



# AGV PRODUCTS CORPORATION

## 2022 SUSTAINABILITY REPORT





# Table of Contents

About the Report .....	1
Commitments of the Management .....	2
I. Development of Sustainability Strategies .....	6
1.1 About AGV .....	7
1.2 Stakeholder Engagement .....	12
1.3 Identification and Analysis of Material Issues .....	16
II. Ethical Governance and Sustainable Management .....	26
2.1 Governance Development .....	27
2.2 Operating Performance .....	44
2.3 Operational Risks .....	46
2.4 Legal Compliance .....	50
III. Control of Food Safety and Quality .....	62
3.1 Food Safety Management and Material Management .....	66
3.2 Customer Service and Communication .....	71
3.3 Supply Chain Management .....	71
IV. Comprehensive Management of Sustainable Environment .....	74
4.1 Adaptation to Climate Change Risks .....	78
4.2 Energy Management .....	80

4.3 Management of GHG Emissions .....	85
4.4 Waste Management .....	87
<b>V. Happy Workplace and Fulfillment of Responsibilities.....</b>	<b>88</b>
5.1 Overview of Employee Relations .....	90
5.2 Employee Care and Welfare .....	95
5.3 Career Development and Training .....	99
5.4 Protection of Health .....	101
5.5 Social Charity and Its Practices .....	106
<b>Appendices .....</b>	<b>110</b>
Appendix 1 : Comparison Table on the GRI Standards for Sustainability Reporting (GRI Standards).....	110
Appendix 2 : Disclosures Specific to the Food Processing Industry .....	124
Appendix 3 : Comparison Table on the Sustainability Accounting Standards (SASB) .....	125
Appendix 4 : Sustainability Disclosure Metrics .....	132
Appendix 5 : Climate-related Information of TWSE/TPEX-listed Companies	136
Appendix 6 : CPA' s Limited Assurance Report .....	137



# About the Report

This report is the 9th “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/TPEX 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.

GRI 2-2

## Boundaries and Scope of Reporting

The data and content disclosed in this report mainly consist of the information of 2022 (January 1 to December 31, 2022). 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, 2022). 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 Universal Standards 2021 published by GRI 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 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 6 of this report “CPA’s Limited Assurance Report.”

## Restatement of Information GRI 2-4

The Company did not restate any information during the reporting period (January 1 to December 31, 2022). 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 9th 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 2022.
- ▶ Current edition: issued in September 2023.
- ▶ Next edition: issued in September 2024.

## Contact Information GRI 2-3

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

- ▶ Contact person: Yueh-Tsu Tsai, Human Resource Division
- ▶ Address: No. 11, Gongye 2nd Rd., Xingnan Village, Minxiong Township, Chiayi County
- ▶ Telephone: (05)2211521
- ▶ Fax: (05)2216287
- ▶ Email: yuehchu@mail.agv.com.tw
- ▶ Website: <https://www.agv.com.tw>



FOR A HEALTHY TOMORROW



Chairman  
Kuan-Han Chen

GRI 2-22

## The Commitment of the Management

**Love is an unwavering corporate social responsibility: Loving the company, society, the environment, and the employees.**

Half a century ago, the founders of AGV embarked on their journey with a simple yet profound principle - love. Over the decades, this love has evolved from a sense of responsibility towards their families into a profound commitment to lifelong dedication, the betterment of society and the nation, the preservation of the Earth's environment, and a deep affection for the employees and their families who work tirelessly alongside them.

AGV's inception was rooted in the idea of love, and its vision of "FOR A HEALTHY TOMORROW" became both a corporate commitment and a brand ethos. This vision has merged seamlessly with the industry's standards of "natural, eco-friendly, green, and healthy" that AGV has established over the years. It represents the company's profound love for the nation, society, and the environment, and serves as a testament to its unwavering commitment to fulfilling corporate social responsibility.

The teachings and foresight of AGV's founding generation continue to be deeply ingrained in the hearts of the management and every employee. AGV firmly believes that corporate social responsibility is not a burden but rather the cornerstone of building a century-old legacy. It's a sweet promise that remains unwavering: to love the company, to love society, to love the environment, and to love the employees.

Thanks to recent global trends and government policies that encourage listed companies to actively fulfill Corporate Social Responsibility (CSR), advancing in four major dimensions: Environmental Protection, Social Participation, Corporate Governance, and Enterprise Commitment, AGV has been able to develop its sustainable business strategy and align with international political and economic trends. This approach has enabled AGV to progress continuously toward sustainable business practices and environmental prosperity. As a result of these efforts, AGV has maintained stable growth in revenue, profits, market share, and

customer loyalty over the years. Even in the face of severe challenges such as the COVID-19 pandemic since 2020, geopolitical conflicts, and inflation, AGV's tangible and intangible advantages have allowed the company to perform robustly in both Corporate Social Performance (CSP) and Corporate Financial Performance (CFP). AGV not only exceeds expectations from various stakeholders but also fosters mutual support and mutually beneficial relationships, demonstrating resilience in both short and long-term performance.

To further proactively address the increasing global emphasis on Corporate Social Responsibility (CSR) in recent years, our management has long been committed to balancing both financial and non-financial performance in our operations. Simultaneously, our Sustainable Management Responsibility Team remains vigilant in monitoring the timely disclosure of corporate social performance information, as assessed by international sustainability ratings such as CDP and DJSI, and relevant advocacy organizations like GRI and IIRC.

We continuously assess, review, enhance, and track our efforts to align with international trends and standards, and in some cases, even stay ahead of them. Drawing from the collective expertise of international sustainability rating agencies, the guidance of government regulatory bodies, and the foresight of Taiwan's listed companies, AGV's Sustainable Management Responsibility Team has consolidated the latest strategic directions and action plans for corporate social performance:

1. Corporate Commitment Promise
2. Social Welfare Promise
3. Environmental Sustainability Promise
4. Employee Well-being Promise

These commitments reflect our dedication to comprehensive corporate social responsibility and our commitment to enhancing the well-being of our employees, supporting the community, and ensuring the sustainability of our environment.

## **1. 【Love Company】 Corporate Governance Commitment: Business Responsibility, Quality Safety, Research and Innovation**

Listed companies are the benchmark for all private enterprises, not only gaining access to the largest national social resources but also earning the trust and expectations of the general public. Love Taste deeply understands the importance of food in people's lives and the responsibilities and commitments that come with being a food company. Guided by the corporate vision of "Making Tomorrow Healthier" and a commitment to "Great Health" in food safety, we spare no effort in overseeing both financial and non-financial aspects of our business. We implement a fair, equitable, and transparent supply chain management system and strive to comply with food safety policies and regulations. We continually innovate through research and development in laboratories certified to national standards by TAF and TFDA, aiming to enhance our innovative advantages and align our quality standards with international norms.

### ● Business Responsibility :

Our team is dedicated to maintaining positive and steady financial performance in terms of revenue, gross margin, operating margin, and net profit margin. Earnings per share and shareholders' equity have also shown significant improvements. In the area of corporate governance, we wholeheartedly promote various non-financial indicators of corporate social responsibility, including compliance with environmental laws, energy management, pollution prevention, and environmentally friendly policies, all held to the highest standards.

### ● Quality Safety :

The promise of delivering products that "Make Tomorrow Healthier" is the cornerstone of Love Taste's foundation. Whether it's product traceability, record keeping, simple formulations, or clean labels, we

consistently adhere to the natural and the best. Love Taste Central Health Science Research Institute is committed to product innovation and process optimization, aiming for products that are pure, natural, and free from contamination. Our product formulations adhere to the principles of simplicity and clean labels, eliminating unnecessary artificial additives, and moving toward health, deliciousness, sustainability, and naturalness.

● Research and Innovation :

Love Taste invests approximately 40 to 50 million New Taiwan Dollars annually in research and innovation. We have not only established nationally certified laboratories that meet TAF ISO/IEC 17025 and TFDA standards but also attracted and nurtured top food science talents from both domestic and international sources. Research and innovation serve as Love Taste's leading engine in the market, as well as a robust defense against quality issues and food safety risks. Over the years, we have accumulated 11 domestic and international food patents, dozens of national health certification marks, and hundreds of domestic and international awards, including the World Food Gold Award, the highest honor of EU AA No Additives certification, the International Flavor Assessment Institute's Excellent Flavor Award, Silver Friendly Food for the Elderly, the Food Industry Research Institute's Silver Friendly Food for the Elderly selection, the International Flavor Assessment Institute's Excellent Flavor Award, the Taiwan Health Food Association's Innovation Award, the Foodpower Food Innovation Award, the Taiwan Food Science Society's Product Commendation Award, the Japan Food Professional Award, and the SNQ National Quality Award, among others.

These efforts and achievements demonstrate Love Taste's commitment to corporate governance, quality safety, and research and innovation, as well as the company's unwavering dedication to long-term sustainability and social contributions.

## **2. 【Love Society】 Engaging in Philanthropic Commitments: Industry Associations, Charitable Organizations, Government Groups**

With a commitment to corporate citizenship and social welfare, and guided by the principle of taking from society and giving back to society, Love Taste has been actively involved in various professional associations such as the Taiwan Canned Food Industry Association, the Taiwan Beverage Industry Association, the Taiwan Food Science and Technology Association, the Taiwan Grains Industry Development Association, the Taiwan Food Industry Development Association, and the Taiwan Health Food Association. We provide support and participate in sponsoring events organized by government, industry, and academic institutions, fully embodying our commitment to social participation.

Furthermore, we have established strong interactive relationships through long-term involvement with charitable organizations and have contributed to the development of leisure activities and the maintenance of road greening projects, among other endeavors that promote social welfare. Examples of our contributions include support for organizations such as the Chinese Andrew Charitable Association, the Huashan Social Welfare and Charitable Foundation, the Chiayi City Association for the Physically Handicapped, the Chiayi County Sunshine Hearing-Impaired Association, the Taipei City Missing Children's Welfare Foundation, the Genesis Social Welfare Foundation, the Chiayi Veterans Service Office, the Minxiong Township Office in Chiayi County, and sponsored activities for the Chiayi County Health Bureau, among others.

## **3. 【Love the Environment】 Environmental Sustainability Commitment: Proactive Planning, Environmental Responsibility, Coexistence and Prosperity**

For many years, Love Taste has considered "sustainable development" as one of the essential principles in its business operations. This concept represents not only the growth of the company but also its commitment to corporate social responsibility while pursuing that growth. To survive as a business, one must first be kind to the land. From employees to families, from the company's self-management to its

advocacy for cooperative partners, this philosophy is embedded in our core values, and it is our way of giving back a cleaner Earth to the next generation.

Apart from continuously improving our production technology, we also adhere to the environmentally friendly 3R principle of Reduce, Recycle, and Reuse, which effectively manages resources like water, raw materials, and waste. More importantly, it helps prevent pollution and public harm caused by the production process. In recent years, the larger environment has faced significant impacts due to economic growth, indirectly affecting many ecosystems. Therefore, our company is even more committed to energy conservation and carbon reduction. We have developed environmental management programs following the PDCA (Plan-Do-Check-Act) model.

Throughout this process, we have established indicators and continuously monitored and controlled factors such as electricity and water usage, wastewater generation, waste production, and production capacity. Our specific policies include :

- Environmental Protection Policy (Dedicated Team, Compliance with Environmental Laws, Performance Monitoring)
- Water and Energy Resource Management Policy (Green Energy Integration, Wastewater Recycling, Carbon Emission Offset)
- Pollution Prevention and Control Policy (Emphasizing Recycling, Secondary Prevention, Compliance with Regulations)
- Green and Environmentally Friendly Policy (Environmental Materials, Energy Efficiency, Bio-Friendliness)

#### **4. 【Love for Employees】 Promise of a Happy Workplace: In the Name of Love, Driven by Love, Managed with Love**

In the name of love, Love Taste not only cares for its employees but also aspires to be a leading "happiness enterprise." Beyond corporate governance, social engagement, and environmental sustainability, all management planning and decisions are made in the spirit of love, with love as our guiding principle. We hope that our employees, who strive together and work towards their ideals, can live harmoniously within the Love Taste and Love Integrity family.

Love Taste extends the taste of love to every individual working diligently within the group. Guided by the entrepreneurial motto of "Harmony with Love, Valuing Harmony," we provide a safe, healthy, and joyful workplace environment that allows employees to balance work and family life. We also actively plan to enhance employees' professionalism and capabilities, enabling them to grow and prosper in tandem with the company.

People are the heart of an organization, and Love Taste firmly believes that people are the core and most valuable asset of a company. The starting point and endpoint of corporate social responsibility lie with people. As long as a company possesses love, both people and society can achieve environmental sustainability and mutual prosperity.

Just as the vision on Love Taste's brand logo states, "Let Tomorrow Be Healthier," the hope of the nation and its people rests in the future, and the hope of the future lies in health. This is Love Taste's ultimate commitment to corporate social responsibility. Food safety and consumer health have been the guiding principles of Love Taste since its inception, following the motto "In the Name of Love, Driven by Love, Managed with Love." We promise that we will never compromise on quality, never shirk our responsibility to society, and never fall short of our commitment to the public.

Love Taste understands that businesses bear a greater responsibility. With love, we repay this land where we were born and raised. Our forward-thinking concept of "Live Joyfully, Be Environmentally Friendly, Be Green, Be Healthy" is born from this sentiment. Starting from the spirit of "A Loving Enterprise," we convey and implement the promise of environmental sustainability and coexistence for our employees, their families, suppliers, shareholders, partners, and society at large.





# I

## Development of Sustainability Strategies

1.1 About AGV

1.2 Stakeholder Engagement

1.3 Identification and Analysis of Material Issues

## 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 and is one of the top 500 companies in Taiwan. 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
Stock code	1217
Chairman	Kuan-Han Chen
President	Chih-Chan Chen
Industry type	Food
Other operating locations	<ul style="list-style-type: none"> <li>• Taipei Office</li> <li>• Sanchong Office</li> <li>• Xindian Office</li> <li>• Taoyuan Office</li> <li>• Hsinchu Office</li> <li>• Taichung Office</li> <li>• Tainan Office</li> <li>• Kaohsiung Office</li> </ul>





**GRI 2-6**

AGV is part of the food industry, and the scope of its primary business includes traditional foods, prepared foods, desserts, drinks, cereal milk, oils and dietary supplements, with all its products sold in Asia. As of 2022, 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. Our main products and the related scope of our business are described as follows:

(I) Manufacturing processes and selling channels for main products

Product manufacturing



(II) Main brands and product series



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 chemical materials and containing very little sodium salt. 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.



## Drinks

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.



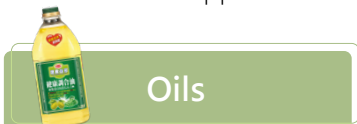
## Cereal milk

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:

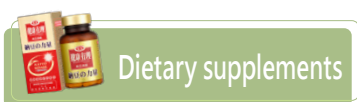
- (1) helpful for increasing the hyperplasia of immunocytes;
- (2) helpful for enhancing the activity of phagocytes;
- (3) helpful for enhancing the activity of natural killer cells;

- (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.



The Premium Blend Cooking Oil contains a rich amount of Omega-3 ( $\alpha$ -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.



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.

Company Product or service			
Product or service	Sales territory	Customer type	Sales amount (NTD thousand)
 Traditional foods	Asia	Retailers	1,006,167
 Desserts	Asia	Retailers	711,103
 Drinks	Asia	Retailers	1,497,297
 Cereal milk	Asia	Retailers	686,007
 Oils	Asia	Retailers	100,906
 Dietary supplements	Asia	Retailers	12,754

Note : The annual sales volume of sold products is 20,215,149 units (including outsourcing) ◦

Development of Sustainability Strategies

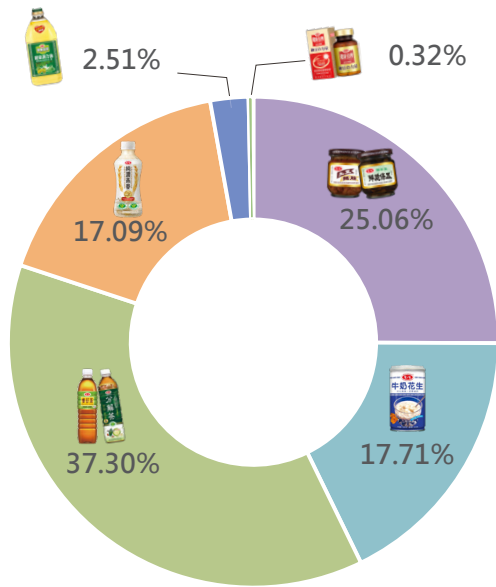
Ethical Governance and Sustainable Management

Control of Food Safety and Quality

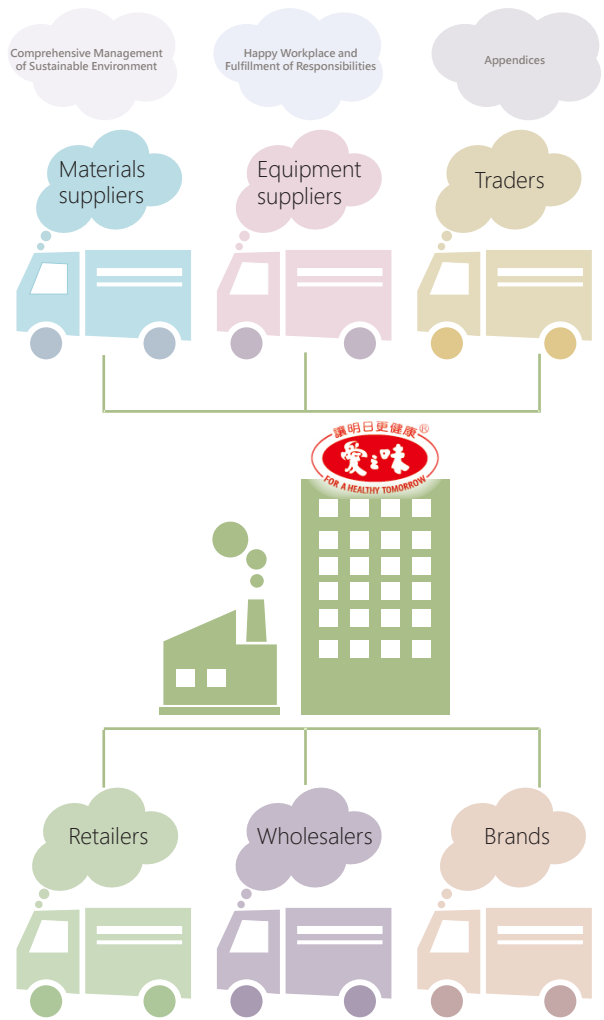
Comprehensive Management of Sustainable Environment

Happy Workplace and Fulfillment of Responsibilities

Appendices



▲ Company Product Sales Percentage Chart



▲ Supply Chain Diagram

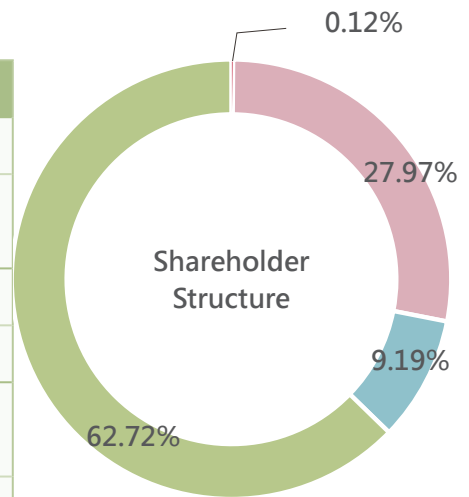
GRI 2-28

AGV has been an active participant in quality and food safety management systems and related initiatives. AGV has also joined various organizations in relevant industries, with the expectation to interact with industrial peers and promote mutual growth through participation in the activities of the associations.

Industry associations, other associations with membership, and national or international initiatives	Membership
Taiwan Cannery Association	Chairman
Taiwan Beverage Industries Association	Director
Taiwan Quality Food Association	Director
Taiwan Association for Food Science and Technology	Honorary Director
Manufacturers Association of Minxiong Touqiao Industrial Park, Chiayi County	Vice Chairman
Chiayi County Industrial Association	Executive Director
Chiayi City Industrial Association	Advisor
Chiayi County Chamber of Commerce	Member
Taiwan Food Industry Development Association	Member
Health Food Society of Taiwan	Member
Agricultural Chemical Society of Taiwan	Member
Taiwan Grain Industry Association	Member

## Shareholder Structure

Shareholding structure		
As of: April 30, 2023		
Shareholder	Number of shares held	Shareholding (%)
Financial institutions	602,000	0.12
Other corporations	138,278,519	27.97
Foreign institutions and persons	45,455,263	9.19
Individuals	310,177,554	62.72



## 1.2 Stakeholder Engagement GRI 2-29

AGV identifies its stakeholders with reference to potential stakeholders indicated by the GRI standards for a company, including business partners, social welfare organizations, consumers, customers, employees and other workers, government agencies, local communities, non-governmental organizations, shareholders and other investors, suppliers, trade associations, and disadvantaged groups, as well as the stakeholders of peer companies. AGV ranks them by totaling the scores for actual negative impact, potential negative impact, actual positive impact and potential positive impacts of each stakeholder to AGV through external experts, and those with an overall score of more than 10 are deemed as AGV's key stakeholders for 2022. Following discussions with external experts and at executive meetings, AGV has identified 8 categories of stakeholders, namely: 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"> <li>Trade associations</li> <li>Non-public contact</li> <li>Participation in food industry meetings</li> <li>Website information</li> </ul>	<ul style="list-style-type: none"> <li>Regular participation</li> <li>Irregular</li> <li>Irregular</li> <li>Irregular</li> </ul>	<ol style="list-style-type: none"> <li>We learn lessons and interact with peers during our participation in meetings to achieve a sustainable environment and economic development for the food industry.</li> <li>We inspire ideas for new products and use our strengths to make up for our shortcomings.</li> </ol>

Stakeholder	Significance of the stakeholder to AGV	Communication channels	Frequency	Communication performance
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"> <li>Regular meetings between both sides</li> <li>Communication through product events</li> <li>Personal visits/ Telephone/Fax/ Email</li> <li>Customer service hotline</li> <li>Customer satisfaction survey</li> <li>Gifts for traditional holidays/Having meals together</li> </ul>	<ul style="list-style-type: none"> <li>Regular quarterly or annual meetings</li> <li>Irregular</li> <li>Irregular</li> <li>Instant</li> <li>Annual</li> <li>Regular</li> </ul>	<ol style="list-style-type: none"> <li>We are able to demonstrate our marketing performance on a regular basis and exchange ideas for a close partnership.</li> <li>We are able to exchange ideas and solve problems instantly.</li> <li>We ensure that consumers are safe and assured in consuming AGV' s products.</li> <li>We understand customers' consumption habits through different channels and adjust the direction of products in line with the consumption trends of the general public.</li> </ol>
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"> <li>Business visits/ Telephone/Fax/ Email</li> <li>Customer service hotline</li> <li>Customer satisfaction survey</li> </ul>	<ul style="list-style-type: none"> <li>Irregular</li> <li>Instant</li> <li>Annual</li> </ul>	<ol style="list-style-type: none"> <li>We ensure that consumers are safe and assured in consuming AGV' s products.</li> <li>We understand customers' consumption habits through different channels and adjust the direction of products in line with the consumption trends of the general public.</li> </ol>
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"> <li>Convening shareholders' meetings</li> <li>Investor conferences</li> <li>Publication of material information as required by the competent authorities</li> <li>Regular publication of financial statements/annual reports</li> </ul>	<ul style="list-style-type: none"> <li>Annual</li> <li>Annual</li> <li>Irregular</li> <li>Instant</li> </ul>	<ol style="list-style-type: none"> <li>We publish Chinese and English versions of the handbooks, annual reports and minutes of shareholders' meetings for investors as reference.</li> <li>We organize an investor conference each year for investors to understand the revenues from our products and the status of our operations.</li> <li>When an event with a material impact on shareholder equity or</li> </ol>

Stakeholder	Significance of the stakeholder to AGV	Communication channels	Frequency	Communication performance
Shareholders and other investors (shareholder investors)		<ul style="list-style-type: none"> <li>• Contact email for shareholder services</li> <li>• Disclosure of information on the website</li> <li>• Appointment of a spokesperson</li> </ul>	<ul style="list-style-type: none"> <li>• Instant</li> <li>• Irregular</li> <li>• Irregular</li> </ul>	<p>securities prices occurs, it is announced on the Market Observation Post System (MOPS).</p> <p>4. We publish our financial reports on the MOPS on a quarterly basis.</p> <p>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.</p>
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"> <li>• Personal visits/ Telephone/Fax/ Email</li> <li>• Discussion of problems</li> <li>• Development of new products</li> <li>• Questionnaire responses</li> <li>• Supplier audits and interviews</li> <li>• Annual contracting and contractor survey</li> </ul>	<ul style="list-style-type: none"> <li>• Irregular</li> <li>• Irregular</li> <li>• Irregular</li> <li>• Irregular</li> <li>• Annual</li> </ul>	<p>1. 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.</p> <p>2. 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.</p> <p>3. 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.</p>



Stakeholder	Significance of the stakeholder to AGV	Communication channels	Frequency	Communication performance
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"> <li>Employee message board</li> <li>Internal online bulletin board</li> <li>Two-way communication with the management</li> <li>Complaint hotline</li> <li>Employee Welfare Committee meetings</li> <li>Improvement proposal system</li> <li>Recommendation of outstanding employees</li> <li>Labor Pension Fund Supervisory Committee meetings</li> <li>Labor-management committee meetings</li> <li>Personnel Review Committee meetings</li> </ul>	<ul style="list-style-type: none"> <li>Instant</li> <li>Instant</li> <li>Instant</li> <li>Instant</li> <li>Quarterly</li> <li>Irregular</li> <li>Irregular</li> <li>Annual</li> <li>Quarterly</li> <li>Irregular</li> </ul>	<ol style="list-style-type: none"> <li>Through different communication channels established by AGV, employees are able to express their problems and needs effectively, and to solve them.</li> <li>We establish good communication channels to minimize the chance of confrontation between employees and AGV.</li> </ol>
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	<ul style="list-style-type: none"> <li>We maintain good interactions with the competent authorities, such as paying personal visits to them.</li> <li>Identification of the laws and regulations governing management systems</li> <li>Official correspondence and information disclosure</li> </ul>	<ul style="list-style-type: none"> <li>Irregular</li> <li>Instant</li> <li>Irregular</li> </ul>	<ol style="list-style-type: none"> <li>We maintain good interactions with the competent authorities, and we cooperate with them in adopting relevant regulations, codes and procedures.</li> <li>We cooperate with the competent authorities in audits and respond promptly and effectively to their questions.</li> <li>We publish material information and report information in accordance with relevant regulations.</li> </ol>

Stakeholder	Significance of the stakeholder to AGV	Communication channels	Frequency	Communication performance
Government agencies	Administration, Ministry of Labor, and the Environmental Protection Bureau, and we strictly comply with their requirements.	<ul style="list-style-type: none"> <li>• Consultation and clarification on financial and tax issues</li> <li>• Factory inspection</li> <li>• Telephone</li> <li>• Email</li> </ul>	<ul style="list-style-type: none"> <li>• Irregular</li> <li>• Irregular</li> <li>• Instant</li> <li>• Instant</li> </ul>	<ul style="list-style-type: none"> <li>4. Ensuring proper functioning of fire safety equipment.</li> <li>5. Protecting the safety of workers.</li> <li>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.</li> </ul>
Financial institutions	The financial institutions dealing with AGV provide a stable source of funding.	<ul style="list-style-type: none"> <li>• Email</li> <li>• Financial institutions dealing with AGV</li> </ul>	<ul style="list-style-type: none"> <li>• Instant</li> <li>• Irregular</li> </ul>	The financial institutions dealing with AGV continue to provide a stable source of funding and financial planning services.

GRI 3-1

## 1.3 Identification and Analysis of Material Issues

The options of AGV' s material issues are based on the GRI standards and the standards of the Sustainability Accounting Standards Board (SASB), and their identification is conducted by AGV' s representatives, departmental managers and external experts according to the scores for actual or potential negative and positive impacts of each issue to AGV in the aspects of the economy, environment and society (people and human rights).

The evaluation process can be divided into four specific stages :

**1**

### *Understanding the organizational context*

We listed 36 sustainability issues based on the GRI standards and the standards of the Sustainability Accounting Standards Board (SASB).

## 2

**Identifying actual and potential impacts**

External experts rated 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). Then, they ranked 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). Those with a total score of more than 30 are deemed as AGV's material issues.

## 3

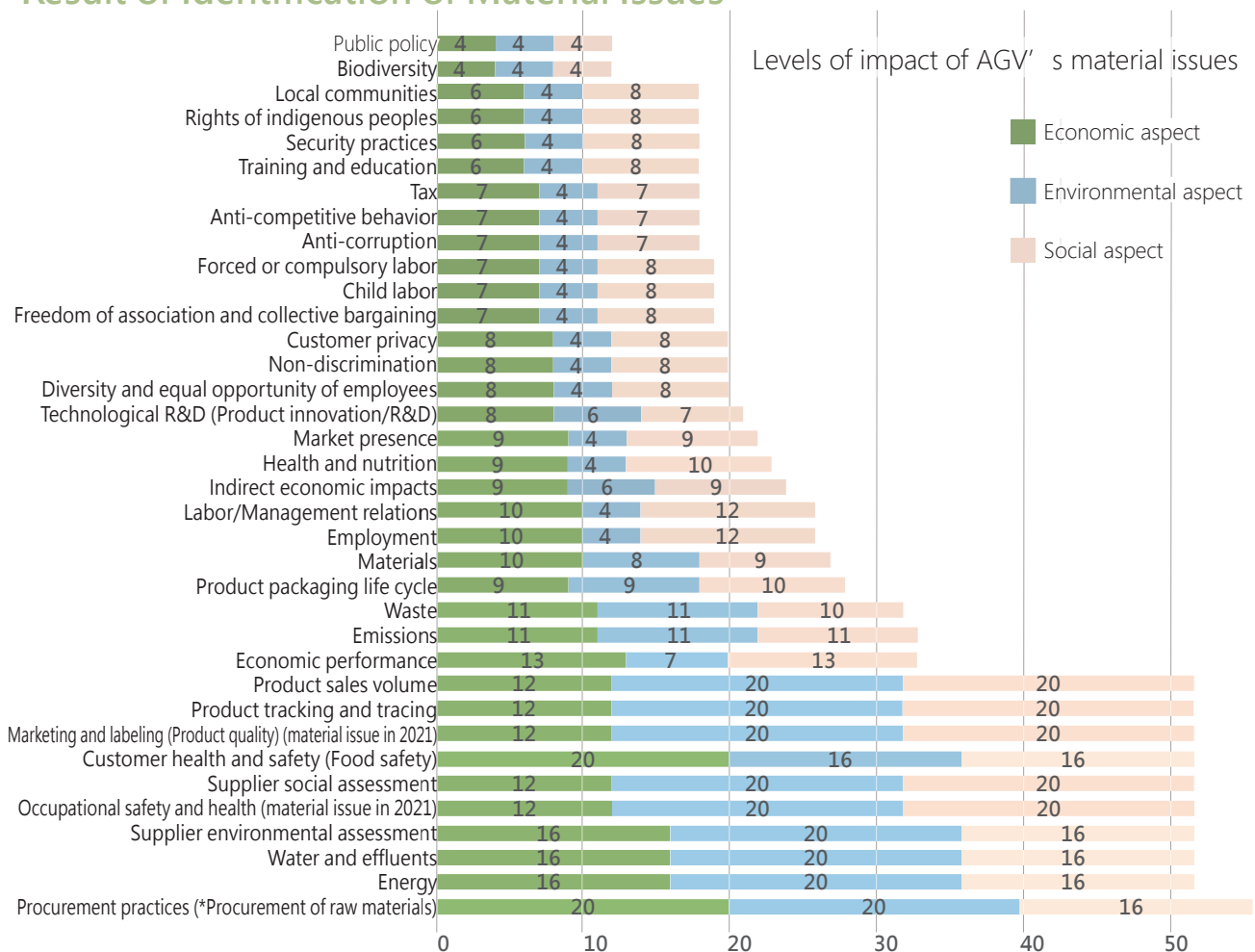
**Assessing the significance of impact**

External experts met with the relevant departments of AGV to discuss the significance and likelihood of the impact of each issue based on past experience in operations. Eventually, 12 issues were selected as AGV's current material issues.

## 4

**Prioritizing issues with the most significant impact for reporting**

After a comprehensive assessment based on the nature of the issues, 11 management aspects for material issues were listed for each of the 12 material sustainability issues. The material issues have been assigned to the relevant chapters of this report for disclosure.

**Result of Identification of Material Issues**

Recognizing the importance of environmental protection and sustainable development, AGV has identified 12 material issues: “Procurement practices (Procurement of raw materials)” , “Energy” , “Water and effluents” , “Supplier environmental assessment” , “Occupational safety and health” , “Supplier social assessment” , “Customer health and safety (Food safety)” , “Marketing and labeling (Product quality)” , “Product tracking and tracing” , “Product sales volume” , “Waste” , and “Emissions” .

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).

## Result of identification of material issues

Material issues			
1. Procurement practices (Procurement of raw materials)	2. Energy	3. Water and effluents	4. Supplier environmental assessment
5. Occupational safety and health	6. Supplier social assessment	7. Customer health and safety (Food safety)	8. Marketing and labeling (Product quality)
9. Product tracking and tracing	10. Product sales volume	11. Emissions	12. Waste

Secondary issues			
13. Economic performance (operating performance)	14. Product packaging life cycle	15. Materials	16. Employment
17. Labor/Management relations	18. Indirect economic impacts	19. Health and nutrition	20. Market presence
21. Technological R&D (product innovation/R&D)	22. Diversity and equal opportunity of employees	23. Non-discrimination	24. Customer privacy
25. Freedom of association and collective bargaining	26. Child labor	27. Forced or compulsory labor	28. Anti-corruption
29. Anti-competitive behavior	30. Tax	31. Training and education	32. Security practices
33. Rights of indigenous peoples	34. Local communities	35. Biodiversity	36. Public policy

# List of Material Issues

GRI 3-2

Development of Sustainability Strategies

Ethical Governance and Sustainable Management

Control of Food Safety and Quality

Comprehensive Management of Sustainable Environment

Happy Workplace and Fulfillment of Responsibilities

Appendices

List of material issues	Description of the organization's policies or commitments related to the material issue (Description of their significance)	Description of impacts (Economy, environment and people (including human rights))	Actual/Potential Positive/Negative (the above scenarios may exist simultaneously)	Primary targets of impact (Groups affected by the organization's operating activities)	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.	Economy: Stable and instant supply of raw materials to ensure the operation of manufacturing processes. Environment: Achieving carbon reduction, energy consumption and regeneration of water resources. Human rights: Putting emphasis on corporate social responsibility, improving human rights protection and reducing inequality/discrimination.	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. Negative: 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.	<ul style="list-style-type: none"> <li>Suppliers of raw materials</li> <li>Equipment suppliers</li> <li>Contractors for equipment maintenance</li> </ul>	There may be a situation where no suppliers are qualified, so there must be no fewer than two suppliers to supply us.	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. 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).
Energy	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.	Environment: Achieving circular economy and carbon reduction.	Positive: Energy saving and carbon reduction help maintain ecological balance and enhance corporate image, and may reduce resource costs.	<ul style="list-style-type: none"> <li>Shareholders and other investors</li> <li>Suppliers of raw materials</li> <li>Equipment suppliers</li> <li>Employees</li> <li>Government agencies</li> </ul>	By establishing an energy-saving performance system, AGV is striving to optimize the improvement of manufacturing processes and implement the enhancement of competency training for product line personnel and equipment maintenance to further improve the production efficiency of equipment. Moreover, AGV is enhancing employees' sense of energy conservation and carbon reduction.	With 2021 as the base period, our expected target is to reduce energy consumption by 2% by 2025.

List of material issues	Description of the organization's policies or commitments related to the material issue (Description of their significance)	Description of impacts (Economy, environment and people (including human rights))	Actual/Potential Positive/Negative (the above scenarios may exist simultaneously)	Primary targets of impact (Groups affected by the organization's operating activities)	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.	Economy: 1. Air Pollution Control Act 2. Procurement of equipment	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.	<ul style="list-style-type: none"> <li>• Community members</li> <li>• Employees</li> <li>• Government agencies</li> </ul>	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.	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.

List of material issues	Description of the organization's policies or commitments related to the material issue (Description of their significance)	Description of impacts (Economy, environment and people (including human rights))	Actual/Potential Positive/Negative (the above scenarios may exist simultaneously)	Primary targets of impact (Groups affected by the organization's operating activities)	Preventive or remedial measures for negative impacts	Goals and targets (Setting and evaluation of short-, medium- and long-term goals)
Water and effluents	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"> <li>1. Water Pollution Control Act</li> <li>2. Regulations on Charge of Water Consumption Fee</li> <li>3. Shortage of water resources</li> <li>4. Higher probability of floods caused by rainstorms</li> </ol>	<p>Negative:</p> <p>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>	<ul style="list-style-type: none"> <li>• Community members</li> <li>• Government agencies</li> <li>• Employees</li> </ul>	<ol style="list-style-type: none"> <li>1. Establishing a water response task force to monitor the amount of water consumed by each factory and information about local water situations.</li> <li>2. Investing in and improving environmental protection equipment, and setting and monitoring targets for the quality of water discharged.</li> <li>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.</li> </ol>	With 2021 as the base period, our expected target is to reduce water consumption by 5% by 2025.
Supplier environmental assessment	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.	<ol style="list-style-type: none"> <li>1. Non-compliant environment: The quality of raw materials is affected.</li> <li>2. Using such unqualified supplier will affect AGV's image.</li> </ol>	<p>Positive:</p> <p>Enhancing the environmental management levels of our suppliers and ensuring the raw materials purchased meet environmental requirements is conducive to product quality and sustainable supply.</p> <p>Negative:</p> <p>If a supplier is found to be in violation of the requirements during an audit, we will require immediate improvement and suspension of supply, and any resulting interruption or delay of production may affect the quality and market reputation of the final product.</p>	<ul style="list-style-type: none"> <li>• Suppliers of raw materials</li> <li>• Equipment suppliers</li> <li>• Shareholders and other</li> </ul>	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: Implementing such assessment without any non-compliance.</p> <p>Medium- and long-term: Acquiring ISO 14001 and OHSAS 18000 certifications.</p>



List of material issues	Description of the organization's policies or commitments related to the material issue (Description of their significance)	Description of impacts (Economy, environment and people (including human rights))	Actual/Potential Positive/Negative (the above scenarios may exist simultaneously)	Primary targets of impact (Groups affected by the organization's operating activities)	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"> <li>1. Respect for life and concern for safety</li> <li>2. Conserving resources and ensuring their management</li> <li>3. Continuous improvement and sustainable development</li> <li>4. EHS is everybody's responsibility</li> </ol>	Creating a safe, healthy and comfortable work environment and reducing the occurrence of occupational accidents to meet the requirements of the law.	<p>Positive:</p> <ol style="list-style-type: none"> <li>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.</li> <li>2. Compliance with applicable laws and regulations is able to reduce legal risks, protect our reputation, and attract the trust of investors and consumers.</li> <li>3. Establishing a good image of occupational safety and health to attract outstanding talents and enhance our competitiveness.</li> </ol>	<ul style="list-style-type: none"> <li>• Employees</li> <li>• Contractors</li> <li>• Customers</li> <li>• Government agencies</li> </ul>	Reviewing FR and SR annually and organizing training to ensure the most solid protection of our employees.	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.
Supplier social assessment	Compliance with the Labor Standards Act without using child labor.	Using such unqualified supplier will affect AGV's image.	<p>Positive:</p> <ol style="list-style-type: none"> <li>1. Our supplier social assessment policy helps protect the labor rights of our suppliers of raw materials, provide stable market demand and increase trust among our partners, which may lead to a more long-term and stable partnership.</li> <li>2. Our supplier social assessment policy helps ensure our equipment suppliers comply with legal requirements to provide safe and high-quality equipment and maintain production efficiency.</li> </ol> <p>Negative:</p> <ol style="list-style-type: none"> <li>1. If a supplier is found to be in violation of the requirements during an audit, we will require immediate improvement and suspension of supply, resulting in a business loss. In addition, if a supplier is found to be involved in violation of labor rights or any other issue, it may attract negative public attention and affect our brand image.</li> <li>2. Failure of a supplier to meet our social assessment requirements may result in unstable equipment quality and affect the production process. Furthermore, the poor behavior of a supplier may damage our reputation and affect investor trust and customer relations.</li> </ol>	<ul style="list-style-type: none"> <li>• Suppliers of raw materials</li> <li>• Equipment suppliers</li> <li>• Shareholders and other investors</li> </ul>	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: Implementing such assessment without any non-compliance.</p> <p>Medium- and long-term: Acquiring certification from an impartial third-party organization.</p>

List of material issues	Description of the organization's policies or commitments related to the material issue (Description of their significance)	Description of impacts (Economy, environment and people (including human rights))	Actual/Potential Positive/Negative (the above scenarios may exist simultaneously)	Primary targets of impact (Groups affected by the organization's operating activities)	Preventive or remedial measures for negative impacts	Goals and targets (Setting and evaluation of short-, medium- and long-term goals)
Customer health and safety (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.	People: Despite being susceptible to business cycles, the food industry will continue to have certain minimum demands. In recent years, drastic changes in the industrial environment and the occurrence of a series of major food safety incidents in Taiwan have greatly impacted popular confidence in the food industry, while increasing health awareness on the part of consumers has resulted in stricter popular requirements for the food chain including the sources of food materials and the processes of food manufacturing and transportation. These 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.	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.	<ul style="list-style-type: none"> <li>• Employees</li> <li>• Customers, Consumers</li> <li>• Suppliers</li> <li>• Shareholders and other investors</li> <li>• Food industry</li> </ul>	In case of food safety concerns, our customer service representatives will first check the customers' situations and initiate a product investigation at the same time. 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>A. 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.</p> <p>B. 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.</p> <p>C. 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> <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>

List of material issues	Description of the organization's policies or commitments related to the material issue (Description of their significance)	Description of impacts (Economy, environment and people (including human rights))	Actual/Potential Positive/Negative (the above scenarios may exist simultaneously)	Primary targets of impact (Groups affected by the organization's operating activities)	Preventive or remedial measures for negative impacts	Goals and targets (Setting and evaluation of short-, medium- and long-term goals)
Marketing and labeling (Product quality)	We have set up an 0800 product service hotline with dedicated personnel to provide services for consumers regarding the distribution channels of products, description of orders and answering consumer questions. With regard to product labeling, the safety of the formula designed by the development center for any of our products must be reviewed and approved by a professional team before the product hits 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.	People: The advertising claims and legality of product labeling can attract consumers to buy products and provide them with accurate product information.	Positive: Through accurate product labeling and legal marketing, we are able to attract consumers to purchase a product and provide them with accurate information of the product, which in turn creates consumer confidence in the product and enhances our brand image.	<ul style="list-style-type: none"> <li>• Employees</li> <li>• Consumers</li> <li>• Distributors</li> <li>• Shareholders and other investors</li> </ul>	If there is any concern about marketing or labeling, we will first verify the existence of any violation, and then we will correct the direction of marketing or revise the labeling to make improvements regarding the problem.	Compliance with the requirements of the labeling laws and regulations in Taiwan.
Product tracking and tracing	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.	People: Raw materials, inspection, product manufacturing, distribution and sales can be controlled to achieve the tracking and control of product flows to improve food safety.	Positive: Through a comprehensive product tracking and tracing system, we are able to ensure the entire process from the purchase of raw materials to the distribution of finished products will be effectively monitored and controlled, thus improving the safety and quality of food products.	<ul style="list-style-type: none"> <li>• Employees</li> <li>• Suppliers</li> <li>• Distributors</li> </ul>	Suppliers must provide relevant food health and safety information for all new raw materials before their entry into our factories. If they fail to do so, such raw materials will not be used.	Manufacturers and sellers are able to track and control product flows by creating the relevant information to improve food safety and provide reassuring foods for consumers.

List of material issues	Description of the organization's policies or commitments related to the material issue (Description of their significance)	Description of impacts (Economy, environment and people (including human rights))	Actual/Potential Positive/Negative (the above scenarios may exist simultaneously)	Primary targets of impact (Groups affected by the organization's operating activities)	Preventive or remedial measures for negative impacts	Goals and targets (Setting and evaluation of short-, medium- and long-term goals)
Waste	For waste management, AGV has established Regulations for Waste Management in accordance with the law 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.	Economy: 1. Regulations Governing Waste Disposal and Treatment 2. Waste reduction 3. Costs of waste treatment	Positive: 1. Increasing the recycling rate of waste to reduce the negative impact of waste on the environment, protect the ecosystem environment, and promote sustainable development. 2. Waste management which is in compliance with applicable laws and regulations is able to avoid legal risks and fines, enhance our environmental image, and attract more environmentally conscious consumers and investors. Negative: 1. Increased waste management costs may put financial pressure on us. 2. Failure to meet waste reduction targets may affect our image and reputation.	<ul style="list-style-type: none"> <li>Shareholders and other investors</li> <li>Community members</li> <li>Employees</li> <li>Customers</li> <li>Government agencies</li> </ul>	For waste management, we engage in comprehensive inventory and sorting and propose improvement strategies to set reduction targets. We also strengthen the reduction of use of raw materials and the reduction and re-use of waste.	With 2021 as the base period, 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.



## Ethical Governance and Sustainable Management

2.1 Governance Development

2.3 Operational Risks

2.2 Operating Performance

2.4 Legal Compliance

## 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.



GRI 2-11

GRI 2-12

GRI 2-13

GRI 2-14

GRI 2-15

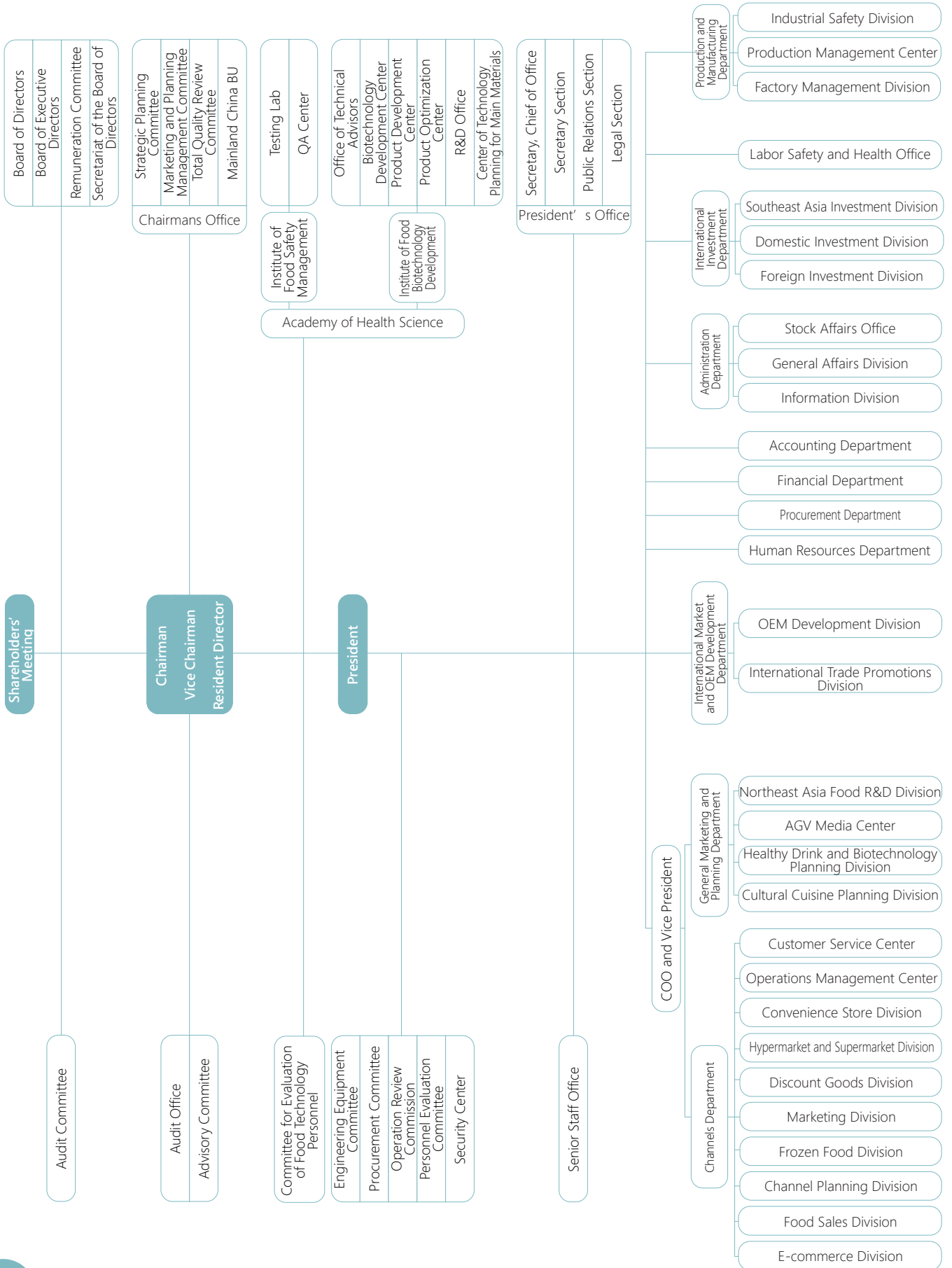
### Composition and Structure of the Board of Directors

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. It is planned that starting from 2023, 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. 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-Tsu Tsai, the manager of the Human Resource Division, 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 2022, AGV held six Board of Directors meetings to discuss its overall operations.

# 公司組織圖





## GRI 2-10

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

AGV has seven to nine directors, among which the number of independent directors shall be no less than three and shall be 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:

1. 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.
2. 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.
3. 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.
4. 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.
5. 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 information about directors:

Title	Director	
Name	Taiwan First Biotechnology Corp. Representative: Kuan-Han Chen	
Gender	Male	
Age	30~50	
Date of first appointment (election)	June 28, 2016	
Primary education and experience	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 Cannery Association	
Positions held concurrently at AGV and other companies	Chairman, AGV President of Academy of Health Science, AGV Chairman, Taiwan First Biotechnology Corp.	
Industrial experience	Banking/Finance	√
	Business management	√
	Business marketing	√
	R&D	√
Professional competencies	Accounting and financial analysis	√
	Information technology	
	Risk management	√

Title	Director	
Name	Yueshan Investment Co., Ltd. Representative: Ching-Jen Chen	
Gender	Male	
Age	Over 50	
Date of first appointment (election)	June 24, 2022	
Primary education and experience	MBA of Department of Business Administration, National Cheng Kung University President, AGV	
Positions held concurrently at AGV and other companies	Vice Chairman, AGV Vice Chairman, Janfusun Fancyworld Corp.	
Industrial experience	Banking/Finance	√
	Business management	√
	Business marketing	√
	R&D	
Professional competencies	Accounting and financial analysis	√
	Information technology	
	Risk management	√

Title	Director	
Name	NICE Enterprise Co., Ltd. Representative: Kuan-Chou Chen	
Gender	Male	
Age	Over 50	
Date of first appointment (election)	June 1, 2004	
Primary education and experience	Master, The London School of Economics and Political Science Managing Director, Pao Hwa Commercial Bank	
Positions held concurrently at AGV and other companies	Director, AGV Director and Vice President, International Bills Finance Corporation	
Industrial experience	Banking/Finance	√
	Business management	√
	Business marketing	
	R&D	
Professional competencies	Accounting and financial analysis	√
	Information technology	
	Risk management	√

Title	Director	
Name	Fang Tien Enterprise Co., Ltd. Representative: Huai-Hsin Liang	
Gender	Male	
Age	Over 50	
Date of first appointment (election)	June 24, 2022	
Primary education and experience	Master of Law, Fu Jen Catholic University	
Positions held concurrently at AGV and other companies	Licensed attorney	
Industrial experience	Banking/Finance	√
	Business management	√
	Business marketing	
	R&D	
Professional competencies	Accounting and financial analysis	√
	Information technology	
	Risk management	√

Title	Director	
Name	Yin-Ji-Li International Consulting Corp. Representative: Hsien-Chueh Hsieh	
Gender	Male	
Age	Over 50	
Date of first appointment (election)	June 17, 2010	
Primary education and experience	Bachelor of Department of Electronic Engineering, Chung Yuan Christian University Chief Auditor, Assistant Vice President at Administration Department, AGV	
Positions held concurrently at AGV and other companies	Director, AGV Chairman, Yunlin Dairy Technology Corp. President, Janfusun Fancyworld Corp.	
Industrial experience	Banking/Finance	√
	Business management	√
	Business marketing	
	R&D	
Professional competencies	Accounting and financial analysis	√
	Information technology	√
	Risk management	√

Title	Director	
Name	Cunyuan Heye Co., Ltd. Representative: Chih-Chan Chen	
Gender	Male	
Age	30~50	
Date of first appointment (election)	June 17, 2010	
Primary education and experience	MBA, University of Nottingham Vice President, AGV	
Positions held concurrently at AGV and other companies	President, AGV	
Industrial experience	Banking/Finance	√
	Business management	√
	Business marketing	√
	R&D	
Professional competencies	Accounting and financial analysis	√
	Information technology	
	Risk management	√

Title	Independent Director	
Name	Yung-Chien Wu	
Gender	Male	
Age	Over 50	
Date of first appointment (election)	June 28, 2016	
Primary education and experience	PhD in Law, University of Washington	
Positions held concurrently at AGV and other companies	President, Shih Hsin University Convener of Audit Committee, AGV	
Industrial experience	Banking/Finance	√
	Business management	√
	Business marketing	
	R&D	
Professional competencies	Accounting and financial analysis	√
	Information technology	
	Risk management	√

Title		Independent Director
Name		Yung-Fu Tseng
Gender		Male
Age		Over 50
Date of first appointment (election)		June 28, 2016
Primary education and experience		Bachelor of Law, National Taiwan University Minister of Justice
Positions held concurrently at AGV and other companies		Independent Director, Chun Yuan Steel Industry Co., Ltd
Industrial experience	Banking/Finance	√
	Business management	√
	Business marketing	
	R&D	
Professional competencies	Accounting and financial analysis	√
	Information technology	
	Risk management	√

Title		Independent Director
Name		Wei-Lung Chen
Gender		Male
Age		Over 50
Date of first appointment (election)		June 27, 2019
Primary education and experience		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
Positions held concurrently at AGV and other companies		Convener of Remuneration Committee, AGV Independent Director, IBF Financial Holdings Co., Ltd. Independent Director, Janfusun Fancyworld Corp.
Industrial experience	Banking/Finance	√
	Business management	√
	Business marketing	
	R&D	
Professional competencies	Accounting and financial analysis	√
	Information technology	
	Risk management	√

Note: two members of the Board of Directors are ages 30-50, and seven of them are ages over 50.

## 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 2022, the name of the director, the proposal, the reason for recusal and his/her participation in the voting must be specified:

1. 1st meeting of the 18th Board of Directors on June 24, 2022:
  - a. During the discussion of the appointment of members of the Remuneration Committee, independent directors Yung-Fu Tseng, Yung-Chien Wu and Wei-Lung Chen recused themselves and did not participate in the discussion and voting on the proposal due to involvement of their personal interests.
  - b. During the discussion of the new appointment of Kuan-Hao Chen by AGV, director Ching-Jen Chen, a lineal relative of Kuan-Hao Chen, recused himself and did not participate in the discussion and voting on the proposal due to involvement of his personal interest.
2. 3rd meeting of the 18th Board of Directors on November 10, 2022:

During the review of the proposal for purchasing the shares of IBF Financial Holdings Co., Ltd., independent director Wei-Lung Chen, who served as an independent director at IBF, and director Kuan-Chou Chen, who was a director of IBF, recused themselves and did not participate in the discussion and voting on the proposal due to involvement of their personal interests.

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, Statement 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 the 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.

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. Annual financial reports and Q2 financial reports requiring audit and certification by accountants.
11. Any other material matter required by the Company or the competent authority.



GRI 2-19

In 2022, 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	5	0	100	
Independent Director	Yung-Fu Tseng	4	1	80	
Independent Director	Wei-Lung Chen	5	0	100	

Date of meeting	Proposals	Resolution of the Audit Committee	Opinion of the Board of Directors regarding the Audit Committee meeting
14th meeting of the 1st Audit Committee on January 18, 2022	<ol style="list-style-type: none"> <li>1. Report on progress of the lawsuit involving AGV' s subsidiary Shandong AGV Food Technology Co., Ltd.</li> <li>2. Report on implementation of the internal audit plan.</li> <li>3. Review of the proposal for purchase of shares issued by the subsidiary "Sontenkan Resort Development Co., Ltd." for cash capital increase.</li> </ol>	Approved	Approved
15th meeting of the 1st Audit Committee on March 25, 2022	<ol style="list-style-type: none"> <li>1. Report on implementation of the internal audit plan.</li> <li>2. Communication between the CPAs and the governance bodies.</li> <li>3. Review of the 2021 financial statements (including consolidated financial statements).</li> <li>4. Review of the proposal for distribution of the earnings of 2021.</li> <li>5. Discussion on the proposal for amendment to the "Procedure for Acquisition or Disposal of Assets" .</li> <li>6. Discussion on the 2021 "Evaluation of the Effectiveness of Internal Control System" and "Statement of Internal Control System" .</li> <li>7. Review of the proposal for assessment of the engagement and independence of the CPAs.</li> </ol>	Approved	Approved

Date of meeting	Proposals	Resolution of the Audit Committee	Opinion of the Board of Directors regarding the Audit Committee meeting
16th meeting of the 1st Audit Committee on May 9, 2022	<ol style="list-style-type: none"> <li>1. 2021 Q1 consolidated financial statements reviewed by the CPAs.</li> <li>2. Report on implementation of the internal audit plan.</li> <li>3. Discussion on the issuance of common shares for cash capital increase via private placement approved by the 2021 annual shareholders' meeting.</li> <li>4. Review of the proposal for issuance of common shares for cash capital increase via private placement.</li> </ol>	Approved	Approved
1st meeting of the 2nd Audit Committee on August 8, 2022	<ol style="list-style-type: none"> <li>1. 2022 Q2 consolidated financial statements reviewed by the CPAs.</li> <li>2. Report on implementation of the internal audit plan.</li> <li>3. Review of the proposal for full withdrawal from the purchase of shares issued by the subsidiary Koya Biotech Corp. for cash capital increase.</li> <li>4. Review of the proposal for provision of endorsement and guarantee to the subsidiary Sontenkan Resort Development Co., Ltd. for financing.</li> </ol>	Approved	Approved
2nd meeting of the 2nd Audit Committee on November 10, 2022	<ol style="list-style-type: none"> <li>1. 2022 Q3 consolidated financial statements reviewed by the CPAs.</li> <li>2. Improvement plan for endorsement and guarantee to Koya Biotech Corp. and its implementation.</li> <li>3. Report on implementation of the internal audit plan.</li> <li>4. Review of the 2023 audit plan.</li> <li>5. Review of the proposal for purchase of the shares of "IBF Financial Holdings Co., Ltd."</li> <li>6. Review of the proposal for purchase of shares issued by the subsidiary Sontenkan Resort Development Co., Ltd. for cash capital increase.</li> </ol>	Approved	Approved

## Remuneration Committee

In order to ensure the remuneration policies of AGV meet the relevant standards, the Remuneration Committee has been established. The purpose of the committee is to ensure that AGV's remuneration policies are consistent with its goals and that the remuneration system is reasonable, fair and sustainable. The committee submits reviewed remuneration plans to the Board of Directors for resolution to ensure they do not have negative effects on AGV's interests and shareholders' equity, and that they contribute to the building of a motivating and competitive working environment to promote the creation of long-term values for AGV. The Remuneration Committee also ensures that the design of remuneration is related to risks to enhance employees' awareness of risks and sense of responsibility, and that AGV abides by relevant laws and regulations.

The Remuneration Committee holds at least two meetings each year, with seven days' prior notice to its members, which may be given in writing, by fax or via email. A meeting of the committee shall be attended by at least one independent director, with all members of the committee electing the independent director as the convener and chairperson of the meeting. If the convener is unable to convene a meeting, he/she may designate another independent director or member of the committee to act on his/her behalf. During discussions on matters concerning remuneration, members of the committee with conflicts of interest are required to refrain from participating in the discussions and voting. Relevant persons may be invited to attend meetings and provide necessary information, and the committee may appoint attorneys, CPAs or other professionals to conduct audits and provide consulting services. The Human Resource Division is responsible for matters related to the meetings of the Remuneration Committee, which held three meetings in 2022 to submit proposals to the Board of Directors for resolution.

Responsibilities and powers of the Remuneration Committee:

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.
4. Considering the general standard of peers in the payment of remuneration, while taking into account the time spent by individuals, their responsibilities and performance, and the reasonableness of the correlation between AGV's business performance and future risks.
5. Directors and managers must not be induced to engage in activities involving risks beyond the tolerance limits of AGV to pursue monetary rewards.
6. The dividend payout ratio for short-term performance of directors and senior managers and partial changes in the payment time of remuneration must be determined based on the characteristics of the industry and nature of AGV's business.
7. Making sure AGV's remuneration arrangements meet the requirements of relevant laws and regulations and are sufficient to attract outstanding talent.
8. Members of the committee may not participate in discussions or voting on their own 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 2022, the Remuneration Committee held three 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	3	0	100	
Independent Director	Yung-Fu Tseng	2	1	67	
Independent Director	Wei-Lung Chen	3	0	100	

Date of meeting	Proposals	Resolution of the Remuneration Committee	Opinion of the Board of Directors regarding the Remuneration Committee meeting
January 18, 2022 4th term, 6th meeting	Review of the plans for distribution of year-end bonus for 2021.	The attending members decided to adopt Plan 2 and submitted it to the Board of Directors for review	Approved by a resolution of the Board of Directors without amendment
March 25, 2022 4th term, 7th meeting	Review of the proposal for distribution of the remuneration for directors and employees for 2021.	Approved without amendment and submitted to the Board of Directors for review	Approved by a resolution of the Board of Directors without amendment
June 23, 2022 4th term, 8th meeting	Discussion on new appointment of senior managers and the structures and amounts of their monthly salaries.	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.

While all members of the Board of Directors possess relevant industrial experience and professional knowledge and competencies, AGV regularly arranges training courses for its directors, covering topics such as corporate governance, laws and regulations, finance, ESG decision-making and trends and net-zero emissions as well as other related issues. Through continuous arrangement of diverse external training courses, AGV seeks to enhance directors' professionalism and fully utilize their functions in operational decision-making, leadership and supervision. In 2022, each director received an average of at least six hours of training, with a total of 51 training hours.

Title	Name	Date of training	Organizer	Course title	Training hours	Total hours
Director	Kuan-Chou Chen	July 14, 2022	Securities and Futures Institute	Net Zero Trend: Practical Observations on ESG Decision-Making by the Board of Directors	3	9
		November 18, 2022	Taiwan Corporate Governance Association	Introduction to the Employee Reward and Remuneration System	3	
		December 16, 2022	Securities and Futures Institute	Ethical Corporate Management and Prevention of Money Laundering	3	
Director	Hsien-Chueh Hsieh	October 26, 2022	Accounting Research and Development Foundation	Analysis of Common Deficiencies in the Review of Financial Statements and Practices in Important Laws and Regulations Governing Internal Control	6	6
Director	Chih-Chan Chen	November 13, 2022	Taiwan Stock Exchange	2022 Cathay Sustainable Finance and Climate Change Summit	9	9
Director	Huai-Hsin Liang	December 20, 2022	Securities and Futures Institute	Corporate Tax Governance and Tax Technology Solutions under the ESG Trend and Pandemic	3	6
		December 22, 2022	Securities and Futures Institute	Risks and Opportunities of Climate Change and Net Zero Policy for Corporate Management	3	
Independent Director	Yung-Chien Wu	March 11, 2022	Taiwan Corporate Governance Association	Shareholders' Meeting and Equity Management	3	6
		August 11, 2022	Taiwan Corporate Governance Association	Greenhouse Gas Inventory and Related Issues of Carbon Reduction	3	
Independent Director	Wei-Lung Chen	July 14, 2022	Securities and Futures Institute	Net Zero Trend: Practical Observations on ESG Decision-Making by the Board of Directors	3	6
		September 29, 2022	Taiwan Stock Exchange	Conference on the Release of the Guidelines for the Powers Exercised by Independent Directors and Audit Committees and Its Promotion to Directors and Supervisors	3	
Independent Director	Yung-Fu Tseng	October 11, 2022	Taiwan Stock Exchange - Taipei Exchange	Conference on the Release of the Guidelines for the Powers Exercised by Independent Directors and Audit Committees and Its Promotion to Directors and Supervisors	3	9
		October 19, 2022	Securities and Futures Institute	2022 Conference on Awareness of Compliance with the Laws Governing Trading of Equity by Insiders	3	
		October 28, 2022	Securities and Futures Institute	2022 Conference on Awareness of Prevention of Insider Trading	3	

## Evaluation of the Performance of the Board of Directors GRI 2-18

In 2022, the Board of Directors held 6 meetings, and the attendance of directors in these meetings is as follows:

Title	Name	Actual number of meetings attended	Attendance by proxy	Actual attendance rate (%)	Remarks
Chairman	Taiwan First Biotechnology Corp. Representative: Kuan-Han Chen	6	0	100%	
Vice Chairman	Yueshan Investment Co., Ltd. Representative: Ching-Jen Chen	3	0	100%	Newly elected on June 24, 2022
Director	NICE Enterprise Co., Ltd. Representative: Kuan-Chou Chen	3	0	100%	Newly elected on June 24, 2022
Director	Fang Tien Enterprise Co., Ltd. Representative: Huai-Hsin Liang	2	1	67%	Newly elected on June 24, 2022
Director	Yin-Ji-Li International Consulting Corp. Representative: Hsien-Chueh Hsieh	6	0	100%	
Director	Cunyuan Heye Co., Ltd. Representative: Chih-Chan Chen	6	0	100%	
Independent Director	Yung-Fu Tseng	5	1	83%	
Independent Director	Yung-Chien Wu	6	0	100%	
Independent Director	Wei-Lung Chen	6	0	100%	
Vice Chairman	NICE Enterprise Co., Ltd. Representative: Ching-Jen Chen	3	0	100%	Discharged on June 24, 2022
Director	Chen Tien-Tao Cultural and Educational Foundation Representative: Kuan-Chou Chen	2	1	67%	Discharged on June 24, 2022
Director	Kuo Cheng Investment Development Corp. Representative: Huai-Hsin Liang	1	2	33%	Discharged on June 24, 2022

- 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 Regulations for Evaluation of Performance of the 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.
- 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 methods of evaluation include internal self-evaluation of the Board of Directors, self-evaluation of individual directors, or 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, 2022	Evaluation of the performance of the whole Board of Directors	Internal self-evaluation of the Board of Directors	<ol style="list-style-type: none"> <li>1. Level of participation in AGV' s operations</li> <li>2. Improvement of the quality of decision-making by the Board of Directors</li> <li>3. Composition and structure of the Board of Directors</li> <li>4. Election and continuous training of directors</li> <li>5. Internal control</li> </ol>



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, 2022	Evaluation of the performance of individual directors	Self-evaluation of individual directors	<ol style="list-style-type: none"> <li>1. Understanding of AGV' s goals and missions</li> <li>2. Awareness of directors' responsibilities</li> <li>3. Level of participation in AGV' s operations</li> <li>4. Internal relationship management and communication</li> <li>5. Professional and continuous training of directors</li> <li>6. Internal control</li> </ol>

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 2022, the performance evaluation of AGV board of directors and the self-assessment results of board members were both excellent, and the execution status of the performance evaluation results will be 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.

In 2022, AGV did not receive any financial assistance from the government.

Item/Year	2020	2021	2022
Operating revenue (NTD thousand)	3,921,854	3,956,221	4,014,234
Operating cost (NTD thousand)	2,681,801	2,781,808	2,849,193
Gross operating profit (NTD thousand)	1,240,053	1,174,413	1,165,041
Operating profit/loss (NTD thousand)	224,552	185,371	200,057
Non-operating revenues and expenses (NTD thousand)	67,958	69,570	80,324
Pre-tax net profit (NTD thousand)	292,510	254,941	280,381
After-tax net profit for the current period (NTD thousand)	232,904	201,182	277,890
Total comprehensive income for the current period (NTD thousand)	411,837	539,539	287,046
Earnings per share (NTD)	0.470	0.410	0.560
Amount of employee welfare (NTD thousand)	6,320	6,418	6,662
Dividends (NTD thousand)	0	0	148,354
Employee remuneration (including employee welfare) (NTD thousand)	468,273	460,734	458,115
Payments to capital contributors (NTD thousand)	2,984	150,955	200,666
Payments to the government (NTD thousand)	102,782	96,986	95,239
Investments in communities (NTD thousand)	478	1,303	388

Notes:

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. Employee welfare in “Employee remuneration (including employee welfare)” includes the total amount of benefits provided to employees in a monetary form, such as labor and health insurance expenses/pension expense (excluding the costs of training and protective equipment or other costs directly related to employees’ job duties). The other item, “Amount of employee welfare” , refers to the total amount of non-monetary benefits provided to employees, such as company trips, health examinations and gifts for the three traditional holidays, which are allocated by AGV for the Employee Welfare Committee to be paid as benefits for employees.
4. Investments in communities refers to donations and contributions.
5. The currency is NTD.
6. Retained economic values: “Direct economic values generated” - “Economic values distributed” .
  - ※ Direct economic values generated: Revenue.
  - ※ Economic values distributed: Operating cost, employee remuneration and welfare, payments to lenders, payments to the government by country, and investments in communities.

## Tax Policies

GRI 207-1

GRI 207-2

GRI 207-3

GRI 207-4

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 NTD27 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=111&season=&mtype=A&](https://doc.twse.com.tw/server-java/t57sb01?step=1&colorchg=1&co_id=1217&year=111&season=&mtype=A&)

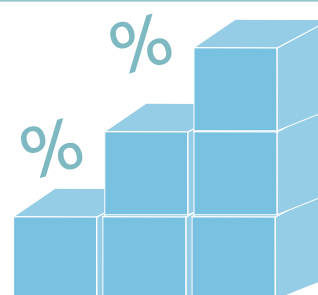
## 2.3 Operational Risks

(Source of the following information: pages 279-282, AGV' s 2022 Annual Report)

Analysis and assessment of risk events:

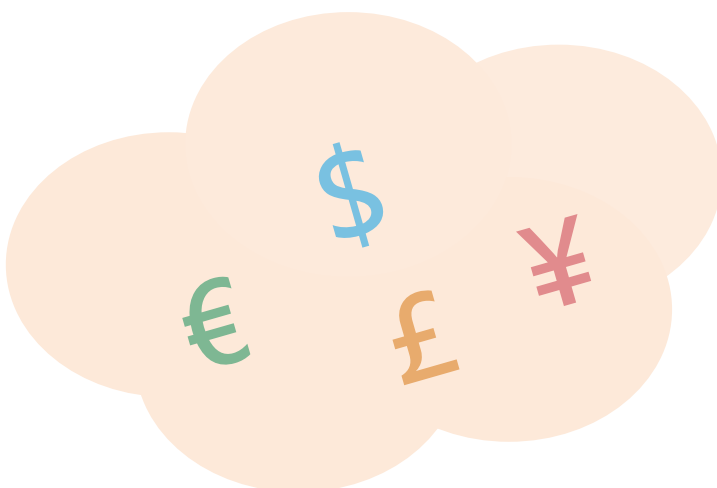
( I ) Effects of changes in interest rate and exchange rate and inflation on the profit/loss of AGV, and future measures in response

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 2022 was between 1.975% and 2.22%. 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.



## Scope of risk control

Type	Possible risk	Measures in response
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 2023, we expect to invest approximately NTD60,000 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. We are also planning to invest in a production line for prepared foods to produce prepared foods and foods for elderly people.
3. Sales innovation: We will expand domestic and international markets through innovative R&D of quality products in cooperation with our strategic partners.
4. Human resource innovation: We will enhance creativity, improve execution and strengthen talents in departments with a high degree of teamwork.
5. Research 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 2016, AGV has engaged Taiwan First Biotechnology Corp. to manufacture PET-bottled drinks, which accounted for 36.06% and 35.30% of AGV' s purchases in 2021 and 2022 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 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. During the reporting period, AGV was not involved in any material violation or in any case where a non-fine penalty was imposed. The other related cases where fines were imposed are listed as follows:

Overview of Violations of Laws and Regulations by AGV			
Year	Type	Laws or regulations violated	Improvement measures
2021	Industrial waste	Failure to report waste wood (R-0701) for the manufacturing process in our industrial waste disposal plan, in violation of Article 31, paragraph 1, subparagraph 1 of the Waste Disposal Act. A fine of NTD6,000. 1 hour of lecture on environmental protection.	Immediately adding an item of waste wood mixture (R-0701) in the industrial waste disposal plan, and arranging for its removal after approval of the plan.
	Air pollution	A vehicle used by AGV exceeded the emission standards, in violation of Article 36, paragraph 1 of the Air Pollution Control Act. A fine of NTD5,000. Deadline for improvement: November 8, 2021	<ol style="list-style-type: none"> <li>1. Carrying out maintenance of the exhaust system at the shop.</li> <li>2. Adjusting the injection pump and plunger at the shop, and then passing a re-inspection.</li> </ol>
	Occupational safety and health	A worker operated a 2-ton counterbalance forklift without using a safety belt, in violation of Article 6, paragraph 1 of the Occupational Safety and Health Act. A fine of NTD70,000.	<ol style="list-style-type: none"> <li>1. Organizing training to ensure compliance.</li> <li>2. Conducting regular and irregular inspections.</li> </ol>
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 NTD80,000.	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 NTD110,000.	The working area is marked with warning signs and has handrails installed.

## Human Rights Policies and Management

GRI 2-23

GRI 2-24

GRI 2-25

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 of 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 and with dignity.

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.

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.

In terms of AGV' s human rights policies, 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 of 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 and with dignity. The policies are applicable to AGV and its affiliated companies.

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. We regularly review and improve related systems and practices.

## 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 2022, 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 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 to in turn enhance their compliance capabilities. Additionally, managers, employees, appointees and de facto controllers are strictly prohibited from directly or indirectly providing or promising any form of improper benefit to or demanding or receiving such benefit from any customer, agent, contractor, supplier, public servant or other stakeholder, and we have also established an 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.

Committed to the philosophy of “For a Healthy Tomorrow” , we strive to fulfill our social responsibilities toward 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 Division 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 2022. At the same time, AGV has maintained a good relationship with the Fair Trade Commission.

**GRI 2-26**

Whistleblowing channels	
Responsible department	President’ s Office
Mailing address	No. 11, Gongye 2nd Rd., Minxiong Township, Chiayi County
Whistleblowing hotline	05-2211521
Email	ccj@mail.agv.com.tw
Written mail	Next to the swipe machine in the weighbridge room

## Awards received by AGV

**1982**

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.

**1984**

The Fried Gluten with Peanuts in Soy Sauce and Marinated Radish (Strips) in Solid Pack won an award from the Chinese Institute of Food Science and Technology.

**1986**

The NeoNeo-series Sweet Mixed Congee won an award from the Chinese Institute of Food Science and Technology.

**1988**

The NeoNeo-series Missik and Pearl Balls won an award from the Chinese Institute of Food Science and Technology.

**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 Braised Pork Balls and Star Fruit Juice won an award from the Chinese Institute of Food Science and Technology.

**1994**

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

**1997**

The 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 and Four-Fruit Mixed Juice won an award from the Chinese Institute of Food Science and Technology.

**1998**

The Peeled Chilies, Oat Congee in Milk, Oat Congee with Red Beans in Milk, Rye Tea, Tapioca Jelly with Konjac Jelly and Mung Beans, and Sugarcane and Asparagus Juice won an award from the Chinese Institute of Food Science and Technology.

**1999**

The Red Bean Milk, Peanut Milk and Braised Peanuts in Sauce won an award from the Chinese Institute of Food Science and Technology.

## Awards received by AGV

### 2000

The Sour & Spicy Sauce, New Zealand Milk Tea and Green Milk Tea won an award from the Chinese Institute of Food Science and Technology.

### 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.

### 2006

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

### 2007

The Healthy Green Tea with Catechin was certified as a healthy food.

### 2008

The Redgold Bank Tomato Drink and Sugar-reducing Tea were certified as healthy foods.

### 2009

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.

### 2010

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

### 2011

### 2011

The Spicy Chili Sauce won the Award for Innovative Products from the Taiwan Association for Food Science and Technology.

The Japanese BBQ Sauce won the Award for Innovative Products from the Taiwan Association for Food Science and Technology.

The Hatomugi Barley Tea won the Award for Innovative Products from the Taiwan Association for Food Science and Technology.

The Super Functional Tea Drink won the Award for Innovative Products from the Taiwan Association for Food Science and Technology.

The Premium Oat Drink (Original) won the Monde Selection Gold Award.

The Spicy Chili Sauce won the Monde Selection Gold Award.

The Multigrain Activate Tea won the Monde Selection Silver Award.

## Awards received by AGV

### 2011

The Happy Ranch Healthy Milk with GOS won the Monde Selection Bronze Award.

The Happy Ranch Healthy Milk with GOS won the National Biotechnology and Medicine Care Quality Award.

The Happy Ranch Healthy Milk with GOS received the Symbol of National Quality (SNQ).

### 2012

The Super Functional Tea Drink received the Symbol of National Quality (SNQ).

The Purple Sweet Potato Drink won the Award for Innovative Products from the Taiwan Association for Food Science and Technology.

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

### 2012

The Happy Ranch Healthy Milk with GOS was certified as a healthy food helpful for modulating blood fats and improving gastrointestinal functions. The Koyaka Oatmeal and Multigrain Activate Tea were certified as healthy foods.

The Premium Oat Drink (Original) won the National Biotechnology and Medicine Care Quality Award.

The Premium Oat Drink (Original) received the Symbol of National Quality (SNQ).

### 2014

The Red Yeast Healthy Capsules, OMEGA-3 Fish Oil Capsules and Roselle Healthy Capsules were certified as healthy foods.

The Mixed Congee with Okinawan Brown Sugar won the Monde Selection Silver Award.

The Peanuts in Milk won the Monde Selection Bronze Award.

The Taiwan Pearl Milk Tea won the Monde Selection Bronze Award.

The Golden Walnut Milk won the Monde Selection Bronze Award.

The Koyaka Silkie Chicken Essence received the Symbol of National Quality (SNQ).

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

### 2013

The AGV Barley Tea with Catechin was certified as a healthy food.

The Happy Ranch Healthy Milk with GOS won the Monde Selection Grand Gold Award.

The Chili Sauce won the Monde Selection Silver Award.

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



## Awards received by AGV

### 2016

The Koyaka Silkie Chicken Essence and Lite Lemon Tea were certified as healthy foods. The Premium Oat Drink (Original) was certified as a healthy food helpful for immunomodulation.

The Red and Golden Mixed Congee won the Monde Selection Bronze Award.

The Aiken Azuki Essence Water won the Monde Selection Silver Award.

The Aiken Hatomugi Essence Water won the Monde Selection Silver Award.

The Korean Kimchi (Sliced) in Sauce won the Monde Selection Bronze Award.

The Red Heaven Roselle Healthy Capsules won the Monde Selection Bronze Award.

The Happy Ranch Healthy Milk with GOS received Taiwan and Chinese invention patents.

### 2018

The Roselle Healthy Capsules was certified as a healthy food.

The Chili Sauce won the Monde Selection Gold Award.

The AGV Deli Style Tuna won the Monde Selection Silver Award.

The Peanuts in Milk won the Monde Selection Bronze Award.

The UNIVITA Dietary Supplement Tablets received the Symbol of National Quality (SNQ).

### 2015

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

The Mayachia Chia Seed Drink won the Monde Selection Gold Award.

The Sasaya-series Coconut Milk won the Monde Selection Bronze Award.

The Red Heaven Roselle Healthy Capsules received the Symbol of National Quality (SNQ).

The Aiken Azuki Essence Water won the GOOD Award from the Taiwan Grain Industry Association.

### 2017

The Sasaya-series Coconut Milk was certified as a healthy food.

The Imperial Harvest Whole Kernel Sweet Corn won the Monde Selection Silver Award.

The Kumquat Sweet & Sour Sauce won the Monde Selection Silver Award.

The Quinoa Royal won the Award for Innovative Products from the Taiwan Association for Food Science and Technology.

### 2019

The Honey Tomato Juice 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 "oligo-rich dairy products capable of modulating blood fats, improving the gut microbiota and enhancing immunity, and their manufacturing methods" received a Taiwan invention patent.

## Awards received by AGV

### 2019

The “high-fiber soy milk capable of increasing the use of the organisms of soy isoflavones, and its manufacturing method” received a Taiwan invention patent.

The Nestea Organic Tea (Roasted) won the Monde Selection Gold Award.

The French Chocolate Oat Drink won the Monde Selection Silver Award.

The Fortune Peanuts in Rice Milk won the Monde Selection Bronze Award.

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

The Nestea Organic Tea (Roasted) received the 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.

### 2021

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

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

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

The Okina Deep S12 Probiotic Water won the Food Innovation Award – Premium Award for Food and Beverage Innovations.

### 2020

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

The L’avena’ s Café Oat Latte won the Monde Selection Bronze Award.

The L’avena’ s Black Tea Oat Latte won the Monde Selection Bronze Award.

The High-fiber and Mineral-rich Barley Tea won the Monde Selection Bronze Award.

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

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

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

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

## Awards received by AGV

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

The Premium Oat Drink (Original) won a one-star Superior Taste Award from the International Taste Institute.

The Premium Oat Drink (Barista Oat Latte) 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 Quinoa Royal was recognized as an Eatender food.

The Premium Oat Drink (Glucosamine Vitality Plus) was recognized as an Eatender food.

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

The Premium Oat Drink (Original) won the Monde Selection Gold Award.

The Super Functional Tea Drink (Sweet Oolong Tea) won the Monde Selection Gold Award.

The Premium Oat Drink (Barista Oat Latte) won the Monde Selection Silver Award.

The Premium Oat Drink (Glucosamine Vitality Plus) won the Monde Selection Silver Award.

The Unforgettable Walnut Oat Congee won the Monde Selection Bronze Award.

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

### 2022

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 Premium Oat Drink (Barista Oat Latte) won a Three Stars award from the A.A. Taste Awards.

The Chili Sauce won a Two Stars award from the A.A. Taste Awards.

The Premium Oat Drink (Original) won the Monde Selection Gold Award.

The Premium Oat Drink (Dark Chocolate) won the Monde Selection Gold Award.

The Okina Deep Natural Electrolyte Water won the Monde Selection Gold Award.

The Mapo Tofu won the Monde Selection Silver 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 Premium Oat Drink (Barista Oat Latte) won a Three Stars award from the A.A. Taste Awards.

The Chili Sauce won a Two Stars award from the A.A. Taste Awards.

The Premium Oat Drink (Original) won the Monde Selection Gold Award.

The Premium Oat Drink (Dark Chocolate) won the Monde Selection Gold Award.

The Okina Deep Natural Electrolyte Water won the Monde Selection Gold Award.

The Mapo Tofu won the Monde Selection Silver Award.

# Awards received by AGV

## 2023

OKINA Okinawa Kumejima Deep Sea Micro Mineral Water has been honored with the three-star Flavor Excellence Award by the International Flavor Evaluation Institute.

AGV Pure Intense Oatmeal (Sleep Aid Triple Effect) has been awarded the one-star Flavor Excellence Award by the International Flavor Evaluation Institute.

AGV Black Chocolate Oatmeal has received the three-star Global Pure Flavor Evaluation Award.

AGV Digestion Tea (Japanese Green Tea) has been honored with the three-star Global Pure Flavor Evaluation Award.

AGV Pure Intense Oatmeal (Sleep Aid Triple Effect) has received the three-star Global Pure Flavor Evaluation Award.

## 2023

AGV Hakka Bamboo Shoots has been awarded the two-star Global Pure Flavor Evaluation Award.

AGV Pure Intense Oatmeal (Natural Original Flavor) has been awarded the Gold Prize at the Monde Selection World Food Quality Evaluation.

AGV Digestion Tea (Japanese Green Tea) has been awarded the Gold Prize at the Monde Selection World Food Quality Evaluation.

AGV Healthy Oil-Cutting Digestion Tea has received the Silver Prize at the Monde Selection World Food Quality Evaluation.

AGV Barley Tea (Ice-Infused Fragrance Unsweetened) has received the Silver Prize at the Monde Selection World Food Quality Evaluation.

AGV Tofu Curry has been awarded the Bronze Prize at the Monde Selection World Food Quality Evaluation.

AGV Tofu Curry has been recognized as a Silver Hair-Friendly Food.



NEW  
台灣第1冠



## 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" ).



## A.A. Taste Awards

The A.A. Taste Awards is the first international gastronomic award focusing on healthiness and eco-friendliness while also requiring tastiness. It aims to discover all natural and delicious foods and restaurants serving such foods worldwide. Award winners worldwide dedicated to providing additive-free foods will gather at the international award ceremony to share their brand ideas and enjoy their moment of honor. Advised by industrial, government and academic professionals around the world, the jury consists of nutritionists, professors in food-related areas, physicians, food columnists, food show hosts and Michelin chefs. Each product is evaluated by an average of 10–15 jury members in a form of blind testing, and is scored based on the appearance, taste, quality and process of preparation of the product. Any product with a total score of more than 60% will be awarded a medal of the A.A. Taste Awards.



## 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."







AGV OATMEAL DRINK

# III

## Control of Food Safety and Quality

- 3.1 Food Safety Management and Material Management
- 3.2 Customer Service and Communication
- 3.3 Supply Chain Management

## GRI 3-3

## Procurement and supply chain management

Reporting requirements	Description and example of reporting requirements
Material issue	Procurement practices (procurement of raw materials), supplier environmental assessment, and supplier social assessment
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"> <li>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.</li> <li>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.</li> <li>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.</li> </ul>
Goals and targets	<ul style="list-style-type: none"> <li>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.</li> <li>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).</li> </ul>
Management and evaluation mechanism	To meet the constantly changing need for sustainable development, we require the following for suppliers: <ol style="list-style-type: none"> <li>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.</li> <li>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" .</li> </ol>
Performance and adjustment	<p>Performance:</p> <p>In 2022, the total number of contractors for our primary raw material was 226. Among them:</p> <ol style="list-style-type: none"> <li>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" .</li> <li>On-site evaluations were completed for 80 suppliers, accounting for 35.4%.</li> </ol> <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 2022, none of the suppliers to whom advice regarding improvement was given was disqualified.</p>
Preventive or remedial measures	<ul style="list-style-type: none"> <li>Considering that there may be a situation where no suppliers are qualified, there must be no fewer than two suppliers to supply us.</li> <li>If a supplier is found to be in violation of the requirements during an audit, we will require immediate improvement and suspension of supply.</li> </ul>



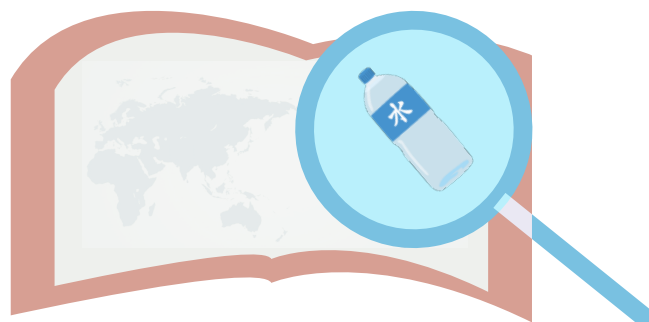
## Food safety and quality

Reporting requirements	Description and example of reporting requirements
Material issue	Customer health and safety (*food safety), and marketing and labeling (product quality)
Reason for the materiality of this issue	<ul style="list-style-type: none"> <li>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 the future. In light of the increasingly prevalent diseases of affluence and chronic illnesses, preventive medicine is also one of our R&amp;D focuses. In this respect, our efforts have resulted in a professional area with outstanding performance.</li> <li>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.</li> </ul>
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"> <li>We will maintain the development of core food technologies and products for healthy foods for consumers to strengthen our brand resources.</li> <li>We will promote food safety management and create complete information for product labeling.</li> </ol> <p>Medium- and long-term:</p> <ol style="list-style-type: none"> <li>We will invest in core technologies and products to develop high value-added and healthy products.</li> <li>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.</li> <li>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&amp;D idea of preventive medicine.</li> </ol>
Management and evaluation mechanism	<ul style="list-style-type: none"> <li>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.</li> <li>In 2022, we manufactured a total of 207 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, all of which have passed the ISO 22000.</li> </ul>
Performance and adjustment	<ul style="list-style-type: none"> <li>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 2022, the total sales revenue from healthy foods amounted to NTD1,622,444 thousand.</li> <li>In 2022, there was no violation of the requirements for marketing and labeling.</li> </ul>
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.

## GRI 3-3

## Material issue: Product tracking and tracing

Reporting requirements	Description and example of reporting requirements
Reason for the materiality of this issue	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 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.
Policy/Strategy	In managing the sources of our products, we require a supplier to provide 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 in 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 a database for traceability management, we ensure the sources of suppliers of goods and raw materials.
Goals and targets	We will continue to strengthen traceability management for food ingredients, maintain food safety and build a more comprehensive traceability system in order to provide safer products to our customers.
Management and evaluation mechanism	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>
Performance and adjustment	<ul style="list-style-type: none"> <li>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.</li> <li>AGV uploaded the information of 98 products subject to mandatory tracing and of 95 products outsourced for manufacturing, accounting for 93.24% of all products, and 6.76% of them were subject to voluntary tracing and tracking. All the relevant information has been uploaded to the "Food Tracing and Tracking Management Information System (Mandatory Tracing)" of the Ministry of Health and Welfare.</li> </ul>
Preventive or remedial measures	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.



## 3.1 Food Safety Management and Material Management

### 1. Our policies on food quality and safety:

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.

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 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 electrode 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.

### 2. Product management system and certification:

In terms of food safety management systems, 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 to pass the SGS (SGS Taiwan Limited) and ISO22000 (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 Tetra Pak Packaging Factory passed the SGS (SGS Taiwan Limited) and FSSC (food safety management system) certifications in 2016. In 2022, all of AGV’ s factories passed the ISO 22000 and FSSC certifications for quality system (a passing rate of 100%).

In 2022, we manufactured a total of 207 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. During the 2022 reporting period, we were not subject to any fines for violation of the laws and regulations governing the labeling and marketing of product and service safety information.

#### 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

### 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	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)	28.57
Factory-wide production lines	Taiwan Quality Food Certification (TQF)	36.23

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  
TQF for drinks -01165



TQF for canned foods -16024, 16074 and 16075



CAS Certificate



AGV FSSC 22000 Certificate



AGV HACCP Certificate



AGV ISO 22000 Certificate



HALAL Certificate – AGV



TAF Certificate



### 3. Management of the processes for inspection and production of raw materials/finished products:

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. 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.

### 4. Description of production traceability (traceability management):

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.

## Safeguarding Food Safety: Food Safety Lab

In 1990, AGV set up a food safety lab – Testing and Analysis Center (TAC), which is mainly responsible for providing the strictest safety control for the food products manufactured by AGV to ensure nutritious, healthy and safe foods for consumers. 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, 2022, the total number of items for which the TAC received TAF and TFDA certifications reached 469 (including 380 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 catechin and glucans), the total number of which is likely to reach 751.

## Performance of Requested Tests in 2022

Internal	The testing cases requested by internal departments consisted of 10,711 samples with 16,637 items, of which 57.2% were requested by the QA Center, 28.6% by the Product R&D Center, 6.5% by the Biotechnology Development Center, and 7.0% by the Product Optimization Center. All testing results were provided in paper form to the requesting departments for approval and decision making.
External	The testing cases requested by external parties consisted of 3,367 samples with 8,072 items. Of the testing items, 37% were for functional ingredients, 26% for nutritional ingredients, 15% for microorganisms, 10% for hygiene and safety items such as pesticide residues, 5% for food additives, 5% for heavy metals in food, and 4% for other testing items such as water quality testing.

## 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, monitoring of the content of effective ingredients of products and testing of health and safety	100% conformance rate
Monitoring of the quality of water used by factories	Passed
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 2022, the associated expense amounted to NTD 22,079,294, accounting for 0.55% of our net operating revenue.



## 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 price. In addition, slow-selling products with good appearance and packaging are sold through other specialized channels.

## 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	2020	2021	2022
Peanuts	Non-renewable	1,072	1,184	1,257
Chinese cabbage	Non-renewable	1,227	1,091	983
Salted ingredients	Non-renewable	1,577	1,212	1,326.6
Fried gluten	Non-renewable	185	217	199
Sour bamboo shoots	Non-renewable	535	565	538.9
Sugar	Non-renewable	1,398	1,270	1,149.8
Canola oil	Non-renewable	1,165	1,172	872.9
Soybean oil	Non-renewable	696	696	637
Cartons	Renewable	561	692	998.6
Glass bottles	Renewable	3,416	3,479	3,608.5
Twist caps	Renewable	276	268	273.4
Tin cans	Renewable	2,138	2,232	2,129

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.



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 2022, 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' s products are primarily sold through channels (B2B), with most of its customers being restaurants of channels or distributors. If it is necessary to collect personal data, we will strengthen the mechanism of personal data protection and security maintenance in accordance with the Personal Data Protection Act, and we will organize training and conduct risk assessment on a regular basis, in order to ensure there will be no loss of breach of customer privacy or data. As of the reporting period, AGV did not receive any complaint concerning breach of customer privacy or loss of customer data.

AGV products are primarily sold through channels (B2B), with most customers being distributors or restaurants. If there is a need to collect personal information, we strictly adhere to the Personal Information Protection Act to strengthen the protection of personal data and security maintenance. We also regularly conduct education and training as well as risk assessments to ensure that customer privacy or data is not lost or infringed upon. To date, no complaints related to privacy breaches or customer data loss have been reported.

## 3.3 Supply Chain Management

### Percentages of Purchase at AGV' s Operating Locations GRI 204-1

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	2020		2021		2022	
		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	213	77	225	75	225	89
	Foreign	3	23	3	25	1	11
Total		216	100%	228	100%	226	100%

Note:

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 2022:

Unit: NTD thousand



## Supplier Environment


GRI 308-1

GRI 308-2

In order to strengthen the mechanism for sustainable management of suppliers, AGV will conduct "on-site 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. 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 60). 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 181 suppliers rated in 2022, 164 were rated A, 12 were rated B, 4 were rated C, and 1 was rated D. The supplier rated D supplies agricultural products, which are seasonal and origin-specific raw materials. Therefore, if there is a need to purchase them, we will do so in accordance with the "Criteria on Amounts of Compensation for Acceptance with Reduced Payments (including Special Purchases)." 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 transaction with such suppliers. 
B	70-84	
C	60-69	
D	less than 60	Unqualified: No purchase from such suppliers.

## Supplier Social Management 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.

GRI 308-1
GRI 308-2
GRI 414-1
GRI 414-2

## Performance of Supply Chain Management

Through resource sharing and training, we and our suppliers will learn and take responsibility together for continued growth toward sustainability. In 2022, we mainly conducted transactions with a total of 226 suppliers. First, a total of 54 suppliers of our primary raw materials signed the “Social Responsibility Commitments for Suppliers” with checks conducted using the “Supplier Social Responsibility Audit Checklist”. Second, a total of 80 suppliers were required to undergo an “on-site evaluation for suppliers”, and the results of evaluation indicated one unqualified supplier, accounting for only 1%. With advice provided jointly by the Procurement Department and QA Center, their major deficiencies have been corrected. There was no case of any unqualified supplier terminating their partnership with AGV in 2022.

## Protection of Employee Rights GRI 408-1 GRI 409-1

In order to fulfill its social responsibilities as a citizen, 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 also committed to building a healthy and safe working environment 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 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”.

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 2022, 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.



## Comprehensive Management of Sustainable Environment

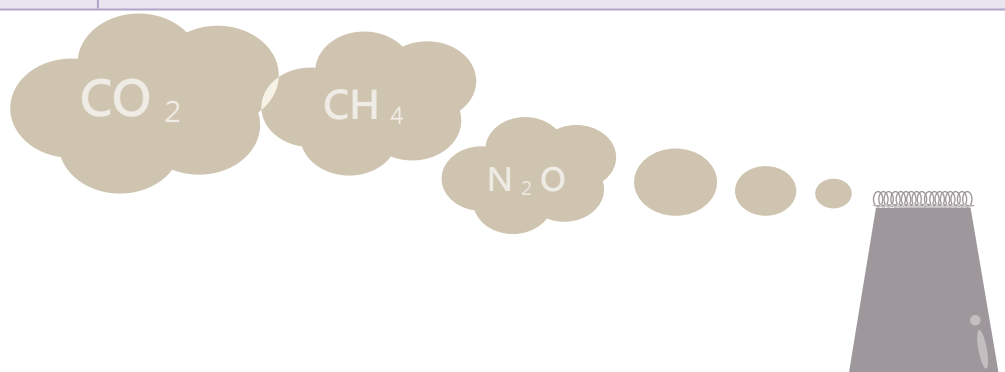
# IV

- 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 Issue: Energy and 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. During the process, we not only manage energy consumption and other related items, but also have established relevant indicators to be monitored and controlled at all times. 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 2023 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 emission reduction.
Management and evaluation mechanism	<ul style="list-style-type: none"> <li>We engage in supervision and management on a regular basis: <ul style="list-style-type: none"> <li>A. Internal audit: once per year.(2027)</li> <li>B. External audit: once per year.(2028)</li> </ul> </li> <li>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.</li> </ul>
Performance and adjustment	<ol style="list-style-type: none"> <li>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.</li> <li>In 2022, the direct GHG emission was reduced by 30% from 2021.</li> </ol>
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.



## Material Issue: Water and Effluents

Reporting requirements	Description and example of reporting requirements
Reason for the materiality of this issue	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.
Policy/Strategy	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.
Goals and targets	With 2021 as the base period: <ul style="list-style-type: none"> <li>• Short-term goal: Our expected target is to reduce water consumption by 5% by 2025.</li> <li>• Medium- to long-term goals (after 2025): <ol style="list-style-type: none"> <li>1. Building an eco-friendly and energy-saving environment, and enhancing the efficiency of resource use.</li> <li>2. Following our energy management policy, with all of our employees participating in energy saving and carbon reduction.</li> </ol> </li> </ul>
Management and evaluation mechanism	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.
Performance and adjustment	<ol style="list-style-type: none"> <li>1. In 2022, 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 11,066 tones.</li> <li>2. In 2022, the water consumption for finished goods per unit reduced by 5%.</li> </ol>
Preventive or remedial measures	<ol style="list-style-type: none"> <li>1. Establishing a water response task force to monitor the amount of water consumed by each factory and information about local water situations.</li> <li>2. Investing in and improving environmental protection equipment, and setting and monitoring targets for the quality of water discharged.</li> <li>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.</li> </ol>

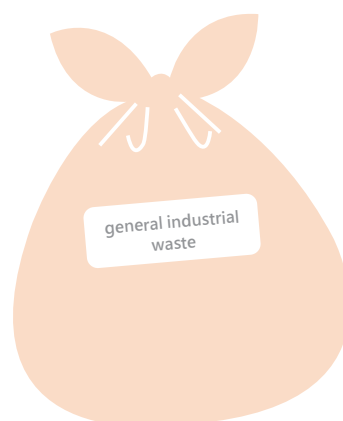




## GRI 3-3

## Material Issue: Waste

Reporting requirements	Description and example of reporting requirements
Reason for the materiality of this issue	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.
Policy/Strategy	With 2021 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.
Goals and targets	<ul style="list-style-type: none"> <li>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 10% by 2025.</li> <li>Medium- to long-term goals (after 2025): <ol style="list-style-type: none"> <li>Building an eco-friendly and energy-saving environment.</li> <li>Following our waste recycling and sorting management policy, with all of our employees participating in waste recycling and sorting.</li> </ol> </li> </ul>
Management and evaluation mechanism	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 and affect human health.
Performance and adjustment	In 2022, our production capacity increased by 2.875% from 2021, resulting in a 1% increase in waste. For waste management, we engage in factory-wide inventory and sorting and propose improvement strategies. We also seek to strengthen the reduction of waste raw materials and the reduction and re-use of waste.
Preventive or remedial measures	To strengthen tracking of the flows of disposed 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 disposal methods, waste storage practices, removal records, destinations, and removal permission certificates.





## 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 AI 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 ESG Committee in controlling related issues. Under the ESG Committee, several sub-committees have been formed for risk management and issue assessment, and they submit regular reports on the status of implementation to the Board of Directors in order to reduce the risks and impact caused by climate change to sustainable management.
Type of risks	<ol style="list-style-type: none"> <li>1. The severity and frequency of extreme weather events (such as typhoons and floods) increases, causing power outages or abnormal power supply.</li> <li>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.</li> <li>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.</li> </ol>
Type of opportunities	<ol style="list-style-type: none"> <li>1. Developing green power and installing energy storage systems.</li> <li>2. Increasing the efficiency of water usage by equipment, and adjusting or combining production processes of the same nature to decrease the frequency of CIP and reduce the amount of water used for cleaning.</li> <li>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.</li> </ol>
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"> <li>• Short-term: Installing emergency power generators and an uninterruptible power supply (UPS) for power consumption.</li> <li>• Medium- and long-term: <ol style="list-style-type: none"> <li>1. Actively finding “secondary suppliers” to prevent interruption of supply chains and lower procurement costs.</li> <li>2. Adjusting the production processes and arranging for the order of manufacturing based on the circumstances of shortages of materials and water.</li> <li>3. Establishing a mechanism for the recovery, recycling and re-use of discharged water.</li> </ol> </li> </ul>

Risk management	<p>A Risk Management Task Force is formed by the R&amp;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 style="display: flex; flex-direction: column; gap: 10px;"> <div style="display: flex; align-items: flex-start;"> <div style="background-color: #d9e1f2; border-radius: 10px; padding: 10px; width: 200px;">Energy and emissions management</div> <div style="background-color: #d9e1f2; border-radius: 10px; padding: 10px;"> <ul style="list-style-type: none"> <li>With 2021 as the base period, our expected target is to reduce energy consumption by 2% by 2025.</li> <li>We expect to introduce the ISO 50001 energy management system in 2025 in order to keep track of the status of our GHG emissions.</li> </ul> </div> </div> <div style="display: flex; align-items: flex-start;"> <div style="background-color: #d9e1f2; border-radius: 10px; padding: 10px; width: 200px;">Water resource management</div> <div style="background-color: #d9e1f2; border-radius: 10px; padding: 10px;"> <p>Our expected target is to reduce water consumption by 5% by 2025.</p> </div> </div> <div style="display: flex; align-items: flex-start;"> <div style="background-color: #d9e1f2; border-radius: 10px; padding: 10px; width: 200px;">Waste management</div> <div style="background-color: #d9e1f2; border-radius: 10px; padding: 10px;"> <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> </div> </div>
Financial impact	<ul style="list-style-type: none"> <li>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.</li> <li>Due to an increase in the amount of raw materials and finished goods, additional expenses for renting more external warehouses are required, leading to overall higher operating costs and lower revenue.</li> <li>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.</li> </ul>

## 4.2 Energy Management

GRI 302-1

GRI 302-2

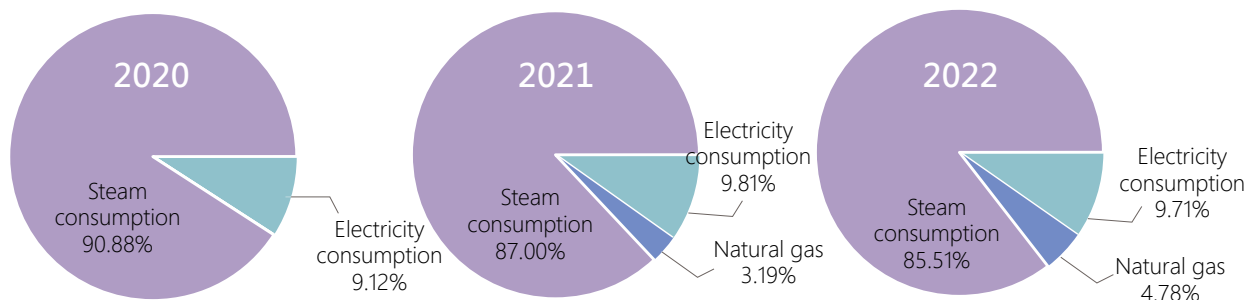
GRI 302-3

The table below shows the amounts of energy consumed by AGV in the most recent three years:

Quantitative metric	Unit	2020	2021	2022
Electricity consumption	kWh/year	9,515,244	10,513,600	10,788,451
	GJ	34,254.88	37,848.96	38,838.42
Heavy oil consumption	kL per year	382	253	0
	GJ	15.34	10.16	0
Natural gas (LNG) consumption	m <sup>3</sup>	0	367,466	571,421
	GJ	0	12,299.82	19,126.60
Steam consumption	Tonnes/year	22,403	20,062	20,438
	GJ	341,464.61	335,757.63	342,050.37
Specific metric used by the organization		Total Production (Thousand dozens)	Total Production (Thousand dozens)	Total Production (Thousand dozens)
Value of specific metric used by the organization	Unit	6,819	7,095	7,321
Total energy consumption	GJ	375,734.83	385,916.58	400,015.40
Energy intensity	GJ/thousand dozens	55.10	54.39	54.64

Notes:

1. The data of steam heat value factor and steam emission factor should be acquired from the steam suppliers.
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/m<sup>3</sup> 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 was zero.
5. Total production for the current year, excluding contract manufacturing.



## 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 IE3 energy-efficient motors, which are highly efficient, to reduce energy consumption and enhance equipment effectiveness.
2. Replacing low-efficiency blower equipment with high-efficiency equipment.
3. Replacing traditional fluorescent tube lights with high-efficiency LED lights, and adjusting their angles and positions according to the needs of different working areas, in order to reduce energy consumption and achieve the goal of energy saving and carbon reduction.
4. Recycling cleaner treated water, which is stored and pressurized and then made available to the factories for road cleaning, toilet flushes and irrigation.
5. 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.
6. Replacing old, low-efficiency air conditioning chillers to reduce power consumption.



## Performance of AGV in electricity saving and efficiency improvement in 2022

No.	Measures and practices for energy conservation	Actual reduction in energy consumed		GHG emissions (tCO <sub>2</sub> e)
1	Replacement with 40HP IE3 motors, increasing efficiency by 3%.	Calculation for a single day: 0.894 kW*16h=14.3 kW/d; calculation of total increase in efficiency for the current year: 14.3 kW/d*365=5,219.5 kW/d	18.79GJ	2.58
2	Replacement with 40HP blowers, increasing air supply efficiency by 25%.	Calculation for a single day: 7.45 kW*16h=119.2 kW/d; calculation of total increase in efficiency for the current year: 119.2 kW/d*365=43,508 kW/d	156.63GJ	21.54
3	Replacement with a total of 80 high-efficiency LED lighting sets, reducing power consumption by 50%.	Calculation for a single day: 20 W*80*10 h=16 kW/d; calculation of total power consumption for the current year: 16 kW/d*365=5,840 kW/d	21.02GJ	2.89
4	Replacement of 200 kW air-conditioning chillers, which have lower efficiency and just 50% tested efficiency. After replacement, their efficiency can reach 95%.	Calculation for a single day: 200 kW*45%=90 kW*10h=900 kW/d; calculation of total difference in efficiency for the current year: 900 kW/d*365=328,500 kW/d	1,182.60GJ	162.61
Total			1,379.04GJ	189.53

## Recycled Water Reused by AGV in 2022

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.	Amount reused for a single day: 30.318 tonnes/d; calculation of the total amount reused for the current year: 30.318 tonnes/d*365=11,066 tonnes/d

## Water Resource Management

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 303-2

GRI 303-3

GRI 303-4

GRI 303-5

## Water used by AGV

Year	2020	2021	2022
Water withdrawn (ML)	463.06	416.49	418.54
Water discharged (ML)	366.41	318.62	321.16
Water consumed (ML)	96.65	97.88	97.38
Specific metric used by the organization (unit)	Total Production (Thousand dozens)	Total Production (Thousand dozens)	Total Production (Thousand dozens)
Value of specific metric used by the organization	6,819	7,095	7,321
Water use intensity	0.07	0.06	0,06

Note:

1. Water consumed = Water withdrawn - Water discharged.
2. Water recycling rate = Recycled water usage in the factory/(Water withdrawn + Recycled water usage in the factory)\*100%.
3. Water use intensity is calculated as: Water withdrawn (ML)/Specific metric used by the organization.
4. Water withdrawals in 2020 and 2021 do not include those of other operating locations.
5. Total production for the current year, excluding contract manufacturing.

## 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 2022, the wastewater discharged by AGV amounted to 321.16 ML, and the water temperature, pH, SS, COD, BOD and oil content of the treated wastewater under 24-hour continuous monitoring did not exceed the criteria.

Testing item	2020		2021		2022	
	Discharge criteria (ppm)	Annual average monitoring value (ppm)	Discharge criteria (ppm)	Annual average monitoring value (ppm)	Discharge criteria (ppm)	Annual average monitoring value (ppm)
Water temperature	35.00	30.40	35.00	29.925	35.00	27.975
pH	9.00	7.80	9.00	7.75	9.00	7.80
SS	30.00	7.125	30.00	4.40	30.00	3.325
COD	100.00	27.65	100.00	33.10	100.00	17.175
BOD	30.00	10.15	30.00	10.875	30.00	6.225
Oil	10.00	1.45	10.00	1.30	10.00	0.775



## 4.3 Management of GHG Emissions

GRI 305-1

GRI 305-2

GRI 305-3

GRI 305-4

GRI 305-5

項目	2020 年	2021 年	2022 年
Scope 1: Direct GHG emissions (tonne-CO <sub>2</sub> e)	1,187.1576	1,539.7661	1,074.8134
Scope 2: Indirect GHG emissions (tonne-CO <sub>2</sub> e)	5,357.7966	5,872.1124	12,847.7738
Total emissions = Scope 1 + Scope 2 (tonne-CO <sub>2</sub> e)	6,544.9542	7,411.8785	13,922.5872
Specific metric used by the organization (unit)	Total Production (Thousand dozens)	Total Production (Thousand dozens)	Total Production (Thousand dozens)
Value of specific metric used by the organization	6,819	7,095	7,321
GHG emissions intensity (tonne-CO <sub>2</sub> e/thousand dozens)	0.96	1.04	1.90

Note:

1. In 2022, AGV focused only on the emissions of carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), and nitrous oxide (N<sub>2</sub>O) for the scope one. The remaining emission sources are still undergoing relevant inventory processes, with an anticipated completion and disclosure by the end of December 2023.
2. Scope 2 refers to indirect emissions from energy, such as externally purchased electricity and Steam consumption.
3. Types of GHG emissions: CO<sub>2</sub>, CH<sub>4</sub>, and N<sub>2</sub>O.
4. The externally purchased electricity is based on the emission factors published by the Bureau of Energy, MOEA. Emission factor of electricity in 2020 = 0.502 kgCO<sub>2</sub>e/kWh; emission factor of electricity in 2021 = 0.509 kgCO<sub>2</sub>e/kWh; emission factor of electricity in 2022 = 0.495 kgCO<sub>2</sub>e/kWh.
5. Total production for the current year, excluding contract manufacturing.



During the 2022 reporting period, AGV did not emit any ozone depleting substances. The following table shows the items for testing of AGV' s boilers from 2020 to 2022.

Type of boiler	Testing item	2020			2021			2022		
		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	0	30	0	15.76	30	0.0123	27.43	30	0
	SOx	0	50	0	22.93	50	0.02	0	50	0
	NOx	0	100	0	338.7	100	0.3033	1,281.70	100	0.2
Heavy oil 8-tonne boiler	TSP Note 2	193.71	100	0.0717	107.82	100	0.045	0	100	0
	SOx	2,003.04	300	1.53	1,539.3	300	1.72	0	300	0
	NOx	1,313.81	400	0.79	936.45	250	0.8	0	250	0
Heavy oil 15-tonne boiler	TSP Note 2	39.3	100	0.405	34.6	100	0.14	0	100	0
	SOx	769.9	300	6.21	625.22	300	6.35	0	300	0
	NOx	701.35	250	4.095	417.45	250	3.74	0	250	0

Note:

1. Major 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/nm<sup>3</sup>.
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 was zero.

## 4.4 Waste Management

### GRI 306-1

### GRI 306-2

Attaching great importance to the prevention of pollution, AGV remains committed to the belief of green environmental protection. In addition to complying with relevant laws and regulations, AGV has contracted legal companies to assist in the removal and incineration of waste, as well as made statistics of the types of waste to sort those that can be recycled and reused. We comply with the 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. At the same time, 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.

### 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 2022, no serious leakage occurred at AGV.

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



# Happy Workplace and Fulfillment of Responsibilities

5.1 Overview of Employee Relations

5.2 Employee Care and Welfare

5.3 Career Development and Training

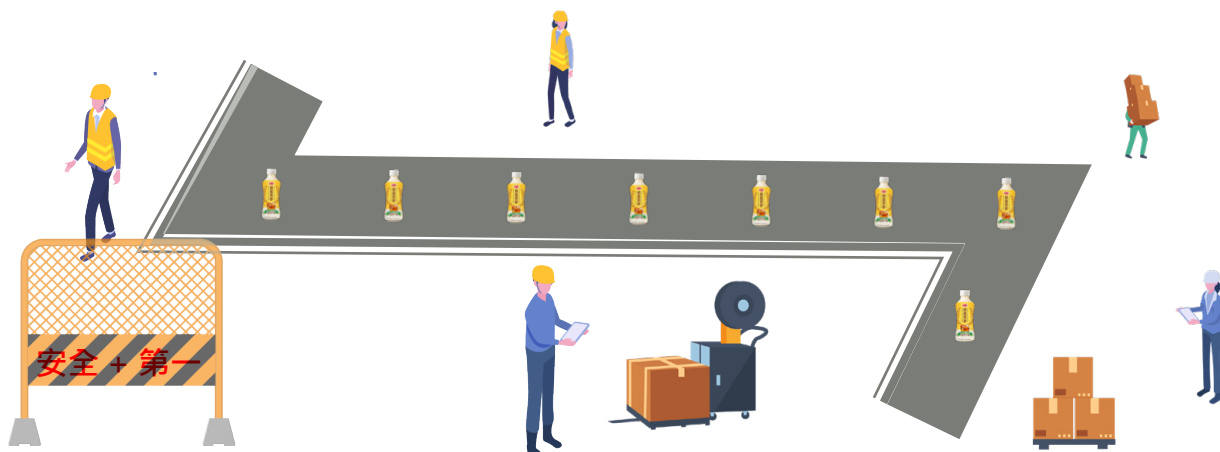
5.4 Protection of Health

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 analyzing the levels of concern with and impact of stakeholder communication, we have considered the issue of occupational safety and health to be relatively important to us. If we do not engage in occupational safety and health management, we may face penalties under the relevant laws and regulations in the future. Responsible occupational safety and health management can reduce our cost risk and increase the competitiveness of our 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 2021, the number of occupational accidents at AGV was effectively reduced in 2022, 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 567, of which 557 are regular employees and 10 are temporary employees.

Overview of the numbers of employees						
Region	Type of contract	Female	Male	Other Note 1	Not disclosed Note 2	Total
Taiwan	Number of employees	324	243	0	0	567
	Number of regular employees	322	235	0	0	557
	Number of temporary employees	2	8	0	0	10
	Number of full-time employees	324	243	0	0	567
	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 16 consultants.

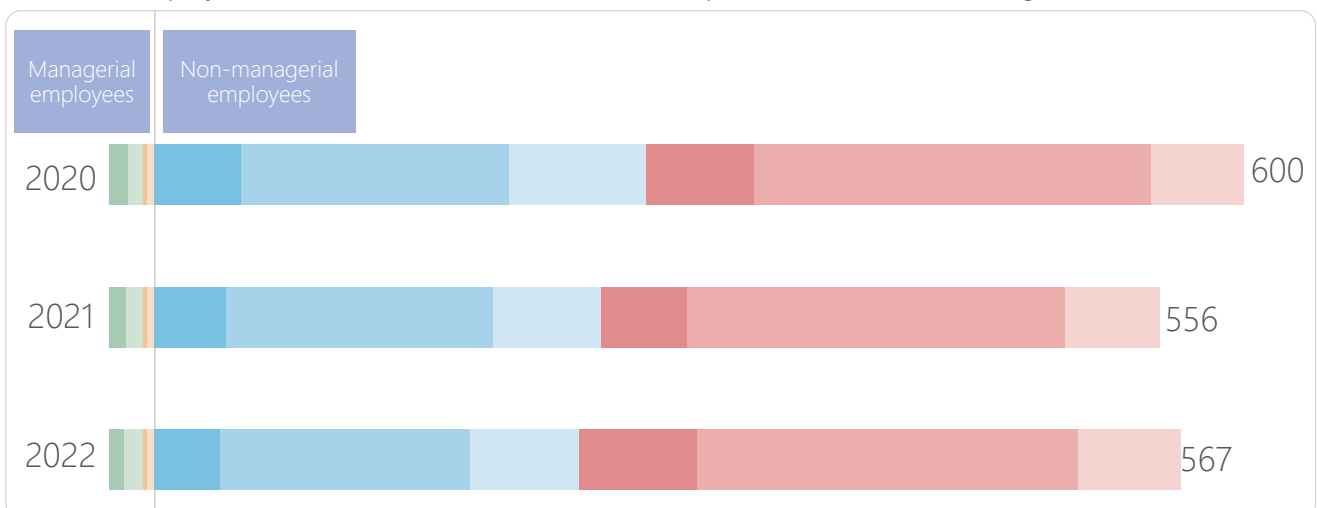
Type of worker	Contractual relationship with AGV	Total number of workers
Security guard	Contractor agreement	13
Consultant	Consultant contract	16

## 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			2020	2021	2022
Item/Gender	Age		Number of persons	Number of persons	Number of persons
Managerial employees	Male	Below 30	0	0	0
		30-50	10	9	8
		51 or older	8	9	10
	Female	Below 30	0	0	0
		30-50	2	2	2
		51 or older	4	4	4
Total number of managerial employees			24	24	24
Non-managerial employees	Male	Below 30	46	38	35
		30-50	142	141	132
		51 or older	72	57	58
	Female	Below 30	57	46	62
		30-50	210	200	202
		51 or older	49	50	54
Total number of non-managerial employees			576	532	543
Total number of regular employees			600	556	567

Note: An employee at or above the level of assistant vice president is a senior manager.





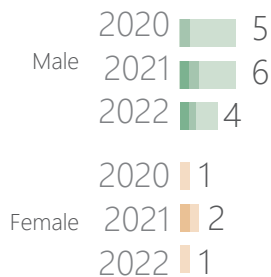
## Hiring of Employees from Diverse Groups GRI 405-1

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

Year			2020	2021	2022
Item/Gender	Age		No. of persons surveyed	No. of persons surveyed	No. of persons surveyed
Minority or disadvantaged groups	Male	Below 30	0	1	1
		30-50	2	2	1
		51 or older	3	3	2
	Female	Below 30	0	0	0
		30-50	0	1	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	12	8	14
		30-50	50	43	52
		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



## GRI 401-1

## Percentage of New Employees

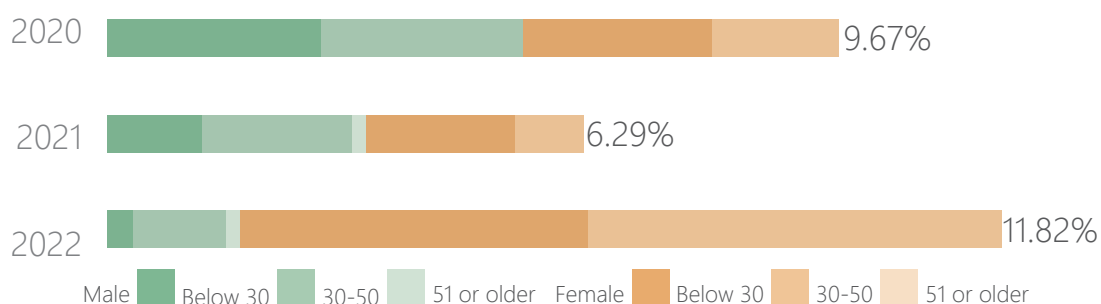
In order to retain outstanding talent, AGV builds a friendly working environment, emphasizes work-life balance, and provides its employees with training and development opportunities. AGV also encourages its employees to keep improving themselves for the development of their personal careers. In 2022, we hired a total of 67 employees (10 men and 57 women), representing 11.82% of all employees, and a total of 56 employees (23 men and 33 women) separated from AGV, with a separation rate of 9.88%.

Year	2020				2021				2022			
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	17	2.83	15	2.50	7	1.26	11	1.98	2	0.35	26	4.59
30-50	16	2.67	10	1.67	11	1.98	5	0.90	7	1.23	31	5.47
51 or older	0	0	0	0	1	0.18	0	0	1	0.18	0	0
Total number of new employees	58				35				67			
Total number of employees	600				556				567			
Total percentage of new employees (%)	9.67				6.29				11.82			

Note:

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



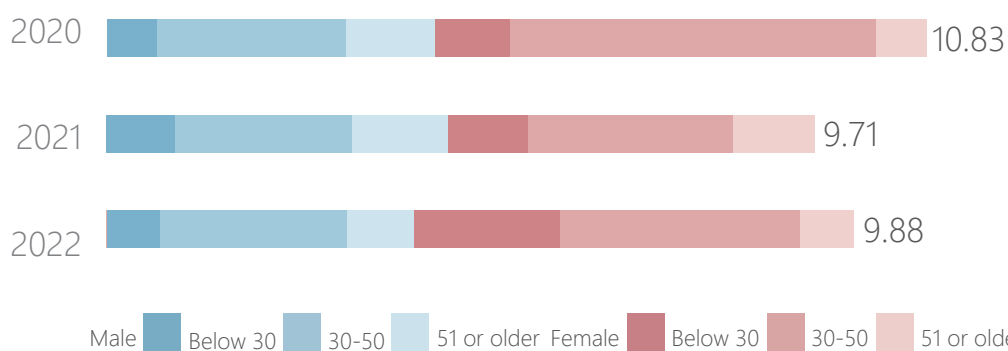
## Separation Rate

Year	2020				2021				2022			
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	4	0.67	6	1.00	7	1.26	6	1.08	4	0.71	11	1.94
30-50	15	2.50	29	4.83	15	2.70	17	2.70	14	2.47	18	3.17
51 or older	7	1.17	4	0.67	10	1.80	6	1.08	5	0.88	4	0.71
Total number of employees separated	65				54				56			
Total number of employees	600				556				567			
Total separation rate (%)	10.83				9.71				9.88			

Note:

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

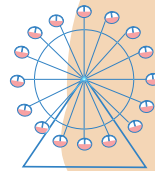
## Comprehensive Benefits for Employees

GRI 401-2

AGV considers 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, recreational facilities, and group insurance.



Annual health check-up



Corporate family day



Giving out red envelopes for the start of work



Administering Covid-19 vaccine, administering flu vaccine



## 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 2022, the total number of applicants for “parental leave without pay” was two, including one female employee and two male employees.

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	2020			2021			2022		
Gender/Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Number of employees eligible to apply for parental leave without pay (A)	15	12	27	18	11	29	17	15	32
Number of employees actually applying for parental leave without pay in the current year (B)	0	2	2	0	3	3	1	1	2
Number of employees requiring reinstatement after parental leave without pay in the current year (C)	0	1	1	0	2	2	1	1	2
Number of employees actually reinstated after parental leave without pay in the current year (D)	0	1	1	0	2	2	1	0	1
Number of employees actually reinstated after parental leave without pay in the previous year (E)	0	1	1	0	1	1	0	2	2
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	1	1	0	2	2
Rate of reinstatement after parental leave without pay in the current year (%) (D/C)	0	100	100	0	100	100	100	0	50
Rate of retention after parental leave without pay in the current year (%) (F/E)	0	100	100	0	100	100	0	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.
  - (4) He / She has applied for retirement in accordance with the preferential employee retirement plan established by AGV.

The preferential employee retirement plan means:

- A. The regulations or guidelines on preferential employee retirement established by AGV due to business needs and downsizing. Such regulations or guidelines may be effective for a limited period and will cease to be applicable upon the expiration of such period.
- B. The Chairman shall be authorized to approve such regulations or guidelines on preferential employee retirement, which shall then be adopted by a resolution of the Labor Pension Fund Supervisory Committee and be implemented upon submission to the competent authority for record.
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. 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 an amount of pension each month and deposit it into a special personal labor pension account at the Bureau of Labor Insurance in accordance with the Labor Pension Act.

**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 standard salary for junior male employees is 1.08 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	1.08	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 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 of 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. In 2022, 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, prevention of burglary and robbery, and traffic control practices. In 2022, the security guards did not receive training on human rights.

## 5.3 Career Development and Training

### Training

GRI 404-1

GRI 404-2

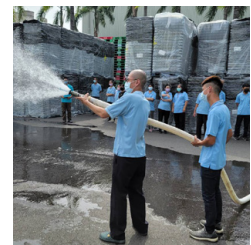
Employees are the most essential asset of a company, and continued growth of employees will help a company maintain its competitive advantage in the long run. AGV attaches great importance to the development of the job competencies of its employees and expects them to engage in lifelong learning. Before the end of October each year, we request each department to 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 Division also plans general education courses for employees to continue to acquire different knowledge, digest it and apply it to their work or life.

Each department will actively implement and promote the above course program the following year, and the Human Resources Division will regularly review the program and remind the department about it in order to 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 2022:



▲ Hazardous chemical response drill



▲ Fire drill



▲ Healthy food promotion

▲ Training of new employees



▲ Annual awareness session on the Personal Data Protection Act

Average hours of training per year per employee:

Item	Internal training	External training
Total number of trainees (person)	781	200
Total number of training courses (session)	12	94
Total training hours (H)	4,154	1,031
Total average training hours (H/person)	5	5
Training cost (NTD)	39,250	268,720

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. Through surveys on the training needs of all departments, 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 GRI 404-3

Item	Managers	Non-managers	Direct employees	Indirect employees
Percentage of male employees subject to evaluation	100.00	98.86	98.00	99.48
Percentage of female employees subject to evaluation	100.00	76.53	61.71	98.66

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 accident. Currently, workers covered by the system include 567 internal full-time employees and 13 external security guards, totaling 580, with 100% coverage.

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. For special workers under the law, we combine the data from environmental monitoring to identify potential health hazard risks, and we arrange health examinations for special workers, including for special work involving noise, ionizing radiation or 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.

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 and will subsequently receive a Report on Certification of Health Examination for Prevention of Occupational Diseases, which only needs to be sent to the hospital conducting the health examination.

Statistical table of the numbers of employees undergoing health examinations and their costs	
<b>General health examination</b>	
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)	408
Cost of examination (NTD thousand)	154
<b>Special health examination</b>	
Items for examination	Noise, ionizing radiation, chemicals
Number of employees examined (person)	177
Cost of examination (NTD thousand)	0

**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 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 organized by AGV during the reporting period:

Statistics of occupational safety and health training courses	
Title of training course	Number of trainees
Training on the use and operation of noise protection equipment for elevated hot work	274
Training on the use of hazardous chemicals	272
Safety and health training for electric welding operations	77
General safety and health training for current employees	283
Seminar on workplace health promotion (hazards of smoking, four types of cancer, prevention of obesity)	76
General safety and health training for new employees	26
Safety and health training for new employees on elevated hot work, work in confined spaces and work under noise	26
Safety and health training on respiratory protection equipment	223
Safety and health training for new employees on the use of hazardous chemicals	26
Training on activated carbon masks for protection against organic solvents	31
Course on emotional management/stress adaptation	198
Training on hypoxic work	7
Training on rescue, first aid and evacuation in the event of certain chemical spills	20
Training on emergency rescue in confined spaces	7

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

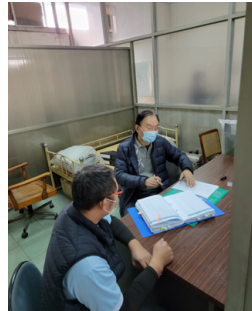
AGV regularly organizes health examinations for employees each year, including general and special health examinations, which are applicable to all employees under the control of AGV.

2022

- Face-to-face questionnaire survey conducted by a labor health service physician for prevention of ergonomic hazards: 127 employees
- Prevention of the hazard of unlawful harms suffered during the performance of duties: 27 employees
- Prevention of the hazard of illnesses induced by abnormal workload: 73 employees
- Questionnaire survey on the maternal health of female workers: 1 employee
- Employees subject to monitoring due to anomalies found during health examination: 72 employees
- Flu vaccines administered by Minxiong Township Public Health Center: 104 employees



▲ Care via a questionnaire for the prevention of ergonomic hazards



▲ Face-to-face questionnaire between a physician and an employee on overwork



▲ Care via a questionnaire on the maternal health of female workers



▲ Annual face-to-face checkup by a physician of employees with anomalies found during health examination



▲ Administering of flu vaccines



▲ Lecture on prevention of smoking hazards

GRI 403-7

GRI 403-8

Occupational safety and health administrators will visit all factories and workplaces to identify hazards and assess the risks of operations, and to ensure the safety of workers at work through preventive control measures. We regularly collect information and legal updates relating to occupational safety and health on a monthly basis, and we seek to communicate safety awareness information to every worker via our internal means of contact. For more effective warnings and reminders, we have conducted awareness campaigns using posters and promotional materials, included environments with a high rate of recurrence in the targets for inspection, and added the measurement of working environments to the scope of measurement of illuminance at the factory area.

We continue to implement the ISO 45001 occupational safety and health management system. Currently, workers covered by the system include 567 internal full-time employees and 13 external security guards, totaling 580, with 100% coverage.

## GRI 403-9

Occupational injuries of employees				
Category	Item	2020	2021	2022
Total working hours	Total working hours of women	640,911	685,259	725,734
	Total working hours of men	555,185	576,344	572,128
	Total working hours	1,196,096	1,261,603	1,297,862
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	1	3	3
	Total number of men suffering occupational injuries	3	2	1
	Total number of employees suffering occupational injuries	4	5	4
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 (%)		3.34	3.96	3.08

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 2022, no non-employee workers suffered occupational injuries.



## GRI 403-10

In 2022, 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.

## 5.5 Social Charity and Its Practices

### GRI 203-1

### GRI 203-2

### GRI 413-1

### GRI 413-2

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 the society will be used for the 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.

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.





## Chiayi County Government - 2022 Citizens Sports Games

111年全民運動會  
CITIZENS SPORTS GAMES CHIAYI COUNTY

The 2022 Citizens Sports Games was held in Chiayi County from October 8 to 13. On the evening of October 8, athletes from all over the country gathered at the Chiayi County Athletic Field for the official opening of the Games themed "Shining Chiayi". The aim of the Games is to develop sports for all citizens, improve sports skills, enhance the physical fitness of citizens, increase the capability to organize sports competitions, promote the sports industry, and enhance citizens' quality of life. AGV donated beverages and desserts to cheer up the athletes and reward the staff for their hard work.



## 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.



## National Singang Senior High School of Arts - sports day for 17th anniversary of the school

On December 9, 2022, National Singang Senior High School of Arts held a sports day to celebrate its anniversary, and AGV donated beverages for the occasion to promote exchange between communities.



## Chung Yi Social Welfare Foundation - family walking event and charitable carnival

AGV continues to be concerned with charitable activities. On December 18, 2022, Chung Yi Social Welfare Foundation organized a charitable carnival, 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 - 16th "Write Your Wishes in Christmas Cards" event

Every year, the Nice Prince Hotel organizes the event "Write Your Wishes in Christmas Cards". On December 17, 2022, 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 then wrote 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 snacks for this lovely Christmas event.



their wishes in



Ro Ju Er Education Foundation - "2022 Ro Ju Er Charitable Carnival"

On November 6, 2022, Ro Ju Er Education Foundation held a charitable carnival. Caring about disadvantaged groups, AGV donated charitable goods to the carnival for sale, and the income was all used to support physically and mentally disabled people.



Rain Spring Charitable Foundation - charitable food bags for the elderly 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.



Model Worker Award Ceremony for Labor Day

On April 28, 2022, the Manufacturers Association of Minxiong Touqiao Industrial Park, Chiayi County held the Model Worker Award Ceremony for Labor Day, and AGV donated desserts as souvenirs to support the event.



### Chiayi Branch Office, Taiwan Fund for Children and Families

On April 17, 2022, the charitable carnival titled “Care for Our Children” was held 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.



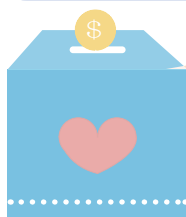
### Minxing Police Station in Minxiong Township Office, Chiayi County

For the successful conclusion of its work of strengthening security during the Chinese New Year holidays, Minxing Police Station organized a dinner party with the civil defense and volunteer police squads on March 4, 2022. In order to thank police officers, volunteer firefighters and members of the civil defense for their contributions in the hope that they can continue to work hard for local security and traffic, AGV donated beverages to show its encouragement and support.



### Blood donations

The period from December to around the Chinese New Year holidays is when most blood banks are in short supply. In autumn and winter, cardiovascular and cerebrovascular diseases are more likely to occur, significantly increasing the demand for blood in hospitals. As a company full of love based on the philosophy of “in the name of love, starting from love, and managing business with love”, AGV engages in social charity activities. In addition to organizing regular blood donations in its factories, this time AGV sought to show more love by joining the ranks of companies sponsoring the Tainan Blood Donation Center. It donated blood as well as “AGV Honey Tomato Juice”, a model of vegetable and fruit drinks, and it encouraged people to roll up their sleeves and donate their blood to become a “passionate model”!



**Totaling 388,202 dollars (NTD)**

# Appendix 1: Comparison Table on the GRI Standards for Sustainability Reporting (GRI Standards)

Statement of use	AGV Products Corporation has reported the information cited in the GRI content index for the period from January 1 to December 31, 2022 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI industry standards	N/A

Category/Topic of GRI Standards	No.	Disclosure of GRI Standards	Corresponding chapter or section	Page	Omission/Remarks
<b>1. The organization and its reporting practices</b>					
GRI 2: General Disclosures 2021	2-1	Organizational details	1.1 About AGV	7	
	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	
<b>2. Activities and workers</b>					
GRI 2: General Disclosures 2021	2-6	Activities, value chain and other business relationships	1.1 About AGV	7	
	2-7	Employees	5.1 Overview of Employee Relations	90	
	2-8	Workers who are not employees	5.1 Overview of Employee Relations	90	
<b>3. Governance</b>					
GRI 2: General Disclosures 2021	2-9	Governance structure and composition	2.1 Governance Development	27	
	2-10	Nomination and selection of the highest governance body	2.1 Governance Development	27	

Category/Topic of GRI Standards	No.	Disclosure of GRI Standards	Corresponding chapter or section	Page	Omission/Remarks
GRI 2: General Disclosures 2021	2-11	Chair of the highest governance body	2.1 Governance Development	27	
	2-12	Role of the highest governance body in overseeing the management of impacts	2.1 Governance Development	27	
	2-13	Delegation of responsibility for managing impacts	2.1 Governance Development	27	
	2-14	Role of the highest governance body in sustainability reporting	2.1 Governance Development	27	
	2-15	Conflicts of interest	2.1 Governance Development	27	
	2-16	Communication of critical concerns	2.1 Governance Development	27	
	2-17	Collective knowledge of the highest governance body	2.1 Governance Development	27	
	2-18	Evaluation of the performance of the highest governance body	2.1 Governance Development	27	
	2-19	Remuneration policies	2.1 Governance Development	27	
	2-20	Process to determine remuneration	2.1 Governance Development	27	
	2-21	Annual total compensation ratio	The highest amount of total annual remuneration is the organization's confidential information.	-	
<b>4. Strategy, policies and practices</b>					
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	50	
	2-24	Embedding policy commitments	2.4 Legal Compliance	50	
	2-25	Processes to remediate negative impacts	2.4 Legal Compliance	50	

Category/Topic of GRI Standards	No.	Disclosure of GRI Standards	Corresponding chapter or section	Page	Omission/Remarks
GRI 2: General Disclosures 2021	2-26	Mechanisms for seeking advice and raising concerns	2.4 Legal Compliance	50	
	2-27	Compliance with laws and regulations	2.4 Legal Compliance	50	
	2-28	Membership associations	1.1 About AGV	7	
<b>5. Stakeholder engagement</b>					
GRI 2: General Disclosures 2021	2-29	Approach to stakeholder engagement	1.2 Stakeholder Engagement	12	
	2-30	Collective bargaining agreements	-	-	No collective bargaining agreements

## Topic-specific Standards: 200 series (Economic topics)

### Economic performance

GRI 201 Economic Performance 2016	201-1	Direct economic value generated and distributed	2.2 Operating Performance	44	
	201-2	Financial implications and other risks and opportunities due to climate change	4.1 Adaptation to Climate Change Risks	78	
	201-3	Defined benefit plan obligations and other retirement plans	5.1 Overview of Employee Relations 5.2 Employee Care and Welfare	90 95	
	201-4	Financial assistance received from government	2.2 Operating Performance	44	

### Market presence

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	95	
	202-2	Proportion of senior management hired from the local community	5.1 Overview of Employee Relations	90	



Category/Topic of GRI Standards	No.	Disclosure of GRI Standards	Corresponding chapter or section	Page	Omission/Remarks
<b>Indirect economic impacts</b>					
GRI 203 Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	5.5 Social Charity and Its Practices	106	
	203-2	Significant indirect economic impacts	5.5 Social Charity and Its Practices	106	
<b>Anti-corruption</b>					
GRI 205 Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	2.4 Legal Compliance	50	
	205-2	Communication and training about anti-corruption policies and procedures	2.4 Legal Compliance	50	
	205-3	Confirmed incidents of corruption and actions taken	2.4 Legal Compliance	50	
<b>Anti-competitive behavior</b>					
GRI 206 Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust and monopoly practices	2.4 Legal Compliance	50	
<b>Tax</b>					
GRI 207 Tax 2019	207-1	Approach to tax	2.2 Operating Performance	44	
	207-2	Tax governance, control and risk management	2.2 Operating Performance	44	
	207-3	Stakeholder engagement and management of concerns related to tax	2.2 Operating Performance	44	
	207-4	Country-by-country reporting	2.2 Operating Performance	44	

Category/Topic of GRI Standards	No.	Disclosure of GRI Standards	Corresponding chapter or section	Page	Omission/Remarks
<b>Topic-specific Standards: 300 series (Environmental topics)</b>					
<b>Materials</b>					
GRI 301 Materials 2016	301-1	Materials used by weight or volume	3.1 Food Safety Management and Material Management	66	
	301-2	Recycled input materials used	-	-	N/A to AGV
	301-3	Reclaimed products and their packaging materials	3.1 Food Safety Management and Material Management	66	
<b>Biodiversity</b>					
GRI 304 Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	-	-	Not disclosed
	304-2	Significant impacts of activities, products and services on biodiversity	-	-	Not disclosed
	304-3	Habitats protected or restored	-	-	Not disclosed
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	-	-	Not disclosed
<b>Topic-specific Standards: 400 series (Social topics)</b>					
<b>Employment</b>					
GRI 401 Employment 2016	401-1	New employee hires and employee turnover	5.1 Overview of Employee Relations	90	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.2 Employee Care and Welfare	95	

Category/Topic of GRI Standards	No.	Disclosure of GRI Standards	Corresponding chapter or section	Page	Omission/Remarks
GRI 401 Employment 2016	401-3	Parental leave	5.2 Employee Care and Welfare	95	
<b>Labor/Management relations</b>					
GRI 402 Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	5.2 Employee Care and Welfare	95	
<b>Training and education</b>					
GRI 404 Training and Education 2016	404-1	Average hours of training per year per employee	5.3 Career Development and Training	99	
	404-2	Programs for upgrading employee skills and transition assistance programs	5.3 Career Development and Training	99	
	404-3	Percentage of employees receiving regular performance and career development reviews	5.3 Career Development and Training	99	
<b>Diversity and equal opportunity</b>					
GRI 405 Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	5.1 Overview of Employee Relations	90	
	405-2	Ratio of basic salary and remuneration of women to men	-	-	Not disclosed
<b>Non-discrimination</b>					
GRI 406 Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	5.2 Employee Care and Welfare	95	
<b>Freedom of association and collective bargaining</b>					
GRI 407 Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	-	-	Not disclosed

Category/Topic of GRI Standards	No.	Disclosure of GRI Standards	Corresponding chapter or section	Page	Omission/Remarks
<b>Child labor</b>					
GRI 408 Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	3.3 Supply Chain Management	71	
<b>Forced or compulsory labor</b>					
GRI 409 Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	3.3 Supply Chain Management	71	
<b>Security practices</b>					
GRI 410 Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	5.2 Employee Care and Welfare	95	
<b>Rights of indigenous peoples</b>					
GRI 411 Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	5.2 Employee Care and Welfare	95	
<b>Local communities</b>					
GRI 413 Local Communities 2016	413-1	Operations with local community engagement, impact assessments and development programs	5.5 Social Charity and Its Practices	106	
	413-2	Operations with significant actual and potential negative impacts on local communities	5.5 Social Charity and Its Practices	106	
<b>Public policy</b>					
GRI 415 Public Policy 2016	415-1	Political contributions	-	-	Not disclosed
<b>Customer privacy</b>					
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	71	

## Disclosures of Material Topics

GRI no.	Issue	Industry Standards no.	No.	Disclosure of GRI Standards	Corresponding chapter or section	Page	Omission/Remarks
GRI 3: Material Topics 2021	Management Approach	-	3-1	Process to determine material topics	1.3 Identification and Analysis of Material Issues	16	
GRI 3: Material Topics 2021	Management Approach	-	3-2	List of material topics	1.3 Identification and Analysis of Material Issues	19	
<b>Material topic: Procurement practices (Procurement of raw materials) (GRI 204)</b>							
GRI 3: Material Topics 2021	Management Approach	-	3-3	Management of material topics	III. Control of Food Safety and Quality	62	
GRI 204	Procurement Practices 2016	-	204-1	Proportion of spending on local suppliers	3.3 Supply Chain Management	71	
<b>Material topic: Energy and emissions (GRI 302 and GRI 305)</b>							
GRI 3: Material Topics 2021	Management Approach	-	3-3	Management of material topics	IV. Comprehensive Management of Sustainable Environment	74	
GRI 302	Topic disclosures Energy 2016	-	302-1	Energy consumption within the organization	4.2 Energy Management	80	
		-	302-2	Energy consumption outside of the organization	4.2 Energy Management	80	
		-	302-3	Energy intensity	4.2 Energy Management	80	
		-	302-4	Reduction of energy consumption	4.2 Energy Management	80	
		-	302-5	Reductions in energy requirements of products and services	4-2 Energy Management	80	

GRI no.	Issue	Industry Standards no.	No.	Disclosure of GRI Standards	Corresponding chapter or section	Page	Omission/Remarks
GRI 305	Topic disclosures Emissions 2016	-	305-1	Direct (Scope 1) GHG emissions	4.3 Management of GHG Emissions	85	
		-	305-2	Energy indirect (Scope 2) GHG emissions	4.3 Management of GHG Emissions	85	
		-	305-3	Other indirect (Scope 3) GHG emissions	4.3 Management of GHG Emissions	85	
		-	305-4	GHG emissions intensity	4.3 Management of GHG Emissions	85	
		-	305-5	Reduction of GHG emissions	4.3 Management of GHG Emissions	85	
		-	305-6	Emissions of ozone-depleting substances (ODS)	4.3 Management of GHG Emissions	85	
		-	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX) and other significant air emissions	4.3 Management of GHG Emissions	85	
<b>Material topic: Water and effluents (GRI 303)</b>							
GRI 3: Material Topics 2021	Management Approach	-	3-3	Management of material topics	IV. Comprehensive Management of Sustainable Environment	74	

GRI no.	Issue	Industry Standards no.	No.	Disclosure of GRI Standards	Corresponding chapter or section	Page	Omission/Remarks
GRI 303	Topic management disclosures Water and Effluents 2018	-	303-1	Interactions with water as a shared resource	4.2 Energy Management	80	
		-	303-2	Management of water discharge-related impacts	4.2 Energy Management	80	
GRI 303	Topic disclosures Water and Effluents 2018	-	303-3	Water withdrawal	4.2 Energy Management	80	
		-	303-4	Water discharge	4.2 Energy Management	80	
		-	303-5	Water consumption	4.2 Energy Management	80	
<b>Material topic: Waste (GRI 306)</b>							
GRI 3: Material Topics 2021	Management Approach	-	3-3	Management of material topics	IV. Comprehensive Management of Sustainable Environment	74	
GRI 306	Topic management disclosures Waste 2020	-	306-1	Waste generation and significant waste-related impacts	4.4 Waste Management	87	
		-	306-2	Management of significant waste-related impacts	4.4 Waste Management	87	
GRI 306	Topic disclosures Waste 2020	-	306-3	Waste generated	4.4 Waste Management	87	
		-	306-4	Waste diverted from disposal	4.4 Waste Management	87	
		-	306-5	Waste directed to disposal	4.4 Waste Management	87	



GRI no.	Issue	Industry Standards no.	No.	Disclosure of GRI Standards	Corresponding chapter or section	Page	Omission/Remarks
GRI 306	Topic disclosures Effluents and Waste 2016	-	306-3	Significant spills	4.4 Waste Management	87	None.
<b>Material topic: Supplier environmental assessment (GRI 308)</b>							
GRI 3: Material Topics 2021	Management Approach	-	3-3	Management of material topics	III. Control of Food Safety and Quality	62	
GRI 308	Topic disclosures Supplier Environmental Assessment 2016	-	308-1	New suppliers that were screened using environmental criteria	3.3 Supply Chain Management	71	
		-	308-2	Negative environmental impacts in the supply chain and actions taken	3.3 Supply Chain Management	71	
<b>Material topic: Occupational safety and health (GRI 403)</b>							
GRI 3: Material Topics 2021	Management Approach	-	3-3	Management of material topics	V. Happy Workplace and Fulfillment of Responsibilities	88	

GRI no.	Issue	Industry Standards no.	No.	Disclosure of GRI Standards	Corresponding chapter or section	Page	Omission/Remarks
GRI 403	Topic management disclosures Occupational Health and Safety 2018	-	403-1	Occupational health and safety management system	5.4 Protection of Health	101	
		-	403-2	Hazard identification, risk assessment and incident investigation	5.4 Protection of Health	101	
		-	403-3	Occupational health services	5.4 Protection of Health	101	
		-	403-4	Worker participation, consultation and communication on occupational health and safety	5.4 Protection of Health	101	
		-	403-5	Worker training on occupational health and safety	5.4 Protection of Health	101	
		-	403-6	Promotion of worker health	5.4 Protection of Health	101	
		-	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.4 Protection of Health	101	

GRI no.	Issue	Industry Standards no.	No.	Disclosure of GRI Standards	Corresponding chapter or section	Page	Omission/Remarks
GRI 403	Topic disclosures Occupational Health and Safety 2018	-	403-8	Workers covered by an occupational health and safety management system	5.4 Protection of Health	101	
		-	403-9	Work-related injuries	5.4 Protection of Health	101	
		-	403-10	Work-related ill health	5.4 Protection of Health	101	
<b>Material topic: Supplier social assessment (GRI 414)</b>							
GRI 3: Material Topics 2021	Management Approach	-	3-3	Management of material topics	III. Control of Food Safety and Quality	62	
GRI 414	Topic disclosures Supplier Social Assessment 2016	-	414-1	New suppliers that were screened using social criteria	3.3 Supply Chain Management	71	
		-	414-2	Negative social impacts in the supply chain and actions taken	3.3 Supply Chain Management	71	
<b>Material topic: Customer health and safety (Food safety) (GRI 416)</b>							
GRI 3: Material Topics 2021	Management Approach	-	3-3	Management of material topics	III. Control of Food Safety and Quality	62	
GRI 416	Topic disclosures Customer Health and Safety 2016	-	416-1	Assessment of the health and safety impacts of product and service categories	3.1 Food Safety Management and Material Management	66	

GRI no.	Issue	Industry Standards no.	No.	Disclosure of GRI Standards	Corresponding chapter or section	Page	Omission/Remarks
GRI 416	Topic disclosures Customer Health and Safety 2016	-	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	3.1 Food Safety Management and Material Management	66	
<b>Material topic: Marketing and labeling (Product quality) (GRI 417)</b>							
GRI 3: Material Topics 2021	Management Approach	-	3-3	Management of material topics	III. Control of Food Safety and Quality	62	
GRI 417	Topic disclosures Marketing and Labeling 2016	-	417-1	Requirements for product and service information and labeling	3.2 Customer Service and Communication	71	
		-	417-2	Incidents of non-compliance concerning product and service information and labeling	3.2 Customer Service and Communication	71	
		-	417-3	Incidents of non-compliance concerning marketing communications	3.2 Customer Service and Communication	71	

*Customized topic	No.	Disclosure of GRI Standards	Corresponding chapter or section	Page	Omission/Remarks
<b>*Product tracking and tracing</b>					
GRI 3 Management Approach to Product Tracking and Tracing	3-3	Management of material topics	III. Control of Food Safety and Quality	62	

## Appendix 2: Disclosures Specific to the Food Processing Industry

Aspect	Metric	Description	Corresponding chapter or section	Page	
Purchasing/ Raw materials purchasing practices	FP1	Percentage of volume purchased from suppliers that meets the requirements of AGV' s purchasing policy.	AGV requires its suppliers to undergo an "on-site evaluation." In 2022, on-site evaluations were completed for 80 suppliers, accounting for 35.4%, and the results of evaluation indicated one unqualified supplier, accounting for only 1%. With advice provided jointly by the Procurement Department and QA Center, the major deficiencies of the supplier have been corrected.	III. Control of Food Safety and Quality 3.3 Supply Chain Management	62 71
	FP2	Percentage of products that meets internationally accepted product responsibility standards in total purchases, differentiated by standards.	In 2022, AGV did not purchase any product that meets internationally accepted product responsibility standards.	III. Control of Food Safety and Quality 3.3 Supply Chain Management	62 71
Labor-management relations	FP3	Percentage of losses of working hours due to labor-management disputes, strikes and/or shutdowns.	In 2022, there was no loss of working hours due to any labor-management dispute, strike and/or shutdown at AGV.	5.2 Employee Care and Welfare	95
Customer health and safety	FP5	Percentage of products manufactured by factories certified by an independent third party to be meeting internationally recognized standards of food safety management system.	In 2022, 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.	III. Control of Food Safety and Quality 3.1 Food Safety Management and Material Management	62 66

## Appendix 3: Comparison Table on the Sustainability Accounting Standards (SASB)

Industry: Food and beverage manufacturing					
Topic of disclosure	Metric no.	Metric of disclosure	Description	Corresponding chapter or section in the report	Page
Energy Management	FB-PF-130a.1	(1) Total energy consumed; (2) percentage grid electricity; (3) percentage renewable	(1) Our total energy consumption in 2022 was 400,015.40 GJ. (2) The percentage of grid electricity used by us was 9.71%. (3) We do not use renewable energy.	4.2 Energy Management	80
Water Resource Management	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 418.54 million liters. (2) We do not use water from regions with high water stress.	4.2 Energy Management	80
	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 2022.	4.2 Energy Management	80
	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	80

Industry: Food and beverage manufacturing

Topic of disclosure	Metric no.	Metric of disclosure	Description	Corresponding chapter or section in the report	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%.	III. Control of Food Safety and Quality	62
	FB-PF-250a.2	Percentage of ingredients sourced from Tier 1 supplier facilities certified by the GFSI	In 2022, among a total of 226 vendors of our primary raw materials, on-site evaluations were completed for 80 suppliers, accounting for 35.4% of them. 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.	III. Control of Food Safety and Quality	62
	FB-PF-250a.3	(1) Total number of notices of food safety violation received; (2) percentage corrected	In 2022, there was no violation of food safety.	III. Control of Food Safety and Quality	62
	FB-PF-250a.4	(1) Number of recalls issued; (2) total amount of food products recalled	In 2022, there was no recall of products.	III. Control of Food Safety and Quality	62



## Industry: Food and beverage manufacturing

Topic of disclosure	Metric no.	Metric of disclosure	Description	Corresponding chapter or section in the report	Page
Health and Nutrition	FB-PF-260a.1	Revenue from products labeled to promote health and nutrition attributes	In 2022, the revenue from the sales of healthy foods totaled NTD 1,622,444 thousand.	3.1 Food Safety Management and Material Management	66
	FB-PF-260a.2	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers.	See "3.2 Customer Service and Communication."	3.2 Customer Service and Communication	71
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.	III. Control of Food Safety and Quality	62

Industry: Food and beverage manufacturing

Topic of disclosure	Metric no.	Metric of disclosure	Description	Corresponding chapter or section in the report	Page
Product Labeling and Marketing	FB-PF-270a.2	Revenue from (1) GMO products and (2) 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 2022, the revenue from GMO products was NTD 32,115,443. (2) In 2022, the revenue from products labeled as non-GMO was NTD 1,962,830.	3.1 Food Safety Management and Material Management	66
	FB-PF-270a.3	Number of incidents of non-compliance with industry standards or regulations on product labeling or marketing	In 2022, there was no case of non-compliance with industry standards or regulations on product labeling or marketing.	3.2 Customer Service and Communication	71
	FB-PF-270a.4	Amount of monetary losses as a result of legal proceedings associated with product labeling or marketing	In 2022, there was no related case of violation/legal proceeding.	3.2 Customer Service and Communication	71

## Industry: Food and beverage manufacturing

Topic of disclosure	Metric no.	Metric of disclosure	Description	Corresponding chapter or section in the report	Page										
Product Packaging Life Cycle Management	FB-PF-410a.1	(1) Total weight of packaging; (2) percentage made from recycled or renewable materials; (3) percentage that is recyclable, reusable or compostable	<p>(1) Main packaging materials:</p> <table border="1"> <thead> <tr> <th>Category</th> <th>Weight (tonnes)</th> </tr> </thead> <tbody> <tr> <td>Cartons</td> <td>998.6</td> </tr> <tr> <td>Glass bottles</td> <td>3,608.5</td> </tr> <tr> <td>Twist caps</td> <td>273.4</td> </tr> <tr> <td>Tin cans</td> <td>2,129</td> </tr> </tbody> </table> <p>(2) We do not provide any product made of recycled or renewable materials.</p> <p>(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.</p>	Category	Weight (tonnes)	Cartons	998.6	Glass bottles	3,608.5	Twist caps	273.4	Tin cans	2,129	3.1 Food Safety Management and Material Management	66
	Category	Weight (tonnes)													
Cartons	998.6														
Glass bottles	3,608.5														
Twist caps	273.4														
Tin cans	2,129														
	FB-PF-410a.2	Description of how to reduce the environmental impact of packaging throughout its life cycle	None	-	-										

Industry: Food and beverage manufacturing

Topic of disclosure	Metric no.	Metric of disclosure	Description	Corresponding chapter or section in the report	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 2022, none of the raw materials purchased by AGV were certified to third-party environmental or social standards.	3.3 Supply Chain Management	71
	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 2022, among a total of 226 vendors of our primary 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." (1) The results of evaluation indicated one non-conforming supplier, with a non-conforming rate of only 1%. (2) The correction rate was 100%. With advice provided jointly by the Procurement Department and QA Center, the major deficiencies of the supplier have been corrected.	3.3 Supply Chain Management	71
Ingredient Purchasing	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.	3.3 Supply Chain Management	71

## Industry: Food and beverage manufacturing

Topic of disclosure	Metric no.	Metric of disclosure	Description	Corresponding chapter or section in the report	Page	
Ingredient Purchasing	FB-PF-440a.2	List of priority food ingredients and discussion of sourcing risks due to environmental and social considerations	Primary raw materials	Description of purchasing risks in the environmental and social aspects.	3.3 Supply Chain Management	71
			Peanuts	Severe global inflation and the ongoing Russia–Ukraine war have caused imbalanced harvesting of agricultural products, leading to high price volatility and unstable supply. Currently, at least two suppliers are available for each raw material.		
			Salted ingredients			
			Refined white sugar			
			Soybean oil			
			Tinplate cans	If a supplier violates the provisions concerning corporate social responsibility policies in AGV' s purchasing contract, AGV will promptly communicate with the supplier to require correction, and failure to make correction will result in termination or cancellation of the contract.		
			Glass jars			
			Fried gluten balls			
			Sour bamboo shoots			
			Twist caps			
Dessert container lids with spoons						

## Appendix 4: Sustainability Disclosure Metrics

No.	Disclosure metrics required by the Financial Supervisory Commission (food industry)	Category of metric	Unit	Annual disclosures	Corresponding chapter or section	Page
I	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	Percentage (%)	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 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 electrode 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. In 2022, 100% of the categories of the main products and services were affected by AGV.	3.1 Food Safety Management and Material Management	66

No.	Disclosure metrics required by the Financial Supervisory Commission (food industry)	Category of metric	Unit	Annual disclosures	Corresponding chapter or section	Page
II	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	Quantity, tonne (t)	In 2022, 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.	3.1 Food Safety Management and Material Management	66
III	Percentage of products that meets internationally accepted product responsibility standards in total purchases, differentiated by standards.	Quantitative	Percentage (%)	In 2022, AGV did not purchase any product that meets internationally accepted standards.	-	-
IV	Percentage of products manufactured by factories certified by an independent third party to be meeting internationally recognized standards of food safety management system.	Quantitative	Percentage (%)	In 2022, 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.	3.1 Food Safety Management and Material Management	66
V	Number and percentage of suppliers audited, and the scope and results of their audits.	Quantitative and qualitative descriptions	Percentage (%)	<ul style="list-style-type: none"> <li>Of a total of 181 suppliers rated in 2022, 164 were rated A, 12 were rated B, 4 were rated C, and 1 was rated D. The supplier rated D supplies agricultural products, which are seasonal and origin-specific raw materials. Therefore, if there is a need to purchase them, we will do it in accordance with the "Criteria on Amounts of Compensation for Acceptance with Reduced Payments (including Special Purchases)."</li> <li>AGV requires its suppliers to undergo an "on-site evaluation." In 2022, on-site evaluations were completed for 80 suppliers, accounting for 35.4%, and the results of evaluation indicated one unqualified supplier, accounting for only 1%. With advice provided jointly by the Procurement Department and QA Center, the major deficiencies of the supplier have been corrected.</li> </ul>	3.3 Supply Chain Management	71



No.	Disclosure metrics required by the Financial Supervisory Commission (food industry)	Category of metric	Unit	Annual disclosures	Corresponding chapter or section	Page
VI	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	Percentage (%)	<p>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. 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. 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. As of the end of the reporting year, AGV uploaded the information of 98 products subject to mandatory tracing and of 95 products outsourced for manufacturing, accounting for 93.24% of all products, and 6.76% of them were subject to voluntary tracing and tracking. All the relevant information has been uploaded to the "Food Tracing and Tracking Management Information System (Ftracebook)" of the Ministry of Health and Welfare.</p>	III. Control of Food Safety and Quality	62

No.	Disclosure metrics required by the Financial Supervisory Commission (food industry)	Category of metric	Unit	Annual disclosures	Corresponding chapter or section	Page
VII	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	Percentage (%)	Our 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 2022, the TAC recorded an expense of NTD 22,079,294, accounting for 0.55% of the parent-only net operating revenue.	3.1 Food Safety Management and Material Management	66
VIII	Total energy consumption, percentage of externally purchased electricity, and renewable energy use rate	Quantitative	Gigajoule (GJ), percentage (%)	<ol style="list-style-type: none"> <li>(1) Our total energy consumption in 2022 was 400,015.40 GJ.</li> <li>(2) The percentage of grid electricity used by us was 9.71%.</li> <li>(3) We do not use renewable energy.</li> </ol>	4.2 Energy Management	80
IX	Total water withdrawn and consumed	Quantitative	Thousand cubic meters (m <sup>3</sup> )	<ol style="list-style-type: none"> <li>(1) The total municipal water withdrawn by us amounted to 418.54 million liters.</li> <li>(2) The total municipal water consumed by us amounted to 97.38 million liters.</li> </ol>	4.2 Energy Management	80
X	Weight of products sold, and number of production facilities	Quantitative	Quantity, tonne (t)	<p>The weight of products sold by AGV and the number of its production facilities in 2022 are as follows:</p> <ol style="list-style-type: none"> <li>(1) The annual sales volume of sold products amounted to 20,215,149 dozens.</li> <li>(2) Number of production facilities: Three factories, including Food Factory 1, Food Factory 2 and Food Factory 3.</li> </ol>	3.1 Food Safety Management and Material Management	66

## Appendix 5: Climate-related Information of TWSE/TPEX-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	78
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	78
3. Describe the financial impact of extreme weather events and transitional actions.	4.1 Adaptation to Climate Change Risks	78
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	78
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	78
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	78
9. GHG inventory and assurance.	4.1 Adaptation to Climate Change Risks	78

## Appendix 6: 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 2022 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 2022 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 2022 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 31, 2023

# Attachment 1

Summary of Assurances Required			
No	Assurance Target(Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies)	Indicator Description	Measurement Criteria
1	"Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" Article 4, Section 1, Appendix 1.1, Number 1.	The evaluation and improvement regarding the company's personnel, work environment, hygiene management of facilities and quality control system to improve food sanitation, safety and quality, as well as the significant product and service categories and the percentage affected.	<ol style="list-style-type: none"> <li>1. Execute a confirmation procedure for the "pointed electrode temperature measuring devices" purchased by AGV for detecting low-acidity and canned acidic products within the company.</li> <li>2. Execute a confirmation procedure for the establishment of the Testing and Analysis Center by AGV and obtaining TFDA and TAF certifications. This center conducts inspections for product nutrition labeling, product quality, and hygiene and safety.</li> <li>3. Execute a confirmation procedure for AGV's on-site employees who have received training in food hygiene or sterilization operations and obtained relevant certificates.</li> </ol>
2	"Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" Article 4, Section 1, Appendix 1.1, Number 2.	The types and number of incidents of violation against the applicable food safety and sanitation laws and noncompliance with product and service information and labeling laws.	In the year 2022, AGV did not have any incidents of violation against the applicable food safety and sanitation laws and noncompliance with product and service information and labeling laws.
3	"Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" Article 4, Section 1, Appendix 1.1, Number 3.	The percentage of the purchased volume in accordance with internationally recognized responsible production standards, categorized by standards.	In 2022, AGV did not purchase any product that meets internationally accepted product responsibility standards.

Summary of Assurances Required

No	Assurance Target(Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies)	Indicator Description	Measurement Criteria
4	"Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" Article 4, Section 1, Appendix 1.1, Number 4.	The percentage of the production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards.	AGV's entire Chiayi factory complex (including Food Factory 1, Food Factory 2, and Food Factory 3) has been independent third party inspected and complies with international certifications such as FSSC22000, HACCP, and ISO22000. Additionally, contract manufacturing factories have obtained ISO22000 or FSSC22000 certifications. This confirmation procedure is carried out to determine the percentage of products produced in facilities compliant with internationally recognized food safety management system standards for the year 2022.
5	"Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" Article 4, Section 1, Appendix 1.1, Number 5.	The number and percentage of suppliers audited, and the audit items and results.	In the year 2022, AGV conducted evaluations of suppliers, including the following: 1. Scoring of the actual delivery items, delivery schedules, and quantities provided by suppliers. 2. On-site evaluation of suppliers. The above two evaluation criteria were subject to a confirmation procedure.
6	"Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" Article 4, Section 1, Appendix 1.1, Number 6.	The product trace and track management conducted voluntarily or according to the applicable laws, and the percentage of such relevant products to the whole products.	A confirmation procedure was conducted to determine the percentage of AGV's products uploaded to the Ministry of Health and Welfare's 'Food Traceability and Tracking Management Information System (Non-Optional)' for the year 2022. This includes both mandatory and voluntary traceability items as required by regulations.



## Summary of Assurances Required

No	Assurance Target(Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies)	Indicator Description	Measurement Criteria
7	"Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" Article 4, Section 1, Appendix 1.1, Number 7.	The food safety laboratories established voluntarily or according to the applicable laws, testing items, testing results, relevant expenses and the percentage of such expenses to the net revenue.	AGV has an Testing and Analysis Center, which holds certification from the Ministry of Health and Welfare as a food inspection organization (TFDA) and from the National Certification Foundation (TAF). A confirmation procedure was conducted to determine the percentage of the 2022 annual expenditure of this center relative to individual business revenue.
8	"Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" Article 4, Section 1, Appendix 1.1, Number 8.	Total energy consumed , percentage grid electricity , percentage renewable	A confirmation procedure was conducted for AGV's various locations, including the Chiayi headquarters, Taipei office, Xindian branch, Hsinchu branch, Taichung branch, Tainan branch, and Kaohsiung branch, to determine the total energy consumption for the year 2022 and the percentage of purchased external electricity. Additionally, AGV did not use renewable energy sources.
9	"Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" Article 4, Section 1, Appendix 1.1, Number 9.	Total water withdrawn, and total water consumed	A confirmation procedure was conducted for the data regarding the total water intake and total water consumption for the year 2022 at various AGV locations, including the Chiayi headquarters, Taipei office, Xindian branch, Taichung branch, Tainan branch, and Kaohsiung branch.
10	"Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" Article 4, Section 1, Appendix 1.1, Number 10.	Weight of products sold, and number of production facilities	A confirmation procedure was carried out for AGV's sales of products in the year 2022 (in thousand cases) and the number of production facility locations (including Food Factory 1, Food Factory 2, and Food Factory 3, including outsourced processing factories).

**AGV** PRODUCTS CORPORATION 2022 SUSTAINABILITY REPORT

