water supply are Tsengwen Reservoir, Wushantou Reservoir, Renyitan Reservoir, Lantan Reservoir and Yunlin Hushan Reservoir. In order to effectively manage its water resources, AGV has used a water resource risk assessment tool, with the result of assessment indicating that its water resource risks are all moderate-to-low risks.

In terms of water resource management, we have long been concerned about the issues of water resources, energy conservation and environmental protection. Regarding our water conservation programs, we will start with water saving in our daily lives, and we will hold regular meetings to discuss issues related to water resources, formulate policies to make active improvements to the amount of water consumed in our manufacturing processes, review our performance in water conservation on a monthly basis, and promote water conservation through posters, slogans and training courses to enhance the effectiveness of our available water resources.

Location of headquarters	Reservoir as source of water withdrawal	Result of assessment
Minxiong Township, Chiayi County	Yunlin Hushan Reservoir	Moderate-to-low risks
	Renyitan Reservoir	
	Wushantou Reservoir	
	Lantan Reservoir	
	Tsengwen Reservoir	

GRI 303-3

GRI 303-4

GRI 303-5

Water used by AGV			
Year	2021	2022	2023
Water withdrawn (ML)	416.49	418.54	378.038
Water discharged (ML)	318.62	321.16	325.307
Water consumed (ML)	97.88	97.38	52.73
Value of specific metric used by the organization (total production) (thousand dozens)	7,095	7,321	7,343
Water use intensity	0.06	0.06	0.05

Note:

1. ater consumed = Water withdrawn - Water discharged.
2. ater use intensity is calculated as: Water withdrawn (ML)/Specific metric used by the organization.
3. The water withdrawals in 2021 do not include other operating locations; starting in 2022, the inventory of the Chiayi Headquarters, Jiangwen Street dormitory, Taipei Office, and other offices (Sanchong, Hsindian, Taoyuan, Hsinchu, Taichung, Tainan, and Kaohsiung) have been included.
4. The total output of the year does not include outsourcing.

Discharge of Wastewater

GRI 303-2

For wastewater discharged by AGV, we have set up a continuous monitoring system as required by the Environmental Protection Bureau, and have reported its water pollution control measures as required by the Environmental Protection Bureau to obtain a certificate of discharge permit. The quality of wastewater monitored with the relevant equipment fully conforms with the effluent standards established by the Environmental Protection Administration.

In 2023, the wastewater discharged by AGV amounted to 325.307 ML, and the water temperature, pH, SS, COD, BOD₅ and oil content of the treated wastewater under 24-hour continuous monitoring did not exceed the criteria.

Testing item	Unit	2021		2022		2023	
		Emission criteria	Annual average monitoring value	Emission criteria	Annual average monitoring value	Emission criteria	Annual average monitoring value
Water temperature	°C	35	29.925	35	27.975	35	31.025
pH	pH	9	7.750	9	7.800	6-9	7.750
Suspended solids (SS)	mg/L	30	4.40	30	3.325	30	4.475
Chemical oxygen demand (COD)	mg/L	100	33.10	100	17.175	100	24.350
Biochemical oxygen demand (BOD ₅)	mg/L	30	10.875	30	6.225	30	5.425
Oil	mg/L	10	1.30	10	0.775	10	1.725

4.3 Management of GHG Emissions

GRI 305-1

GRI 305-2

GRI 305-3

GRI 305-4

GRI 305-5

Item	2021	2022	2023
Scope 1: Direct GHG emissions (tonne-CO ₂ e)	1,539.7661	1,074.8134	1,762.1271
Scope 2: Indirect GHG emissions (tonne-CO ₂ e)	5,872.1124	5,925.5919	5,971.7458
Scope 3: Indirect GHG emissions (tonne-CO ₂ e)	-	-	2,318.9511
Total emissions = Scope 1 + Scope 2 + Scope 3 (tonne-CO ₂ e)	7,411.8785	7000.4053	10,052.8240
Value of specific metric used by the organization (total production) (thousand dozens)	7,095	7,321	7,343
GHG emissions intensity (tonne-CO ₂ e/thousand dozens)	1.04	0.96	1.37

Note:

1. Locations examined: Chiayi headquarters, dormitory on Jiangwen Street, Taipei office, sales offices (Sanchong, Hsindian, Taoyuan, Hsinchu, Taichung, Tainan, and Kaohsiung).
2. In 2023, Scope 1 emissions of natural gas (CO₂), methane (CH₄), nitrous oxide (N₂O), and hydrofluorocarbons (HFCs) were inventoried and disclosed. Relevant inventories were still being conducted on the remaining emission sources. The inventory is expected to be completed and disclosed by the end of March 2025.
3. Scope 2 refers to indirect emissions from energy, such as externally purchased electricity and steam.
4. Scope 3 refers to indirect emissions, such as employee commuting, waste transportation, and fuel and energy-related activities.
5. Types of GHG emissions: CO₂, CH₄, N₂O, and HFCs.
6. The externally purchased electricity is based on the emission factors published by the Bureau of Energy, MOEA. Emission factor of electricity in 2021 = 0.509 kgCO₂e/kWh; emission factor of electricity in 2022 = 0.495 kgCO₂e/kWh; emission factor of electricity in 2023 = 0.494 kgCO₂e/kWh.
7. The total output of the year does not include outsourcing.
8. In 2022, the emission coefficient of the steam purchased by the Company was originally based on the total gas production of United Energy Corporation/(electricity consumption + diesel consumption + carbon emissions from wood fuel). This year's coefficient was changed to GHG emission coefficient × GWP value and the 2023 calculation basis is the same.

To understand the status of our GHG emissions, an inventory of our internal GHG emissions is considered fundamental to carbon management. A GHG inventory may not only verify the accurate amount of emissions but also help find room and opportunities for reduction. We plan to complete the company-wide inventory of carbon emissions for 2023 in 2024 to facilitate the subsequent development of reasonably practicable improvement plans for sources of greater emissions, and introduce the ISO 50001 energy management system in 2025 in order to keep track of the status of our GHG emissions, find room for reduction of emissions, and formulate corresponding reasonable plans for emissions reduction.



GRI 305-6

GRI 305-7

During the 2023 reporting period, AGV did not emit any ozone depleting substances. The following table shows the items for testing of AGV's boilers from 2021 to 2023.

Type of boiler	Testing item	2021			2022			2023		
		Emission (kg)	Emission criteria (ppm)	Annual average monitoring value (ppm)	Emission (kg)	Emission criteria (ppm)	Annual average monitoring value (ppm)	Emission (kg)	Emission criteria (ppm)	Annual average monitoring value (ppm)
Natural gas boiler	TSP Note 2	15.76	30	0.0123	27.43	30	0	28.17	30	0.0064
	SOx	22.93	50	0.02	0	50	0	0	50	0
	NOx	338.7	100	0.3033	1,281.70	100	0.2	1316.72	100	0.28

Note:

1. or gases include nitrogen oxides (NOx), sulfur oxides (SOx), persistent organic pollutants (POPs), volatile organic compounds (VOC), hazardous air pollutants (HAP), particulate matter (PM) and other standard types of gas emissions specified in the relevant laws and regulations. Among them, the item of volatile organic compounds (VOC) is not applicable to the testing of our boilers.
2. TSP unit: mg/nm³.
3. Unit of annual average monitoring value: KG/HR.
4. The data of 8-tonne and 15-tonne heavy oil boilers was changed to that of natural gas (LNG) in mid-2021. Therefore, the data of the emissions and annual average monitoring value of each testing item of the two types of boilers in 2022 and 2023 was zero.

4.4 Waste Management

GRI 306-1

GRI 306-2

Attaching great importance to the prevention of pollution, AGV remains committed to a belief in green environmental protection. In addition to complying with relevant laws and regulations, AGV has contracted legal companies to assist in the removal of waste, and kept statistics of the types of waste to sort, including those that can be recycled and reused in order to reduce unnecessary expense for waste removal. We comply with laws and regulations governing waste, and we submit reports online, print out triplicate forms, and track proper certifications as required by law in relation to waste treatment. We sign a contract with the company contracted for removal and treatment, check the expiry date of the license of the company contracted for removal and treatment, and conduct regular on-site audits of the treatment plant annually, with records of such audits kept.

With 2023 as the base year, we expect to achieve recycling and sustainable use of resources via the environmental protection policy of "3R," namely "reduce," "recycle" and "reuse," in order to mitigate environmental damage and pollution.

- Short-term goal: Our set target is to reduce the amount of waste by 1–3% per year, and we expect to reduce the total amount of waste by 5% by 2025.
- Medium- to long-term goals (after 2025):

1. Building an eco-friendly and energy-saving environment.
2. Following our waste recycling and sorting management policy, with all of our employees participating in waste recycling and sorting.

We follow the “Waste Disposal Act” for implementation and continuous monitoring and improvement. Our waste is mainly sorted into “general industrial waste” and “recyclable waste”, and our focus is on the sorting and management of general industrial waste and recyclable waste to ensure they do not cause any pollution to environmental health or affect human health.

GRI 306-3

GRI 306-4

GRI 306-5

GRI 306-3 (2016)

Waste recycling has been a long-term goal we strive to achieve. For waste management, we engage in factory-wide inventory and sorting and propose improvement strategies to set reduction targets. To do our part for the planet, we also seek to strengthen the reduction of use of raw materials and the reduction and re-use of waste. In 2023, no serious leakage occurred at AGV.

Unit: Tonne

Waste produced and treated by AGV				
Composition of waste	Hazardous/ Non-hazardous	Off-site		
Item		Treatment method	2022	2023
Sludge and waste cooking oil	Non-hazardous	Incineration (including energy recycling)	793.2	1,249.1
Vegetable residue	Non-hazardous	Other treatment method (composting)	691.0	530.8
Waste paper, bottles, etc.	Non-hazardous	Other recycling method	879.1	473.6
Garbage and sludge	Non-hazardous	Other recycling method	330.5	364.9

Note:

1. No hazardous waste.
2. Inventory boundary: AGV Headquarters.

For waste management, we engage in factory-wide inventory and sorting and propose improvement strategies. We also seek the reduction of waste raw materials and the reduction and re-use of waste. To strengthen tracking the flows of waste, we use a GPS system to clearly track and check the destinations of waste and waste flows generated by each factory. The scope of such checking includes waste removal methods, whether the removal vehicles are equipped with anti-flying measures and sewage collection tanks, as well as the emergency responses in case of accidental leakage during the removal process, treatment methods, waste storage practices, removal records, destinations, and removal permission certificates.

Corporate Beach Cleanup Day



Year-end Banquet



Christmas



Outstanding Senior Migrant Workers



Corporate Beach Cleanup Day



5

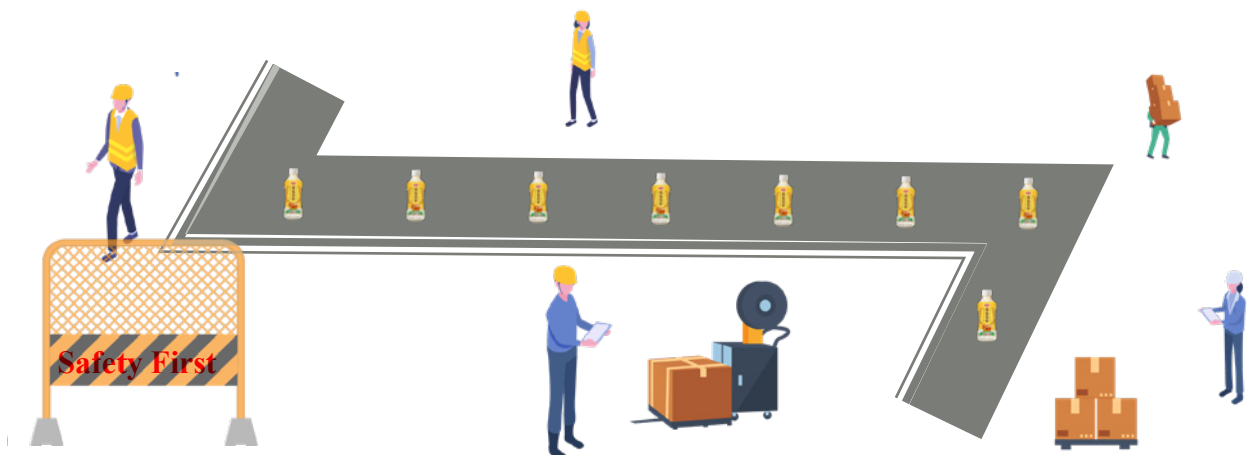
Happy Workplace and Fulfillment of Responsibilities

- 5.1 Overview of Employee Relations
- 5.2 Employee Care and Welfare
- 5.3 Career Development and Training
- 5.4 Protection of Health
- 5.5 Social Charity and Its Practices

GRI 3-3

Material issue: Occupational safety and health

Reporting requirements	Description and example of reporting requirements
Reason for the materiality of this issue	After communicating the level of concern with stakeholders and analyzing the level of impact, the topic of occupational safety and health is relatively important to the Company. Failure to implement occupational safety and health management may result in penalties imposed by relevant laws and regulations in the future. Responsible occupational safety and health management can reduce the Company's cost risks and improve the competitiveness of products on sustainability issues.
Policy/Strategy	AGV's EHS policy is "Respect for life and concern for safety, conserving resources and ensuring their management, continuous improvement and sustainable development, EHS is everybody's responsibility".
Goals and targets	We promote a comprehensive safety culture through the three aspects of people, environment and behavior. We have established the performance targets of occupational safety and health in accordance with the "Occupational Safety and Health Act," including the requirements that the frequency severity index (FSI) must be lower than the average of the most recent three years as published by the Occupational Safety and Health Administration, Ministry of Labor, and that there must not be any major occupational safety incident each year.
Management and evaluation mechanism	We continue to promote the ISO 45001 occupational safety and health management system. Through our internal procedures for management and review, we conduct a PDCA evaluation of the effectiveness of our occupational safety and health management each year.
Performance and adjustment	Compared to 2022, the number of occupational accidents at AGV was effectively reduced in 2023, in line with the set short-term target. We will continue to manage the issue of reducing occupational accidents in the future.
Preventive or remedial measures	We hold regular meetings of the Occupational Safety and Health Committee to discuss safety and health policies, the results of testing of the working environment, health management and promotion, safety and health proposals, occupational accident investigation reports and the participation of non-managerial workers.



5.1 Overview of Employee Relations

GRI 2-7

The total number of our employees is 610, of which 610 are regular employees and 0 are temporary employees, an addition of 43 from 2022.

Overview of the numbers of employees						
Region	Type of contract	Female	Male	Other ^{Note 1}	Not disclosed ^{Note 2}	Total
Taiwan	Number of employees	345	265	0	0	610
	Number of regular employees	345	265	0	0	610
	Number of temporary employees	0	0	0	0	0
	Number of full-time employees	345	265	0	0	610
	Number of part-time employees	0	0	0	0	0

Note:

1. Gender is determined by an employee.
2. Employees who do not disclose their gender.
3. “Domestic” refers to Taiwan. “Foreign” refers to areas outside of Taiwan (e.g., the US and Vietnam).
4. “Employee”: An individual who has an employment relationship with the organization in accordance with national laws or its applicable requirements (in Taiwan, such individual is any employee covered by labor insurance).
5. “Regular”: Individuals who have entered into indefinite contracts.
6. “Temporary”: Individuals who have entered into fixed-term contracts.
7. “No guaranteed hours”: An employee who is not guaranteed a minimum or fixed number of working hours per day, week or month, but who may be required to be available for working upon request.
8. “Full-time”: Any individual to whom the definition of working hours under the Labor Standards Act is applicable. In Taiwan, the maximum number of working hours is 8 per day and 40 per week.
9. “Part-time”: Excluding full-time employees.
10. The calculation in this table is based on the headcount/full-time equivalent method.

GRI 2-8

AGV’s non-employee workers include 13 security guards responsible for factory security and access control, and 14 consultants.

Type of worker	Contractual relationship with AGV	Total number of workers
Security guard	Contractor agreement	13
Consultant	Consultant contract	14

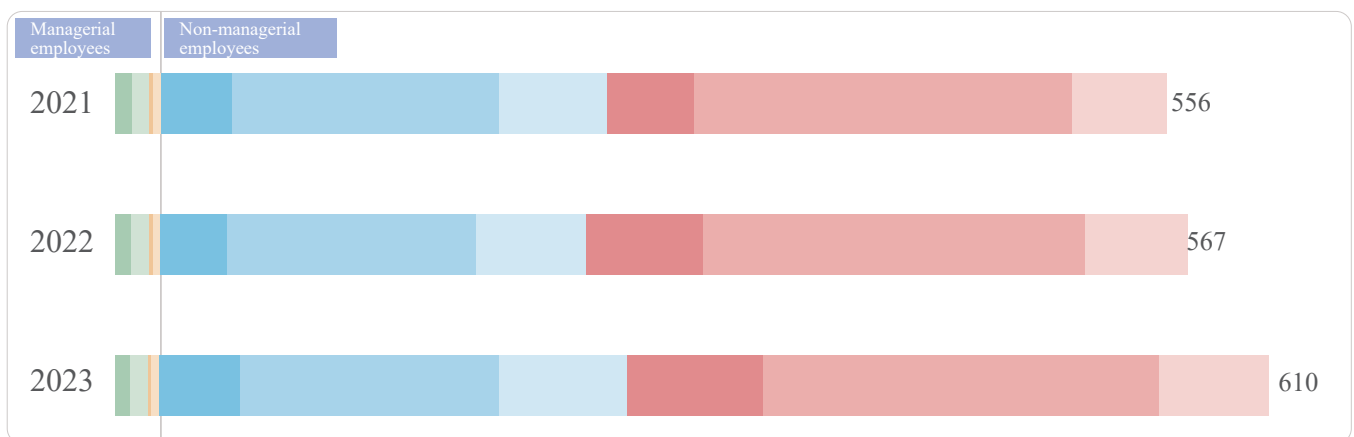
Note: The number of people as of the end of the reporting period, December 31, 2023, is adopted.

GRI 202-2

In order to strengthen the harmonious relationship with local communities and maximize the job stability of our employees, we mainly hire residents of Taiwan. In particular, 100% of our managers at or above the level of assistant vice president are local residents. The distribution of our employees by the type of position in the most recent three years is as follows:

Year			2021	2022	2023
Item/Gender		Age	Number of persons	Number of persons	Number of persons
Managerial employees	Male	<div></div> Below 30	0	0	0
		<div></div> 30-50	9	8	8
		<div></div> 51 or older	9	10	9
	Female	<div></div> Below 30	0	0	0
		<div></div> 30-50	2	2	2
		<div></div> 51 or older	4	4	4
Total number of managerial employees			24	24	23
Non-managerial employees	Male	<div></div> Below 30	38	35	43
		<div></div> 30-50	141	132	137
		<div></div> 51 or older	57	58	68
	Female	<div></div> Below 30	46	62	72
		<div></div> 30-50	200	202	209
		<div></div> 51 or older	50	54	58
Total number of non-managerial employees			532	543	587
Total number of regular employees			556	567	610

Note: Those at or above the level of assistant vice president are senior executives.



Hiring of Employees from Diverse Groups

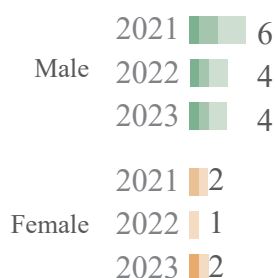
GRI 405-1

The distribution of employees hired from diverse groups in the most recent three years is indicated in the following table:

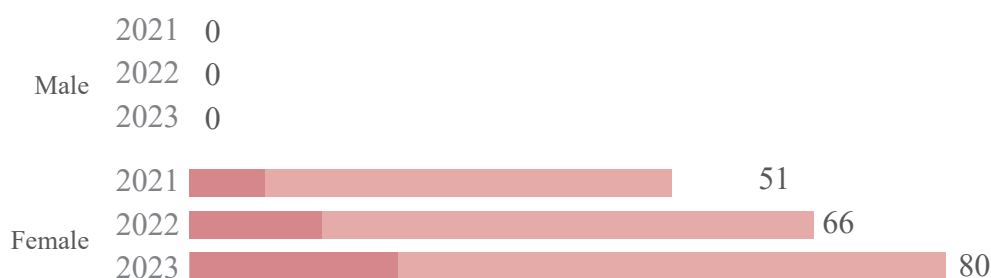
Year			2021	2022	2023
Item/Gender		Age	Number of persons	Number of persons	Number of persons
Minority or disadvantaged groups	Male	Below 30	1	1	1
		30-50	2	1	1
		51 or older	3	2	2
	Female	Below 30	0	0	1
		30-50	1	0	0
		51 or older	1	1	1
Foreign migrant workers	Male	Below 30	0	0	0
		30-50	0	0	0
		51 or older	0	0	0
	Female	Below 30	8	14	22
		30-50	43	52	58
		51 or older	0	0	0

Note: Minority or disadvantaged groups: Groups with certain conditions or characteristics (such as economic, physical, political and social ones) are likely to experience negative impacts with greater severity from organizational activities compared to the general population.

Minority or disadvantaged groups



Foreign migrant workers



Percentage of New Employees

GRI 401-1

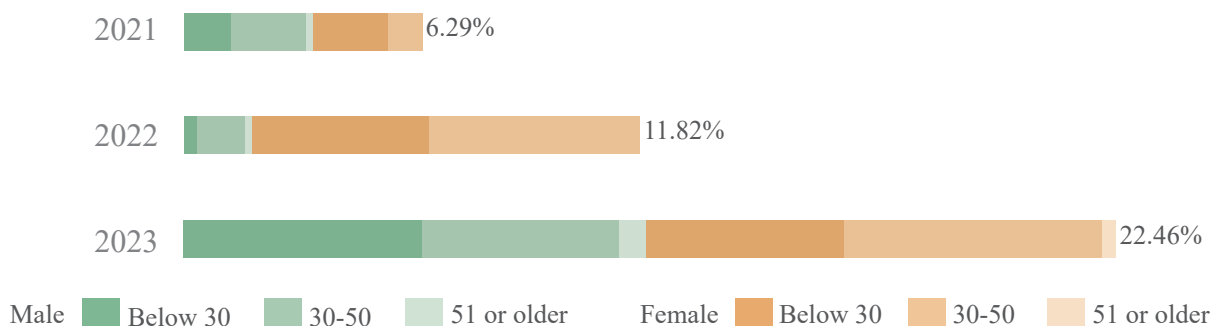
In order to retain outstanding talent, AGV builds a friendly working environment, emphasizes work-life balance, and provides its employees with training and development opportunities. AGV also encourages its employees to keep improving themselves for the development of their personal careers. In 2023, we hired a total of 137 employees (68 men and 69 women), representing 22.46% of all employees, and a total of 94 employees (45 men and 49 women) separated from AGV, with a separation rate of 15.41%.

Year	2021				2022				2023			
Gender	Male		Female		Male		Female		Male		Female	
Age/Item	Number of persons	Percentage of new employees (%)	Number of persons	Percentage of new employees (%)	Number of persons	Percentage of new employees (%)	Number of persons	Percentage of new employees (%)	Number of persons	Percentage of new employees (%)	Number of persons	Percentage of new employees (%)
Below 30	7	1.26	11	1.98	2	0.35	26	4.59	35	5.74	29	4.75
30-50	11	1.98	5	0.90	7	1.23	31	5.47	29	4.75	38	6.23
51 or older	1	0.18	0	0	1	0.18	0	0	4	0.66	2	0.33
Total number of new employees	35				67				137			
Total number of employees	556				567				610			
Total percentage of new employees (%)	6.29				11.82				22.46			

Notes:

1. The number of new employees does not exclude the number of employees who separated early during their employment.
2. Percentage of new male (female) employees in the age group = Number of new male (female) employees in the age group in the current year/Total number of employees at operating locations at the end of the current year.
3. Total hiring rate of new employees = Number of new employees in the current year/Total number of employees at operating locations at the end of the current year.

Percentage of New Employees



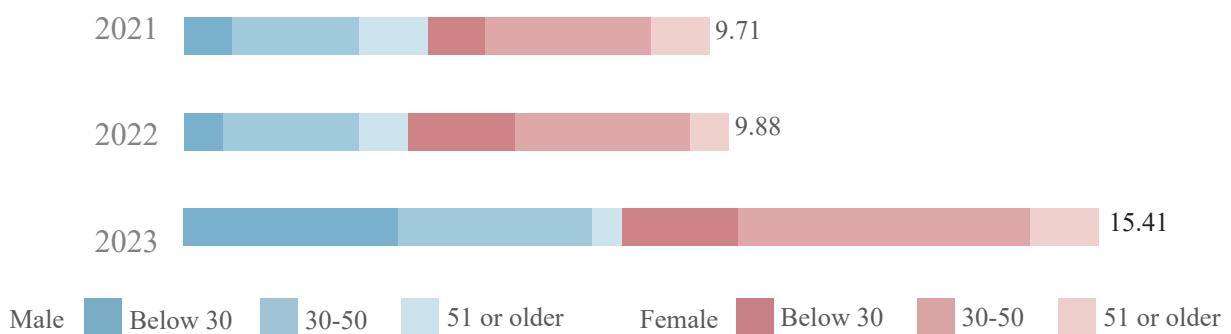
Separation Rate

Year	2021				2022				2023			
Gender	Male		Female		Male		Female		Male		Female	
Age/Item	Number of persons	Separation rate (%)	Number of persons	Separation rate (%)	Number of persons	Separation rate (%)	Number of persons	Separation rate (%)	Number of persons	Separation rate (%)	Number of persons	Separation rate (%)
Below 30	5	1.26	6	1.08	4	0.71	11	1.94	22	3.61	12	1.96
30-50	13	2.70	17	2.70	14	2.47	18	3.17	20	3.28	30	4.92
51 or older	7	1.80	6	1.08	5	0.88	4	0.71	3	0.49	7	1.15
Total number of employees separated	54				56				94			
Total number of employees	556				567				610			
Total separation rate (%)	9.71				9.88				15.41			

Notes:

1. The types of employees separated from AGV include: retired employees and employees whose contracts have expired.
2. Separation rate of male (female) employees in the age group = Number of separated male (female) employees in the age group in the current year/Total number of employees at operating locations at the end of the current year.
3. Total hiring rate of separated employees = Number of separated employees in the current year/Total number of employees at operating locations at the end of the current year.

Separation Rate



5.2 Employee Care and Welfare

Comprehensive Benefits for Employees

GRI 401-2

AGV has considered the locations where most of its employees work to be its key operating locations. AGV is committed to employee welfare measures, including profit sharing, free parking lots, employee health examinations, lactation rooms, subsidies for marriage, funerals and festivities, birthday cash gifts, scholarships for employees and their children, incentive trips and travel subsidies, lotteries at year-end banquets, emergency aid for employees, hospitalization grants, subsidies for club activities, and group insurance.

Item	Benefits
Salary	Salary is paid based on the length of service, experience, job grade and position of an employee.
Bonus	Monthly performance bonus, quarterly performance bonus, year-end bonus and bonus for special contributions will be paid based on the operating performance of AGV.
Retirement system	For any employee to whom the old pension system applies, his/her pension will be allocated and deposited into a special pension account at the Bank of Taiwan. For any employee to whom the new labor pension system applies, 6% of his/her monthly salary will be allocated and deposited into his/her personal pension account on a regular basis.
Employee insurance	In addition to labor and employment insurance required by law, group accident insurance is also taken out. For any employee going on a business trip abroad, overseas travel safety insurance is taken out.
Leave system	Annual leave and other paid/unpaid leave are available in accordance with the Labor Standards Act and other applicable laws.
Welfare measures	Annual health examination for employees, year-end banquet, etc.
Employee Welfare Committee	<p>Subsidy: NTD 3,000 for employee travel.</p> <p>Festive gifts: Less than NTD 5,000.</p> <p>Consolation money: NTD 1,600 - 2,000.</p> <p>Scholarship: NTD 600 - NTD 6,000 for self and children.</p> <p>Gifts: Gift certificates for retirement of NTD 8,000 and a medal.</p> <p>Gift money: NTD 1,000 - NTD 6,000 for marriage, homeownership, and childbirth</p> <p>Ceremony stone laying: NTD 5,000.</p>

Status of Parental Leave without Pay

GRI 401-3

In order to allow its employees to give birth without fear, AGV has implemented a system for parental leave without pay in accordance with the requirements of the Labor Standards Act. Any employee meeting the criteria may apply for parental leave without pay for a maximum of two years. During the period of parental leave without pay, the employee may retain his/her position and apply for reinstatement upon expiration of the period of parental leave without pay. In 2023, the total number of applicants for “parental leave without pay” was four, including three female employees and one male employee.

The regulations governing application for parental leave without pay have been established in accordance with government laws and regulations. The following table shows the information of parental leave at AGV in the most recent three years:

Year	2021			2022			2023		
Gender/Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Number of employees eligible to apply for parental leave without pay (A)	18	11	29	17	15	32	25	16	41
Number of employees actually applying for parental leave without pay in the current year (B)	0	3	3	1	1	2	1	3	4
Number of employees requiring reinstatement after parental leave without pay in the current year (C)	0	2	2	1	1	2	1	2	3
Number of employees actually reinstated after parental leave without pay in the current year (D)	0	2	2	1	0	1	1	2	3
Number of employees actually reinstated after parental leave without pay in the previous year (E)	0	1	1	0	2	2	1	0	1
Number of employees reinstated after parental leave without pay who continued to work for one year in the previous year (F)	0	1	1	0	2	2	1	0	1
Rate of reinstatement after parental leave without pay in the current year (%) (D/C)	0	100	100	100	0	50	100	100	100
Rate of retention after parental leave without pay in the current year (%) (F/E)	0	100	100	0	100	100	100	100	100

Method of calculation:

1. Number of employees requiring reinstatement = Number of employees expected to be reinstated in the year after parental leave without pay.
2. Number of employees retained in the year of N = Number of employees actually reinstated in the year of N-1 and remained in service as of Dec. 31, N.

Employee Retirement System and its Implementation

GRI 201-3

The following is a description of the retirement plan offered by AGV to its employees:

1. In accordance with Paragraph 3, Article 56 of the Labor Standards Act, we have established a “Labor Pension Fund Supervisory Committee” tasked with implementing this Guidelines and managing the fund. As required by law, we allocate “pension funds” and deposit them into a special account at the “Department of Trusts, Bank of Taiwan” for the payment of pensions to employees.
2. An employee who has met any of the following criteria may apply for retirement:
 - (1) He/She has served for at least 15 years and is aged 55 or older.
 - (2) He/She has served for at least 25 years.
 - (3) He/She has served for at least 10 years and is aged 60 or older.
3. Payment and requirements of pensions:
 - (1) Employees who opt to apply for the pension system under the Labor Standards Act (the old system):
 - A. A An employee will receive two base points for each year of service, but any employee whose length of service is more than 15 years will receive one base point for each subsequent year of service, up to a maximum of 45 base points. Any period less than six months will be counted as six months, and any period of six or more months will be counted as one year.
 - B. In the case of any employee retiring mandatorily under Article 5(2) of this Guidelines, he/she shall receive an additional 20% payment in accordance with that Article if his/her mental or physical disability results from his/her performance of duties.
 - C. The standard of a pension base point shall be the average monthly salary of an employee at the time of approval of his/her retirement.
 - (2) Employees who opt to apply for the pension system under the “Labor Pension Act” (the new system):
The length of service prior to the application of the Labor Pension Act shall be retained, and the pension for the retained length of service shall be calculated and paid in accordance with Paragraph 1 of this Article. For the length of service after the application of the new system, AGV will allocate 6% of the monthly salary as pension and deposit it into a special personal labor pension account at the Bureau of Labor Insurance in accordance with the Labor Pension Act.
4. In 2023, five people retired from AGV.

In addition to labor pensions, the following retirement plans or benefits are offered by AGV to its employees:

1. To ensure proper protection in the event of accidents, we have not only taken out labor and health insurance as required by law, but also provided group insurance for accidental injuries.
2. To increase employees’ satisfaction with their benefits, we have provided flexible working hours for some employees and issued gift certificates and welfare vouchers.
3. We have provided training to obtain professional licenses and encouraged employees to take part in continuous training.
4. We have provided good opportunities for career development and promotion, including internal training programs, a mentorship system and channels for promotion, giving employees more opportunities for growth and development in AGV.

Minimum Notice Period for Operational Changes

GRI 402-1

The minimum notice period required before AGV makes any major operational change (which seriously affects the rights of employees) and the laws and regulations it is based on are described as follows:

1. We hold regular labor-management meetings on a quarterly basis for communication and coordination between workers and management regarding our policies.
2. We have set up an “employee’s message board” on our internal website as the most direct channel for employees to express their opinions, which will be referred by designated persons to the relevant departments to promptly address them.
3. We have set up a President’s Mailbox for employees to send their opinions directly to the President.

Termination of employment contract:

- (1) A 10-day prior notice for any employee who has served for at least three months and less than one year.
- (2) A 20-day prior notice for any employee who has served for at least one year and less than three years.
- (3) A 30-day prior notice for any employee who has served for at least three years.
- (4) Upon receiving such notice, an employee may request for leave during working hours to seek another job. The hours of such leave may not exceed two days of working hours each week and the salary for the period of such leave will be paid.
- (5) Where the contract is terminated without giving a notice in accordance with the required period, the salary for the period of notice shall be paid.

Remuneration System

GRI 202-1

AGV is located in Taiwan. Its remuneration is based on factors including the salary standard of peer companies, market demand and supply of labor, and its operational and financial conditions, and does not vary based on gender, race, nationality or religion. The salary ratio of each job category in the Company is related to factors such as personal working experience and education experience, and there is no difference due to gender. The standard salary for junior male employees is 1.04 times higher than the minimum local salary. The standard salary for junior female employees is 1.04 times higher than the minimum local salary.

The table below shows the ratios of the standard salaries for junior male and female employees to the minimum local salary as of the end of the reporting period:

Country/Region	Ratio of the standard salary for junior male employees to the minimum local salary	Ratio of the standard salary for junior female employees to the minimum local salary
Taiwan	1.04	1.04

Note:

1. There are no junior employees of other gender at AGV.
2. There are no junior employees who do not disclose their gender at AGV.

Human Rights System

GRI 2-23

GRI 2-24

GRI 406-1

GRI 411-1

In order to fulfill its corporate social responsibilities and ensure human rights protection, AGV has established human rights policies applicable to AGV and its affiliated companies with reference to internationally recognized human rights standards, such as the International Bill of Human Rights and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, for the purpose of eliminating human rights violations. In addition to providing a reasonable and safe workplace, AGV also ensures that its employees are treated reasonably with dignity.

AGV organizes four awareness sessions on human rights policies each year, and the policy for their implementation is described as follows:

1. We comply with all applicable labor laws and regulations.
2. We provide a safe and healthy workplace.
3. We are committed to maintaining a workplace free from violence, harassment and intimidation while respecting the privacy and dignity of employees.
4. We do not hire child workers.
5. We prohibit forced labor.
6. We seek to eliminate unlawful discrimination and reasonably ensure equal opportunities in employment and promotion.
7. We provide multiple open communication channels for suppliers, customers, shareholders, employees and other stakeholders to provide feedback to AGV.
8. Work-life balance for employees.
9. We regularly review and improve related systems and practices.

AGV is committed to improving the conditions of workers and enhancing their quality of life in accordance with the principles enshrined in the "Universal Declaration of Human Rights", "international labor conventions" and other relevant international human rights conventions. AGV is committed to recognizing talents as an important asset for sustainable management and establishing a complete and reliable career development and training process in accordance with national laws and regulations including the "Labor Standards Act" and the "Act of Gender Equality in Employment", as well as the principles of "respecting human rights" and "employing the right person for the right job". AGV also focuses on employer brands to attract more talents to join it, hoping to become a happy company that takes care of its employees.

AGV has never hired any child worker. For more information, see the official website of AGV: "Investors" → "Sustainable Development" → "Human Rights Related Policies and Management Programs".

In 2023, AGV and its suppliers were not involved in any violation of the freedom of association of employees or of indigenous rights.

GRI 410-1

AGV engages a legal security company to perform security work on an annual basis, with the contract stipulating that the company shall ensure the provision of the security services specified in the contract. All security guards will receive seven days of professional pre-employment training upon arrival at AGV, as well as four hours of on-the-job training each month, which includes training on disaster relief and protection, fire drill, and on-site assistance for traffic accidents. In 2023, the security guards did not receive training on human rights.

5.3 Career Development and Training

Training

GRI 404-1

GRI 404-2

Employees are the most essential asset of a company, and the continued growth of employees helps a company maintain its competitive advantage in the long run. AGV attaches great importance to the development of the job competencies of its employees and expects them to engage in lifelong learning. Each department will prepare its program and budget for internal and external courses, and to determine the required professional training courses according to the positions and job grades of the employees in each department. In addition to continuous improvement of the professional knowledge of employees, the Human Resources Department also plans general education courses for employees to continue to acquire new knowledge, digest it and apply it to their work or life.

Each department will actively implement and promote the above course program. We will continue to develop AGV's professional and managerial talents, enabling both individuals and AGV to grow together.

The following are photos of our employees participating in training courses in 2023:



▲ General education courses



▲ Self-defense fire drill



▲ Analysis of the concept and case studies of food sensory evaluation



▲ Information security training

Average hours of training per year per employee during the reporting period:

Item	Internal training	External training
Total number of trainees (person)	967	193
Total number of training courses (session)	17	112
Total training hours (H)	4,802.5	1,130
Total average training hours (H/person)	4.97	5.85
Training cost (NTD)	17,000	245,485

AGV provides competency management and lifelong learning programs for employees to help them improve their competencies or capability for continued employment and their retirement plans. We believe that the continuous growth of our employees is one of the niches for maintaining our long-term competitive advantage, and we formulate an annual training plan and submit a report on the results of training at the end of the year. We are committed to building a place appropriate for employees at all levels to learn, with the expectation to develop internal talents for professional tasks and management, to ensure the development of individuals and the company can move forward at the same time.

The scope of our training includes: new employee training, common training, and professional training courses on topics such as quality management, occupational safety, general fire safety knowledge, financial and accounting audits, license acquisition and retraining. At the same time, we have adopted a variety of methods such as in-factory training (external and internal instructors), external training, and online courses.

A Fair Performance Management System

Item	Managers	Non-managers	Direct employees	Indirect employees
Percentage of male employees subject to evaluation	100.00	97.52	100.00	97.33
Percentage of female employees subject to evaluation	100.00	73.57	56.91	98.73

Note: That the percentage of employees subject to evaluation is below 100% is due to the exclusion of new employees serving for less than three months, migrant workers and short-term contract workers.

5.4 Protection of Health

GRI 403-1

GRI 403-2

Despite not having a certified occupational safety management system, we are always committed to our core business philosophy of “For a Healthy Tomorrow”, and we never forget the fulfillment of our corporate social responsibility during the pursuit of growth. Besides continuing to improve production technologies and product quality and promote energy efficiency and waste reduction, we have taken measures to improve pollution control and devoted efforts to environmental protection. We provide safe and healthy working conditions, since it is our responsibility to prevent work-induced injuries and health impairment. To encourage active participation of employees in environmental, health and safety (EHS) activities and increase their EHS awareness, we have established and implemented an environmental and occupational safety and health management system through consultation with and the participation of workers and their representatives, with the aim to enhance our corporate EHS culture.

In addition, we have implemented a systematic mechanism for the management of employee safety and health. For high-risk work, control measures such as work permits are adopted to strengthen the control of operational risks and effectively prevent the occurrence of any occupational accidents. Currently, workers covered by the system include internal full-time employees and external security guards.

To protect the safety and health of employees at work and prevent work safety incidents, we have established a “Hazard Communication Plan” in accordance with Article 10 of the “Occupational Safety and Health Act” and Article 17 of the “Regulations for the Labeling and Hazard Communication of Hazardous Chemicals”. The plan aims to ensure the workplace meets the requirements of occupational safety and health laws and regulations, strengthens employee awareness of the potential risks of hazardous chemicals, and works together in hazard prevention.

The Labor Safety and Health Office sets management goals in accordance with AGV’s philosophy and policies, establishes implementation plans, and tracks and audits management performance according to the plans. With the goal of “safety with zero accidents”, the Labor Safety and Health Office greatly values the safety and health of all employees, and improves the risk awareness and safety knowledge of employees through risk assessment, hazard identification, safety and health education and promotion, and pre-work meetings. To achieve the goal of zero disasters in accordance with the law, in addition to establishing the “Work Rules for the Safety and Health of Employees” and submitting it to the competent authority for approval, AGV enables its workers to exercise their legal rights for safe evacuation.

Employees may stop working or leave when the work they are performing poses an immediate hazard. If an employee finds any problem when working, the employee may immediately report it to his/her supervisor or through a complaint email. In order to encourage whistleblowers to report violations of the law, AGV provides the following protection to whistleblowers: the identity of a whistleblower shall be kept confidential, and no information that can identify the whistleblower may be disclosed for internal reporting; a whistleblower may not be dismissed, discharged, demoted or transferred, have his/her salary reduced, have his/her rights under the law, contract or customs violated, or subject to any other unfavorable treatment because of his/her reported case.

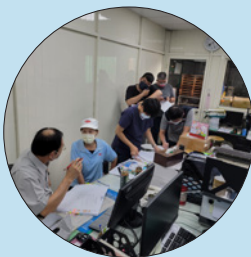
GRI 403-3

Caring about the physical health of all employees, AGV focuses on a culture of health and safety and builds an inherently safe working environment to promote the physical and mental health of employees and contractors and to achieve work-life balance, while working with stakeholders to reduce safety and health risks in the workplace. Besides planning annual health examinations that are well-designed and better than those provided by law, we regularly track the health status of our employees and arrange regular consultations by physicians. For special workers under the law, we combine the data of environmental monitoring to identify the risks of health hazards that are likely to occur, and we arrange health examinations for special workers, including for special work involving noise, ionizing radiation and chemicals, in order to keep track of the health status of our employees and provide a basis for self-management of their health to achieve the goal of “prevention is better than cure” and create a totally safe working environment.

Statistical table of the numbers of employees undergoing health examinations and their costs

General health examination	
Items for examination	Physical examination, special physical examination, physical examination of body, regular blood test, liver function test, kidney function test, uric acid test, blood glucose test, blood lipid test, electrolyte test, hepatitis marker, infectious disease test, urine test.
Number of employees examined (person)	465
Cost of examination (NTD thousand)	233
Special health examination	
Items for examination	Noise, ionizing radiation, chemicals
Number of employees examined (person)	203
Cost of examination (NTD thousand)	0
Note	

Note: In accordance with the Regulations Governing Health Examination and Health Tracking for Prevention of Occupational Diseases under the Occupational Accident Insurance for Workers, an insured employee who engages in hazardous work involving noise, ionizing radiation or chemicals as well as other hazardous operations listed in the Regulations, and the period of whose most recent insurance coverage has reached one year, may apply for a health examination for prevention of occupational diseases through the insured unit every year. As long as his/her application is approved by the Occupational Catastrophe Benefits Unit of the Bureau of Labor Insurance's Medical Benefits Section, he/she is not required to pay any fee.



Health examinations for employees

GRI 403-4

AGV has established an occupational safety and health organization in accordance with the Regulations Governing Occupational Safety and Health. The Occupational Safety and Health Committee provides recommendations on our proposed safety and health policies and management systems, and reviews, coordinates and gives advice on matters related to safety and health.

The organization of the committee consists of a chair, a secretary (an executive officer) and its members (departmental managers/labor safety officers/nurses/labor representatives), with the labor representatives elected by employees. Currently, there are five labor representatives and five employer representatives in the selection committee, for a total of 10, with the labor representatives accounting for 50% of the members of the committee.

The committee meets on a quarterly basis to discuss, coordinate, plan and make decisions on issues concerning occupational safety and health with management, and to achieve employee participation, consultation and communication.

GRI 403-5

Our employees are required to receive comprehensive training on occupational safety and health, and the instructors for such training are all internal personnel with occupational safety and health certificates. Since they conduct training during working hours, we do not incur any costs for venues and instructors.

The following are the statistics of training courses on occupational safety organized by AGV during the reporting period:

Statistics of occupational safety and health training courses	
Title of training course	Number of trainees
Safety and health training for new employees on elevated hot work, work in confined spaces and work w noise	43
Safety and health training for current employees on elevated hot work, work in confined spaces and work under noise	179
Safety and health training for new employees on the use of hazardous chemicals	42
Safety and health training for current employees on the use of hazardous chemicals	179
Safety and health training for new employees on the operation of respiratory protection equipment	43
Safety and health training for current employees on the operation of respiratory protection equipment	179
General safety and health training for new employees	43
General safety and health training for current employees	179
Health education - heat injury prevention education and training under high temperature	128
SOP training for abnormal operation of access machines	68
Training on the operation and maintenance of fume hoods	8

Note:

1. Including employees and non-employees whose work and/or workplace is controlled by the organization.
2. Non-employees whose work and/or workplace is controlled by the organization include contractors and subcontractors such as security guards, cleaners and construction workers.
3. The occupational safety and health related training mentioned here includes general training or training on specific occupational hazards and dangerous situations.

GRI 403-6

AGV regularly organizes health examinations for employees each year, including general and special health examinations, which are applicable to all employees under the control of AGV.

2023:

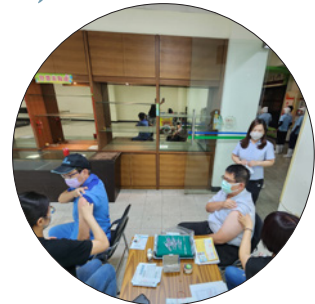
- Face-to-face questionnaire survey conducted by a labor health service physician for prevention of ergonomic hazards: 31 employees
- Prevention of the hazard of unlawful harms suffered during the performance of duties: 16 employees
- Prevention of the hazard of illnesses induced by abnormal workload: 15 employees
- Questionnaire survey on the maternal health of female workers: 3 employee
- Employees subject to monitoring due to anomalies found during health examination: 105 employees
- 94 employees under special health management due to noise
- 8 employees in special chemical health management
- 2 employees under special health management for ionizing radiation
- Evaluated and managed 11 rescuers in confined spaces
- 1 employee on the work resumption checklist
- Flu vaccines administered by Minxiong Township Public Health Center: 118 employees
- COVID-19 vaccines administered by Minxiong Township Public Health Center: 64 employees
- First dose of monkeypox vaccines administered by Minxiong Township Public Health Center: 52 employees
- Second dose of monkeypox vaccines administered by Minxiong Township Public Health Center: 48 employees
- The Health Promotion Administration conducted mammography and Pap tests on 35 employees and 49 employees respectively

GRI 403-7

GRI 403-8

Occupational safety and health management personnel conducts identification of various operational hazards and risk assessments at various workplaces of each factory, and ensures the safety of workers in operations through preventive control measures. In addition, we regularly collect occupational safety and health-related information and regulatory updates on a monthly basis, and communicate safety awareness to every worker through the Company's internal communication method. In order to strengthen the warning and reminder effect, in addition to the occasional poster promotion, environments with high recurrence rates are listed as the inspection items, and the operating environment measurement item is added to the factory area illumination measurement.

We continue to implement the ISO 45001 occupational safety and health management system. Currently, workers covered by the system include 610 internal full-time employees and 13 external security guards, totaling 623, with 100% coverage.



Occupational injuries of employees				
Category	Item	2021	2022	2023
Total working hours		1,261,603	1,297,862	1,315,986
Number of deaths caused by occupational injuries	Number of deaths of women	0	0	0
	Number of deaths of men	0	0	0
	Total number of deaths	0	0	0
Number of employees suffering serious occupational injuries (excluding the number of deaths)	Total number of women suffering serious occupational injuries	0	0	0
	Total number of men suffering serious occupational injuries	0	0	0
	Total number of employees suffering serious occupational injuries	0	0	0
Recordable number of employees suffering occupational injuries (including the numbers of deaths and employees suffering serious occupational injuries)	Total number of women suffering occupational injuries	3	3	3
	Total number of men suffering occupational injuries	2	1	3
	Total number of employees suffering occupational injuries	5	4	6
Ratio of deaths caused by occupational injuries (%)		0	0	0
Ratio of employees suffering serious occupational injuries (%)		0	0	0
Ratio of recordable number of employees suffering occupational injuries (%)		3.96	3.08	4.56

Note:

1. Ratio of deaths caused by occupational injuries = (Number of deaths caused by occupational injuries/Working hours)*1,000,000.
2. Ratio of employees suffering serious occupational injuries = (Number of employees suffering serious occupational injuries (excluding the number of deaths)/Working hours)*1,000,000.
3. Ratio of recordable number of employees suffering occupational injuries = (Recordable number of employees suffering occupational injuries (including the numbers of deaths and employees suffering serious occupational injuries)/Working hours)*1,000,000.
4. Serious occupational injuries refer to occupational injuries from which recovery is not possible within six months.
5. Recordable occupational injuries do not include occupational injuries caused by commuting to and from work.
6. In 2023, no non-employee workers suffered occupational injuries.

GRI 403-10

In 2023, there were no cases of AGV's employees or non-employee workers suffering occupational diseases during the reporting period. We are committed to building a healthy and safe working environment and providing all employees with the necessary safety facilities to ensure their well-being and physical health. We will continue to make efforts in maintaining occupational safety and health to ensure all employees stay safe and healthy at work.

GRI 203-1

GRI 203-2

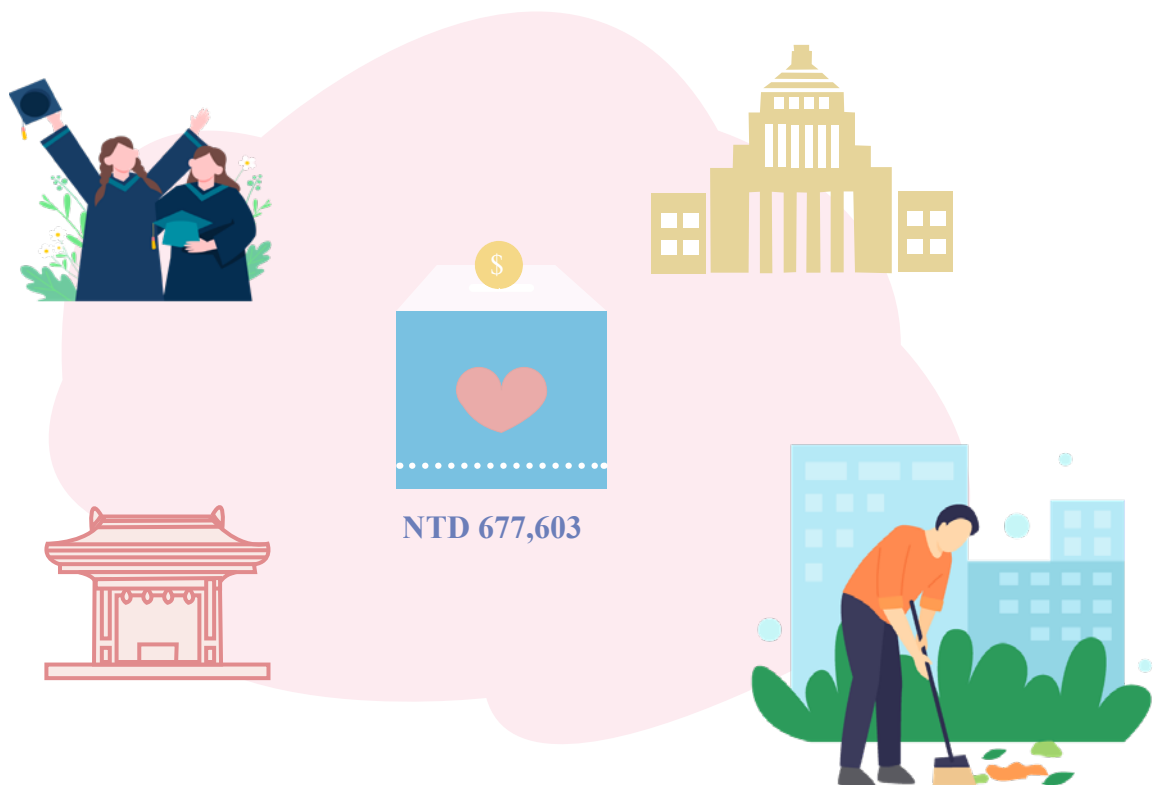
GRI 413-1

GRI 413-2

5.5 Social Charity and Its Practices

To fulfill our social responsibility for the environment, we organized a corporate beach cleanup day at Haomeili Beach in Chiayi County in 2023. We have long demonstrated our care for society, supporting the greening and maintenance of roads, taking part in social events on traditional holidays, and providing students with opportunities for job experience, industry-academia collaboration and first employment in local communities. Adhering to the spirit of “whatever is taken from society will be used for society,” we have continued to participate in charitable activities, such as donating materials to disadvantaged groups or government agencies, students and temples, to respond to the needs of social charity and fulfill our corporate social responsibilities. Such activities included Chiayi Veterans' Service Office's “Delivering Meals to Homes - Celebrating with Elders”, Chiayi County Spinal Injury Association's 3rd Charity Carnival, and the charitable carnival “Care for Our Children” organized by the Chiayi Center of Taiwan Fund for Children and Families. In 2023, we donated a total of NTD 677,603 to fulfill our social responsibilities.

Committed to the idea of “contribution to the communities and fulfillment of social responsibilities”, AGV provides assistance in cleaning the environment of the communities (roads in the industrial park), makes donations to local government agencies and non-government organizations, participates in community festival events, and sends gifts for traditional holidays and pays visits every year to promote exchange among communities. AGV has established a smooth communication channel with local security agencies, and has participated in the activities of the manufacturers association of the industrial park and industry associations for exchange and communication with peer companies.





The 28th National Taiwan University Art Festival

The 2023 National Taiwan University Art Festival is the largest campus arts and cultural event in its 28th year. Every year, we recruit planners and creators from various universities to participate. Thanks to the hard work of students from various schools, AGV donated materials to support the National Taiwan University Art Festival, making this year's art event a success.



Charitable materials for Taitung Sunflower Care Association

AGV donated canned food to older adults living alone and disadvantaged families in remote townships in Taitung County to ease their financial burden and improve their quality of life.



"2023 Running Out of the Golden Tiger" road running event at Xingang Fengtian Temple, Chiayi County

On December 3, 2023, the Xingang Fengtian Temple, Chiayi County hosted a national road running event. AGV donated beverages to support and enrich the event.



Chung Yi Social Welfare Foundation Family walking event and charitable carnival

AGV continues to be involved in charitable activities. On May 20, 2023, Chung Yi Social Welfare Foundation organized the charitable carnival "Work for Love" in the Taipei Expo Park, to which AGV donated goods for sale, and the income can be used to help settle disadvantaged children and teenagers who live alone.



Nice Prince Hotel - 17th "Write Your Wishes in Christmas Cards" event

Every year, the Nice Prince Hotel organizes an event to write Christmas wished in cards. In 2023, in cooperation with the Chiayi City Family Support Center, World Vision Taiwan and the Social Affairs Department, Chiayi City Government, the hotel provided 500 cards to disadvantaged children, who will then write their wishes in the cards to be received and fulfilled by philanthropists, with the expectation that more people can show their concern for children in need of regular support at least on Christmas. Every year, AGV donates desserts and beverages to children as a snack in support of this heartwarming Christmas event.





Chiayi Veterans Service Office - Year-end celebration event “Delivering Meals to Homes ~ Celebrating with Elders”

AGV donated canned foods to help elderly veterans (or their family members) who live alone enjoy the traditional holidays together and feel the warm atmosphere of the New Year.



Rain Spring Charitable Foundation - Charitable food bags for older adults on the Double Ninth Festival

AGV donated canned foods to Rain Spring Charitable Foundation as food bags sent to disadvantaged elderly people in rural areas visited by the foundation.



“Elementary School Students Storytelling Contest” by Huizhi Foundation

From March 15, 2023 to August 16, 2023, the “Nursing the seedlings and turning them into big trees” storytelling contest was held. Elementary schools and junior high schools across the country encouraged children to perform on stage to discover their diverse talents and talents. Desserts and drinks were provided to children as snacks in support of the competition.



Chiayi Branch Office, Taiwan Fund for Children and Families

On April 23, 2023, the charitable carnival titled “Care for Our Children” was held at the Sinmin Campus of National Chiayi University in Chiayi City to sell charitable drinks donated by AGV, and the income was used to support disadvantaged children and teenagers and their families so that they could feel the warmth of society.



The 3rd Charitable Carnival of Chiayi County Spinal Cord Injury Association

On October 22, 2023, the Chiayi County Spinal Cord Injury Association organized the “Art and Culture Exhibition and Charity Event”. AGV sponsored the Spinal Cord Injury Association event to sell goods for the charity sale to raise funds needed by the association to help people with disabilities improve their quality of life, while raising the public's awareness of SCI.



Blood donations

On November 15, 2023, the Kaohsiung Blood Center sent a bloodmobile to AGV to provide services.



Corporate Beach Cleanup Day

I. Initiation of the event:

With the rise of the global ESG wave, we have to think about the location of AGV in Chiayi County. What can we do for the local environment? Chiayi County is surrounded by mountains, faces the sea, and has 41 kilometers of coastline. It is rich in fresh marine resources. The ocean needs to be taken care of for sustainability. We learned from the coastal beach cleanup adoption system that there were 992 beach cleanups in 2022, so we chose beach cleanup activities about which the public are keen, in order to guide employees' self-growth and give back to society.

II. Purpose of the event:

During the planning process, we wondered whether we should go to beaches with a lot of trash. However, with an increase in the number of site surveys, we have come to realize that sustainable action is not about fighting numbers, but about inspiring people to change, and that enterprises should assume the responsibility of caring for the environment. The slogan of the second beach cleanup was not only to “quiet” the mind but also to “purify” the ocean through behavior, hoping to help employees realize the concept of environmental sustainability in their daily life and work.

III. Activity planning:

The Company visited seven beaches in Chiayi County in the first six months of the event. After considering the participants' safety and without affecting the surrounding environment and neighbors, we selected Haomeili Beach as the beach cleanup site.

Let's make
a clean ocean

April 14, 2023



(I) Transportation and tool procurement

Haomeili Beach is part of the Haomeiliao Nature Reserve. In order to maintain the original appearance of the environment, large vehicles are not allowed to enter. Therefore, we planned to take a carpool to the beach and enter the beach area on foot. We have decomposable raw material packaging bags and stainless steel long clips (non-disposable BBQ tongs) and other reusable and decomposable tools.

(II) Beach cleaning time also depends on the time

After multiple site surveys and process simulations, the staff planned a flexible beach cleanup process. In addition to applying to the Ocean Beach Cleanup Adoption System of the Environmental Management Administration, Ministry of the Environment, and contacting the Chiayi County Environmental Protection Bureau for arranging garbage removal, it is necessary to continue to pay attention to tidal changes one month before the event to ensure personal safety during the beach cleanup.

(III) Pre-departure briefing is very important

In order to make the event more comprehensive, the staff spent nearly a month sorting out front-end information and producing a presentation, and repeatedly confirmed every uncertain detail. Afterwards, we invited everyone to the pre-departure briefing session, where the spirit of the beach cleanup activity, preparation of pre-departure equipment, activity procedures, pickup targets, garbage sorting, and precautions were presented. The employees also expressed their curiosity and doubts about the beach cleanup during the briefing, and the organizer clarified their concerns.

IV. Implementation process:

(I) Forming teams and distributing equipment

Due to the expanse of the Haomeili Beach, taking into account the convenience of group mobility, the scope of mutual care activities, and safety considerations, the participating employees formed a team of four to five people, and tools will be properly distributed.





(II) Beach cleanup process

According to the reminder during the pre-departure briefing, employees carried a back pack instead of a side pack to keep their hands free; they wore a round neck cap with drawstrings instead of a duck tongue to protect their face from the sun; they brought their own eco-friendly water bottles to avoid littering, and wear long clothes. In the hot weather approaching 30 degrees, the team members encouraged each other and showed teamwork to successfully complete the beach cleanup.

(III) Garbage classification and statistics

After picking, everyone went to a shaded place to sort and weigh the “loot”. At this time, everyone's attention and patience were tested, because the picking process was exhaustive for our body and eyes.

V. Outcome:

We used the advertising paper usually received by the Company to prepare the statistics of picked up garbage. The following table shows the results of this beach cleanup:

Recycled resources	 PET bottles	22.2 kg	Subtotal 38.5 kg
	 Tin cans	2 kg	
	 Aluminum cans	2 kg	
	 Glass bottles	11.3 kg	
	 Waste paper	1 kg	
Non-recycled resources	 Bamboo	10 kg	Subtotal 82.2 kg
	 Styrofoam	11.1 kg	
	 Fishing nets/gear	28.2 kg	
	 Other waste	32.9 kg	
Total	120.7 kg		

VI. Conclusion

On the day after the event, we invited our colleagues to take a cloud satisfaction survey. Most of them agreed with the survey. 90% of them said they were “very satisfied” with the beach cleanup and 75% said they were “willing to participate again in the future.” Despite the small scale of the event, the seeds of environmental friendliness have been quietly planted in the hearts of employees (including those who did not participate in the event), and we sincerely hope that these seeds will grow in the future. AGV will continue to uphold the spirit of protecting the local environment in Chiayi, and will continue to hold relevant activities every year in the future to fulfill its corporate social responsibility.



Appendix 1. Table of GRI Index

Statement of use	AGV Products Corporation has reported the information cited in the GRI index for the period from January 1 to December 31, 2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI industry standards	N/A

GRI standards/topics	No.	Disclosure	Corresponding chapter or section/Special description	Page
1. The organization and its reporting practices				
GRI 2: General disclosures 2021	2-1	Organizational details	1.1 About AGV	5
	2-2	Entities included in the organization's sustainability reporting	About the Report	1
	2-3	Reporting period, frequency and contact point	About the Report	1
	2-4	Restatements of information	About the Report	1
	2-5	External assurance	About the Report	1
2. Activities and workers				
GRI 2: General disclosures 2021	2-6	Activities, value chain and other business relationships	1.1 About AGV	5
	2-7	Employees	5.1 Overview of Employee Relations	80
	2-8	Workers who are not employees	5.1 Overview of Employee Relations	80
3. Governance				
GRI 2: General disclosures 2021	2-9	Governance structure and composition	2.1 Governance Development	24
	2-10	Nomination and selection of the highest governance body	2.1 Governance Development	24
	2-11	Chair of the highest governance body	2.1 Governance Development	24
	2-12	Role of the highest governance body in overseeing the management of impacts	2.1 Governance Development	24

GRI standards/topics	No.	Disclosure	Corresponding chapter or section/Special description	Page
3. Governance				
GRI 2: General disclosures 2021	2-13	Delegation of responsibility for managing impacts	2.1 Governance Development	24
	2-14	Role of the highest governance body in sustainability reporting	2.1 Governance Development	24
	2-15	Conflicts of interest	2.1 Governance Development	24
	2-16	Communication of critical concerns	2.1 Governance Development	24
	2-17	Collective knowledge of the highest governance body	2.1 Governance Development	24
	2-18	Evaluation of the performance of the highest governance body	2.1 Governance Development	24
	2-19	Remuneration policies	2.1 Governance Development	24
	2-20	Process to determine remuneration	2.1 Governance Development	24
	2-21	Annual total compensation ratio	The highest amount of total annual remuneration is the organization's confidential information.	-
4. Strategy, policies and practices				
GRI 2: General disclosures 2021	2-22	Statement on Sustainable Development Strategy	Commitments of the Management	2
	2-23	Policy commitments	2.4 Legal Compliance	43
	2-24	Embedding policy commitments	2.4 Legal Compliance	43
	2-25	Processes to remediate negative impacts	2.4 Legal Compliance	43
	2-26	Mechanisms for seeking advice and raising concerns	2.4 Legal Compliance	43
	2-27	Compliance	2.4 Legal Compliance	43
	2-28	Membership of associations	1.1 About AGV	5
5. Stakeholder engagement				
GRI 2: General disclosures 2021	2-29	Approach to stakeholder engagement	1.2 Stakeholder Engagement	11
	2-30	Collective bargaining agreements	No collective bargaining agreements.	-

Material topics				
GRI standards/topics	No.	Disclosure	Corresponding chapter or section/Special description	Page
GRI 3: Material topics 2021	3-1	Process to determine material topics	1.3 Identification and Analysis of Material Topics	15
	3-2	List of material topics	1.3 Identification and Analysis of Material Topics	15
Material topic: Procurement practices (Procurement of raw materials)				
GRI 3: Material topics 2021	3-3	Management of material topics	CH.3 Control of Food Safety and Quality	48
GRI 204: Procurement practices 2016	204-1	Proportion of spending on local suppliers	3.3 Supplier Management	59
Material topic: Economic performance				
GRI 3: Material topics 2021	3-3	Management of material topics	CH.2. Ethical Governance and Sustainable Management	22
GRI 201: Economic performance 2016	201-1	Direct economic value generated and distributed	2.2 Operating Performance	37
	201-2	Financial implications and other risks due to climate change	4.1 Adaptation to Climate Change Risks	69
	201-3	Defined benefit plan obligations and other retirement plans	5.1 Overview of Employee Relations 5.2 Employee Care and Welfare	80 85
	201-4	Financial assistance received from government	2.2 Operating Performance	37
Material topic: Water resource management				
GRI 3: Material topics 2021	3-3	Management of material topics	CH.4 Comprehensive Management of Sustainable Environment	66
GRI 303: Water and effluents 2018	303-1	Interactions with water as a shared resource	4.2 Energy Management	71
	303-2	Management of water discharge-related impacts	4.2 Energy Management	71

Material topics				
GRI standards/topics	No.	Disclosure	Corresponding chapter or section/Special description	Page
Material topic: Water resource management				
GRI 303: Water and effluents 2018	303-3	Water withdrawal	4.2 Energy Management	71
	303-4	Water discharge	4.2 Energy Management	71
	303-5	Water consumption	4.2 Energy Management	71
Material topic: Emissions				
GRI 3: Material topics 2021	3-3	Management of material topics	CH.4 Comprehensive Management of Sustainable Environment	66
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	4.3 Management of GHG Emissions	74
	305-2	Energy indirect (Scope 2) GHG emissions	4.3 Management of GHG Emissions	74
	305-3	Other indirect (Scope 3) GHG emissions	4.3 Management of GHG Emissions	74
	305-4	GHG emissions intensity	4.3 Management of GHG Emissions	74
	305-5	Reduction of GHG emissions	4.3 Management of GHG Emissions	74
	305-6	Emissions of ozone-depleting substances (ODS)	4.3 Management of GHG Emissions	74
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX) and other significant air emissions	4.3 Management of GHG Emissions	74

Material topics				
GRI standards/topics	No.	Disclosure	Corresponding chapter or section/Special description	Page
Material issue: Occupational safety and health				
GRI 3: Material topics 2021	3-3	Management of material topics	CH.5 Happy Workplace and Fulfillment of Responsibilities	78
GRI 403: Occupational health and safety 2018	403-1	Occupational health and safety management system	5.4 Protection of Health	92
	403-2	Hazard identification, risk assessment and incident investigation	5.4 Protection of Health	92
	403-3	Occupational health services	5.4 Protection of Health	92
	403-4	Worker participation, consultation and communication on occupational health and safety	5.4 Protection of Health	92
	403-5	Worker training on occupational health and safety	5.4 Protection of Health	92
	403-6	Promotion of worker health	5.4 Protection of Health	92
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.4 Protection of Health	92
	403-8	Workers covered by an occupational health and safety management system	5.4 Protection of Health	92
	403-9	Work-related injuries	5.4 Protection of Health	92
	403-10	Work-related ill health	5.4 Protection of Health	92
Material topic: Food safety				
GRI 3: Material topics 2021	3-3	Management of material topics	CH.3 Control of Food Safety and Quality	48
GRI 416: Customer health and safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	3.1 Food Safety Management	51
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	3.1 Food Safety Management	51

Economic aspect

GRI standards/topics	No.	Disclosure	Corresponding chapter or section/Special description	Page
GRI 202: Market presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	5.2 Employee Care and Welfare	85
	202-2	Proportion of senior management hired from the local community	5.1 Overview of Employee Relations	80
GRI 203: Indirect economic impacts 2016	203-1	Infrastructure investments and services supported	5.5 Social Charity and Its Practices	97
	203-2	Significant indirect economic impacts	5.5 Social Charity and Its Practices	97
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	2.4 Legal Compliance	43
	205-2	Communication and training about anti-corruption policies and procedures	2.4 Legal Compliance	43
	205-3	Confirmed incidents of corruption and actions taken	2.4 Legal Compliance	43
GRI 206: Anti-competitive behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust and monopoly practices	2.4 Legal Compliance	43
GRI 207: Tax 2019	207-1	Approach to tax	2.2 Operating Performance	37
	207-2	Tax governance, control and risk management	2.2 Operating Performance	37
	207-3	Stakeholder engagement and management of concerns related to tax	2.2 Operating Performance	37
	207-4	Country-by-country reporting	Country-by-country reporting is not required.	-

Environmental aspect				
GRI standards/topics	No.	Disclosure	Corresponding chapter or section/Special description	Page
GRI 301: Materials 2016	301-1	Materials used by weight or volume	3.1 Food Safety Management	51
	301-3	Reclaimed products and their packaging materials	3.1 Food Safety Management	51
GRI 302: Energy 2016	302-1	Energy consumption within the organization	4.2 Energy Management	71
	302-2	Energy consumption outside of the organization	4.2 Energy Management	71
	302-3	Energy intensity	4.2 Energy Management	71
	302-4	Reduction of energy consumption	4.2 Energy Management	71
	302-5	Reductions in energy requirements of products and services	4.2 Energy Management	71
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	4.4 Waste Management	76
	306-2	Management of significant waste-related impacts	4.4 Waste Management	76
	306-3	Waste generated	4.4 Waste Management	76
	306-4	Waste diverted from disposal	4.4 Waste Management	76
	306-5	Waste directed to disposal	4.4 Waste Management	76
GRI 306: Effluents and waste 2016	306-3	Significant spills	4.4 Waste Management	76
GRI 308: Supplier environmental assessment 2016	308-1	New suppliers that were screened using environmental criteria	3.3 Supplier Management	59
	308-2	Negative environmental impacts in the supply chain and actions taken	3.3 Supplier Management	59

Social aspect				
GRI standards/topics	No.	Disclosure	Corresponding chapter or section/Special description	Page
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	5.1 Overview of Employee Relations	80
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.2 Employee Care and Welfare	85
	401-3	Parental leave	5.2 Employee Care and Welfare	85
GRI 402: Labor/Management relations 2016	402-1	Minimum notice periods regarding operational changes	5.2 Employee Care and Welfare	85
GRI 404: Training and education 2016	404-1	Average hours of training per year per employee	5.3 Career Development and Training	90
	404-2	Programs for upgrading employee skills and transition assistance programs	5.3 Career Development and Training	90
	404-3	Percentage of employees receiving regular performance and career development reviews	5.3 Career Development and Training	90
GRI 405: Diversity and equal opportunity of employees 2016	405-1	Diversity of governance bodies and employees	5.1 Overview of Employee Relations	80
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	5.2 Employee Care and Welfare	85
GRI 408: Child labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	3.3 Supplier Management	59
GRI 409: Forced or compulsory labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	3.3 Supplier Management	59
GRI 410: Security practices 2016	410-1	Security personnel trained in human rights policies or procedures	5.2 Employee Care and Welfare	85

Social aspect				
GRI standards/topics	No.	Disclosure	Corresponding chapter or section/Special description	Page
GRI 411: Rights of indigenous peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	5.2 Employee Care and Welfare	85
GRI 413: Local communities 2016	413-1	Operations with local community engagement, impact assessments and development programs	5.5 Social Charity and Its Practices	97
	413-2	Operations with significant actual and potential negative impacts on local communities	5.5 Social Charity and Its Practices	97
GRI 414: Supplier social assessment 2016	414-1	New suppliers that were screened using social criteria	3.3 Supplier Management	59
	414-2	Negative social impacts in the supply chain and actions taken	3.3 Supplier Management	59
GRI 417: Marketing and labeling 2016	417-1	Requirements for product and service information and labeling	3.2 Customer Service and Communication	59
	417-2	Incidents of non-compliance concerning product and service information and labeling	3.2 Customer Service and Communication	59
	417-3	Incidents of non-compliance concerning marketing communications	3.2 Customer Service and Communication	59
GRI 418: Customer privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	3.2 Customer Service and Communication	59

Appendix 2. Reference Table of Sustainability Accounting Standards (SASB) - Processed Foods Industry

Topic of disclosure	Metric Code	Accounting metric	Description	Corresponding chapter or section	Page
Energy management	FB-PF-130a.1	(1) Total energy consumed. (2) Percentage of grid electricity used. (3) Percentage of renewable energy used.	(1) Our total energy consumption in 2023 was 364,413.06 GJ. (2) The percentage of electricity purchased by AGV is 10.76%. (3) We do not use renewable energy.	4.2 Energy Management	71
	FB-PF-140a.1	(1) Total water withdrawn. (2) Total water consumed. Percentages of water withdrawn and consumed in regions with high water stress.	(1) The total municipal water withdrawn by us amounted to 378.038 ML. (2) We do not use water from regions with high water stress.	4.2 Energy Management	71
Water resource management	FB-PF-140a.2	Number of incidents of non-compliance associated with water quality and/or quantity	There was no related case of non-compliance in 2023.	-	-
	FB-PF-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	We hold regular meetings to discuss issues related to water resources, formulate policies to make active improvement to the amount of water consumed in our manufacturing processes, review our performance in water conservation on a monthly basis, and promote water conservation through posters, slogans and training courses to enhance the effectiveness of our available water resources.	4.2 Energy Management	71

Topic of disclosure	Metric Code	Accounting metric	Description	Corresponding chapter or section	Page
Food safety	FB-PF-250a.1	Global Food Safety Initiative (GFSI) audit. (1) non-conformance rate; (2) associated corrective action rate; and differentiated disclosures for major and minor non-conformances.	We comply with the Act Governing Food Safety and Sanitation of Taiwan. All products and services provided by us have passed certifications for food safety management system (FSSC 22000 and ISO 22000) and for food safety control system (HACCP), with a passing rate of 100%.	3.1 Food Safety Management	51
	FB-PF-250a.2	Percentage of cost for raw materials from Tier 1 suppliers that have passed food safety certification standards recognized by GFSI	In 2023, among a total of 227 vendors of our primary raw materials, on-site evaluations were completed for 79 suppliers, accounting for 34.8%. In the future, we will continue to emphasize the importance of on-site evaluation of suppliers and further expand the scope of evaluation, and will encourage our supply chain to obtain GFSI-recognized certifications.	3.3 Supplier Management	59
	FB-PF-250a.3	(1) Total number of notices of food safety violations received. (2) Improvement by percentage.	In 2023, there was no violation of food safety.	-	-
	FB-PF-250a.4	(1) Number of food recalls. (2) Total amount of food products recalled.	In 2023, there was no recall of products.	-	-

Topic of disclosure	Metric Code	Accounting metric	Description	Corresponding chapter or section	Page
Health and nutrition	FB-PF-260a.1	Revenue from products labeled to promote health and nutrition attributes	In 2023, the revenue from the sales of healthy foods totaled NTD 1,117,613 thousand.	CH.3 Control of Food Safety and Quality	48
	FB-PF-260a.2	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers.	In order to assure consumers purchasing AGV's products and services, we disclose the necessary information for each of the products and services provided by us. Regarding the packaging and description of each product manufactured and marketed by AGV, we make a list of detailed information including raw materials, ingredients, expiration date, place of origin, conditions for preservation, and instructions for use, so that consumers are able to understand the information about AGV's products. We have also set up a consumer service hotline to provide solutions and answer questions. Furthermore, the labeling and descriptions of the products and services provided to consumers are in compliance with relevant laws and regulations, and we have voluntarily introduced a food safety management system and certification labels, with a 100% rate of completion of evaluation.	CH.3 Control of Food Safety and Quality	48

Topic of disclosure	Metric Code	Accounting metric	Description	Corresponding chapter or section	Page
Product labeling and marketing	FB-PF-270a.1	(1) Percentage of advertising impressions made on children. (2) Percentage of advertising impressions made on children that meet the requirements of the Children's Food and Beverage Advertising Initiative (CFBAI).	(1) The marketing and advertising strategies currently promoted by the AGV Group do not include any direct or indirect advertisement or promotion targeting children. We are committed to the belief of "For a Healthy Tomorrow" to safeguard the physical and mental health of children. (2) According to the data of percentage and contents of AGV's media advertisements and promotions, none of its advertising campaigns includes any communication or promotion targeting children below the age of 12, and none of them contains any content physically or mentally harmful to children.	CH.3 Control of Food Safety and Quality	48
	FB-PF-270a.2	(1) Genetically modified organisms (GMO). (2) Revenue from non-GMO products.	(1) We do not manufacture any GMO product, except that the ingredients of the prior tier used by part of our products contain GMO raw materials. In 2023, the revenue from GMO products was NTD 23,926,320. (2) In 2023, the revenue from products labeled as non-GMO was NTD 6,032,799.	-	-
	FB-PF-270a.3	Number of incidents of non-compliance with industry standards or regulations on product labeling or marketing	In 2023, there was no case of non-compliance with industry standards or regulations on product labeling or marketing.	-	-

Topic of disclosure	Metric Code	Accounting metric	Description	Corresponding chapter or section	Page										
Product Labeling and Marketing	FB-PF-270a.4	Amount of monetary losses as a result of legal proceedings associated with product labeling or marketing	In 2023, there was no related case of violation/legal proceeding.	-	-										
Product packaging life cycle management	FB-PF-410a.1	(1) Total weight of packaging. (2) Percentage of packaging made from recycled or renewable materials. (3) Percentage of packaging that is renewable, recyclable or compostable.	(1) Main packaging <table border="1"><thead><tr><th>Category</th><th>Weight (tonnes)</th></tr></thead><tbody><tr><td>Cartons</td><td>860.6</td></tr><tr><td>Glass bottles</td><td>2,675.1</td></tr><tr><td>Twist caps</td><td>197.2</td></tr><tr><td>Tin cans</td><td>2,140.4</td></tr></tbody></table> (2) The use of recycled pulp in carton packaging materials accounts for more than 90% of total fibers. (3) As a food manufacturer, AGV collects products returned from vendors each month. Most of the returned products are still edible after being processed in our return warehouse, but they cannot be sold in the market anymore. Thus, they are delivered to our employee welfare store and sold to our employees at staff price. In addition, slow-selling products with good appearance and packaging are sold through other specialized channels.	Category	Weight (tonnes)	Cartons	860.6	Glass bottles	2,675.1	Twist caps	197.2	Tin cans	2,140.4	3.1 Food Safety Management	51
	Category	Weight (tonnes)													
Cartons	860.6														
Glass bottles	2,675.1														
Twist caps	197.2														
Tin cans	2,140.4														
	FB-PF-410a.2	Description of how to reduce the environmental impact of packaging throughout its life cycle	No disclosure.	-	-										

Topic of disclosure	Metric Code	Accounting metric	Description	Corresponding chapter or section	Page
Environmental and Social Impacts of Ingredient Supply Chain	FB-PF-430a.1	Percentage of ingredients sourced from Tier 1 suppliers that are certified to third-party environmental or social standards	In 2023, none of the raw materials purchased by AGV were certified to third-party environmental or social standards.	-	-
	FB-PF-430a.2	Suppliers' social and environmental responsibilities audited according to external standards or codes of conduct (1) non-conformance rate; (2) associated corrective action rate; and differentiated disclosures for major and minor non-conformances.	In 2023, among a total of 227 vendors of our raw materials, 54 were suppliers of our primary raw materials, all of which have signed the "Social Responsibility Commitments for Suppliers" with checks conducted using the "Supplier Social Responsibility Audit Checklist". Evaluation results indicated no non-conforming suppliers, for a non-conforming rate of 0%.	3.3 Supplier Management	59
Procurement of raw materials	FB-PF-440a.1	Percentage of ingredients sourced from Tier 1 suppliers originating in regions with high water stress	None of the food ingredients from our food suppliers originates in regions with water stress.	-	-

Topic of disclosure	Metric Code	Accounting metric	Description	Corresponding chapter or section	Page
Procurement of raw materials	FB-PF-440a.2	Disclosure of a list of priority food ingredients and how to manage their resulting environmental and social risks.	Main raw materials	3.3 Supplier Management	59
			Peanuts		
			Salted ingredients		
			Refined white sugar		
			Soybean oil		
			Tinplate cans		
			Glass jars		
			Fried gluten balls		
			Sour bamboo shoots		
			Twist caps		
			Dessert container lids with spoons		

Topic of disclosure	Index code	Accounting metric	Description	Corresponding chapter or section	Page
Operating metrics	FB-PF-000.A	Total weight of products sold	In 2023, the annual sales volume of sold products amounted to 20,992,186 dozens.	1.1 About AGV	5
	FB-PF-000.B	Number of manufacturing factories	AGV has Food Factory 1, Food Factory 2, and Food Factory 3.	-	-

Appendix 3. Sustainability Disclosure Metrics - Food Industry and Industries with Food Accounting for 50% or More of Their Total Revenue

No.	Metric	Metric Category	Annual disclosures	Unit	Corresponding chapter or section	Page
1	Categories and percentages of the main products and services affected by assessments and improvements made with regard to health management for employees, workplaces and facilities and the quality assurance system for the purpose of improving food health, safety and quality.	Quantitative and qualitative descriptions	According to the Act Governing Food Safety and Sanitation and the Regulations on Good Hygiene Practice for Food, a heat penetration measuring report must be obtained for low-acid and acidified canned foods before they are produced and hit the shelves. Based on our expectations for the management of product quality, health and safety, we have applied for certification of self-measurement of heat distribution and heat penetration, and we have passed the self-measurement evaluation conducted by and received qualifications and regular retraining for our trained personnel from the Food Industry Research and Development Institute, an institution with expertise in sterilizing equipment and sterilization recognized by the Taiwan Food and Drug Administration. Moreover, we have acquired “pointed wireless temperature measuring devices” for detection on our internal low-acid and acidified canned products regardless of the type of contents, shape of granules or size specifications. We have thus achieved the criteria and goal of full self-detection for sterilization.	Percentage (%)	3.1 Food Safety Management	51

No.	Metric	Metric Category	Annual disclosures	Unit	Corresponding chapter or section	Page
1	Categories and percentages of the main products and services affected by assessments and improvements made with regard to health management for employees, workplaces and facilities and the quality assurance system for the purpose of improving food health, safety and quality.	Quantitative and qualitative descriptions	The certification of self-measurement of heat distribution and heat penetration has significant meaning, both in substance and symbolically, for a canned food manufacturer. It serves to enhance the professional skills of production, manufacturing and QA personnel at the factories, monitor product safety, facilitate overall upgrade of the canned food industry and build our professional image and brand values. In 2023, 100% of the categories of the main products and services were affected by AGV.	Percentage (%)	3.1 Food Safety Management	51
2	Categories and number of incidents of violation of product and service health and safety regulations and non-compliance with product and service information and labeling regulations, number of product recalls, and total weight of products recalled.	Quantitative and qualitative descriptions	In 2023, AGV was not involved in any case of violation of product and service health and safety regulations or non-compliance with product and service information and labeling regulations.	Quantity, tonne (t)	3.2 Customer Service and Communication	59
3	Percentage of products that meets internationally accepted product responsibility standards in total purchases, differentiated by standards.	Quantitative	In 2023, AGV did not purchase any product that meets internationally accepted standards.	Percentage (%)	-	-

No.	Metric	Metric Category	Annual disclosures	Unit	Corresponding chapter or section	Page
4	Percentage of products manufactured by factories certified by an independent third party to be meeting internationally recognized standards of food safety management system.	Quantitative	In 2023, 100% of products manufactured by AGV's factories certified by an independent third party to be meeting internationally recognized standards of food safety management system.	Percentage (%)	3.1 Food Safety Management	51
5	Number and percentage of suppliers audited, and the scope and results of their audits.	Quantitative and qualitative descriptions	In 2023, of a total of 163 suppliers rated for actual delivery, 148 were rated A, 13 were rated B, and 2 were rated C. AGV requires its suppliers to undergo an "on-site evaluation". In 2023, on-site evaluations were completed for 79 suppliers, accounting for 34.8%, and the evaluation results indicated no unqualified suppliers.	Percentage (%)	3.1 Food Safety Management 3.3 Supplier Management	51 59
6	Product tracing and tracking management required by law or on a voluntary basis, and the percentage of the relevant products in total products.	Quantitative and qualitative descriptions	According to the "Regulations Governing Traceability of Foods and Relevant Products", a food business is required to record and trace the sources of supply or track the destinations of products with regard to the processes of supply of foods and relevant products.	Percentage (%)	3.1 Food Safety Management	51

No.	Metric	Metric Category	Annual disclosures	Unit	Corresponding chapter or section	Page
6	Product tracing and tracking management required by law or on a voluntary basis, and the percentage of the relevant products in total products.	Quantitative and qualitative descriptions	Pursuant to the said regulations, AGV conducts supplier traceability audits. In 2023, AGV uploaded the information of 110 products subject to mandatory tracing and of 116 products outsourced for manufacturing, accounting for 94.17% of all products, of which 5.83% were subject to voluntary tracing and tracking. All relevant information has been uploaded to the “Food Tracing and Tracking Management Information System (Mandatory Tracing)” of the Ministry of Health and Welfare (https://ftracebook.fda.gov.tw).	Percentage (%)	3.1 Food Safety Management	51
7	Food safety labs established as required by law or on a voluntary basis, the scope and results of testing, the associated expense and its percentage in the net operating revenue.	Quantitative and qualitative descriptions	AGV’s food safety lab - Testing and Analysis Center (TAC) has received the TFDA (Taiwan Food and Drug Administration) and TAF (Taiwan Accreditation Foundation) certifications. The scope of testing includes eight categories. In 2023, the associated expense amounted to NTD 22,127,777, accounting for 0.55% of our net operating revenue.	Percentage (%)	3.1 Food Safety Management	51

No.	Metric	Metric Category	Annual disclosures	Unit	Corresponding chapter or section	Page
8	Total energy consumption, percentage of externally purchased electricity, and renewable energy use rate	Quantitative	In 2023, total energy consumption was 364,413.06 GJ, of which the consumption of purchased electricity was 39,220.97 GJ, accounting for 10.76%. We do not use renewable energy.	Gigajoule (GJ), percentage (%)	4.2 Energy Management	71
9	Total water withdrawn and consumed	Quantitative	In 2023, total tap water withdrawn was 378.038 thousand m3, and total water consumed was 52.73 thousand m3.	Thousand cubic meters (m ³)	4.2 Energy Management	71
10	Weight of products sold, and number of production facilities	Quantitative	In 2023, the annual sales volume of sold products amounted to 20,992,186 dozens. AGV has Food Factory 1, Food Factory 2, and Food Factory 3.	Tonne (t), quantity	1.1 About AGV	5

Appendix 4. Climate-related Information of TWSE-listed Companies

Item	Corresponding chapter or section	Page
1. Describe the Board of Directors and management's oversight and governance of climate-related risks and opportunities.	4.1 Adaptation to Climate Change Risks	69
2. Describe how the identified climate risks and opportunities affect the business, strategy and finance of the company (short, medium and long term).	4.1 Adaptation to Climate Change Risks	69
3. Describe the financial impact of extreme weather events and transitional actions.	4.1 Adaptation to Climate Change Risks	69
4. Describe how the processes for identifying, assessing and managing climate risks are integrated into the overall risk management system.	4.1 Adaptation to Climate Change Risks	69
5. If a scenario analysis is used to assess the resilience to climate change risks, the scenario, parameters, assumptions, analysis factors and key financial impacts used should be described.	-	-
6. If there is a transition plan to manage climate-related risks, describe the contents of the plan and the metrics and targets used to identify and manage physical and transition risks.	4.1 Adaptation to Climate Change Risks	69
7. If internal carbon pricing is used as a planning tool, the basis for price setting should be described.	-	-
8. If climate related targets are set, the activities covered, the scope of GHG emissions, the planned period, the annual progress of achievement and other information should be described. If carbon offsets or renewable energy certificates (RECs) are used to achieve the related targets, the source and quantity of carbon credits or the number of RECs to be offset should be described.	4.1 Adaptation to Climate Change Risks	69
9. GHG inventory and assurance.	4.1 Adaptation to Climate Change Risks	69

Appendix 5. CPA's Limited Assurance Report



國富浩華聯合會計師事務所

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CPA's Limited Assurance Report

To AGV Products Corporation:

Scope of assurance

I was engaged by AGV Products Corporation (hereinafter referred to as "AGV") to perform limited assurance procedures and issue a limited assurance report on the selected information of sustainability performance in its 2023 Sustainability Report (hereinafter referred to as the "Report"). For the target information selected by AGV and the criteria of its application, see Attachment 1 "Summary of Assurance Items."

Responsibilities of management

Management is responsible for preparing the Sustainability Report in accordance with the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" of the Taiwan Stock Exchange, the GRI Standards issued by the Global Reporting Initiative (GRI), and the standards of the Sustainability Accounting Standards Board (SASB), and for designing, implementing and maintaining internal controls in connection with the preparation of the Report, in order to collect and disclose the content of the Report and ensure the target information covered by the Report are not materially misstated due to fraud or error.

Responsibilities of CPA

I planned and carried out limited assurance work in accordance with the requirements of the Standard on Assurance Engagements No. 3000 "Assurance not classified as audit or review of historical financial information" to issue a limited assurance report on whether or not the target information for assurance, as described in the first paragraph, is materially misstated. The procedures performed in a limited assurance engagement differ in nature and timing from and have narrower scope than those in a reasonable assurance engagement. Consequently, the level of limited assurance procedures is lower than that of reasonable assurance.

Assurance work

Based on my professional judgment, I planned and performed limited assurance procedures on the target information for assurance, as described in the first paragraph, to obtain limited assurance evidence related to the target information. As all internal controls are inherently limited, it is not necessarily possible to identify all existing material misstatements. The assurance procedures performed by me included, primarily:

- (1) Obtaining AGV's 2023 Sustainability Report and reviewing its content;
- (2) Interviewing the management and relevant employees of AGV to understand AGV's policies and procedures regarding the preparation of the Sustainability Report;
- (3) Conducting analytical procedures on the selected target information for assurance in the Report and, when necessary, comparing selected samples with relevant documents to acquire sufficient and appropriate evidence for limited assurance.

Statement of compliance with the requirements of independence and quality control

I and my firm have complied with the requirements of independence and other ethical standards in the Standards of Professional Ethics for Certified Public Accountants, the basic principles of which include integrity, impartiality, objectivity, professional competence and an approach to professionally required care, confidentiality and expertise. My firm has also complied with the requirements of the Quality Control Standards No. 1 “Quality control for accounting firms” in maintaining a comprehensive quality control system, including documented policies and procedures regarding compliance with occupational ethical requirements, professional standards and applicable laws and regulations.

Inherent limitations

Assurance for non-financial information involved in the Sustainability Report is more inherently limited than for financial information, where the relevance, materiality and accuracy of such information may involve material judgment, presumption and interpretation by management. As a result, the interpretation of such information is likely to vary with different stakeholders.

Limited assurance conclusion

Based on the assurance procedures performed and the evidence obtained by me, nothing has come to my attention to suggest that the selected target information for assurance in AGV’s 2023 Sustainability Report is, in all material aspects, not prepared in accordance with its criteria of application and requires correction.

Other matters

The maintenance of AGV’s website is the responsibility of its management. In the event of any change to any target information or criteria of application following publication of the assurance report on AGV’s website, I am not responsible for re-performing assurance work with respect to such information.

Crowe Taiwan
CPA: Shu-Man Tsai

August 12, 2024

Attachment 1

Summary of Assurance Items			
No.	Assurance item ("Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" of the Taiwan Stock Exchange)	Description of metrics	Measurement criteria
1	No. 1, Table 1-1, Paragraph 1, Article 4 of the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies".	Categories and percentages of the main products and services affected by assessments and improvements made with regard to health management for employees, workplaces and facilities and the quality assurance system for the purpose of improving food health, safety and quality.	<ol style="list-style-type: none"> 1. Assurance procedures were conducted for the "pointed wireless temperature measuring devices" purchased by AGV to detect its internal low-acid and acidified canned products. 2. AGV established the Testing and Analysis Center and obtained TFDA and TAF certifications. The center performs assurance procedures for product nutrition labeling, product quality, health and safety, and other items. 3. Assurance procedures were performed for AGV's on-site employees to obtain relevant certificates for training in food hygiene or sterilization.
2	No. 2, Table 1-1, Paragraph 1, Article 4 of the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies".	Categories and number of incidents of violation of product and service health and safety regulations and non-compliance with product and service information and labeling regulations, number of product recalls, and total weight of products recalled.	In 2023, AGV was not involved in any cases of violation of product and service health and safety regulations or non-compliance with product and service information and labeling regulations.
3	No. 3, Table 1-1, Paragraph 1, Article 4 of the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies".	Percentage of products that meets internationally accepted product responsibility standards in total purchases, differentiated by standards.	In 2023, AGV did not purchase any product that meets internationally accepted product responsibility standards.

Summary of Assurance Items			
No.	Assurance item ("Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" of the Taiwan Stock Exchange)	Description of metrics	Measurement criteria
4	No. 4, Table 1-1, Paragraph 1, Article 4 of the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies".	Percentage of products manufactured by factories certified by an independent third party to be meeting internationally recognized standards of food safety management system.	All AGV's factories in Chiayi (including Food Factory 1, Food Factory 2, and Food Factory 3) have passed FSSC22000, HACCP, and ISO 22000 independent third-party inspections to comply with international certifications. In addition, the products of outsourced manufacturers have also passed ISO 22000 or FSSC22000 certification. In 2023, assurance procedures were implemented for the percentage of products manufactured by AGV's factories meeting internationally recognized food safety management system standards.
5	No. 5, Table 1-1, Paragraph 1, Article 4 of the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies".	Number and percentage of suppliers audited, and the scope and results of their audits.	Evaluation conducted by AGV for its suppliers in 2023: 1. The score of the items, delivery dates, and quantities for actual delivery by suppliers. 2. On-site supplier evaluation. Assurance procedures were performed for the two evaluations above.
6	No. 6, Table 1-1, Paragraph 1, Article 4 of the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies".	Product tracing and tracking management required by law or on a voluntary basis, and the percentage of the relevant products in total products.	Assurance procedures were performed for the percentage of AGV's products uploaded to the MOHW's "Food Tracing and Tracking Management Information System (Mandatory Tracing)" (including items for legally required tracking and voluntary tracking) in 2023.

Summary of Assurance Items			
No.	Assurance item ("Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" of the Taiwan Stock Exchange)	Description of metrics	Measurement criteria
7	No. 7, Table 1-1, Paragraph 1, Article 4 of the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies".	Food safety labs established as required by law or on a voluntary basis, the scope and results of testing, the associated expense and its percentage in the net operating revenue.	AGV has established the Testing and Analysis Center (TAC), which has received the TFDA certification of the MOHW and the certification of the Taiwan Accreditation Foundation (TAF). Assurance procedures were performed for the percentage of the parent-only operating revenue which the amount of expense by the TAC accounted for in 2023.
8	No. 8, Table 1-1, Paragraph 1, Article 4 of the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies".	Total energy consumption, percentage of purchased electricity, and renewable energy use rate.	Assurance procedures were performed for the total energy consumed and percentage of electricity purchased by AGV's Chiayi Headquarters, Taipei Office, Xindian Office, Hsinchu Office, Taichung Office, Tainan Office, Kaohsiung Office, and Jiangwen Street Dormitory in 2023. AGV did not use any renewable energy.
9	No. 9, Table 1-1, Paragraph 1, Article 4 of the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies".	Total water withdrawn and consumed.	Assurance procedures were performed for the data of total water withdrawn and consumed by AGV's Chiayi Headquarters, Taipei Office, Xindian Office, Taichung Office, Tainan Office, Kaohsiung Office, and Jiangwen Street Dormitory in 2023.
10	No. 10, Table 1-1, Paragraph 1, Article 4 of the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies".	Weight of products sold, and number of production facilities.	In 2023, assurance procedures were performed for the number of products sold by AGV (thousand dozens) and the number of production facilities (including Food Factory 1, Food Factory 2, and Food Factory 3, including outsourced processing plants).

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