



# 2019 TAYA Group Corporate Sustainability Report









## Content

Editorial Principles	4
Chairman's Statement	5
2018 Sustained performance quick view	6
Taya's Sustainable mission	7

## CH.1 Steady Management

1-1	Company Profile	13
1-2	Governance Structure	20



## CH.2

### Multiple Communication Flows

2-1	Stakeholder Interactivity	31
2-2	Analysis of Materiality	32
2-3	Multiple Communication Channels	35

## CH.3

### Group Value Creation

3-1	Value Transfer	37
3-2	Innovation Management	42
3-3	Sustainable Supply Chain	44

## CH.4

### Environmentally Sustainable Operations

4-1	Environmental Policy and Management	47
4-2	Response to Climate Changes	51

## CH.5

### Employee Health and Welfare

5-1	Human Rights Protection	59
5-2	Occupational Safety and Health	66
5-3	Educational Training	73

## CH.6

### Co-Prosperity with Society

6-1	Environmental Protection	77
6-2	Electricity Safety Education Promotion	82
6-3	Social Participation	83

GRI Standard Guidelines	84
Independent Assurance Statement	89

# Editorial Principles

---

Ta Ya Group has long been committed to corporate social responsibilities (CSR). We guarantee the continued publication of our CSR Report, with which we communicate to the public and stakeholders our dedication to business operations, the economy, society, and the environment, demonstrating our resolve for the pristine homeland. For the benefit of more stakeholders to understand our achievements in CSR, this Report is also published on our official website.



## Reference Guide

This report discloses the economic, social and environmental management policies and performance of the Ta Ya Group and its affiliates, following the requirements of the Core Option of the GRI Standards by the Global Reporting Initiative.



## Sources and Review of the Report's Content

The content of this report has been provided by departments, factories and affiliated companies of Ta Ya Main Company, while financial information has been verified by accountants.



## Reporting Period

2019 financial year (January 1, 2019 to December 31, 2019). For full disclosure, part of the contents will refer to information from the 2016 to 2018 financial years. This report presents past performance, and also our vision for future developments. Except for the latter, it is solely based on the situation when the actual report was issued and not a guarantee of future performance.



## External Verification

This report is certified by SGS Taiwan and meets the requirements of GRI Standard Core Option and AA1000 Assurance Standard (2008) Type 1, Moderate level assurance.

## Boundaries and Scope of the Report

Boundaries of this report covered : Ta Ya (Viet Nam) Electric Wire & Cable Joint Stock Company Hai Duong Branch, Guanmiao Factory and Dawan Factory of Ta Ya Electric Wire & Cable Co., Ltd. ("Ta Ya") plus affiliated enterprises that Ta Ya had close business relationships with, including: Cuprime Material Co., Ltd. ("Cuprime"), Ta Heng Electric Wire & Cable Co., Ltd. ("Ta Heng") and Ta Ho Engineering Co., Ltd. ("Ta Ho"), United Electric Industry Co., Ltd. ("UEI"), Ta Ya Green Energy Technology Co., Ltd. ("Ta Ya Green Energy"), and Ta Ya (Viet Nam) Electric Wire & Cable Joint Stock Company ("Ta Ya Vn"). Given Ta Ya Green Energy's nature as an investment company, disclosures have been made on the contractor: Hengs Technology Co., Ltd ("Hengs"). An equity-accounted associated company named: AD Engineering Co., Ltd. ("AD") is also included. The two affiliated enterprises in China: Heng Ya Electric (Kunshan) Ltd. and Heng Ya Electric (Dongguan) Ltd. were excluded from the boundaries of this report.

The report presents sustainability information in three major aspects: economic, environmental and social. Material topics are disclosed for relevant entities within the group, including the management approach taken and the outcome. Some of the entities that were not disclosed in this report may be disclosed progressively over the coming years.



### Reporting Cycle

First Issue : November 2014  
Current Issue : September 2019  
Previous Issue : September 2018  
Next Issue : September 2021 (Scheduled)

CSR Contact Information  
Business Planning Office Tsai-Chen Wu  
E-mail : Eliza\_wu@mail.taya.com.tw  
Telephone : +886-2-22997070 Ext.705



### Corporation Contact Information

Ta Ya Electric Wire & Cable Co., Ltd.

Head Office  
No.249, Sec. 2, Chung Shan Rd., Kuan Miao Dist.,  
Tainan Tainan City, 71847, Taiwan  
Telephone : +886-6-5953131  
Website : <http://www.taya.com.tw>

Taipei Branch  
7F, No.149, Wu Gung Rd., New Taipei Industrial Park  
Dist., New Taipei City 24886, Taiwan  
Telephone : +886-2-22997070



# Chairman's Statement



**Chairman  
Shen, Shang-Hung**

In 2019, the global economy was affected by the worsening US-China trade war. In May 2019, unsatisfied with the progress of negotiations, U.S. President Trump announced the imposition of the third round of tariffs which were originally deferred. In August, the tariff rate for goods on which tariffs have been imposed was raised to 30% from 25%. In December, the COVID-19 pandemic broke out in Hubei Province, China, and more cities were subsequently ordered to be put under lockdown. Delayed resumption of operations in the industries caused greater impact to the global economy. For instance, the global economic growth rate saw its worst performance since the financial crisis in 2009.

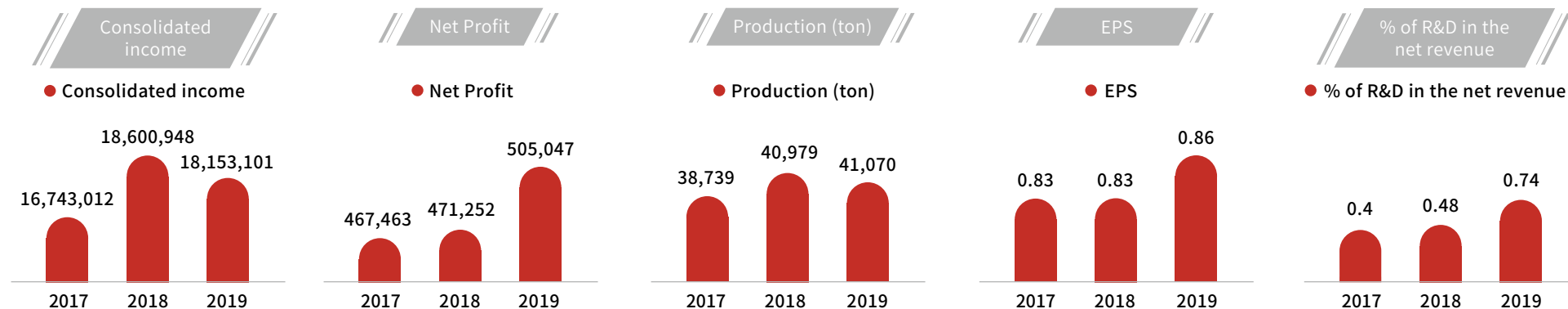
In 2019, in response to various disadvantageous factors in the external environment, the Taya Group developed four operational plans. The first plan, which concerns competition on the main business, is to lower costs and enhance management capabilities through the replacement of equipment, Industry 4.0 and development of new products. At the same time, the plan aims to seek more sources of income and reduce expenses to ensure continued growth of our profit. The second plan is to add more platforms for fixed income. In addition to making plans for solar powered plants, we will allocate resources for investment targets which will generate fixed income annually under solid management to prevent losses caused by the economic cycle. The third plan is to look for opportunities to develop new business through self-employment or venture capital. By seeking opportunities for new business and investment, we can engage in multi-directional development. The fourth plan is to seek a stable financial structure. Through a review of our cash flows in recent years, we will distribute dividends to our shareholders and increase our working capital. We will make adjustment from time to time for an optimal financial structure to maximize the benefits of each dollar earned by us. In 2019, the Taya Group was able to achieve good performance in its overall profit based on the four operational plans and with the efforts of all our employees.

2020 is the 65th year since the founding of the Taya Group and the first year of brand communication. We will release a series of videos to show that Taya is well prepared. In 2020, Taya will expand the scope of its group strategy to build a leading energy connection brand that is capable of providing full solutions regarding the production, transmission, storage and conversion of energy. Taya has spent NT\$4 billion on renewable energy to build solar power plants, whose capacity is expected to reach 120MW in 2020 with the total investment amounting to NT\$6 billion. With regard to the market of green electricity and energy storage, the Legislative Yuan passed the Renewable Energy Development Act which clearly requires major electricity users in the future to install or purchase a certain percentage of green power supplies. The Act is expected to come into force in April, and we believe it will be greatly helpful for our business expansion in the future.

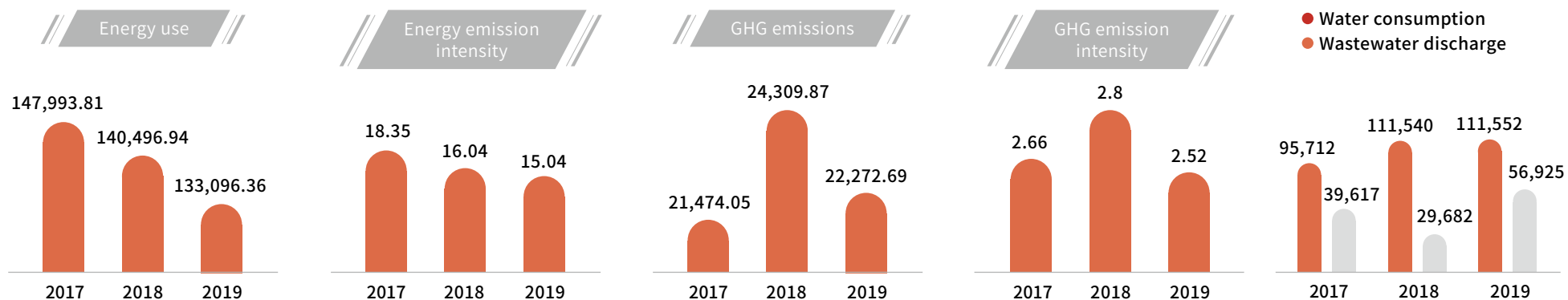
To fulfill its social responsibility, the Taya Group will continue to promote CSR, organize the Phoenix Blossom Forum and Green Inside Project, and conduct electricity safety inspection for old houses. Employees are our most precious assets, and we have encouraged our employees to do more exercises. Internally, we have introduced specific measures to foster a culture of workout. Externally, we have organized the road running event "Taya Marathon" that integrates local features to build a healthy organizational culture. In 2020, the Taya Group will continue to implement the four operational plans and move step by step toward the goals with the business ideas of transcendence, compatibility, prudence and innovation. We will continue to be a force of stability for employees, shareholders, customers and the public.

# 2019 Sustained Performance Quick View

## Economic

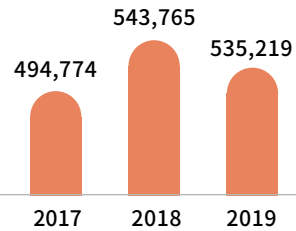


## Enviroment

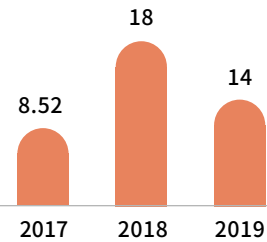


## Society

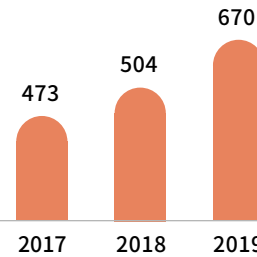
Employee benefit expenditure



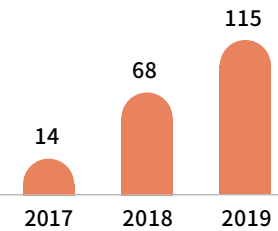
Average employee training hours



Volunteer service hours



The number of Old house electricity safety check



## 2019 Awards / Certification

- We passed the ISO 50001 certification.
- TCSA Taiwan CSR Report Silver Award.
- We were recognized by the Chunghwa Telecom as a Gold Supplier.
- We were honored as a happy business under the category of "Precision Machinery" of the "2019 Awards for Happy Businesses - Manufacturing, Construction and Sales Agency".
- We were certified as an iSports corporation by the Sports Administration, Ministry of Education.
















# Taya's Sustainable Mission

## Our mission

Since its inception, Ta Ya has held to its corporate vision of “Transcendence and Compatibility.” We hold true to this and ensure that all colleagues and business owners adhere to it, too. With regards to product service and business management, we strive to gain the trust of society by constantly pursuing perfection in how we do things, while remaining cognizant of sharing our results, as our efforts have a symbiotic effect on our surroundings. Since the beginning of the new century, changes in the industry and our natural environments have become more pronounced, with social responsibilities becoming an essential part of every corporation. This reminded us to “seek for practicality and innovation” and to work together with our colleagues in achieving new corporate values and fulfill our mission to contribute to society.

## Our Mission

Description		Contrast
 <b>Enlightened Employees</b>	For employees, we promise to provide a healthy and safe workplace and establish a fair and open HR development system in order to leverage their talents while improving their sense of participation and ambition.	  
 <b>Satisfied Customers</b>	For customers, we constantly ask ourselves to provide them with the most valuable products and services (in terms of quality, cost, speed, deadlines, and flexibility) via continuous research and development.	 
 <b>Positive Shareholders</b>	For shareholders, we abide strictly to an honest attitude, forward-looking business planning, and strict business management to fulfill our role as the asset manager and provide stable growth.	
 <b>Pristine Homeland</b>	For society at large, we believe in the ideal of operating-results sharing and pledge to continue caring for communities and society by continuing to pay attention to the environment and natural resources through our expertise in product development and manufacturing.	  

# CH1

## Steady Management

- 1-1 Company Profile
- 1-2 Governance Structure



## CH.1 Steady Management

Ta Ya Group values the trust of its shareholders. We are committed to exercising good corporate governance and providing transparent financial information to protect the interests of our investors. Our business focus is dedicated to the research and development of products that create value for beneficial financial returns.

In addition to stabilizing our existing markets and expanding global sales to promote overall business performance, we place great emphasis on internal management. Regulating business operations, managing processes via written documents, as well as prompt evaluations and optimizations are crucial to the long-term value of the corporation. They equip the company with prospective R&D capabilities, position our activities in new markets, help to differentiate our products, contribute to short- and long-term business strategic planning, and enhance the Group's overall operational efficiency.

### 1-1 Company Profile

#### Introduction

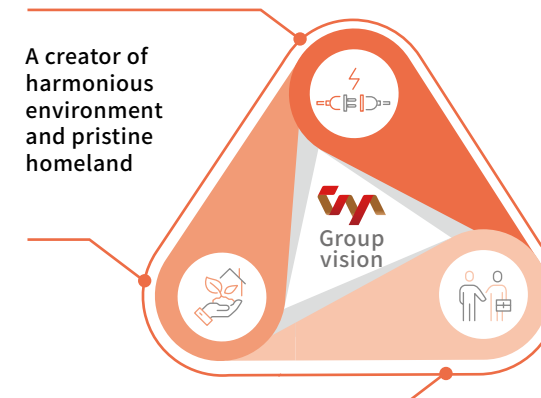
Ta Ya Industrial, the predecessor to our company, was founded in Tainan in 1955. The name was formally changed to Ta Ya Electric Wire & Cable Co., Ltd., in 1967. Other than the manufacturing of rubber wires and cables, we were also engaged in the production of magnet wires. Our factory was moved to its current location near Guanmiao in 1986, and we started to manufacture 69kV XLPE cables. Our company stock was officially listed in December 1988. We were certified by Taipower for the manufacture of 161kV XLPE cables and began mass-production in 1994. In 2008, Ta Ya became the first company in Taiwan to manufacture 345KV ultra-high voltage cables. That same year, the company received a Class I ecolabel for its environmentally-friendly cables.

In 2011, the Board of Directors formed the Compensation Committee. In 2012, three seats for independent directors were added to the Board. We entered the renewable energy electricity generation industry in 2014. President Tsai Ing-wen visited our Guanmiao headquarters in 2016 and highly recognized our green products and environment-friendly electricity generation systems.

With our headwaters in Taiwan, we established production bases in China and Vietnam in 1992 and 1995, respectively. In the last 60 years, we were fortunate to have a team of employees who worked diligently together with the Company. They are constantly exploring and seeking diversification into new businesses.

**Vision : To become A leading brand  
in energy connection**

**A creator of  
harmonious  
environment  
and pristine  
homeland**



**A business trusted by employees, customers,  
shareholders and society**



## Ta Ya Electric Wire & Cable //

### Ta Ya Group comprises of the Head Office and five business groups



#### Energy and Telecom Communication Cable Business Group

Operates the production, development, and sales of electricity and communication cables and monitors affiliated enterprises, including Ta Ho, AD, and UEI.



#### Magnet Wires Business Group

Operates the production, development, and sales of enamel wires and monitors affiliated enterprises, including Heng Ya Electric Ltd. (Hong Kong), Heng Ya Electric (Kunshan) Co., Ltd., Ta An Precision Co., Ltd., and Ta Yi Plastic Co., Ltd. °



#### New Business Development, Investment and Copper Management Business Group

Operates the production, development, and sales of encapsulation solder wires, copper procurement, management of the Taipei Branch, and the evaluation of overseas investments.



#### Construction Business Group

Operates building construction and sales management.

## Affiliates //

The following are the fields of operation of the companies covered in this Report

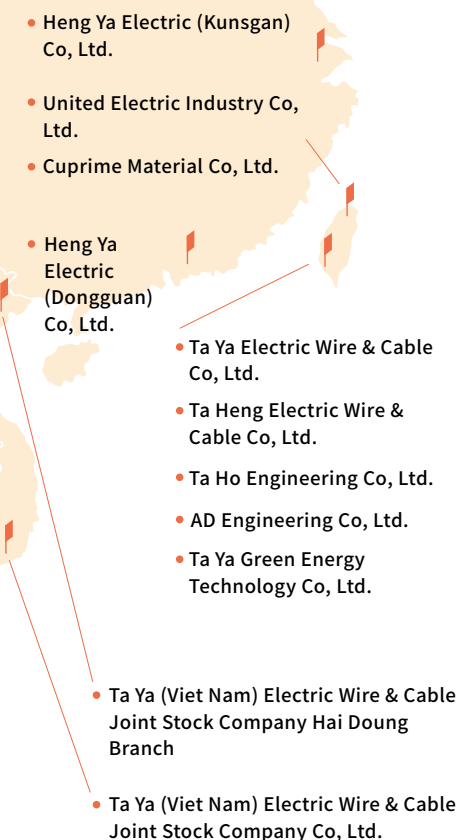
Affiliated Company And Investment Related Companies	Business Content
Cuprime	Operates the production, processing, and sales of copper products.
Ta Heng	Operates the production, processing, and sales of wire and cable materials.
Ta Ho	Operates the design, installation, repair, and support services for electric cables.
AD	Operates the planning, design, and installation of water, electricity, fire protection, air conditioning, and clean rooms for buildings and utilities for various production processes.
UEI	Manufacturing and sale of transition joint, terminal joint and protective device for high-voltage power cables.
Ta Ya Green Energy	An energy technology company that primarily invests in solar power plants.
Hengs	Construction and installation of photovoltaic systems; manufacturing and sale of related equipment.
Ta Ya (Viet Nam)	Manufacturing, processing and sale of wire / cable materials.
Heng Ya Electric (Dongguan)	production of enameled wires, Litz wires, wrapped wires, copper-clad aluminum wire, and enameled aluminum wire.
Heng Ya Electric (Kunshan)	production of enameled wires, Litz wires, wrapped wires, copper-clad aluminum wire, and enameled aluminum wire.

## Production and Export of Products

Production quantity, business share and sales area of main products (2019)

Company	Items	Quantity (ton)	Revenue Share (%)	Domestic sales (%)	Major Exporting Countries
Taya	plastic wires and cables	7,985	15.97	99.81	
	XLPE Power Cables	16,058	42.74	99.91	
	rubber wires and cables	27	0.09	100	
	bare copper wires	4,721	10.80	99.36	
	magnet wire	8,688	23.50	87.56	Japan, India, China, Hong Kong
	telecom cables & optical cables	1,225	3.88	100	
	Construction & others	2,366	3.02	95.29	
Cuprime (Note1)	copper rod	40,058	45.85	63.25	China
	phosphorus copper ball & copper nugget	5,120	31.00	70.15	Thailand
	phosphorus copper ball (trading)	2,098	12.98	100	China
	others	-	-	-	
Ta Heng (Note 2)	data transmission cable	293	6.85	88.31	Australia
	signal control cable	487	7.06	92.76	
	power cable	4,964	78.35	99.63	
	UL / CSA appliance wire material & power cord	365	7.74	100	
	others	-	-	-	
Dong Nai	wires	4,378	59.29	78.14	Myanmar, Cambodia
	magnet wire	3,333	38.15	18.57	Japan, India
	medium-pressure	154	2.60	3.30	
Hai Duong	wires and cables	2,111.9	99.82	97.79	Laos
Dongguan	magnet wire	10,786	100	78	Vietnam
Kuanshan	magnet wire	6,259.85	100	96.38	South Korea, Thailand

## Operating Base

- 
- Heng Ya Electric (Kunshan) Co, Ltd.
  - United Electric Industry Co, Ltd.
  - Cuprime Material Co, Ltd.
  - Heng Ya Electric (Dongguan) Co, Ltd.
  - Ta Ya Electric Wire & Cable Co, Ltd.
  - Ta Heng Electric Wire & Cable Co, Ltd.
  - Ta Ho Engineering Co, Ltd.
  - AD Engineering Co, Ltd.
  - Ta Ya Green Energy Technology Co, Ltd.
  - Ta Ya (Viet Nam) Electric Wire & Cable Joint Stock Company Hai Dong Branch
  - Ta Ya (Viet Nam) Electric Wire & Cable Joint Stock Company Co, Ltd.

Note1 : Cuprime's other projects are not produced for the sale of copper raw materials, so there is no production data.

Note2 : Ta Heng has no other classification in 2019

## Industrial Chain //

### Industrial Value Chain



Description		Executor	Stakeholders	Responsibilities
1-1 Raw material purchase	Copper is the major material for making wires and cables, but we also purchase plastic material and other metals and equipment.	Ta Ya	Suppliers / contractors	Grow with suppliers / contractors
1-2 Financing	Raising funds for production and R&D.	Ta Ya	Shareholders / banks	Increase shareholders' value R&D and innovation
1-3 Compliance	Compliance with local government regulations	All companies	Government agency	Protect the environment from pollution
2-1 Manufacture of copper products	Copper is refined into copper rods and other products for further processing.	Cuprime	Employees	Assurance of employee health, safety and lifestyle
2-2 Manufacture of cables	Development and manufacture of wires, cables, and their accessories; Development and manufacture of magnet wires.	Ta Ya, Ta Heng UEI, Ta Ya (Viet Nam)		
3 Engineering service	Planning, design and installation of electromechanical equipment.	Ta Ho, AD Hengs		
4 Product applications	Our products and services are used in power plants, power distribution facilities, telecommunication facilities, and electromechanical equipment	Ta Ya, Cuprime Ta Heng, Ta Ho UEI, AD, Hengs, Ta Ya (Viet Nam)	Customers : power companies, telecom carriers, construction companies, public utility providers, manufacturers of electronic and electromechanical equipment	Contribute to the nation's energy and telecommunication infrastructure Provide green energy-saving products and increase customer's satisfaction
5 Corporate citizenship	Comply with laws and contribute to society	Ta Ya Pristine Homeland Foundation	Government agencies Local communities	Promote environmental education and social charity activities



## External Organizational Involvement

Ta Ya has for a long time participated in many domestic industrial unions and associations to keep up to date with industrial news and technological development trends in order to raise the competitive strength of the industry, improve sustainable strategies, and enhance sustainable capabilities.



Ta Ya believes that this kind of partnerships with external organizations is instrumental to achieving sustainable development, and that exchange on related issues helps lead the industry forward.






























Chairman Shen, Shang-Hung served as the Executive Director of the Taiwan Electrical and Electronic Manufacturers' Association (TEEMA) and the Director of TEEMA's Southern Branch Office. He is committed to serving as a bridge between the central and southern levels of TEEMA. Since 2002, Chairman Shen Shang-Hung, also served as Vice-Chairman of the Taiwan Electric Wire and Cable Industries Association, where he assists with the promotion of exhibitions. Chairman Shen, Shang-Hung also served as Executive Director of the Tainan Industrial Association, which represents local enterprises vis-à-vis the local government and helps these enterprises better understand the government's laws and regulations.

In 2019, Taya joined the "Taiwan Motor Industry Association", a non-profit social organization whose purposes are to build a commercial platform for the development and business expansion of the motor industry, help the integration of government and private resources, and promote the development of the motor industry. Shen, Shang-Hung, the chairman of Taya, also served as the chairman of the Taiwan Motor Industry Association. He was committed to engaging in communication activities in Taiwan and overseas for the R&D of the motor industry and providing assistance to the government in compiling studies and suggestions relating to the policies and laws for the motor industry.

Hengs has continued to join associations related to solar energy in Taiwan for the purpose of understanding the latest information of the industry and the status of R&D of new technologies in order to increase its industrial competitiveness, make timely adjustment to its business strategies and enhance its capability for sustainable management.

### Ta Ya Group's External Organizational Involvements

Note :  Participate in the organization and hold important positions.  Participate in the organization.

Organization	Ta Ya	Cuprime	Ta Heng	Ta Ho	AD	Hengs
TEEMA						
Wire & Cable Association Synergy Development Center						
Electric-Electronic & Environmental Technology Development Association						
Tainan Industry Association						
TwnWEA						
TWTIA						
STGSTA						
TGTIA						
Taiwan Electric Wire Association						
TNCIA						
TTECA						
Taiwan Water Pipe Engineering						
Industries information Portal						
Taiwan Refrigeration & Air-conditioning Engineering Association						
TTEIA						
TNCOC						
TWSAA						
TMIA						
PVGSA ROC						
Yongkang Technology Park Manufacturers Association						
TPVIA						
Taiwan Energy Service Association						

## Brand Management //

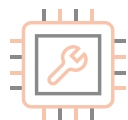


The brand logo is designed based on the name TAYA. It features a single stroke turning and twisting to resemble the shape of a rising dragon. The use of red symbolizes Ta Ya's transcendent spirit, while a copper-ish color was added to stress the Company's specialty in the cable business and its emphasis on innovation. Chinese characters in the logo were printed in black, and have been refined and adjusted into a style that is exclusive and most appropriate for our image as a modern, professional business.



### **First local company to have passed Taipower's type test certification**

The Taya Group has been actively training great teams of local talents and has continued to enhance its international competitiveness. The Group has engaged in sales business around the world, and even made breakthroughs in the competitive markets of Vietnam and China. Furthermore, with respect to the development of electric power in Taiwan, the Taya Group has continued to be a leader, in particular for Taipower's 69kv, 161kv and 345kv ultra-high-voltage onshore power cables. The Group is the first local manufacturer that has passed Taipower's type test certification.



### **A leading brand in the electronic and electrical field in Taiwan and overseas**

Taya is the first professional magnet wire manufacturer in Taiwan. Its Dragon Brand magnet wires have been sold locally and overseas for more than 50 years, and the brand has established a leading position in the areas of electronic and electrical industries in Taiwan and abroad. In recent years, production factories have been set up in China and Vietnam to provide services for overseas customers and ensure faster and more convenient customer services.



### **The only manufacturer in Taiwan to have passed the test of a major packaging service provider worldwide**

In the area of semiconductor and electronics industries, Taya has adopted the copper smelting technology used by its affiliate Cuprime for electrical wires. From the upstream to the downstream, Taya has gained full knowledge of the characteristics and manufacturing know-how of copper materials. With such a complete and rich basis for the R&D and manufacture of copper materials and wires, Taya began to invest in R&D in 2003. Using technologies and resources developed through industry-academia collaboration, Taya successfully developed copper brazing wires that can be used for fine pitch packaging within 3 years. Taya's capabilities in technology and quality are comparable with those of the major manufacturers in Switzerland, Japan and South Korea. It is the only manufacturer in Taiwan that has passed the full reliability test conducted for copper brazing wires by the global packaging service provider ASE.



### **Publication of the Group's quarterly for active communication internally**

In 2019, the Taya Group published its own quarterly "TAYA LIFE" with a rich variety of information describing the things that take place in the Group every quarter. Its contents include : Quarterly Focus, Hot News, Club Activities, Green Knowledge, Volunteer Activities and Employee Columns. In 2019, four issues were published for spring, summer, fall and winter. They were simultaneously published on the Group's internal bulletin board, website, Facebook and IG.





## As 3200 Runners Reached the Goal, Taya Marathon Came to a Successful End

The “2019 Taya Marathon”, organized by the local business group Taya in Tainan, started at 6:00 a.m., March 31 from the Taya Electric Wire and Cable Co., Ltd. With deep roots in Tainan, the Taya Group has combined local resources and culture to promote sports among the public and make social contributions. It has spared no efforts in organizing the road running event in Guanmiao. Participants in the event were divided into the following groups: 42K Taya Wanglai (477 persons), 30K Taya Sight Viewing (98 persons), 21K Taya Half Marathon (568 persons), 14K Taya Color Painting (626 persons) and 7K Taya Health (1,435 persons). The total number of participants was 3,204. The full marathon route went through Wanglai Road and reached Township Road No. 168. Such a route was designed to symbolize good luck with the hope that all runners can “successfully” finish it.

At dawn, a lot of people arrived at Taya’s headquarters in Tainan. Many runners participated in the event together with their families and friends. Shen, Shang-Hung, the chairman of the organizer Taya Group, along with the Tainan mayor Huang, Wei-che, the director-general of the Bureau of Education Cheng, Hsin-Hui and the director of the Department of Sports Lin, Ku-Ta, fired the starting gun for the Taya Marathon. The famous runner and lawyer Chiu, Ching-Yi, the national marathon record holders Hsu, Yu-Fang and Hsu, Chi-Sheng, and the celebrity Jasmine Chen were also invited to start the race together with the participants to cheer for the Taya Marathon and boost the morale of the participants.

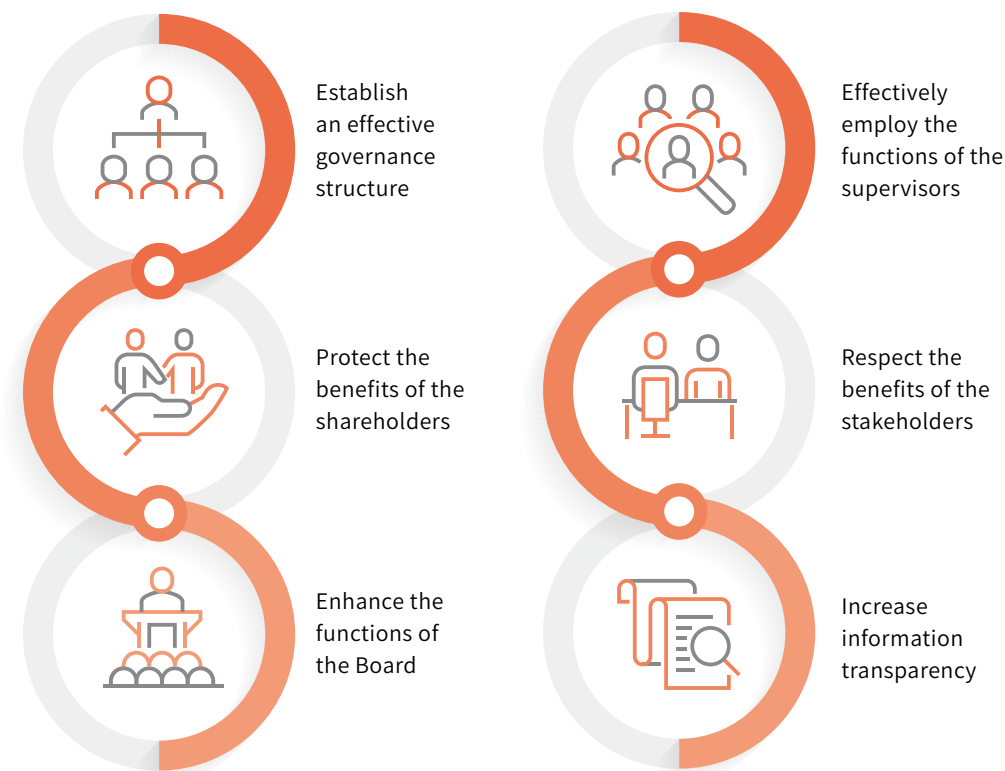
Speaking at the event, the Tainan mayor was highly supportive of it. He said that the marathon was beneficial for not only people’s health but also the promotion of local specialties. The event was an opportunity for people from other places to know Guanmiao and Wanglai, and the people in southern Taiwan could use the event to show their great hospitality. Among the participants were more than 200 members of the Tainan City Police Department and their families. Seeing so many people participating in the first Taya Marathon, the mayor invited them to run toward Wanglai to get good luck.

In the event, Su, Chih-Pin won the championship for men in the 42K Taya Wanglai group with an excellent record of 02 : 49 : 38, and Chi, Shu-Ju won the championship for women with 04 : 04 : 00. In the 30K Taya Sight Viewing group, Chang, Hung-Pin won the championship for men with 02 : 05 : 20, and Wang, Pei-Chun won the championship for women with 02 : 48 : 39. In the Taya Half Marathon group, Lin, Chiu-Chieh won the championship for men with 01: 16 : 38, and Chiu, Ching-Yi won the championship for women with 01: 41:34. In the 14K Taya Color Painting group, Weng, Jui-Chun won the championship for men with 00 : 52 : 33, and Huang, Yu-Chin won the championship for women with 01 : 03 : 37. Appreciative of the passionate support shown by the participants, the organizer also prepared an all-you-can-eat buffet including the special Guanmiao noodles, Wanglai-style Chinese steamed buns, Wanglai cake, Wanglai cuttlefish salad, Wanglai beer and fresh pineapples. Along the route, in addition to yelling cheerleaders, there were signs with unique cheerleading slogans such as “Love you forever. After the goal lies your best year ever” and “Steady now. Feast later”. The participants could take their pictures while running. Each participant was provided with a bag containing a variety of delicious foods for refreshment after he or she reaches the goal. Many participants were looking forward to participating in the event again next year. The chairman of the Taya Group happily greeted the participants and hoped they would continue to do their best next year to make the annual event special.

## 1-2 Governance Structure

The Board of Directors is the highest managing body, charged with the task of electing and nominating top managers, and defining CSR and sustainable development strategies. An able and functioning Board, accompanied by the auditing unit, engages in the auditing of the internal control system and promotes corporate governance issues.

The company is governed in accordance with the six principles provided by the Code of Practice for Governance of Listed and OTC Corporates :



## Corporate Governance Rating 6%-20%

In December 2013, the Financial Supervisory Commission published a 5-year “Corporate Governance Enhancement Roadmap” and introduced a corporate governance evaluation system. The evaluation system is a comparison of corporate governance practices across the entire market and is aimed to help investors and businesses understand how effective a company’s governance practices are. It is intended to inspire progressive competition and motivate companies to take the initiative in enhancing and improving their corporate governance culture.

The results of Taya’s Corporate Governance rating are the top 6%-20%. In 2015, Ta Ya’s Board of Directors amended the Company’s “Corporate Governance Code of Practice” and “Code of Ethics,” and established “Corporate Social Responsibility Code of Practice” and “Board of Directors Performance Assessment Policy” as a means of enhancing corporate governance practice and protecting stakeholders’ interest. The evaluation of 2015, 2016 and 2017 placed Ta Ya in the top 20% of all TWSE listed companies.



Corporate Governance Rating  
**6% - 20%**



## Functions of the Board //

The Ta Ya Board is comprised of five directors, three independent directors and two supervisors. Each member has extensive management experience and professional backgrounds, and is dedicated to maximizing shareholder benefits. The Board defines the measures for proceedings in accordance with the Procedures for Public Company Boards. For matters related to a director's own interests and where there is conflict with the interests of the company, directors can participate in commenting and answering, but neither in discussions nor voting, and must avoid situations to execute any other voting rights for any other Board members.

In December 2011, the Ta Ya Board established a compensation committee, and added three independent directors at the shareholder's meeting held in June 2012. This made us the first company to establish independent directors in the wire and cable industry in Taiwan. The qualifications of the directors of the Board are in accordance with the relevant regulations of the relevant competent authorities. The company's Articles of Association also states that the election of directors and independent directors must be in accordance to the nomination system. In 2018, the Board of Directors of Ta Ya held 6 meetings, and the attendance rate of all Directors and supervisors was 100%.

### Board Members

Position	Name	Sex	Administrative Position
Chairman of the Board	Shen Shanghong	M	CEO
Vice Chairman of the Board	Shen Shangbang	M	
Director	Shen Shangyi	M	President
Director	Shen Shangdao	M	Executive Vice President
Director	Horng-lan Horng	F	
Independent Director	Zhang Liquiu	M	
Independent Director	Wei Junxian	M	
Independent Director	Zheng Dunxian	M	

Note : Effective June 2019.

### Proportion of Total Remuneration of Ta Ya Directors (including Independent Directors) (%)

2017	2018	2019
10.89%	9.64%	10.02%

Note : The total remuneration of directors is the accumulated sum of : salary, retirement pay, surplus.

### 2019 Board Meetings and Board Member Detail

	Directors	Independent Directors	Supervisor	Meetings Held	Attendance Rate (%)	Female Director (s) and Positions
Ta Ya	8	3	0	6	100	1
Cuprime	7	0	2	3	100	0
Ta Heng	7	0	2	1	100	0
Ta Ho	3	0	2	2	60	0
UEI	8	0	2	3	71	0
AD	5	0	2	5	77	0
Hengs	6	3	2	7	92	0
Vietnam	5	3	3	7	90	0
Dongguan	6	0	1	3	100	0

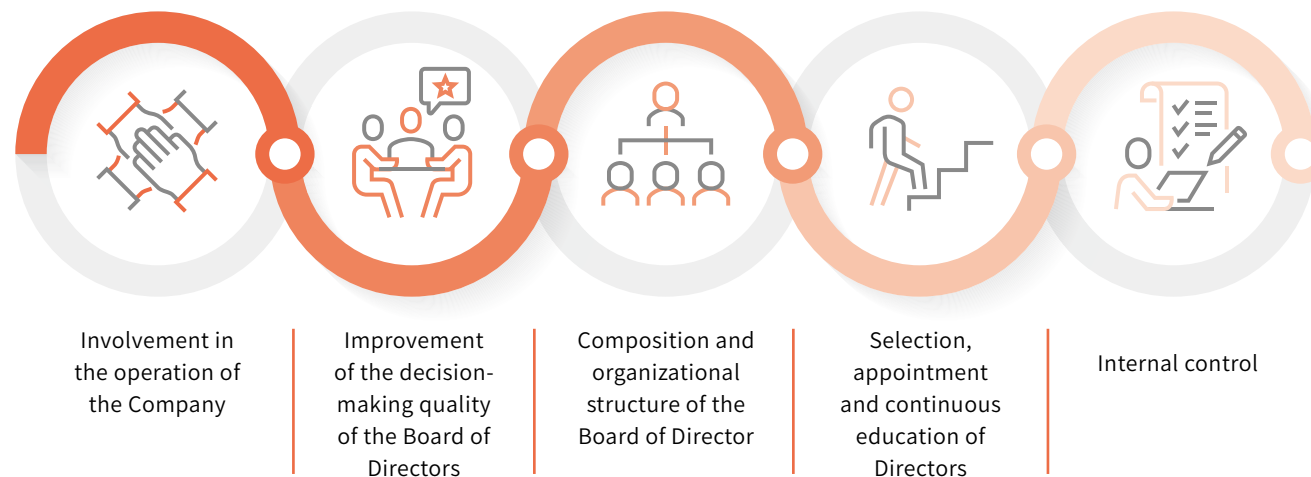
Note : the average attendance rates indicate the average of the actual attendance rate of the holding company. Actual attendance rate is calculated by dividing the actual attendance by the number of board meetings held

## Board Function Improvement //

### Board of Directors Performance Assessment Policy

In November 2015, Ta Ya's Board of Directors passed the "Board of Directors Performance Assessment Policy" that introduced a set of performance targets aimed at improving board functionality and efficiency. Internal performance assessment of the Board of Directors must be made once a year and an annual performance assessment must be made at the end of the year. An assessment must be made by an external independent institution or expert team once every three years. In addition to the Board of Directors being assessed for its overall operation status, every director must be assessed separately.

The Board of Directors of Ta Ya is subject to assessment in five major aspects



The results of the assessment are classified into five levels: Excellent, Outstanding, Good, Fair, and Improvement Required. The result of the assessment in 2019 was Excellent.

## Board Effectiveness Assessment

By the end of 2018, the Company entrusted the Taiwan Corporate Governance Association (TCGA), an external agency, to assess the effectiveness of the Board of Directors for the period running from 2017 / 12 / 1 to 2018 / 11 / 30. TCGA appointed three assessment experts to assess, by way of questionnaires and site visits, the effectiveness of the Board of Directors on 38 topics across eight categories covering board composition, coaching, authorization, supervision, communication, self-discipline, internal control, and risk management. TCGA and its experts have no business relationship with the Company. TCGA submitted an assessment report on 12 February 2019. The Company reported the assessment results on 21 March 2019, and is pursuing improvements.



The assessment results are disclosed on the official website of the Company : <https://www.taya.com.tw/download/download48.html>

Investors  
Zone



Corporate  
Governance Zone



Corporate Governance  
Information

## Functional Committees

The Company has an Audit Committee, a Remuneration Committee, a Corporate Social Responsibility Committee, and an Ethical Business Committee, which are responsible for formulating and reviewing policies in their remits and which also serve to strengthen corporate governance in the Company.

The following is the participation status of each functional committee

Position	Name	The Audit Committee	Compensation Committee	CSR Committee	Ethical Business Committee
Chairman of the Board	Shen Shanghong				
Vice Chairman of the Board	Shen Shangbang				
Director	Shen Shangyi		Committee Member		
Director	Shen Shangdao		Committee Member		
Director	Horng-lan Horng				
Independent Director	Zhang Liqui	Committee Member	Convener		
Independent Director	Wei Junxian	Committee Member	Committee Member		Convener and chairman of the meeting
Independent Director	Zheng Dunxian	Committee Member	Committee Member	Convener and chairman of the meeting	
Number of meetings held in 2019		3	2	1	1

## Audit Committee

The Company established the Audit Committee on June 5, 2018. An accountant checks the financial status of the Company, adjustments to entries, the impact of updates of the IFRS standards on the Company, internal control, and overall operations. The accountant reports the findings to the Independent Directors at least once a quarter and maintains sufficient communication on key audit matters.

## Operating Situation

The Audit Committee held six meetings in 2019, and matters discussed included



The attendance of the Independent Directors was as follows

Position	Name	Attendance	Entrusted attendance	Actual attendance rate (%)	Note
Independent director (Convener)	Zhang Liquiu	6	0	100	2018 / 6 / 5 Beginning
Independent director	Wei Junxian	6	0	100	2018 / 6 / 5 Beginning
Independent director	Zheng Dunxian	6	0	100	2018 / 6 / 5 Beginning

## Remuneration Committee //



In December 2011, the Board of Directors resolved to establish a Remuneration Committee. The Company's Salary and Remuneration Committee has three members. The Salary and Remuneration Committee convened three times in 2019.

**The committee must faithfully execute the following functions and powers with respect to good management and submit recommendations to the Board of Directors for discussion :**

- Regularly review these Procedures and propose amendments.
- Formulate and regularly review performance assessment standards and annual and long-term performance targets of the Company's Directors and managers, as well as policies, systems, standards, and structures related to their compensation and benefits, and disclose the performance assessment standards in the Company's annual report.
- Regularly assess the Directors' and managers' progress toward their performance targets, and determine the content and amount of individual salaries and remunerations on the basis of the assessment results.

Committee members qualifications and their attendance are as follows

Position	Name	Attendance	Entrusted	Actual (%)	Note
Convener	Zhang Liquiu	3	0	100	2018 / 8 / 6 continue in office
Committee member	Wei Junxian	3	0	100	2018 / 8 / 6 continue in office
Committee member	Zheng Dunxian	3	0	100	2018 / 8 / 6 continue in office



## Corporate Social Responsibility Committee



The Company resolved to establish of the Corporate Social Responsibility Committee on 15 March 2018. The committee held its first meeting on 26 December 2018, and the committee's operating model and 2019 work plan were reported to the Board of Directors.

Committee members' qualifications and their attendance are as follows

Position	Name	Attendance	Entrusted Attendance	Actual attendance rate (%)	Note
Independent director	Zheng Dunxian	2	0	100	Convener and chairman of the meeting
General manager of business planning office	Wang Yanhuang	2	0	100	
Associate Manager of business planning office	Chen Zhongguang	2	0	100	
Finance manager	Hong Chongming	2	0	100	
Manager of business planning office	Juan Jenfong	2	0	100	
Associate business planner	Wu Tsaichen	2	0	100	

### The Duties of This Committee Include the Following



Formulate policies, strategic plans, annual plans and project plans related to corporate social responsibility.



Implement corporate social responsibility strategy planning, annual plans and project plans, and assessment of implementation.



Reviewed the Corporate Social Responsibility Reports.



Report each year the annual implementation results of corporate social responsibility to the Board of Directors.



Reviewed the Corporate Social Responsibility Reports.



The 2018 CSR Report won the Silver Award for Sustainability Reports of the Taiwan Corporate Sustainability Awards.



Undertook corporate social responsibility work as always, including the formulation and review of policies, systems, or management guidelines related to corporate social responsibility as well as specific promotion plans and their implementation.

## Organizational Chart

### Green Operation

- Energy saving and carbon reduction
- Product development
- Product Innovation
- Sustainable procurement

### Public Relationship

- Customer service
- Supplier Management
- Brand management
- Foundation management



### Integrity Governance and Risk Management

- Corporate Governance
- Integrity management
- Financial Performance
- Risk Management

### Employee Care

- Employee Relations
- Employee Benefits
- Education Training
- Occupational safety and health

### Environmental Sustainability

- Corporate change
- Environmental sustainability

### Responsibilities of each group

Committee	Coordinator	Issues of Concern	Responsibilities
Ethical Governance and Risk Management	Hung, Chung-Ming Assistant Vice President	Corporate governance, financial performance, ethical management, risk management	Regularly following up on important domestic and international trends in corporate governance to develop an appropriate system for the Company; improving transparency in the disclosure of company information to fulfill the idea of ethical management; developing strategies for the Company to respond to all possible risks and minimize such risks.
Employee Care	Hsieh, Sung-Mao Manager	Employee relations, employee welfare, education and training, occupational safety and health	Committed to the vision of happy employees, the committee focuses on important issues of human resources including education and training, talent development, protection of human rights, employee care and workplace health in order to design an appropriate human resource system.
Environmental Sustainability	Huang, Ming-Chin Factory Director	Business change, environmental sustainability, product R&D, product innovation	Aiming for environmental sustainability and sustainable management, the committee is responsible for developing appropriate environmental strategies to achieve the objective of green production through R&D and innovation without causing burdens to the environment.
Green Operations	Lin, Hui-Yeh Manager	Energy efficiency and carbon reduction, sustainable procurement, supplier management	Supervising energy efficiency, carbon reduction and resource recycling in the operations of the Company to achieve circular economy; managing suppliers and regularly inspecting and visiting suppliers that value CSR management.
Public Relations	Chen, Chung-Kuang Vice President	Customer service, brand management, management of the Foundation	The committee focuses on stakeholder engagement to strengthen the public image of Taya through brand management; the Foundation organizes events for environmental protection to create more influence in a soft way.

## Ethical Business Committee



The Company resolved to establish an Ethical Business Committee on 15 March 2018. In 2019, the committee held two meetings to present reports regarding the status of its functions and operations and its 2019 work plan to the Board of Directors.

### Committee members' qualifications and their attendance are as follows

Position	Name	Attendance	Entrusted Attendance	Actual Attendance Rate (%)	Note
Independent director	Wei Junxian	2	0	100	Convener & Conference Chair
President	Shen Shangyi	2	0	100	
Executive Vice President	Shen Shangdao	2	0	100	
General manager of business planning office	Wang Yanhuang	2	0	100	
Associate Manager of business planning office	Chen Zhongguang	2	0	100	
Associate Manager of Human Resources	Hsieh Sungmao	2	0	100	

Notes : Wang Yan huang has retired on December 31, 2019

### The committee formulates and oversees the Company's ethical business policies and prevention program to implement the following matters

- Help integrate integrity and ethical values into the Company's business strategy.
- Establish preventive measures to ensure ethical business in compliance with the regulatory system.
- Manage the reporting system and ensure its effectiveness.
- Promote ethical business policies and related education and training.
- Other matters related to the establishment and oversight of ethical business policy.
- Report compliance to the Board of Directors on a regular basis (at least once a year)

### Activities in 2019

- Formulated the Measures for Reporting Cases of Unlawful, Unethical, or Dishonest Conduct and the Procedures for the Prevention of Insider Trading, proposed resolutions to the Board of Directors in accordance with the law, completed the establishment of the Company's reporting mechanism, fostered a corporate culture of ethical business, and ensured the legitimate rights and interests of informants and parties concerned.
- In order to enhance the specialized knowledge and legal literacy of the committee's members and effectively implement the Company's ethical business policies, specialized trainers facilitated two seminars of six hours total, titled Prevention of and Response to Insider Trading; and Trade Secret Protection and Non-Competition on 5 July and 4 September 2019, respectively. The teaching materials were added to the Company's database as reference materials for the staff.
- Formulated the 2019 work plan.

## Financial Performance //

Copper is our primary raw material. It is expensive and priced in US dollars, and its vulnerability to fluctuations caused by international political and economic factors has affected our profitability. The Taya Group's hedging policy regarding copper futures and exchange rates will make adjustment to take the most appropriate positions in response to different trends in order to minimize disadvantages and maintain stable profits in an uncertain and changing business environment.

In 2019, our operating revenue was NT\$8,851,678,000, and our operating costs amounted to NT\$2,156,104,000. We paid NT\$555,206,000 as employee salaries and benefits, NT\$1,266,772,000 to investors, NT\$9,810,000 to the government and NT\$7,468,000 for investment in communities. We retained a total of NT\$4,856,318,000.

### Financial Performance (2019)

Unit : 1000 TWD

		Taya	Cuprime	Ta Heng	Ta Ho	UEI	AD	Hengs	Dong Nai	Hai Duong	Dongguan
Direct economic value	Revenue	8,851,678	3,425,347	995,041	88,462	332,168	616,443	1,224,887	2,467,123	2,703,513	1,749,420
Economic value of distribution	Operating costs	2,156,104	3,282	842,386	37,985	217,195	479,319	985,282	2,184,981	2,635,340	1,686,518
	Employee benefits	555,206	77,959	72,345	19,361	21,377	74,075	115,369	90,916	95,934	72,224
	Payments to investors	1,266,772	0	26,875	30,000	79,721	35,089	38,774	94,152	0	0
	Payments to the government	9,810	868	763	239	22,720	11,562	30,025	60296	1,520	18,726
	Community investment	7,468	35	300	50	366	130	140	0	0	0
Retained Value		4,856,318	3,343,203	52,372	827	-9,211	16,268	55,297	36,778	-29,281	-28,048
Capital amount		5,950,680	500,000	215,000	25,000	582,760	188,000	500,000	395,000	547,747	698,227

Note : As at December 31, 2017, the exchange rate of TWD : VND was 1 : 777. USD : TWD = 1 : 30.1

## Integrity Management //

### Code of Conduct and Anti-Corruption

Ta Ya upholds the business philosophy of integrity toward its employees, clients and suppliers. The Ta Ya Employee's Code of Conduct is required to be signed by all employees when reporting for duty to ensure all behaviors are in accordance with the regulations, which include employees being forbidden to accept any gifts, treatments or treats from any dealing manufacturers and clients. In addition, all employees are prohibited from engaging in transactions with individuals that have records of dishonesty in order to protect the interests of Ta Ya and its stakeholders. An employee may not engage in activities outside the company that are in conflict with the interests of the corporation, may not engage in external activities that may counteract their responsibilities at Ta Ya, and may not engage in relevant Ta Ya transactions for their own self interests. Ta Ya has established the "Insider Trading Prevention Procedures" and "Code of Ethics" that explicitly prohibit corporate insiders from trading securities against non-public information. In 2019, there wasn't any case of corruption in the Taya Group.












## Risk Management

Ta Ya has implemented risk management measures on a group scale based on Financial Supervisory Commission's "Regulations Governing Establishment of Internal Control Systems by Public Companies." It also has a robust, efficient internal control policy in place to oversee its eight main operational cycles and management systems. The Auditing Office serves two purposes

- Assist the Board of Directors and managers in the inspection and review of internal control system for defect, performance and efficiency, and offer improvement advices where appropriate to rectify the internal control system while ensuring its effectiveness.
- Devise annual audit plans based on internal control self assessments and priorities, and execute accordingly in the following year with the approval of the accountable manager and the Board of Directors.

In order to facilitate self governance and timely adjustment to environmental changes, the Auditing Office prepares an internal control self assessment report in the fourth quarter every year and disseminates it to the relevant departments. The report gives each department an overview of their risk tolerance, which can be based upon to adjust the design and execution of internal control systems. All the audit actions were completed in both 2018 and 2019.

 6 audit actions on the sales and collection cycle	 7 actions on the salary cycle	 8 actions on the production cycle
 3 actions on the procurement cycle	 3 actions on the property, plant and equipment cycle	 9 actions on the data processing cycle
 2 actions on the R&D cycle	 37 actions on the financing cycle	 5 actions on the administrative cycle

With regards to supervision of subsidiaries, the Company obtains monthly management reports as a means of insight into subsidiaries' operations, and regularly participates in subsidiaries' administrative meetings. In 2019, the Company audited its subsidiaries, which represented a completion rate of 100%. 13 subsidiaries were initially arranged in the 2019 audit plan. All of these plants were audited.

## Information Disclosure

The Group values all comments and suggestions from stakeholders, given that it is the basis on which CSR is implemented upon. It is to this end that specialized personnel are responsible in coordinating and acting as a communications bridge between the corporation and its stakeholders. They are tasked with understanding and rapidly responding and implementing the necessary responses when required, and enhancing information disclosure. In terms of improving information transparency, details of the Investor Conferences, consolidation of operations, and the Group's financial-related information are periodically released on the official website. Furthermore, detailed listings are provided in the annual reports regarding the company's current operating status, future plans, strategic implementations and financial performance so as to provide investors with the best available service.

We have different mechanisms, such as the spokesman, deputy spokesman, and agent of stock affairs, to deal with the suggestions, questions, disputes, and litigations with respect to our shareholders and protect their rights and benefits. In order to allow a few shareholders' rights to be implemented without the constraints of space and time, the Investor Conferences starting in 2014 will adopt the method of electronic voting and voteby- case. This protects shareholders' rights and makes possible another channel for them to express their opinions.

Moreover, all Ta Ya employees have by law the right to organize trade unions and are entitled to freedom of association. Employee representatives can provide suggestions and comments of their colleagues on specific topics via a laborers' conference. After a consensus is reached through discussions with company operators at the conference, the consensus will be reported to the Board and be handled by the operations group. Other affiliated companies should also uphold the principles of valuing all stakeholders, so that all employees and shareholders are entitled to present their suggestions to the management staff and have them reported to the Board if the situation requires such attention.

# CH2

## Multiple Communication Flows

- 2-1 Stakeholder Interactivity
- 2-2 Analysis of Materiality
- 2-3 Multiple Communication Channels



## CH.2 Multiple Communication Flows

Setting great store with the opinions and suggestions of all stakeholders, Ta Ya has designated a dedicated officer to facilitate communication between the Company and its stakeholders, to listen and respond to their needs, and taking measures where necessary to strengthen the Company's information disclosure.

### 2-1 Stakeholder Interactivity

#### Stakeholders Engagement

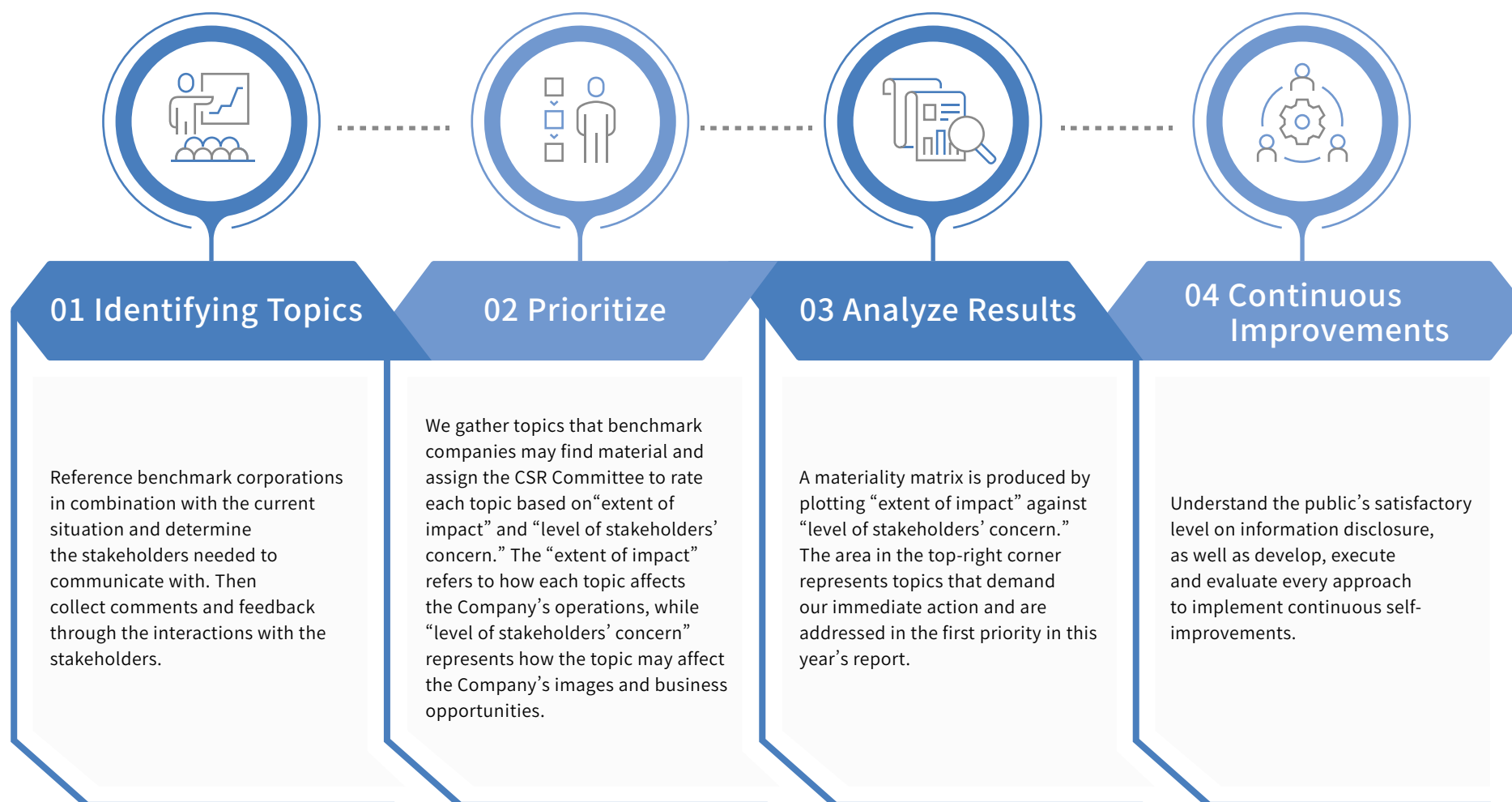
Based on the Company's circumstances, stakeholders were identified for additional communication. The CSR Committee decides annually whether stakeholders need to be added or removed. The six stakeholder groups identified this year are the same as those in 2018, namely employees / union, customers, government agencies, suppliers / contractors, community / environmental groups, and investors / banks.

Stakeholder	Issues	Communication Methods	Frequency
Employees / Trade Unions	Employee health and safety Attracting and retaining talent Talent training and education Harmonious labor relations	E-Bulletin Board Labor-Management Meetings	Unscheduled 1 per year
Customer	Customer relations management Product credibility and quality Win-win collaborations	Customer Support Line Project Manager	According to demands According to project amount
Government Agencies	Compliance Pollution prevention Harmonious labor relations	Seminar Exchanges Accreditation of Green Products Environmental Awards	2-3 per year 1-2 per year According to award amount
Suppliers / vendors	Supplier management Win-win collaborations	Unscheduled Audits Survey	Unscheduled 1 per year
Communities	Corporate citizenship and charity Pollution prevention	Participate in community activities / Donation	Unscheduled
Investors / Banks	Corporate governance Investor relations Compliance Risk management Financial performance	Investors Conference Shareholders Conference	1 per year 1 per year

## 2-2 Analysis of Materiality

### Analysis Process //

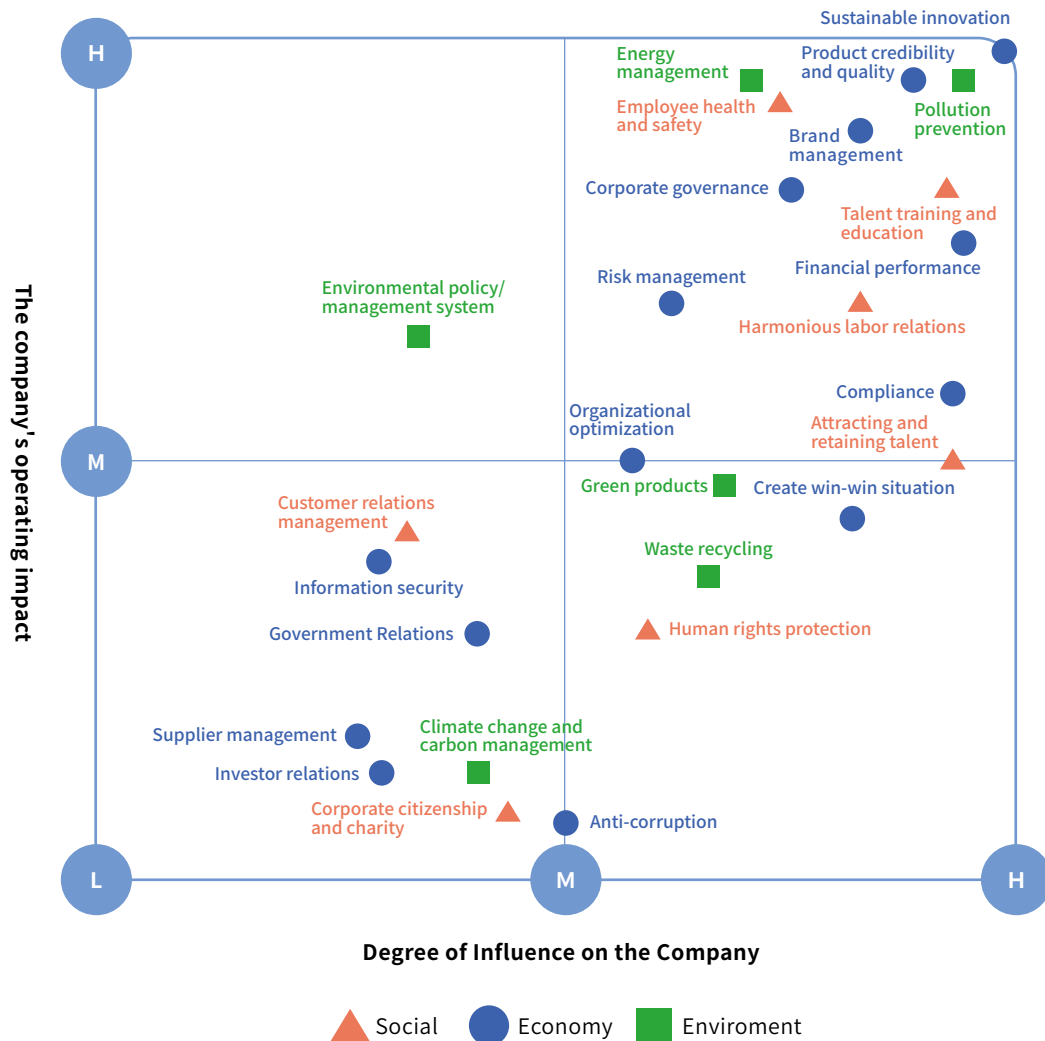
We believe that pro-active communication and dialogue with stakeholders will help us understand their issues of concern, and respond and act accordingly, which forms the actual basis for implementing corporate social responsibility. Therefore, we follow the steps below to identify and weigh key CSR issues in Asia, and to assess issues of concern to stakeholders with the help of industry experts and units.





# Materiality Matrix

Survey on the issues concerned by the stakeholders of Taya



## Comparison Table of Material Issues

A total of 14 major issues were identified in 2019, of which 6 are economic-related issues, 2 are environmental-related issues, and 6 are social-related issues. Compared with 2018, 5 new major issues have been added, namely : Sustainable innovation, brand management, Compliance, Win-win collaborations ; the major issues excluded from last year are : anti-corruption, customer relationship management, climate change and carbon management.

	2019	Result	2018	2017
1	Sustainable innovation	New	Product credibility and quality	Talent training and education
2	Pollution prevention	↑	Attracting and retaining talent	Harmonious labor relations
3	Product credibility and quality	↓	Harmonious labor relations	Attracting and retaining talent
4	Energy management	↑	Risk management	Customer relations management
5	brand management	New	Corporate governance	Compliance
6	Employee health and safety	↑	Energy management	Employee health and safety
7	Talent training and education	↑	Employee health and safety	Sustainable innovation
8	Financial performance	-	Financial performance	Pollution prevention
9	Corporate governance	↓	Pollution prevention	Win-win collaborations
10	Compliance	New	Anti-corruption	Product credibility and quality
11	Harmonious labor relations	↓	Customer relations management	Financial performance
12	Talent attracting and retaining	↓	Climate change and carbon management	
13	Risk management	↓		
14	Win-win collaborations	New		

Note : Words in red are social issues. Words in blue are economic issues.  
Words in green are environmental issues.

## Major Theme Comparison Table //

Priority Issue	Internal											External						GRI Standard	Report Chapte	Pages
	Taya	Cuprime	Ta Heng	Ta Ho	UEI	AD	Hengs	Dong Nai	Hai Duong	Dongguan	Kunshan	Customer	External	Banks	Suppliers	Government Agencies	Communities			
1. Sustainable innovation	▬											▬			▬			Non- GRI	3-4 Innovation management	40-41
2. Pollution prevention	▬	▬	▬					▬	▬	▬	▬						▬	305-7 、 306-1 306-2	4-1 Environmental Policy and Management	52-55
3. Product credibility and quality	▬	▬	▬			▬	▬	▬	▬	▬	▬	▬	▬		▬		▬	417-1	3-1 Value transfer	36
4. Energy management	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬					▬		302-1 、 302-3 302-4	4-1 Environmental Policy and Management	45
5. Brand management	▬											▬	▬	▬	▬	▬	▬	Non-GRI	1-1 Company Profile	16-17
6. Employee health and safety	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬				▬	▬		403-2	5-2 Occupational Safety and Health	64-65
7. Talent training and education	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬		▬			404-1	5-3 Educational Training	71-73
8. Financial performance	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬		▬	▬				201-1 、 201-3	1-2 Governance structure	26
9. Corporate governance	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬		▬			▬		102-18	1-2 Governance structure	18-27
10. Compliance	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬		▬	▬		307-1 、 419-1	Major theme comparison table	82-86
11. Harmonious labor relations	▬	▬	▬					▬	▬	▬	▬	▬				▬		402-1	2-3 Multiple communication channels	33
12. Climate change and carbon management	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬				▬		▬	305-1 、 305-2 305-4 、 305-5	4-2 Response to Climate Changes	49-51
13. Attracting and retaining talent	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬					▬		401-2	5-1 Human Rights Protection	57
14. Win-win collaborations	▬											▬	▬		▬	▬	▬	102-13	1-1 Company Profile 3-3 Sustainable Supply Chain	15 43

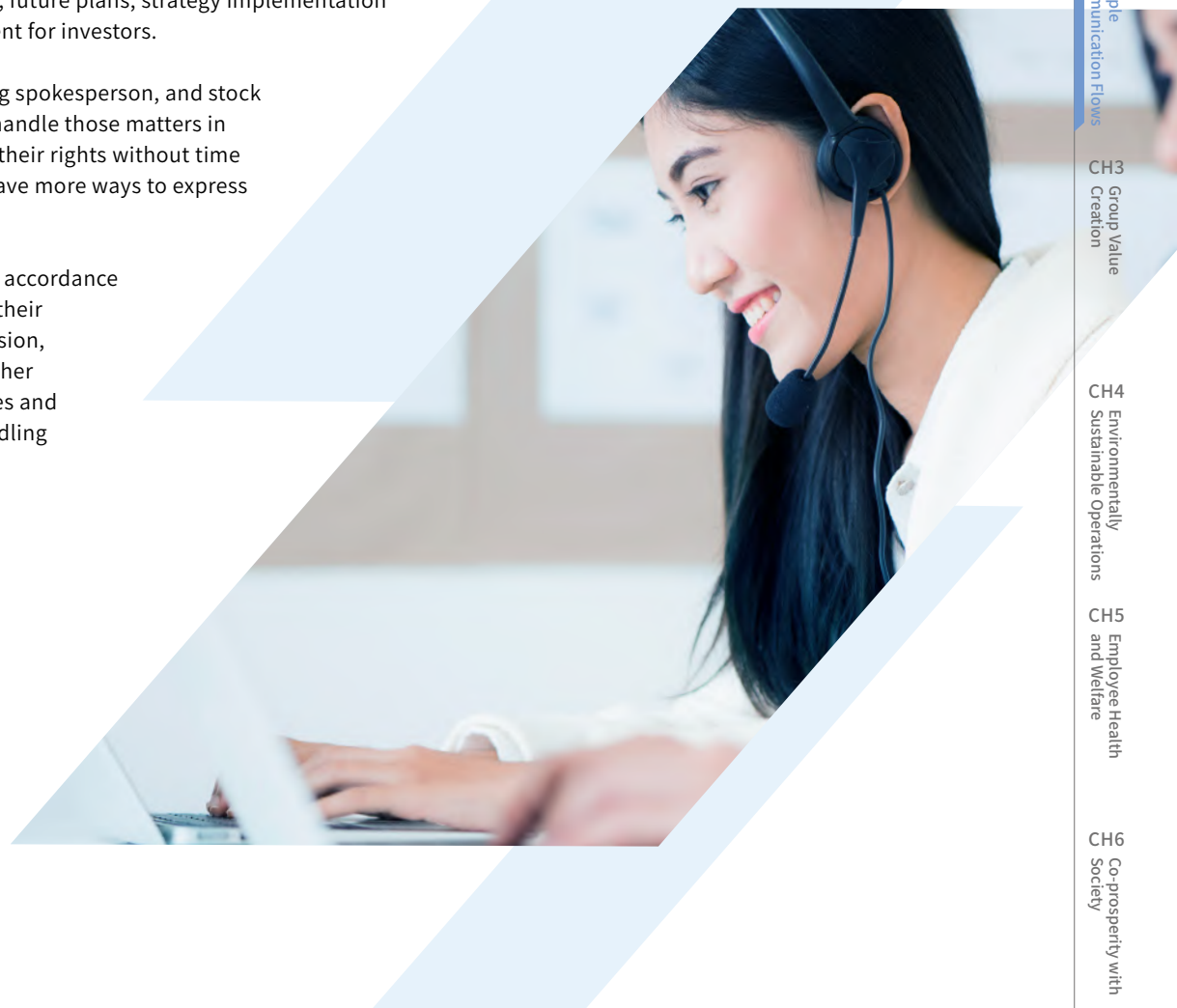
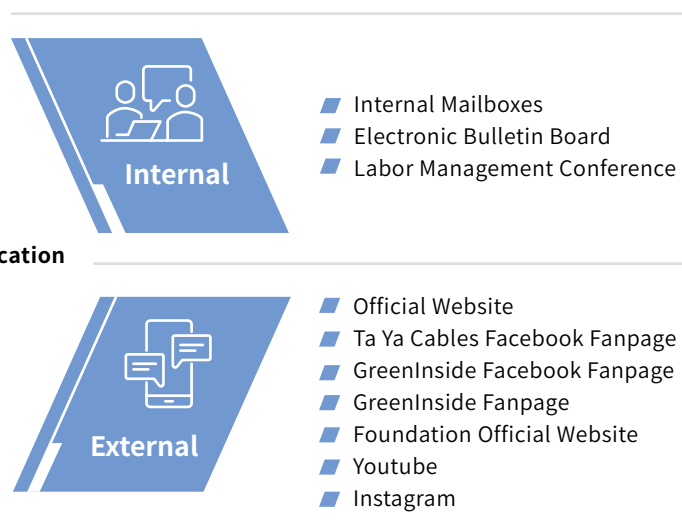
Note : ▬ Material issues and disclosed in this reports.

## 2-3 Multiple Communication Channels

Setting great store with the opinions and suggestions of all stakeholders, Ta Ya has designated a dedicated officer to facilitate communication between the Company and its stakeholders, to listen and respond to their needs, and taking measures where necessary to strengthen the Company's information disclosure. With regard to improving information transparency, including through corporate briefings, the Group's consolidated business operations and financial information are regularly disclosed on the website, while the Company's annual report clearly describes the business status, future plans, strategy implementation and financial performance. These communication channels are smooth and convenient for investors.

In order to protect shareholders' rights and interests, Ta Ya has a spokesperson, acting spokesperson, and stock management agency to handle suggestions, questions, disputes, and litigation, and handle those matters in accordance with the relevant procedures. To allow minority shareholders to exercise their rights without time and space restrictions, electronic voting was adopted in 2014, so that shareholders have more ways to express their opinions.

Ta Ya employees have the right to form labor unions and autonomous associations in accordance with the law. In labor management meetings, employee representatives put forward their suggestions and opinions on specific issues to the Company's managers. After discussion, consensus is reached and presented to the Board of Directors for further handling. Other affiliated companies also abide by the principle of respecting stakeholders. Employees and shareholders may submit proposals to the departments concerned for response, handling and if necessary referral to the Board of Directors.







# CH3

## Group Value Creation

- 3-1 Value transfer
- 3-2 Innovation Management
- 3-3 Sustainable Supply Chain



## CH.3 Group Value Creation

### 3-1 Value Transfer

#### Customer Satisfaction Survey //

Customer Satisfactory Survey Honesty and trust is paramount in our dealings with clients. The Group complies with client and contractual demands to protect customer rights in providing satisfactory services. All business units individually conduct customer satisfactory surveys to understand client demands.

##### Results of Customer satisfaction survey

Company		Survey Project	Target Value	Actual Value	Description
Taya	ETC BG	Service, quality, manufacturing, customer evaluation, competitive standards	88	94.8	goal achieved
	MW BG	Service, quality, manufacturing, hazardous substances, delivery, competition standards	85	99.26	Achieving the goal is between 85 points and 100 points.
	NIC	Service, quality, process, no harmful substances, shipping speed	80	80	With a score of 100 points and an average of 85.5 points, we are constantly seeking breakthroughs in customer response.
Cuprime		Service, quality, delivery, competition standards	80	83	With a score of 100 and a KPI target of 80, the 2017 results will remain the same as in 2017.
Ta Heng		Product quality, product price, delivery of goods, document report, packaging, new product development, sample response, customer consultation, customer complaint handling, business communication skills	80	84	With a score of 100 and a KPI target of 80, the 2017 results will remain the same as in 2017.
Ta Ho		Service, quality, construction	8	8	Take 10 points and score up to 10 points; achieve the goal
UEI		Service, quality, packaging, delivery	100	100	he results of the 2018 and 2019 surveys are all 100 points.
Hengs		Quality, delivery, packaging, handling customer complaints efficiency, service attitude, product design	No setting	All of them are "Satisfied" or "Very Satisfied".	Statistics are made respectively for "Very Satisfied", "Satisfied", "Unsatisfied" and "Very Unsatisfied"



## Quality Management //

### Quality Assurance

We uphold an ethos of “quality first, client first, speedy service” in providing the best service to our customers. Ta Ya Energy and Telecom Cable Business Group owns various types of cutting-edge precision testing equipment in the world, including : HAEFELY lightning voltage analog testing equipment ; high pressure (EHV) power system switch surge simulation equipment ; AC-DC high voltage damage test equipment; prolonged (high voltage, high current, high temperature) accelerated aging testing equipment; partial discharge non-destructive testing equipment; high pressure test site, network analyzer; communications cable near / far end cross talk high-frequency testers; various fiber optic cable property test equipment (such as optical-time domain reflectometer OTDR, polarization mode dispersion analyzer PMD, geometric characteristics meter); low-smoke and non-toxic laboratory; and a variety of heat / flame-resistant testing equipment. Aided with professional knowledge and continuous enhancement of the assessment technique, we are able to reduce the product malfunctioning rate, expand cable lifespans, and improve electrical safety. The Magnet Wires Business Group has the first lab to pass the CNLA ISO / IEC 17025 test. All the products meet the EU RoHs requirements and make a contribution to the reduction of the environmental load and possible hazards to human bodies. The management system certificates that each company acquires are described in the following table.

	Taya			Cuprime	Ta Heng	Ta Ho	UEI	AD	Hengs	Dong Nai	Hai Duong	Dongguan	Kunshan
	ETC BG	MW BG	NIC										
ISO 9001	///	///	///	///	///	///	///		///	///	///	///	///
ISO 14001	///	///	///							///	///	///	///
ISO 50001	///	///	///										
ISO / TS 16949		///	///							///		///	///
ISO / IEC 17025	///	///											
ISO 45001 (2019.11 Conversion complete )	///	///	///										
TOSHMS / CNS 15506	///	///											
IECQ QC080000		///		///									

## Responsible Business Alliance (RBA) //

Cuprime recently developed phosphorus copper balls for domestic and overseas PCB industries and, thus, know the importance that customers in the electronics industry place on the compliance to EICC. In January 2016, the EICC handbook was issued according to Electronic Industry Code of Conduct and will continue to revise according to requirement to establish all policies related to five major aspects of management system, labor, health and safety, environment and moral standard.

After introduced the EICC, Cuprime has added supplier EICC questionnaire in the business partner evaluation form, requiring the suppliers to cooperate with implementation of environmental policies and to emphasize in corporate social responsibility for environmental safety and health, human rights and anti-bribery. There were 2 suppliers with evaluations in 2018, including 2 HSF suppliers. In 2019, it is expected to increase the number of suppliers with evaluation to 5, and 3 HSF suppliers.

## Product Information Labeling //



### Business Group for Electrical Power and Communication

- The 600V lead-free PVC insulated electrical wire is in compliance with the CNS 679 C2012 standard, and is marked with information including the CNS Mark, the Product Inspection Mark of the Bureau of Standards, Metrology and Inspection, LF and the EU's Restriction of Hazardous Substances Directive (RoHS). The purpose is to ensure customers using the products fully understand the information concerning product quality and the safety of product use indicated on the products, so that appropriate measures can be taken for products which have expired to lower their environmental and social impact.

Markings concerning certain contents in the products include those indicating LF (lead free) and the EU's Restriction of Hazardous Substances Directive (RoHS).

For example: the 600V PVC electrical cable (LF 600V IV) 22 mm<sup>2</sup> has the following product markings :

R63006 RoHS 1649 LF 600V IV 22 mm Taya TA YA (Year)

- The DC-1500V power cable PV-CQ for solar power stations uses halogen-free and flame-retardant XLPO materials to make it self-extinguishing so that it will not produce halogen acids, toxic and corrosive gases and black smoke. The materials are in compliance with the RoHS and have received the JECTEC certification in Japan, where they are sold with their quality recognized by customers. When the products are expired, the procedures for their subsequent disposal will not cause hazardous impact to the environment.
- The flat cable (2C-FL-NSS-BIBSM fiber) products have been certified by the Taiwan Electronic Testing Center, TAF-accredited laboratories and the Bureau of Standards, Metrology and Inspection, Ministry of Economic Affairs to be in compliance with the specifications and standards of the Green Mark set by the Environmental Protection Administration, Executive Yuan. The products are made with low-smoke, halogen-free and flame-resistant PE materials and do not use prohibited substances under the Montreal Protocol and the toxic chemical substances under restrictions announced by the Environmental Protection Administration. Hence, burning of the products will not release dioxin, the "toxicant of the century", to prevent toxic substances from accumulating in and polluting the environment. The product packages do not use PVC or other halogen plastics. Instead, packaging cartons made with at least 80% of mixed recycled paper are used to promote waste reduction, recycling and reuse. They have received the certification of the Green Mark for industrial products.



**The relevant product information has been registered on the Greenliving Information Platform of the Environmental Protection Administration, Executive Yuan for public access :** <https://greenliving.epa.gov.tw/Public/Product/ProductQuery>

In order to promote and raise consumer awareness of the careful selection of recyclable and low-polluting products for improvement of environmental quality, the product packages are marked with the Green Mark that can be identified by the people buying the products.



## Business Group for Magnet Wires

- All magnet wire products have passed the U.S. UL certification and have been designed and manufactured in accordance with NEMA, IEC, JIS and other standards.
- Product information includes: Wire type, specifications, quantity (length, weight), date of manufacture, etc.
- The product management systems include the information of quality system certification (IATF 16949 and ISO 9001), Green Mark, RoHS and REACH. The purpose is to ensure customers fully understand the information concerning product suppliers and the safety of product use, so that appropriate measures can be taken for products which have expired to lower their environmental and social impact.
- Product materials are selected solely based on their eco-friendliness. For environmentally hazardous substances, we are committed to the principles of “no design, no purchase, no acceptance, no manufacture and no leak” to build factories with no hazardous substances. Furthermore, all applicable laws and regulations and customer requirements are regularly reviewed, and a “Database for the List of Substances Prohibited by the Customers of Taya” is created to manage the relevant requirements in order to ensure that all controlled values are in compliance with the latest requirements of the RoHS and special customers :

<b>Pb</b>	Pb content : ≤ 1000ppM.	<b>Cd</b>	Cd content : ≤ 100ppM.	<b>Hg</b>	Hg content : ≤ 1000ppM.	<b>Cr<sup>6+</sup></b>	Cr <sup>6+</sup> content : ≤ 1000ppM.	<b>PBB</b>	PBB content : ≤ 1000ppM.
<b>PBDE</b>	PBDE content : ≤ 1000ppM.	<b>BBP</b>	BBP content : ≤ 1000ppM.	<b>DEHP</b>	DEHP content : ≤ 1000ppM.	<b>DBP</b>	DBP content : ≤ 1000ppM.	<b>HBCDD</b>	HBCDD content : ≤ 1000ppM.

- By introducing the clean production model, an environmental protection strategy with comprehensive precautions will continue to be applied in the production processes and products to reduce or eliminate the hazards and risks they may possibly cause to humans and the environment, and to meet human needs for the maximization of social and economic benefits. Furthermore, we will gradually move toward the greenization of industries and building green industries to keep up with the international trend in environmental protection and promote the sustainable development of industries.
- Based on customer needs and the requirements of the countries where our products are sold, the outer container of each product is marked with the information of product certification system, e.g., IATF 16949 and ISO 9001 for quality management systems, ISO/IEC 17025 for testing laboratories, ISO 45001 for occupational health and safety management systems, ISO14001 for environmental management systems, TOSHMS (Taiwan Occupational Safety and Health Management System CNS15506) and IECQ QC080000 for hazardous substance management systems.



## Business Group for Copper and New Business Development

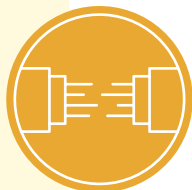
- Products for packaging and wire bonding are designed and manufactured in accordance with customer requirements and specifications.
- Product information includes : Wire type, specifications, length, date of manufacture, expiry date, etc.
- The product management systems include the information of quality system certification (ISO 9001) and RoHS. The purpose is to ensure customers fully understand the information of product suppliers and the safety of product use, so that appropriate measures can be taken for products which have expired to lower their environmental and social impact.
- The laws and regulations applicable to the products are regularly reviewed, and the products are regularly sent to impartial third-party organizations to be tested for safety against hazardous substances under the RoHS, in order to ensure that all controlled values are in compliance with the latest requirements of the RoHS and special customers :

<b>Pb</b>	Pb content : ≤ 1000ppM.	<b>Cd</b>	Cd content : ≤ 100ppM.	<b>Hg</b>	Hg content : ≤ 1000ppM.	<b>Cr<sup>6+</sup></b>	Cr <sup>6+</sup> content : ≤ 1000ppM.	<b>PBB</b>	PBB content : ≤ 1000ppM.
<b>PBDE</b>	PBDE content : ≤ 1000ppM.	<b>DEHP</b>	DEHP content : ≤ 1000ppM.	<b>BBP</b>	BBP content : ≤ 1000ppM.	<b>DBP</b>	DBP content : ≤ 1000ppM.	<b>DIBP</b>	DIBP content : ≤ 1000ppM.
<b>HBCDD</b>	HBCDD content : ≤ 1000ppM.								

- Based on customer needs and the requirements of the countries where our products are sold, the outer container of each product is marked with the information of product certification system, e.g.,: ISO 9001 for quality management systems, ISO 45001 for occupational health and safety management systems, ISO14001 for environmental management systems, and TOSHMS (Taiwan Occupational Safety and Health Management System CNS15506).

## 3-2 Innovation Management

### Product Technology and Innovation //



#### Wires and Cables

✓  
01

##### **Production of extra-long UHV 345KV XLPE cables**

In response to the demand for longer cables for use between Taipower sub-stations, we began mass production of 345KV cables.

✓  
02

##### **Development of lead-free PVC coating**

600V PVC wires, PVC cables, cross-linked polyethylene power cables, medium-voltage cross-linked polyethylene power cables are mass-produced with lead-free PVC coatings in order to make a contribution to the global environment.

✓  
03

##### **Development of high-voltage (15KV-345KV) lead-coated power cables**

In response to the structural demand for direct-bury cables in the Middle East and Southeast Asia, we developed high-voltage (15KV- 345KV) lead-coated power cables to secure orders from those export markets.

✓  
04

##### **Development of cables for solar power systems to improve operating performance.**

✓  
05

##### **Environmentally friendly flat cables**

Using newly developed low-smoke non-toxic materials and packaging materials selected in collaboration with suppliers, these eco-friendly measures have been awarded the National Environmental Protection Mark (No. 10932).

✓  
06

##### **Solar power system wires PV-CQ**

In response to the promotion and development of solar power generation systems, the DC-1500V environmental protection cable PV-CQ was developed to meet the demand for wires suited for green energy system environments.

✓  
07

##### **Submarine cables : ARRAY CABLE**

In response to the development of existing offshore wind farms, these submarine cables for offshore wind turbines were developed to meet the demand for connection and transmission for these green energy systems.





## Magnet Wires

✓  
01

### Self-melting three-layer insulated wires

In order to meet customers' varied requirements with regard to processing and temperature resistance, we have developed a variety of self-melting three-layer insulated wires with different temperature resistance levels in order to round out our product range to serve more needs in this vast market.

✓  
03

### Single-layer and multi-layer insulated wires and coiled wires

The three-layer insulated wires can be directly used in transformers without intermediate insulating tape, which reduces volume and saves overall material cost. They can be directly soldered without first stripping away the outer insulation. These wires have also been taken into mass production and sales.

✓  
05

### 1IC packaging materials

Our pure copper wire, palladium-plated copper wire, and gold-plated palladium copper wire have all been tested by IC packaging manufacturers at home and abroad, and have now entered mass production and shipment. At present, we have begun trial production of copper alloy materials and we are carrying out related tests and research and development for other special-components packaging wires. In addition, our silver alloy wires passed customer certification in 2016. We are expecting mass production orders and our overseas agents will promote them to their customer bases.

✓  
07

### Silk-coated magnet copper wire

Multiple stranded then silk-coated wires make conductors increase their surface area while maintaining the same diameter and reducing the skin effect. Their high-frequency resistance is lowered to increase the Q value.

✓  
02

### Stranded magnet wire

Our stranded magnet wires can reduce the high-frequency power loss caused by the skin effect, offer good impedance stability, and are highly suitable for application in circuits with high Q values. They have already entered the stage of mass production and sales.

✓  
04

### Surge-resistant magnet wires

In response to the increasing use of frequency switching, we have developed anti-surge magnet wires for industrial use. The anti-surge magnet wires have a longer life cycle, better anti-surge properties, and greater stability when used in high-temperature and otherwise harsh electrical environments in comparison with general magnet wires.

✓  
06

### Flat magnet wires

In response to the miniaturization of electronic equipment, transformers and inductors are developing toward high frequency, and they larger effective content ratios.

✓  
08

### Thermal conductive enameled wire

When an electric vehicle accelerates quickly, the engine generates a large amount of currents through the electromagnetic coil. When the currents flow through the wire, a large quantity of heat energy is generated due to the current's thermal effect in the conductor. Therefore, electromagnetic coils in electric engines must have the ability to quickly remove thermal energy. If the insulating varnish applied to a wire has good heat transfer capacity, the heat generated when currents flow through the wire can be quickly removed.

## R&D Investment (costs, methods, etc.) //

With the domestic wire and cable industry having matured and growing steadily, Ta Ya maintains an entrepreneur spirit of making continuous enhancements through active investment in the research and development of various products to reinforce our competitive advantage.

## 3-3 Sustainable Supply Chain

### Supplier Management // Procurement Policy

The Group takes measures to prevent shortages and supplier monopoly of materials by selecting two or more qualified suppliers for evaluation. When there is only one supplier, we search for new sources. Suppliers qualify after our quality assurance and R&D departments have certified the materials. We then establish strategic alliances with the suppliers to ensure reliability. Our procurement personnel are closely in tune with market trends. Suppliers of imported materials are notified early on so they can arrange for the materials, or materials are ordered in bulk to be delivered in batches to prevent late deliveries and minimize inventory.

#### Ta Ya Supplier Categories

Type	Description
Material	Suppliers of copper sheets for cables and enameled wires, copper and aluminum wires, optical fibers, varnish, plastics chemistry materials, insulation, and packaging
Equipment	Suppliers of machinery, equipment, instruments, and information software and hardware
Engineering	Contractors for construction, civil engineering, steel structures, air conditioning, fire protection, pure water supply, wastewater treatment, environmental engineering, interior design, electrical engineering, and utilities
Other	Suppliers of molding, lighting, accessories, environmental protection, occupational health and safety, pneumatic and hydraulic equipment, welding, transportation, testing, printing, stationery, hygiene, and miscellaneous materials and services

### Procurement from Local //

#### Ta YA Proportion of Procurement from Local

Year	Percentage (%)
2017	24.19
2018	20.17
2019	24.26

Note : Local procurement ratio = Amount of purchases from local sources / Total purchase amount

#### Ta Ya Research & Development Fund

Year	Funding (Unit : 1000)	Net Income Ratio (%)
2017	31,854	0.40
2018	41,304	0.48
2019	64,375	0.74

## As for other Affiliated Enterprises //

#### Affiliates procurement strategy

##### Cuprime

Electrolytic copper cathodes, one of the main raw materials, are mostly procured from overseas. The group adopts the principle to procure locally in Taiwan as the first priority in an attempt to support local industries and reduce environmental impacts from the transportation of raw materials.

##### Ta Heng

Some of the raw materials required are not produced in Taiwan and have to be procured from other countries. The three main sources of supply were, in descending order Taiwan, China and Europe/USA.

##### UEI

The procurement regions are Taiwan and Japan, and some parts are purchased from Japan due to factors such as processing accuracy and economic scale.

##### Hengs

The Company's top three sources of equipment / material, in descending order, were Taiwan, Germany and Japan. Most Inverters purchased from German company SMA, and certain solar modules from Japan, more than half of all components used are sourced from Taiwan and exported to supply projects in various parts of the world. The Company makes purchases depending on the type of project involved and stage of completion. The sources of its supply are determined based on a number of factors including : location of project, the quality control center, random inspection, on-site inspection and delivery.

#### Proportion of Procurement from Local (%)

Year	Cuprime	Ta Heng	UEI	AD	Hengs
2017	2.61	96.52	44.74	100	55.67
2018	6.57	96	36	100	79.50
2019	3.86	96.48	32.07	100	92.64

## Green Procurement Strategy //

Meets Sony GB certified and non-hazardous substance suppliers. Copper plate is the most important raw material in Taya, and its supply is from Japan, China and Chile, accounting for 72% of the total purchase amount. The total amount of purchases in 2019 was 18.49 billion yuan, a decrease of about 80 million yuan compared with 2018. The proportion of domestic purchases fell to 20%, mainly due to the decrease in the purchase amount of copper, 8mm copper and plastic pellets.

In 2019, the total amount of local purchase was NT\$1.849 billion, a decrease of approximately NT\$80 million from 2018, and the percentage of local purchase increased to 24% from 20%. The amount of imported copper plates dropped by NT\$1.812 billion, and the percentage of local purchase was up by 4% from 2018.

Taya supports the government's Green Procurement Program, and has purchased five or more green products (including products with the Green Mark, products under the Type 2 category, products with the Energy Label, products with the Water Efficiency Label, products with the Energy Star label, products with the label of Green Building Material and products with the Carbon Label). The green products purchased in the recent three years mainly included: inverter equipment (air conditioners, air compressors and inverters), cartons and energy-efficient lights.

### Taya's Green procurement

Year	Amount (10,000)
2017	377
2018	331
2019	329

## Supplier CSR Evaluation //

Ta Ya's suppliers are not required for review or self-evaluation, provided that they are ISO9000-certified and annually submit valid certification. However, to enhance CSR, we propose and execute review plans. Due to the QC080000 certification, suppliers of the enameled wire business group are required to comply with the Hazardous Substance Free (HSF) standards and provide HSF products. Therefore, suppliers of HSF materials are required to be reviewed or self-evaluated annually. Of the non-HSF suppliers, those who provide essential materials are required to be reviewed regularly.

There are 14 criteria in the CSR review, each accounting for five points. Suppliers with an average of less than four points are considered unqualified. The criteria include: human rights, workplace safety, anti-corruption, anti-bribery, regular work hours, minimum wage compliance, active environmental responsibilities, environmental protection, and prevention of occupational hazards.

For suppliers with an average score of less than 4, the procurement staff is required to investigate individual areas where suppliers failed to score 4 or higher. Furthermore, suppliers are given relevant information and proper guidance to improve. These suppliers have demonstrated improvement after our guidance efforts. Although contractors are not subject to regular assessment at this point, Ta Ya would invite contractors to participate in general safety trainings from time to time as a means of promoting proper safety and health awareness. Ta Ya encourages all its business partners to voluntarily contribute to the sustainability of our society and environment during their pursuit for economic gains.

## 2019 Outcome

In 2019, Ta Ya appraised 42 companies, including 25 HSF suppliers, whose average corporate social responsibility score was above 4 points. In 2019, the number of appraised companies is expected to increase slightly to 43 and the number of HSF suppliers to remain at 27. In the Order and Business Partner Review forms, Ta Ya has requested the suppliers to cooperate with the Company's environmental policies and to emphasize in corporate social responsibility for environmental safety and health, human rights and anti-bribery. The supplier evaluates its own corporate social responsibility, including its initiatives to tackle environmental issues, encouragement of development and promotion of environmentally friendly technologies and materials. When the supplier scores less than 4 points, our procurement personnel will seek to understand the causes and share their experience with them. They will provide information and guidance to achieve the goal of jointly fulfilling one's corporate social responsibility. In March 2019, CSR and satisfaction surveys were also carried out among raw material suppliers and HSF suppliers with individual transaction amounts of over TWD 1 million. 59 questionnaires were sent and 58 were returned, making for a response rate of 98.31%. Suppliers and contractors gave very positive assessments of Ta Ya's CSR practice and corporate governance.

### Taya Supplier CSR Evaluation Quantity and Results

Year	Total Number of Evaluations	HSF Supplier	Average 4 points or Less
2017	34	25	0
2018	41	28	0
2019	42	25	0



# CH4

## Environmentally Sustainable Operations

- 4-1 Environmental Policy and Management
- 4-2 Response to Climate Changes

## CH.4 Environmentally Sustainable Operations

### 4-1 Environmental Policy and Management

#### Environmental Policy and Management //

The environmental policy of the Group is to implement government environmental protection regulations and client demands, educate employees in environmental protection awareness, improve pollution treatment, recycling responsibly, and make continued improvements.

#### ISO 50001 Certification for Energy Management //

In 2019, the headquarters of the Taya Group in Guanmiao passed the ISO 50001 certification for energy management systems, which served as recognition of Taya's efforts in energy management systems. Through the certification, Taya has been able to understand the risks related to future energy supplies and measure and monitor energy usage in order to use energy in a more efficient way. By reviewing its own energy usage, Taya seeks to reduce unnecessary energy consumption and decrease carbon emissions to eventually fulfill the objectives of environmental protection.



#### We Pledge to



Continue the implementation of environmental management policies and goals, in order to reduce our environmental impact in the process of operations.



Comply with environmental regulations and other issues in response to global environmental protection movements.



Value labor safety and health, reduce the risk of disasters.



Continue the implementation of waste reduction and promote pollution prevention measures.



Improve the promotion of environmental protection concepts to all colleagues to enforce resource and energy recycling, and reduce waste of resources and energy.



Proactively participate in all kinds of environmental protection events, and use the Internet and relevant advertisements to raise awareness of environmental issues.



## Usage of Energy Resources //

The Group is primarily in the business of manufacturing wires and cables, and our main raw materials include copper, PVC powder, XLPE particles, plastic pellets, plasticizers, varnishes, and fiber optic wire. Our main materials also include iron shafts, wooden shafts, sealing plates, plastic shafts, cartons, stack boards, liquid nitrogen, palladium salts, gold salts and charcoal. Our main materials also include iron shafts, wooden shafts, sealing plates, plastic shafts, cartons, and stack boards. Apart from metal reels, wooden reels and cartons, no other raw materials are renewable. Copper materials are sourced mainly from Chile, Peru, Japan, South Africa and Indonesia. Imported copper plates are outsourced to Cuprime where they are processed into 8 mm copper rods. Cross-linked PE granules cannot be produced in Taiwan because of their distinctive characteristics, which is why these materials need to be imported from USA, Sweden and Korea. Spun optic fibers are mostly imported from Japan. Other materials are entirely supplied by local suppliers.

The Taya Group directly consumes gasoline, diesel, natural gas and LPG, and indirectly consumes electricity, which is the main source of energy consumption. In 2019, Taya's total energy consumption was 140,496.94GJ, with an annual decrease of 5.01%. Where the other six affiliates in Taiwan were included, the total energy consumption amounted to 262,501.76GJ, with an annual decrease of 1.58%. In 2019, the average monthly electricity consumed by finished products per ton was down by 19.1% compared to that in 2014.

	Item (Unit)	Application	Ta Ya	Cuprime	
Unrenewable	Copper (KG)	Main material for power cables	28,154,000	14,054,391.50	
	PVC Powder (KG)	Main material for plastic granules used in power and telecom cables	840,400	0	
	XLPE particles (KG)	Material for insulation and internal/external conducting layers for power cables	2,143,925	0	
	Plastic pellets (KG)	Raw material for power cable cover or insulation	637,718	0	
	Plasticizer (KG)	Critical material for plastic granules used in power and telecom cables	377,710	0	
	Varnishes(KG)	Key insulated coating for magnet wires	1,071,264	0	
	Fiber Optic Wires(KM)	Main material for optical cables	85,982	0	
	Shrouding (new and used) (PCS)	Packaging material for power cables	191,019	1,995	
	Plastic spools (new and used) (PCS)	Packaging reel for magnet wires	363,638	0	
	Iron spools (new and used) (PCS)	Packaging reel for high-voltage cables	10,080	0	
	Pallets (PCS)	For loading finished goods and raw materials	218,010	0	
	Liquid nitrogen (KG)	For cooling of power cables and drying of telecom cables during production	350	0	
	Palladium salts (g)	Inhibits oxidation of copper rod surface and raises production yield	0	0	
Renewable	Gold salts (g)	Improves operational stability and extends useful life of welding pins	0	100,000	
	Charcoal (KG)	Removes oxygen from copper melt during production of oxygen-free copper	4,731	0	
	Wooden spools (new and used) (PCS)	Packaging reel for medium-voltage cables	23,982	0	
	Corrugated case (PCS)	Packaging box for magnet wires	340,057	223,530	

**Note 1 :** N.A.= not applicable. The pallet consists of a wooden pallet and a plastic pallet. Since the amount of plastic pallets is small and not calculated separately, the pallets are listed as non-renewable.

**Note 2 :** The Cuprime and Hai Duong Factories use the quantity received for calculation, while other factories base their calculation on the quantity purchased.

## Volume of Energy Usag (2019)

	Ta Heng	Dong Nai	Hai Duong	Dongguan	Kunshan
	3,921,064.43	7,881,739	2,090,448	10,923,345	6,127,076
	N.A.	N.A.	N.A.	0	0
	112,000	315,319	119,815	0	0
	2,487,047.5	1,573,127	1,007,681	0	0
	N.A.	N.A.	N.A.	0	0
	N.A.	324,532	N.A.	1,570,429	756,988
	N.A.	N.A.	N.A.	0	0
	8,931	14,050	10,200	0	9,571
	1,190	139,215	0	1,016,293	273,626
	3,460	1,900	0	0	0
	N.A.	13,720	N.A.	0	0
	N.A.	N.A.	N.A.	0	0
	N.A.	N.A.	N.A.	0	0
	N.A.	76,980	10,229	0	0
	N.A.	N.A.	0	0	0
	27,423	8,983	6,576	0	0
	42,519	124,812	0	905,473	248,945

Area	Guanmiao	Da wan	Cuprime	Ta Heng
Petro (L)	1,450	0	4,372	0
Diesel (L)	65,200	0	264,000	12,670
Natural Gas (m3)	0	0	2,000,316	0
LPG (kg)	2	0	0	840
Electricity (kWh)	36,397,200	571,498.30	107,892,000	2,612,100
Energy Usag (GJ)	133,096.36		105,867.38	9,482.36

Area	Ta Ho	UEI	AD	Hengs
Petro (L)	12,149	1,552	17,889	76,667.3
Diesel (L)	6,642	0	2,719	2,134.66
Natural Gas (m3)	0	0	0	0
LPG (kg)	237	0	0	0
Electricity (kWh)	7,496	589,300	155,935	250,960
Energy Usag (GJ)	37.31	2,121.67	563.94	913.22

Area	Dong Nai	Hai Dong	Dongguan	Kunshan
Petro (L)	2,220	220	0	4,671
Diesel (L)	40,000	13,920	10,500	0
Natural Gas (m3)	0	0	0	0
LPG (kg)	5,556	3,132	0	0
Electricity (kWh)	17,215,619	3,927,000	29,357,880	10,927,768
Energy Usag (GJ)	62,491.85	14,426.59	105,689.77	39,340.54

Note 1 : Direct energy consumption includes gasoline, diesel, natural gas, and liquefied petroleum gas; indirect energy consumption is electricity.

Note 2 : For UEI, liters of gasoline consumed were estimated from total expenses, as the Company used no diesel, natural gas or liquefied petroleum gas during the year.

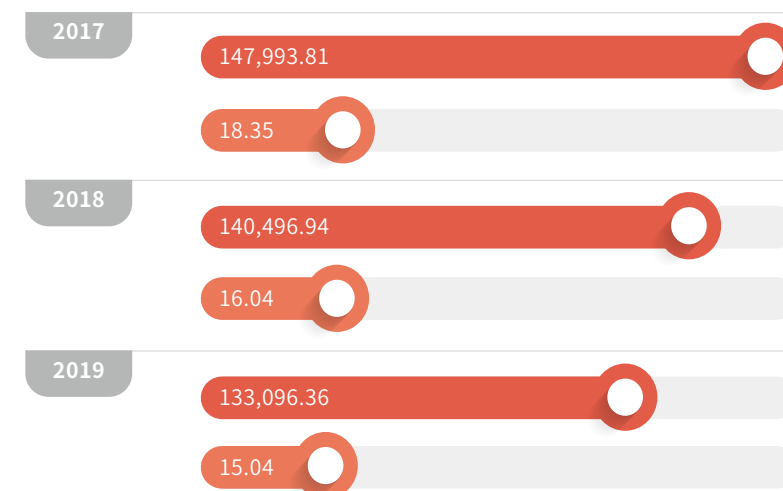
#### Energy use and energy intensity (affiliates, 2019)

	Cuprime	Ta Heng	Ta Ho	UEI	AD	Hengs
Energy Usag (GJ)	105,867.38	9,482.36	37.31	2,121.67	563.94	913.22
Energy intensity	30.91	9.29	0.42	6.39	0.92	0.75

	Dong Nai	Hai Dong	Dongguan	Kunshan
Energy Usag (GJ)	62,491.85	14,426.59	105,689.77	39,340.54
Energy intensity	33.05	25.09	39.09	22.49

Note : Energy intensity = total calorific value (GJ) / operating income (million NT)

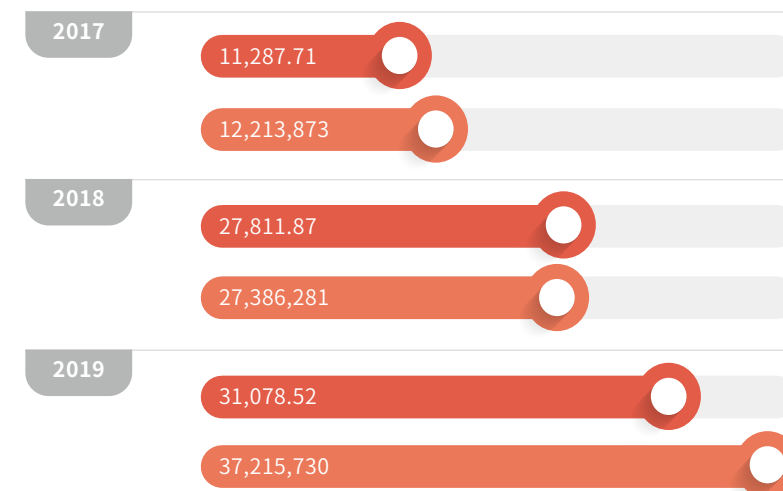
#### Energy use and energy intensity (Taya, the last three years)



Note : ■ Energy use (GJ) ; ■ Energy intensity.

Note : Energy intensity = total calorific value (GJ) / operating income (million NT).

#### Solar Power Plant Capacity //



Note : ■ The total generation ; ■ Total capacity.

## 4-2 Response to Climate Changes

### Mitigation and Adaptation //

In response to the impact of climate change and extreme weather on business operations and daily life, the operational strategies of the Group have been structured in two ways, namely mitigation and adaptation.

Ta Ya's carbon reduction strategy involves three parts: Clean Production - reducing carbon in own production activities; Low-carbon Products - helping others reduce carbon; and investment into Ta Ya Green Energy. Despite Ta Ya's involvement in a low-energy consumption business, the Company continues to devote attention into reducing energy and resources. Furthermore, the Company organizes regular greenhouse gas inspections to evaluate its performance in this regard. In the meantime, we have been developing green products that would help customers reduce carbon emission. In terms of green energy, Ta Ya has been focusing on the construction of solar power plants, and expects to achieve a total capacity of 50MW by 2020.

#### Ta Ya Group's energy-saving and carbon-reduction goals

Unit			Indicator	Unit / Calculation	2015	2016	2017	2018	2019	2019	2020
					Actual Value	Actual Value	Actual Value	Actual Value	Target	Actual Value	Target
Taiwan	Group		Total GHG emissions	tCo2e	30,643.23	31,055.76	32,242.17	34,692.83	29,417.50	30,972.81	29,111
	Taya	Energy and Telecom Communication Cable BG	Power cable consumption/per product	kWh/product weight (ton)	403.1	400.06	467.45	456.6	386.98	3,519.78	383
		Magnet Wires BG	Magnet wire consumption/per product	kWh/product weight (ton)	3,683.66	4,275.01	3157.22	2,744.28	3,536.31	2,864.29	3,499
		NIC	Power consumption	kWh	525,333	577,768	430,276	446,758	504,319.68	571,498.30	472,800
	Cuprime	GHG emission intensity		tCo2e/product Weight(ton)	0.174	0.19	0.2	0.24	0.17	0.19	0.165
		Power consumption/per product		kWh/product weight (ton)	201.77	214.91	251.58	260.37	193.70	197.17	192
	Ta Heng	Power consumption/per product		kWh/product weight (ton)	491.9	487.85	876.01	436.29	472.22	477	467
	UEI	Power consumption/per product		kWh/product weight (ton)	6,581.29	6,402.37	4,754.44	4,259.20	6,318.04	5,942.26	6,252

Note 1 : "Entire Group" currently covers all the factories in Taiwan, excluding the factories in other countries. With the "actual value in 2015" as the baseline, the consumption in 2020 is less than that in 2015 by 5% (i.e. a reduction of 1% every year). The consumption in 2018 should be reduced by 2% in comparison with 2015.

Note 2 : Power consumption of Ta Ya's products is estimated based on the capacity of the equipment. The absolute value of consumption is used as the indicator for NIC because its output is low, and a reduction of power consumption by 2% every year is set accordingly.

## Greenhouse Gas Inventory //

In 2009, Taya for the first time adopted the ISO 14064-1:2006 standards in the implementation of greenhouse gas (GHG) inventories. Through third-party verification, the total emissions were 25,969.65 ton CO<sub>2</sub>e. We have since conducted activities concerning energy efficiency and carbon reduction on that basis. All inventories since 2009 have been conducted on our own. The GHG emissions primarily come from purchased electricity (Scope 2), which accounts for 92.6%, while the emissions from stationary combustion sources, sources of manufacturing processes, mobile combustion sources and dissipative GHG sources (Scope 1) account for 7.4%. Meanwhile, with regard to other indirect GHG emissions from outsourced activities (Scope 3), the collection of some data has been really difficult. Hence the inventories have currently been conducted on a qualitative basis.

In 2019, Taya conducted a GHG inventory in accordance with ISO14064-1, and the total emissions were 22,269.83 ton CO<sub>2</sub>e, with an annual increase of 5.27%. Purchased electricity (Scope 2) accounted for 88.45%, which has been the main source of carbon emissions for Taya. The total energy used by Taya this year was lower than that of 2018. However, in response to the trend of low-carbon and sustainable management of business, the scope of GHG inventory was expanded in 2018 (to include blowtorches, gas, acetylene, welding rods, refrigerants, CO<sub>2</sub>-based fire extinguishers and septic tanks under Scope 1). Optimization of equipment configuration, processes and energy efficiency will continue to be our key focus towards sustainability. The total emissions of the seven companies in Taiwan (Taya, Cuprime, Ta Heng, Ta Ho, UEI, AD and Hengs) were 30,972.81 ton CO<sub>2</sub>e, with an annual increase of 8.78%. Among these Taya accounted for 71.9% of the group's emissions in Taiwan, followed by Cuprime accounting for 20.65%. According to a resolution of the CSR Committee's Environmental Team in 2015, the group's total GHG emissions must be reduced by 5% by 2020 when compared against the baseline year of 2015. We will continue to work hard to reduce our emissions by 1% every year.

### Affiliates gas emissions and greenhouse emissions intensity (2019)

	Cuprime	Ta Heng	Ta Ho	UEI	AD	Hengs	Vietnam		China	
							Dong Nai	Hai Dong	Dongguan	Kunshan
Scope 1	697.88	842.99	44.80	3.51	47.57	179.06	5,466.62	3,056.79	27.36	10.57
Scope 2	5,750.64	1,392.25	4.00	314.10	83.11	133.76	3,322.61	757.91	28,682.65	10,676.43
Total emission	6,448.52	2,235.23	48.80	317.61	130.68	312.82	8,789.23	3,814.70	28,710.01	10,687.00
Emission intensity	1.88	2.19	0.55	0.96	0.21	0.26	7.70	8.92	10.62	6.11

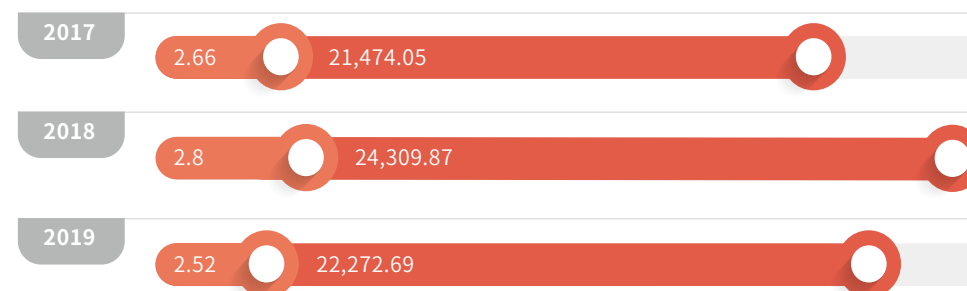
### Total Emission of Greenhouse Gases in Taiwan (2019)

Unit : tons CO<sub>2</sub>e

Emission ratio of Each Category	Scope1	Scope2	合計
Total Emission of Greenhouse Gases (tons CO <sub>2</sub> e)	4,386.91	27,379.44	31,766.36
Percentage of total emissions (%)	13.81	86.19	100.00

Note : The source of this emission factor is the Energy Bureau of the Ministry of Economic Affairs. Direct emissions are emissions from the combustion of gasoline, diesel, natural gas, and liquefied petroleum gas, while indirect emissions are emissions from the use of purchased electricity. The global warming potential (GWP) version used is : IPCC Fourth Assessment Report (2007)

### Greenhouse gas emissions and emission intensity (Taya, the last three years)



Note : ■ GHG emission ; ■ GHG emissions intensity

Note : Greenhouse gas emission intensity = total greenhouse gas emissions (metric tons) / operating income (in NT\$ million)



## Energy-Saving and Carbon-Reduction Measures //

Although the group is comprised entirely of low-energy and low-water consumption businesses, it continues to improve the ways business operation is managed and introduce new energy-saving equipment. Several energy-saving measures have been adopted to date, such as: natural ventilation, power usage monitor, power efficiency improvement, use of energy-efficient lighting equipment, recycling of heat through thermal cycle, inverter device for cooling tower motor, and power-saving incentives for employees.

### 2019 Energy-Saving and Carbon-Reduction Measures

	Companie	Items	Before	After (per year)		
				kwh	GJ	CO <sub>2</sub> e
2019	Taya	One magnet wire machine (E213) was replaced.	One new high-performance magnet wire machine (E221) was purchased to replace high energy-consuming equipment.	701,023	2,523.68	373.65

Note : The estimate of reducing energy consumption is based on the assumption that energy conservation measures last for twelve (12) months, and which is a not actual monitoring result. The estimation of carbon reduction is based on the 2017 power emission coefficient of 0.554Kg CO<sub>2</sub>e / kWh.


## Risks and Opportunities //

Extreme high and low temperature and extreme heavy rain appear more frequently due to climate change. How to generally understand the risks and find potential opportunities is indispensable for an enterprise to pursue sustainable development.

All the factories of Ta Ya must enhance the drainage and maintain the factory buildings to face the risks in the change of the climate conditions and defend the attack of the extreme heavy rain and fierce typhoon. As for the opportunity, three consecutive typhoons (Magi, Meranti, and Nepartak) in 2016 brought about power failure and about 6 million households were affected merely because the wire poles were broken. To defend against typhoons thoroughly, Taipower started a disaster-preventive resilience project to lay cables underground in the section where roads are against the wind and seriously damaged. For Taiwan where earthquakes occur frequently, laying cables underground is most effective to ensure stable supply of electricity. To implement this project, Taipower prepares a budget of NT\$ 7.4 billion to lay cables of 463 kilometers underground within 3 years. Ta Ya 25kV cables are used for the project. It will be beneficial to the operation of the Company.

As for the legal and regulatory risks, regular carbon inventory, improvement of equipment efficiency to meet the energy saving requirement, or use of renewable energy to an extent required by the government may lead to increase of the operating cost before long. However, the opportunities created by using more renewable energy is much greater than the risk. This not only encourages use of new products, but also bring the new investment opportunities.

### Risks and opportunities in the climate change

	<b>Photovoltaics</b> Construction of solar power plant, development of special PV DC cables and optical fiber composite floating solar cables.	<b>Amendment of laws and its impact</b>	<b>Risk</b> Emission report requirements >> Increase of operating costs Regulations and standards of product efficiency >> Increase of operating costs General environment regulations >> Increase of operating costs	<b>Opportunity</b> Regulations and standards of product efficiency >> Increase of the needs for service Renewable energy regulations >> Investment opportunities, more social benefits
	<b>New energy vehicle</b> Anti-surge magnet wires, magnet wires, thermal wires, polyimide magnet wires are developed to solve the problems of the higher frequency and temperature in the operation environment of the vehicle motors.		<b>Change of the climate conditions and its impact</b> Extreme raining model >> Increase of operating costs	<b>Opportunity</b> Extreme raining model >> New products / Business services

## Pollution Prevention Management //

### Air Quality Management

The fixed pollution sources of the Ta Ya factory in Guanmiao are all equipped with pollution prevention devices. The pollutants include volatile organic compounds (VOC) and granular pollutants. The pollution prevention equipment includes a catalytic converter, a bag-type dust collector, and a venturi scrubbing tower. In accordance with air pollution prevention laws and regulations, we monitor and report emissions from our fixed sources. Cuprime's fixed air pollution source emissions are regularly tested once a year, the results of which are reported to the authorities. It has been certified by the environmental protection authority to comply with stationary air pollution standards.

### Toxic Substance Management

The company has complete toxic chemical handling and chemical disaster prevention measures and drills in place. As varnishes and plasticizers are used in the manufacturing process, which are listed as regulated items of toxic chemicals by the EPA, Ta Ya is required to implement one emergency toxic chemical disaster prevention drill and two unscheduled drills annually in compliance with the relevant regulations. Moreover, the company implements one fire drill and one public hazardous material disaster prevention drill annually. Other affiliated companies do not use toxic substances.

## Water Resource Management //

All factories in Taiwan and Vietnam use only tap water. In order for the wastewater from the factories to meet the regulations for industrial effluent, Ta Ya's Guanmiao and Dawan factories and Cuprime periodically inspect the water quality, maintain handling equipment, and have sewage treatment equipment in place. Every year, two sample tests are conducted on commissioned certified water quality facilities, and the processed effluent is discharged into the drains outside the factories. The receiving water bodies for the Guanmiao and Dawan factories are the Erren and Sanyegong rivers, respectively, while for Cuprime, it is the Fusen River.

With regard to wastewater recovery, in addition to the soft water recycling system of our cable PVC and PE extrusion process and the cooling water of the CV production line, our enameled wire production process recovers its pure water in order to save water resources. In 2019, the water consumption and wastewater discharge of the Guanmiao Factory area decreased in comparison with those in 2017. In 2011, storage tanks with a total capacity of approximately 60 tons were set up in the Guanmiao Factory area for rainwater harvesting. The water harvested has been used for garden watering, toilet flushing and floor cleaning in the factory area. In June 2015, water meters were installed for recording. As of 2019, the cumulative volume of rainwater harvested was 530 ton. There has been no recycling of water used in the manufacturing process or harvesting of rainwater in the Dawan Factory area.

Among our affiliated enterprises, Cuprime has adopted water-saving measures such as collecting and processing wastewater from production in a recovery reservoir and then reusing the water for cooling water circulation in the casting zone. Ta Heng set up a 150 MT reservoir for rainwater recovery. This reservoir supplies water for circulation in the extrusion process and for toilet flushing.

Emissions of Stationary Pollution Sources (tons)

Year	Company	Taya	Cuprime	Dong Nai	Donguan
	Factory	Guanmiao			
2019	SOx	N.A.	N.A.	N.A.	N.A.
	NOx	N.A.	3.36MT	N.A.	N.A.
	VOC	24.32	0.61MT	N.A.	385.2ppm
	Particulate Pollutants	0.00247	N.A.	0.2067	N.A.

Note : There are no emissions from fixed sources in the other plants not mentioned here.

## Water Consumption (2019)

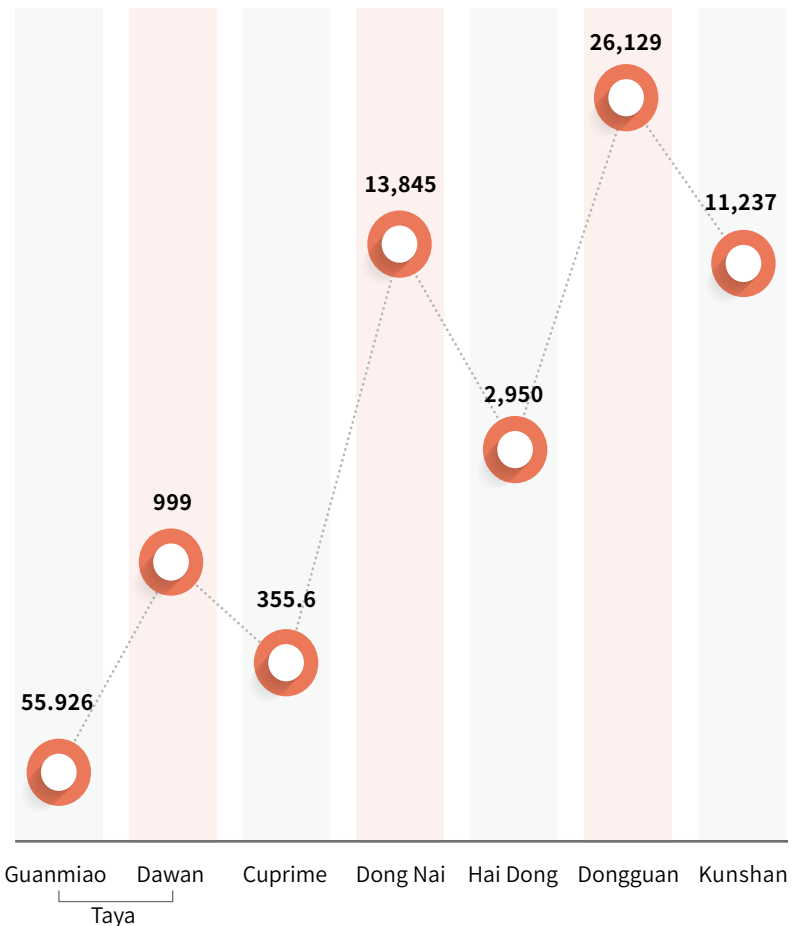
Unit : tons

Taya		Cuprime	Ta Heng	Ta Ho	UEI	AD	Hengs	Dong Nai	Hai Duong	Dongguan	Kunshan
Guanmiao	Dawan										
109,945	1,607	25,013	4,000	0	1,053	890	3,630	23,076	18,877	2,047	40,647

Note : 1 degree of water = 1 metric ton = 1 cubic meter = 1,000 liters

## Wastewater Discharged (2019)

Unit : tons



## Average effluent quality (2019)

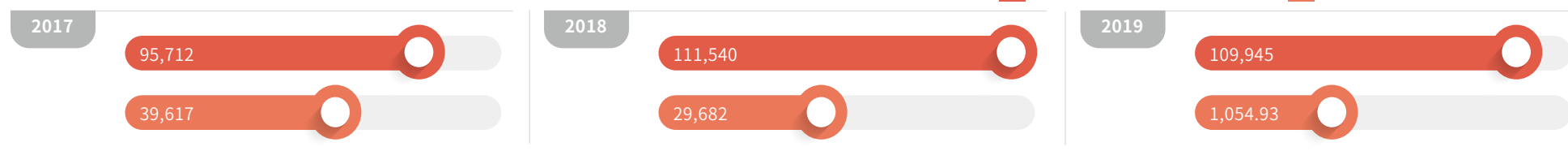
Company		Taya		Cuprime
Factory		Guanmiao	Dawan	
Item	Effluent Standard			
Chemical oxygen demand (mg/L)	100	11.2	20.9	28.6mg/L
Biological oxygen demand (mg/L)	30	2.8	N.A.	N.A.
Suspended solids (mg/L)	30	1.4	17	2.6mg/L
Heavy metal - copper (mg/L)	3	0.031	0.019	0.15mg/L

Company	Vietnam			
Factory	Dong Nai		Hai Duong	
Item	Standard	Actual Measurement	Standard	Actual Measurement
Chemical oxygen (mg/L) demand	800	254	150	23
Biological oxygen demand (mg/L)	500	118	50	5
Suspended solids (mg/L)	300	107	100	8

Company		China	
Factory		Dongguan	Kuanshan
Item	Standard	Actual Measurement	
Chemical oxygen (mg/L) demand	500	41	173
Biological oxygen demand (mg/L)	300	N.A.	43.2
Suspended solids (mg/L)	400	22	62

#### Taya uanmiao Water Use

Note : ■ Water Consumption (tons) ; ■ Wastewater Discharged (tons)



## Waste Management

The promotion of industrial waste classification and resource recycling is one of our annual goals carried out with the aim to encourage all our business units to implement waste classification and effective resource recycling in reducing environmental damage. Ta Ya divides waste classification into four categories: waste oil, waste solvents, waste fiber, and general waste. Waste in the first three categories is treated by waste treatment contractors certified by the Environmental Protection Administration. Waste oil is processed with physical treatment while waste solvents, wood, pallets, and general waste are incinerated.

**Ta Ya divides waste classification into four categories**



Waste oil



Waste Solvents



Waste Fiber



General Waste

All construction materials used by contractor - Hengs for the construction of solar power plant are reusable, including aluminum, iron and stainless steel. All construction waste is recovered and disposed by professional environmental service providers. Only fresh water, not chemical solution, is used for cleaning at construction sites, which poses minimal impact to the surrounding environment.

**Waste Disposal Amount (2019 tons)**

Company Factory	Item	Treatment	Taya		Cuprime	Ta Heng	UEI	Dong Nai	Hai Duong	Dongguan	Kuanshan
			Guanmiao	Dawan							
General Waste	Waste Oil (ton)	Physical treatment	90.08	N.A.	N.A.	N.A.	N.A.	12.33	16.01	149	4
	Waste Fiber (ton)	Incineration	10.32	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Waste Wooden Boards (ton)	Incineration	85.83	N.A.	16.8	N.A.	N.A.	N.A.	4.954	4.3	4.8
	General waste (ton)	Incineration	257.67	N.A.	17.77	19.52	14.3	23.4	63.45	4.11	N.A.
Harmful Industrial Waste Disposal	Waste Solvents (ton)	Incineration	172.57	N.A.	N.A.	N.A.	N.A.	1.55	N.A.	4	N.A.

Note : The general waste disposal volume of the TaYa Dawan plant is estimated based on the monthly clearance volume signed with the waste manufacturer. Da Heng's waste wood pallets are brought back to the supplier for disposal. Da Ho is located in the Taya Guanmiao Factory, and its waste committee is handled by Guanmiao Factory. AD is located in the office building and its waste committee is cleared by the building management committee. Other plant / relationship companies have no hazardous business waste.

**Waste Disposal Amount (2019)**

Unit : ton

Company Factory	Taya		Cuprime	Ta Heng	UEI	Dong Nai	Hai Duong	Dongguan	Kuanshan
	Guanmiao	Dawan							
Waste Wires / Cables	950.95	N.A.	0.22	28.82	N.A.	42.829	N.A.	N.A.	N.A.
Waste Metal Composites (iron, steel)	76.245	N.A.	56.37	13.09	1.18	101.86	15.579	5.6	45.7
Waste Paper	74.3	N.A.	5.78	8.93	2.92	4	3.059	8.7	20.5
Waste Plastic Composites	39.833	N.A.	1.9	5.47	0.13	100.4	49.051	18.37	46.5

Note : The volume of UEI is estimated.

Note : The unit of waste paper in Dong Nai is “shi”.



# CH5

## Employee Health and Welfare

- 5-1 Human Rights Protection
- 5-2 Occupational Safety and Health
- 5-3 Educational Training

## CH.5 Employee Health and Welfare

Employees are the most valued assets of Ta Ya Group. The Group understands that happy and healthy employees are the driving force for improvements that maintain the company's competitive strength. Only happy and healthy employees would have the endless energy for innovations. We value the relationship between our employees as more than mere contractual relationships. We see them as family members, so we take the initiative to care for their work environment. Harmonious labor relations are the cornerstone of our continued growth.

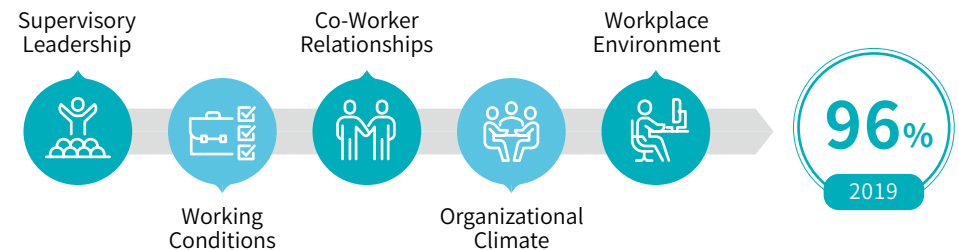
The Group proactively promotes every kind of welfare measure for its employees. The established trade union and laborers' conference effectively serves as the channel of communications between the two sides. We periodically hold educational trainings and professional skill evaluations for the staff and encourage our employees to serve as corporate volunteers for the company, promoting inner and outer growth. Our goal for employees is to assist them in obtaining a good balance between work and family life. By providing a conducive environment for such a lifestyle, we bring forth continuous quality work performance.

### 5-1 Human Rights Protection

The Group complies with domestic laws and regulations and international human rights conventions. The employment of employees will not differ based on race, class, language, religion, partisanship, place of origin, gender, marriage, appearance, physical and mental impairment, place of birth and age. Salaries will not differ based on gender; in terms of promotion, all employees have the right of equal opportunities for development. Gender equality is protected in accordance with law in all Taiwanese operations. All employment contracts are drafted with a clause that specifies the advance notice period the Company has committed to serve for all major changes in operation. We have defined the Complaints and Disciplinary Measures for the Prevention of Sexual Harassments in the Workplace policy and periodically promote awareness of it. The balance between work and life is one of the most important values at Ta Ya. We provide flexible choices for employees, such as parental, family and childbirth leave. In the case of radical changes in business operations that may affect labor rights, we inform employees who have served at the company for more than three months but less than a year 10 days ahead of time; for employees who have served for more than one year but less than three years, 20 days ahead of time; and to those who have served for more than three years, 30 days ahead of time.

The group respects employees' right of association and their legal entitlement to assemble unions and engage in collective bargaining. Ta Ya and Cuprime both have worker unions created within them. Ta Ya organizes regular labor-management meetings, places dedicated hotlines and emails, and engages unions in collective bargaining negotiations on an ongoing basis. In 2019, the group received no complaint and encountered no occurrence of employment dispute or violation against freedom of association in any of its offices, affiliated enterprises or suppliers thereof.

### Employee Satisfaction Survey



To understand the level of satisfaction and work performance of employees, the survey consisted of five aspects: Supervisory leadership, working conditions, co-worker relationships, organizational climate and workplace environment. Each aspect included four categories, and the surveyed were employees at or below the level of section manager. A total of 216 questionnaires were retrieved.

Summaries and statistics of the satisfaction survey were prepared by the Human Resources Department to boost employee morale or as reference for decision making. In 2019, the level of satisfaction for every category was at least 96%, and the two categories with the lowest level of satisfaction in 2018 (benefits, workplace environment) saw an increase of 4% and 3% respectively in 2019. This showed that the sports and travel benefits did achieve concrete results in satisfaction for benefits. With regard to work environment, our responses to employee suggestions and needs led to a higher level of satisfaction.

## Employee Profile



There are a total of 1,101 employees in seven companies in Taiwan area (as of December 2019), an increase of 11 from 2018. In addition to employment opportunities, the issue of low wages is also the public focus in Taiwan.

Due to improvements in revenue and earnings, the average per capita salary and benefits of Ta Ya employees were TWD 866,000 in 2019, a 7.93% increase from TWD 884,000 in 2018. Ta Ya selects and recruits suitable talents through various channels. Besides providing on-the-job training and a well-developed welfare system, Ta Ya will adjust salaries as business allows in order to retain high-quality talent.

The group has more males than females in all its companies. This is because most of the works are physically demanding and take place in a hot, humid environment or require rotating shifts. Females account for a percentage of 15% among Ta Ya's managerial staff. This is slightly higher than the percentage of the general female employees (11.85%). We hire most of our employees under indefinite contracts so that they may commit to long-term service with comfort. If there is a need for overseas assignment, we communicate with employees in advance and offer incentives such as salary increment and promotional opportunity upon return.

Ta Ya began to employ 65 Vietnamese laborers (accounting for 10.5% of the Company's total employees) starting in 2019, and hired translator to work at the factory every week, in addition to assist with the work, they also conduct two-way communication. They also visit the dormitory from time to time and maintain the cleanliness of environment. If there is any need for help, the manpower agency will be requested to improve, in order to provide a better living condition.

Ta Heng employs 14 foreign laborers (accounting for 15.9% of the Company's total number of employees), and the employees of other affiliates in Taiwan are Taiwanese. We support the employment of persons with physical or mental disabilities. In 2019, we hired 6 people with disabilities and 6 people with an indigenous background.

## Staff Composition

			Taya		Cuprime		
			Number of People	%	Number of People	%	
Gender	Male		543	88.15	52	72	
	Female		73	11.85	20	28	
Age	Aged 30 and under		121	20	9	13	
	Aged 31 to 49		338	55	39	54	
	Aged 50 and above		157	25	20	28	
Employment contract	Irregular Agreement	Male	538	87.34	49	68	
		Female	73	11.85	19	26	
	Regular Contract	Male	5	0.81	3	4	
		Female	0	0	1	1	
Type of Employment	Full-time	Male	543	88.15	52	72	
		Female	73	11.85	20	28	
	Part-time	Male	0	0	0	0	
		Female	0	0	0	0	
Total staff			616	100	72	100	

**Note1 :** Employee data was accurate as of December 2019; recruits who complete the initial onboard procedures are treated as permanent employees.

	Ta Heng		Ta Ho		UEI		AD		Hengs		Dong Nai		Hai Duong		Dongguan		Kuanshan	
	Number of People	%	Number of People	%	Number of People	%	Number of People	%	Number of People	%	Number of People	%	Number of People	%	Number of People	%	Number of People	%
	65	74	23	92	30	75	70	58	89	59	235	84	99	74	181	78.35	109	77.86
	23	26	2	8	10	25	50	42	62	41	44	16	35	26	50	21.65	31	22.14
	14	16	3	12	0	0	40	33	32	21	74	27	15	11	28	12	22	16
	48	55	19	76	32	80	74	62	109	72	165	59	115	86	181	78	109	78
	26	30	16	64	8	20	6	5	10	7	40	14	4	3	22	10	9	6
	65	74	23	92	30	75	70	58	89	59	166	60	71	53	102	44.16	55	39.29
	23	26	2	8	10	25	50	42	62	41	29	10	24	18	43	18.61	24	17.14
	0	0	0	0	0	0	0	0	0	0	69	25	28	21	79	34.2	54	38.57
	0	0	0	0	0	0	0	0	0	0	15	5	11	8	7	3.03	7	5
	65	74	23	92	30	75	70	58	89	59	235	84	99	74	181	78.35	109	77.86
	23	26	2	8	10	25	50	42	62	41	44	16	35	26	50	21.65	31	22.14
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	88	100	25	100	40	100	120	100	151	100	279	100	134	100	231	100	140	100

## Employee Turnover and Percentages

	Taya		Cuprime		Ta Heng		Ta Ho		UEI		AD		Hengs		Dong Nai		Hai Duong		Dongguan		Kuanshan	
	Number of People	%	Number of People	%	Number of People	%	Number of People	%	Number of People	%	Number of People	%	Number of People	%	Number of People	%	Number of People	%	Number of People	%	Number of People	%
<b>New Employees</b>																						
Aged 30 and under	31	26	2	20	6	43	3	100	0	0	37	93	17	53	67	91	18	120	59	54	22	100
Aged 31 to 49	52	15	4	9.5	0	0	5	29.4	1	3.1	14	19	18	17	16	10	21	18	50	46	12	11
Aged 50 and above	7	4	0	0	1	4	1	7.7	0	0	1	17	4	40	2	5	1	25	0	0	0	0
Male	87	16	3	6	7	100	9	100	1	100	33	28	29	19	78	92	30	75	82	75	34	31
Female	3	4	3	15	0	0	0	0	0	0	19	16	10	7	7	8	10	25	27	25	0	0
Total	180	29	6	8	7	8	9	36	1	3	52	43	39	26	85	30	40	30	109	47	34	24
<b>Resignation</b>																						
Aged 30 and under	25	21	0	0	2	14	0	0	0	0	22	55	12	38	74	100	23	153	56	52	18	82
Aged 31 to 49	44	13	9	21	0	0	6	35.2	1	3.1	9	12	16	15	17	10	27	23	52	48	24	22
Aged 50 and above	24	15	0	0	1	4	1	7.7	0	0	2	33	5	50	3	7	1	25	0	0	0	0
Male	87	16	7	13	3	100	6	85.7	0	0	19	16	27	18	88	94	39	76	89	82	38	35
Female	6	8	2	10	0	0	1	14.3	1	100	14	12	6	4	6	6	12	24	19	18	4	13
Total	186	30	9	13	3	3	7	28	1	3	33	28	33	22	94	34	51	38	108	47	42	30



## Gender Ratio of Management Staff (2019)

		Taya	Cuprime	Ta Heng	Ta Ho	UEI	AD	Hengs	Dong Nai	Hai Duong	Dongguan	Kuanshan
(Deputy) Department Heads	Male	32	7	3	2	1	8	0	17	10	9	9
	Female	8	4	0	0	0	9	0	4	3	3	3
(Assistant) Managers	Male	14	3	2	0	2	8	20	8	5	11	4
	Female	3	1	1	0	2	2	3	1	0	2	0
Associates	Male	7	2	4	0	1	1	4	1	0	0	1
	Female	0	0	0	0	0	0	1	0	0	0	0
Vice Presidents or above	Male	11	4	3	2	1	1	2	1	1	1	2
	Female	0	0	0	0	0	1	0	0	0	0	0
Total		72	72	21	13	4	7	30	30	32	19	26
Female supervisor (%)		15	24	8	0	29	40	13	16	16	19	16

## Diversity (2019)

	Taya	Cuprime	Ta Heng	Ta Ho	UEI	AD	Hengs
Disability Employees (Required)	6	1	1	0	0	0	1
Disability Employees (Actual)	6	1	1	0	0	0	1
Aboriginal employees (Required)	6	0	0	0	0	0	0
Aboriginal employees (Actual)	6	1	0	0	0	0	1
Foreign workers	65	6	14	0	0	0	0

## Welfare and Care //

## Employee salary and benefits (2019)

	Taya	Cuprime	Ta Heng	Ta Ho	UEI	AD	Hengs
Employee salary and benefits (1,000s of NT\$)	535,219	77,959	46,890	15,893	47,772	95,829	115,369
Total number of employees	618	107	88	38	40	120	151
Average salary and benefits per person (1,000s of NT\$)	866	729	533	418	1,194	798	764.03
Average of the salaries of full-time employees not in managerial positions (1,000s of NT\$)	663	586	468	420	934	509	446
Median of the salaries of full-time employees not in managerial positions (1,000s of NT\$)	627	563	468	459	728	543	399

Note : AD data is combined with AD and its associated enterprise AD consultants.

Employee welfare committees have been formed at Ta Ya, Cuprime, and Ta Heng. Their main responsibilities are : the examination, implementation, and supervision of employee welfare affairs; the planning, custody, and withdrawal of employee welfare funds; the allocation, auditing, and budgeting of employee welfare funds; and other relevant employee welfare affairs.

Ta Ya

Ta Ya has 21 seats of representatives on the employee welfare committee, comprised of one from the employer as an ex-officio member, six from the staff, and 14 from the guild. One chairperson is elected from the representatives. Except for the ex-officio member, the committee members have three-year terms and may be re-elected. The employee welfare committee meets once every three months.

Cuprime

Cuprime has 13 seats of representatives on the employee welfare committee, made up of three from the employer as ex-officio members and 10 from the staff. One chairperson is elected from the representatives. Except for the ex-officio members, the committee members have three-year terms and may be re-elected once. The employee welfare committee meets once every three months.

AD

AD has established a welfare committee since 2017 and has 13 representatives of the committee. One of the employers is an ex officio member, and the rest is selected by 12 staffs, and then a member of the committee voted to elect one person as the chairman. The term of office is re-elected for 3 years, and a meeting of the committee is held every three months.

Ta Heng

Ta Heng has seven seats of representatives on the employee welfare committee, composed of one from the employer as an ex-officio member and six from the staff. One chairperson is elected from the representatives. Except for the ex-officio member, the committee members have three-year terms and may be re-elected. The employee welfare committee meets once every four months.



Welfare Measures

The Group’s employee welfare includes: year-end, profit-sharing, and long-employment bonuses; uniforms and safety shoes; marriage/funeral cash gifts/celebratory curtains/garlands applications; educational training, language, lunch, and employee travel subsidies; Labor Day, Dragon Boat Festival, Mid-Autumn Festival, Spring Festival gifts, parties and dinners (organized by the welfare committee); club activity subsidies; birthday gifts; employee insurance (extended to employee family members, paid by the members at a discounted price); and employee accident condolences. The company also holds physical examinations annually, organized by the Occupational Safety & Health Office. In addition, employees have voluntary marriage/funeral/celebration subsidies and employee mutual assistance funds on the death of the employee, family members, spouse, or children.



Social Activities

To help staff relieve work pressure, enhance team spirit, promote fitness, and foster a cultural atmosphere, Ta Ya has recreational employee clubs for biking, yoga, hiking, charity, photography, culture appreciation, badminton, mountain hiking, skating, and KTV, adding to the employees’ quality of life.



## Salary System

The Group has a competitive overall remuneration system, the components of which include the base salary, performance bonuses and profit-sharing bonuses. Each employee's overall remuneration is defined in accordance with their professional knowledge and skills, duties and performance, and combined with the operational goals of the company. It does not differ based on gender, religion, race, nationality or factional preferences. Our starting salaries meet the minimum wage provisions.

Ta Ya amended its Annual Employee Performance Evaluation Procedure in 2013 to reflect an employee's contribution and performance based on fair and reasonable regulations. The goal is combined with performance, and when evaluating the performance and setting up goals, the chief evaluator should interview the employee. For low-performing employees, an improvement counseling program is in place whereby the manager provides assistance, counseling and prompt advice to achieve the goal of the performance evaluations.

While Cuprime Material does not have a periodic evaluation mechanism, the practices of other affiliated companies are as follows :

### Ta Heng

Holds a performance evaluation once per half year for its employees, and objectively evaluates their work performance and work quality to reward outstanding employees. It is aimed at gradually improving and encouraging low-performing employees.

### Hengs

Employee appraisals are conducted once a year, during which all department managers are required to rate employee annual performance and work capacity. Managers are required to produce written comments and rating for new employees at the end of their probation period. These comments and ratings are forwarded to the human resource department for further evaluation.

### Ta Ho

Periodically employs an interview assessment, making improvements via two-way communications and suggestions between the managers and employees.

### UEI

All the employees except for the top management are subject to annual performance appraisal. Additionally, non-managerial staff are subject to annual promotion assessment to reward entry-level employees who have good work performance and are willing to devote themselves to the Company.

### AD

Two performance evaluations are conducted every year according to the "Performance Management Regulations". Employees make self-evaluation with reference to the job description and personal KPI, and the head of each department conducts a second evaluation based on the working status of each subordinate employee. In addition to the performance evaluation scores, AD emphasizes how to use the performance evaluation system to further motivate the employees for their self-development. For this, the head of the department needs to have a performance interview with the employee, understand his/her work status, and give feedback. The skill inventory must be checked to help the employee understand what he/she lacks in the skill. The personal KPI and job description are then adjusted and amended to ensure combining the performance evaluation with the personal development, arouse more motives for self-development effectively, and improve the quality of the talents.



## Pension System

Following the 2015 amendment of the Labor Standards Act, employers are now required to make adequate contributions no later than March each year to the old pension fund for employees who will be qualified to retire in the current year. As a result of this amendment, Ta Ya make adequate contributions into the pension fund account held with Bank of Taiwan annually. Meanwhile, Cuprime took the initiative to seek the authority's approval to raise contribution rate from 4.1% to 10% for employees under the old scheme. This decision was made to ensure that the Company has adequate budget to cover employees' retirement benefits in every subsequent year. Ta Heng had also fully reimbursed contribution to the old pension scheme. In subsequent years, all contributions to the old pension scheme will be made at 6% of employees' monthly salary, similar to the new scheme.



## 5-2 Occupational Safety and Health

### Management Measures

Our factories are spacious, well-lit and have good air circulation, providing our staff with a comfortable work environment. Although the manufacturing processes have no environmental pollution issues, we still place great emphasis on the environmental protection measures at our factories. There are environmental protection groups and security and health offices to ensure the promotion of environmental protection and employee safety as we work toward the goal of zero-pollution. With emphasis on employee safety and health during the manufacturing phase, Ta Ya first obtained the ISO14001 environmental management system certification in 2005 and also acquired the OHSAS18001/TOHSMS occupational health and safety management system accreditation in 2009. As the audit verification of the external verification units and replacement procedures of the three verifications were conducted in November 2013, we also acquired the ISO 14001, OHSAS 18001, and CNS 15506 certifications. We have established a safe and healthy work environment, and implemented the identification and evaluation of potential risks in the work environment to further control and take preventative measures against them.

### The Committee on Occupational Safety and Health

The Committee on Occupational Safety and Health at Ta Ya is responsible for deliberating, coordinating, and suggesting matters regarding occupational safety and health.

#### Its composition is as follows



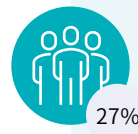
##### Chairperson - 1

Undertaken by the General Manager of the communications business group.



##### Executive secretary - 1

Undertaken by the safety and health officer of the safety and health office.



##### Members - 6

Consisting of representatives from General Affairs, Human Resources, Sales, Communications Operation, Communications Production, Communications Quality Assurance, Enameled Wire Operation, and Enameled Wire Production departments.



##### Labor representatives - 8

Undertaken by the Managing Director and board member of the industry guild.



##### Occupational safety personnel - 6

One occupational health and safety executive, one occupational health and safety officer, and two occupational health and safety managers.

##### Medical personnel

Medical personnel of the health and safety office.

Ta Ho and United are not set up with the Committee on Occupational Safety and Health, the practices of other affiliates are as follows.

#### Cuprime

The Committee is comprised of 1 Safety and Health Officer (10%), 5 safety and health committee members (50%), 1 work safety person (10%), 3 labor representatives (30%).

#### Ta Heng

One Chairperson (10%), one Executive Secretary (10%), five Members (50%), and three Labor Representatives (30%).

#### UEI

The Company has a Workers' Safety and Health Officer in place to oversee related matters. In addition to section chiefs, managers also pay random visits to work sites for safety inspection and to promote employees' safety awareness. Adequate numbers of safety gear have been provided for the different works involved to prevent accident.

#### AD

An occupational safety office is set up to enforce the work safety and health system and ensure compliance with occupational safety and health regulations. It exists to protect workers' personal health, safety, cleanliness and hygiene at the workplace. The Office is comprised of 1 section chief and 3 staff members. The personnel of the Occupational Safety Office visit work sites regularly to maintain and promote occupational safety. They conduct random safety and health audits as a means to raise workers' safety and health awareness, so that they may duly comply with policies and make proper use of safety gear to minimize the chances of accidents. The purpose of the safety and health management appraisal conduct in recent years is to ensure the implementation of every labor safety and health item in the application of the appraisal system.

#### Hengs

The Safety and Health Committee with 9 members is established and holds 1 meeting every 3 months to review, coordinate and suggest matters regarding the employer's safety and health policies and plans to improve the effectiveness of the safety and health management. A labor safety office is set up with 1 occupational and 1 Class-A occupational safety and health affairs management person for the safety and health management of the entire company. They visit work sites regularly to inspect, supervise and improve occupational safety and health as a means to raise workers' safety and health awareness. All the employees participate in the promotion of the company's labor safety and health policies and planning of the safety measures in compliance with the laws. This ensures that all the laborers use protective equipment correctly and observe all safety and health regulations to prevent the occurrence of occupational accidents.



## Prevention of Occupational Hazards //

The process of manufacturing wires and cables involves approximately 100 types of chemical substances. We therefore practice checkpoint inspections, gather statistics on the usage of emission quantities, and implement control procedures on the chemical substances to prevent them affecting the eco system or cause pollutions. We also exercise control over the source, implemented green procurement of materials that do not contain any harmful substances, and Ta Ya obtained the IECQ / QC 080000 certification in 2007, Cuprime in 2008. In addition to caring for the health of the employees, we provide safeguards for consumers, too.

To mitigate the effect of dust caused by PVC granules used in cable manufacturing, we have installed dust collectors at locations that are prone to such hazards. In addition, these work areas are partitioned while workers are given protective masks to limit the effect of dust. The PVC components of all marketed cables are free of lead. We have changed our formula and switched to the use of non-lead based stabilizer to avoid contact with even the smallest trace of lead, and thereby mitigate hazard to employees.

Magnet wires are made from copper rod and various types of coating, the latter of which comprise mainly of “organic solvents.” To avoid harm to workers’ health and the environment, we add “catalysts” into our production process so that organic solvents can be incinerated at high temperature and turned into vapor and carbon dioxide, which cause no harm to workers’ health or the environment. During the production of copper bonding wire, we use ultrasound to clean wires; to prevent noise hazard, workers are issued earplugs as a form of protection.

In addition, in consideration of the work environment and the safety of the workers, our factories are completely non-smoking areas. A periodic maintenance is scheduled for the office air conditioning system and the cooling water towers to protect the health of our office

personnel. A periodic maintenance and check-up is performed on the lighting system of the factory and offices; the lighting maintains a value above 300 lm for the employees who are performing visual operations. Furthermore, periodic physical check-ups and follow-ups are also performed for our general, noise, dust, and lead operations staff. To further improve the workplace and its safety, Ta Ya established specialized environmental protection units, and safety and health units. Other than discussing the workplace environment, safety and health-related issues at the health and safety committee conferences every season, we also implement safety education and safety drills.



In 2019, there were occupational accidents in Taiwan and overseas. Of the accidents in Taiwan, 7 involved Taya, 3 involved the affiliates Ta Heng and UEI, and 1 involved AD. 2 overseas accidents occurred at Dongguan. No occupational accidents occurred at other companies. For the types of accidents, see “Types and Numbers of Occupational Accidents in 2019”. In 2019, an occupational accident involving a contractor of Taya occurred. In 2019, there were two level-4 cases discovered by a special health examination conducted at Taya. Both cases involved employees working under noisy conditions. There were no level-4 cases discovered by special health examinations conducted at other affiliates and overseas factories.

#### Occupational Hazards – Key Indicators

		Taya	Cuprime	Ta Heng	Ta Ho	UEI	AD	Hengs	Dong Nai	Hai Duong	Dongguan	Kuanshan
IR	Male	1.0915	0	2.95	0	10.121456	0	0	0	0	0.39	0
	Female	1.8318	0	4.37	0	0	0.8631	0	0	0	1.38	0
ODR	Male	2.8996	0	0	0	0	0	0	0	0	0	0
	Female	0	0	0	0	0	0	0	0	0	0	0
LDR	Male	9.1689	0	4.43	0	8.434546	0	0	0	0	36.71	0
	Female	1.8318	0	8.73	0	0	3.8841	0	0	0	12.46	0
AR	Male	0.01	0.0325	0.00726	0	0.003947	0.5469	0.50	0.0288	0.013	0.027	0.0201
	Female	0.0027	0.0151	0.03003	0	0	1.1123	2.13	0.0085	0.007	0.027	0.0247
Line of duty death	Male	0	0	0	0	0	0	0	0	0	0	0
	Female	0	0	0	0	0	0	0	0	0	0	0

Note 1 : Injury rate (IR) = Number of injury incidents / total work hours \* 200,000. Occupational disease rate (ODR) = Number of disease incidents / total work hours \* 200,000. Loss and delay rate (LDR) = Number of delayed days / total work hours \* 200,000. Absence rate (AR) = Days of absence during reporting period / total work days during reporting period. Days of absence include arriving late, leaving early, personal leaves, sick leaves (half-day deduction), and absenteeism.

Note 2 : Key Indicators of Ta YA included Guanmiao and Dawan Factories

Note 3 : In 2019, an occupational accident involving a contractor of Taya occurred, with an IR of 2.89955.

## 2019 Prevention of Occupational Hazards

Companies	Factories	Type of Occupational Hazard																		Health-Threatening Operations			Precautionary Measures
		1	2	3	4	6	7	8	11	12	13	17	18	20	1	2	25						
Taya 7			M1				Contractor 1	M2					F1		M2				1. Convey work safety guidelines with employees.				
																		2. Convey traffic rules.					
																		3. Enforce use of safety gear.					
																		4. Wearing of earplugs; health check for special operations.					
Cuprime 0																		1. Enforce wearing of protective suits and placement of air-conditioned resting area.					
																	2. Wearing of earplugs; health check for special operations.						
																	3. Wearing of face masks; health check for special operations.						
Ta Heng 3			M1				F1	M1										Onvey work safety guidelines compliance with traffic rules					
Ta Ho 0																			Enforce standard operating procedures				
UEI 3													M1		M2				1. Conduct random safety inspections at various workplaces to promote employees’ safety awareness.				
																		2. Provide adequate number of protective gear for the different works involved, and thereby prevent accident from happening.					
																		3. Promote safety awareness during commuting and business trips.					
AD 1															F1				1. Verify work area and environment prior to commencing work activities.				
																		2. Enforce proper usage of protective gear.					
																		3. Provide employees with necessary safety and health training.					
Hengs 0															F3				1. Enforce use of safety harness, safety wire, hooks and helmets for rooftop operations.				
																		2. Promote compliance of traffic rules.					
																		3. Procure installation/construction insurance during the work period.					
Vietnam	Dong Nai 0																		1. Outline standard operating procedures and place reminders at work site.				
	Hai Duong 0																		2. Enforce use of safety boots by workers, and helmets by truck drivers and forklift operators.				
China	Dongguan 2		M1												F1					3. Place first aid kits on-site to facilitate preliminary treatment of injuries.			
																			4. Procure social insurance and accident insurance for employees who are required to perform duties outside of business premise.				
																			1. Advise employees on the safety aspects of their work.				
																			2. Advocate compliance with traffic rules.				
	Kuanshan 0																		3. Wear safety gear.				
																			4. Set the standard operating procedures and remind you at the site.				
																			5. Place the medicine box on site to initially handle simple wounds.				
																			6. Those who are required to go out to work, in addition to social insurance, insured accident insurance.				

Note1 : Occupational hazard code : (1) Fall from elevated position; (2) Tripping; (4) Impact to others; (6) Impact by others; (7) Jamming; (8) Cut or abrasion; (11) Contact with extreme temperatures; (13) Electric shock; (17) Risky movements; (20) Traffic accident. An AD Engineering employee fell caused by road construction and cut on the leg when getting off work, counted as (18) Others. Health-threatening operations code : (1) High temperature; (2) Noise; (25) Dust.

Note2 : The green background is the type of major occupational hazard identified by the Company. The number is the number occurrences by employees and contractors during the year.

## Health Care

Ta Ya is committed to the promotion of tobacco control and health in the workplace and has been certified by the Health Promotion Administration with a “healthy workplace certification - health initiation conformance” (valid from January 2019 to December 2020).

In accordance with the age of the employee and the work environment, Ta Ya provides adequate health plans and check-ups for early detection of potential health hazards and virulent factors. Special medical personnel are sent to implement annual physical check-ups and also conduct evaluations of items needing improvement according to abnormal proportions, annual trends, and ethnic trends. We prioritize items requiring improvement in accordance with its level of urgency, plan full intervention programs, understand individual needs, assist in follow-up check-ups at the hospitals, engage in health-care tracking, and provide complete health-care measures.

According to the annual health check-up results analysis, BMI, cholesterol, and blood pressure are among the top three abnormal rankings. Employees in the shift-work group are especially susceptible to having irregular work and rest habits, unbalanced diets, and a lack of exercise.

### The following improvement plans have been made available to all employees and have been implemented

Scheme	Content
A beetle nut and smoke-free healthy workplace	Relevant punishments are defined and signs are established at prominent locations throughout the factories;
Provide health-related information	In line with the government’s health and hygiene policies, the company’s electronic bulletin board will announce health information from time to time.
Handling health promotion seminars	Health seminars such as arrhythmia and painless retirement.
Blood pressure measurement activity	Provide general wound care and plant-wide blood pressure measurement activities, tracking the health care of colleagues with hypertension.
Measure blood glucose activity	According to the results of the health check, colleagues with high blood sugar levels were given health education, tracking and included in the health care list.
Continue to promote sports clubs	Jogging clubs. Walking clubs. Iron horse clubs. Yoga clubs. Flamenco clubs. Basketball clubs. Organize club activities regularly to increase the rate of employee exercise and develop good exercise habits.
Dayajian walking trail	Plan a 0.9-kilometer walking trail to encourage colleagues to participate in order to reach 10,000 steps per day to prevent and improve chronic diseases.
Set up nursing room	A breast-collecting room is set up in the medical office for use by colleagues in need.
Health education promotion activities	Cooperate with health centers to handle colorectal cancer and oral cancer screening activities.
Health guidance consultation	In line with the employee health management plan, we specially appointed Kaohsiung Rong general professional specialist physicians to provide on-site services to provide individual health consultation for employees, assessment of suitability for work-related injuries and serious injuries, maternal health protection consultation, and workplace environment improvement services.
Fill in the overwork questionnaire survey	Understand the degree of employee overwork, and then screen for high-risk groups. The resident doctor will provide one-to-one health guidance to assess whether it is necessary to adjust or shorten the working hours and change the work content, and then arrange to the hospital according to individual needs. Carry out health care tracking from time to time. Provide comprehensive health care.

## As for Other Affiliated Enterprises

### Cuprime

In addition to the annual physical examination, a special examination is provided depending on the work environment of the employee. The Company understands the needs of individual employees and arranges for them to undergo further examination at the hospital. Intermittent care and follow-up actions are taken and comprehensive health care is provided for the employee. The analytic results of the annual physical examination indicate that BMI, cholesterol, and mild fatty liver are the first three abnormalities among the employees. They usually have irregular life style, unbalanced nourishment, and inadequate recreational activities due to the rotation system of their work.

### Ta Heng

The Company provides group insurance for the employees (including their families with favorable contributions). The physical examination is provided once every three years and the general affairs section is responsible for this matter.

### Hengs

All the new employees are subject to general physical examination according to the labor health protection regulations. The general physical examination of the employees on service is provided once a year and more examination items than what the law requires are provided. The purpose of the physical examination is mainly to provide a basis for analysis of the health condition of the employees, identify and treat diseases as early as possible, promote health policies, and build a healthy and dynamic working environment. Dong Nai: Annual physical examination is arranged regularly every year. Two physical examinations are provided for the kitchen personnel. A poison allowance is provided for the employees working in highly polluted environment to meet the policy of the government. In practice, the Company currently provide its employees with milk twice a month. Hai Duong: Appropriate physical examination plans are made depending on the type of the work and the working environment to ensure early identification of any hazard to the health and other potential pathogenic factors. Follow-up actions are taken after the annual physical examination. No occupational diseases associated with the work are currently identified in the analytic results of the annual physical examination.

### AD

Annual physical examination is provided for the employees to identify any hazard to their health and other potential pathogenic factors as early as possible. In addition to the general examination items (including examination of their physique, intraocular pressure, excrement, urine, blood, function of the liver and kidney, metabolism, diabetes, and blood fat), cancer screening, X-ray photography, electrocardiogram examination, hepatitis B, and ultrasonic examination are arranged for the annual physical examination to help the employees understand their health condition comprehensively, identify potential pathogenic factors, and receive medical service as early as possible.

### UEI

The Company recently provides employees with the benefits better than what the law requires. Physical examination is provided for the employees to identify any hazard to their health and other potential pathogenic factors as early as possible. Physical fitness is another benefit to help employees understand their physical condition. After the annual physical examination, the hospital makes statistics based on the rate of abnormality and assesses the items that need improvement. The Company arranges medical personnel to explain the physical condition and examination report. It also arranges further examination at the hospital. Irregular care and follow-up actions are taken and comprehensive health care is provided for the employee. The analytic results of the annual physical examination indicate that BMI, cholesterol, and fatty liver are the first three abnormalities among the employees. This may be associated with unbalanced nourishment in daily diets and inadequate recreational activities.



## 5-3 Educational Training

### Training and Assessment

Human resources are a critical factor to a company's sustainability and successful transformation. In order to standardize internal training programs for more effective results and greater competitiveness, Ta Ya adopted "Taiwan Talent Quality-management System" (TTQS) in 2012 as a means of enhancing training results. The Company received a bronze award during the 2015 TTQ assessment, which prompted it to further improve its existing training policies and commitments.

Ta Ya's internal educational training system implements training in accordance with the types of profession. The training content includes management, general, and professional skills, as well as self-motivation. The various business groups provide the annual training requirement lists at the end of each year for the following year. HR then compiles these into the annual execution plan. Professional skills training requirements are issued by each of the business groups in accordance with their business strategy plans or current situations. HR then collects relevant training classes and lecturer lists for reference and compiles the training requirement lists for each business group. For new employee training, courses are prepared by HR and training sessions are provided by each of the business groups. The contents of the training emphasize organizational overview, history, business philosophy, personnel systems, benefits, insurance, salaries, work safety, labor health and safety, the ISO system, quality policies, and field internships.

As international business communications is required for operations, Ta Ya initiated the Application of Foreign Language Job Training for Employees in 2010. In addition to providing subsidies for training, we also provide salary increases in accordance with learning results, and take language abilities as a priority in promotions and mobilizations. In 2011, we further defined an even more complete Employee Job Training Application, which covers all tuition fees for Master's and Doctorate student-employees who choose to pursue management-related studies or studies that have a potential future for development in the company.



#### Training Policy

Support employees' training and development to provide the group with the drive to accomplish its missions and growth.



#### Training Commitments

The Company will provide employees with the proper training to advance in their career and develop the competitiveness needed to accomplish more complex tasks. In return, employees shall also accept the Company's training arrangements and plans where appropriate. Both the Company and employees shall abide to the above commitments.



In 2019, Ta Ya invested a total amount of NT\$ 443,590 in education and training, the total training hours was 7731 hours, and the total trainees were 2,832 person-times, the average training hours per colleague was 12.5 hours. In order to achieve the purpose of experience inheritance and knowledge sharing, it is an indispensable and important part of cultivating the Company's internal lecturers. Ta Ya already has 40 certified internal lecturers, and lectures are arranged every year to enhance the interaction between colleagues, expecting to shape an active organizational learning culture.

Our affiliated enterprises all place much emphasis on employee training, too. On-the-job training regulations are in place to increase the quality and skills of the workforce. There are orientation training, foreign-language training, and professional training programs with advanced learning regulations that encourage further education while in service, increasing the competitiveness of the employees. The content of the training focuses on operational safety, occupational health and safety, ISO systems, and quality policies. In addition, the companies encourage employees to engage in further education by offering appropriate assistance, including scholarships, so that the employees can advance in their careers.

### Ta Ya's Educational Training System

Class	Management Skills	General Skills	Professional Skills	Self-Motivation
Manager (included) and above	<ul style="list-style-type: none"> <li>Strategic Planning</li> <li>Advanced Communication and Coordination</li> <li>Advanced Problem Analysis</li> <li>Advanced Leadership</li> <li>Middle and Top Executive Seminar</li> </ul>	<ul style="list-style-type: none"> <li>Skill Training</li> <li>Basic Labor Safety Knowledge</li> <li>Employee-Career Management</li> <li>Innovation &amp; Improvement</li> <li>Full Quality</li> <li>Execution and Tracking</li> </ul>	<ul style="list-style-type: none"> <li>Manufacturing Technique</li> <li>Sales</li> <li>HR</li> <li>R&amp;D Financial</li> <li>Accounting</li> <li>Info Tech</li> <li>Environmental Safety License General</li> <li>Procurement Quality System</li> <li>Internal Lecturer</li> <li>Project Management</li> </ul>	<ul style="list-style-type: none"> <li>Grad School</li> <li>College</li> <li>Institute Job Training</li> <li>Foreign Language Job Training (English/Japanese)</li> </ul>
Managers below Department Head including group leaders	<ul style="list-style-type: none"> <li>Basic Communication and Coordination</li> <li>Basic Problem Analysis</li> <li>Basic Leadership</li> <li>Basic Manager Seminar</li> </ul>	✓	✓	✓
Professional functional technician	✗	✓	✓	✓

### Training Hours of Ta Ya

	Female			Male			General Staff			Managers below Department Head (including organizers)			Managers and above		
	Training Hours	Number of People	Average Training Hours	Training Hours	Number of People	Average Training Hours	Training Hours	Number of People	Average Training Hours	Training Hours	Number of People	Average Training Hours	Training Hours	Number of People	Average Training Hours
2017	1,921.50	72	26.69	8,862.50	532	16.66	5,778.50	479	12.06	3,447	88	39.17	1,558.50	37	42.12
2018	1,376.50	76	18.11	7,461	543	13.74	4,891.50	492	9.94	2,409	88	27.37	1,537	39	39.41
2019	1,027.50	73	14.08	6,703.50	543	12.35	4,726.50	487	9.71	1,892	94	20.13	1,112.50	35	31.79

## Training Hours of affiliated enterprises (2019)

	Female			Male			General Staff			Managers below Department Head (including organizers)			Managers and above		
	Training Hours	Number of People	Average Training Hours	Training Hours	Number of People	Average Training Hours	Training Hours	Number of People	Average Training Hours	Training Hours	Number of People	Average Training Hours	Training Hours	Number of People	Average Training Hours
Cuprime	92	19	5	307	53	6	299	44	7	81	18	4	19	10	2
Ta Heng	101	23	4	460	65	7	442	68	7	82	10	8	40	10	4
Ta Ho	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
UEI	80	10	8	350	30	12	352	31	11	53	4	13	46	5	9
AD	1,019	50	20	2,243	70	32	1,985	90	22	790	17	46	487	13	37
Hengs	859	58	15	1,569	101	16	1,832	129	14	305	17	18	291	13	22
Dong Nai	232	11	21	2,496	262	10	1,832	228	8	736	40	18	128	4	32
Hai Duong	30	21	1	78	114	1	58	92	1	38	41	1	12	2	6
Dongguan	400	50	8	1,448	181	8	1,640	205	8	96	12	8	112	14	8
Kuanshan	296	31	10	992	109	9	1,189	124	10	91	12	8	8	4	2

## Succession Planning

Taya has continued to implement and expand its succession plan. In addition to organizing management courses for successors to expand their knowledge, broaden their vision and enhance their skills, Taya also has the supervisors taking on a direct coaching role to help the successors integrate the things they learn and do to make specific plans for the direction of future strategies of the departments and the whole company. Staff from affiliated companies is also welcome to participate in training courses to advance the mission and vision of the group and implement our business philosophy.





# CH.6

## Co-Prosperity with Society

- 6-1 Environmental Protection
- 6-2 Electricity Safety Education Promotion
- 6-3 Social Participation



## CH.6 Co-Prosperity with Society

### 6-1 Environmental Protection

#### Pristine Homeland Foundation //

Since the founding of Taya in Tainan in 1955, the roots have been in Tainan. The beautiful customs of Tainan not only inspire the feelings of the people on their homeland, but also encourage local enterprises to practice corporate social responsibility and protect their homes forever. Therefore, at the end of 2011, I applied to the Environmental Protection Agency of the Executive Yuan for the establishment of the “TAYA Pristine Homeland Foundation” in Tainan. Based on environmentally friendly concepts such as environmental protection, life care, and global sustainability, the Foundation is committed to promoting environmentally friendly and concrete actions for the future of a beautiful home that is symbiotic with the environment. It also promotes environmental education activities for a long time, and fosters environmental friendliness. Talents exert their influence on green thoughts, and they also call on employees and their families to participate in volunteer services for a long time to invest in social welfare. Taya Pristine Homeland Foundation (and its predecessor CSR program) has been handling green collection since 2007 and has increased the Phoenix Flower Forum since 2012. For thousands of communities, the beautiful home is our goal. The starting point is a friendly environment. There are many actions to be taken in the middle. The green collection is action. The Phoenix Flower Forum is an inductive discussion on action.

During the first decade of the Foundation, the themes we selected include renewable energy, rainwater recycling, friendly agriculture, green transportation, environmental education, and various aspects of life. Every theme is like a small part of community life and every program is a citizen module that uses social resources to solve social problems.

In the second decade of the Foundation, the theme we selected was to be cross cascaded by citizen modules, including the relationship between each module, the operating logic of each other, and so on. Of course, in the spirit of social design, all the cores of “self-made” are people.

#### — Environmentally Friendly Concepts —



**Greeninside Blog and Fan Page :** [www.greeninside.com.tw](http://www.greeninside.com.tw) 、 [www.facebook.com/greeninside](https://www.facebook.com/greeninside)

Was established in February 2011 to provide employees and the public with an environmentally friendly concept of new media (Blog, FB) to promote people's daily life. Develop environmental habits in life.



## Delonix Regia Forum //

As a result of the overuse of Earth's resources by mankind, the number of species on this planet has kept decreasing, with lots of animals and plants being sacrificed. Therefore, we invite you to join our discussion about the biodiversity crisis caused by climate change.

The topic of the 2019 Phoenix Blossom Forum was "When Icebergs Melt : Concern with Biodiversity Under Climate Change". The overuse of Earth's resources by mankind has increasingly destroyed the balance of resources among species, and many species have become endangered as a result. We do not want to see such a situation to continue, so we invite you to join our discussion about the biodiversity crisis caused by climate change.

Faced with climate change and threats to biodiversity, indigenous peoples living in traditional communities will be the first to be impacted. The indigenous peoples often have to face challenges to their lives, be it global warming or Typhoon Morakot 10 years ago, and they are the first-line witnesses of the threats to biodiversity. Nevertheless, the unique traditional knowledge and life wisdom might be the solutions for the future survival of mankind.

## Green Inside Project //

The Taya Pristine Homeland Foundation (and its predecessor Taya CSR Plan) has been managing Green Inside Project since 2007 and has begun to organize the Phoenix Blossom Forum since 2012. For tens of thousands of communities, the Pristine Homeland is our goal. Many eco-friendly activities are necessary to achieve such a goal. The Green Inside Project is an interaction between activists, and the Phoenix Blossom Forum is a sum-up and restart of activities.

During the first decade of the Foundation, the themes we selected included renewable energy, rainwater harvesting, friendly agriculture, green transportation, environmental education and various aspects of life. Every theme is like a small part of the community life, an attempt by citizens to use social resources and solve social problems.

In the second decade of the Foundation, we hope to connect all small parts into modules. In 2018, adjustment was made to the Green Inside Project to adopt a dual-track system of "seeking new winners-incentivizing former winners" .



## Awards



### Southern Spirit Award

This is for individuals or groups dedicated to environmentally friendly activities on a long-term basis. The prize is at least NT\$100,000.



### Pristine Homeland Award

This is for individuals or groups promoting environmentally friendly projects. The prize for each winner is NT\$30,000.



### Green Connection Award

This is for the winners of Green Inside awards who have registered again. In particular, the winners of Green Inside awards are encouraged to combine their creative ideas.

## List of Candidates and Winners of the 9th Green Inside Project Awards

### List of award winners



1 winner of  
Southern Spirit  
Award



15 winners of  
Pristine Homeland  
Award



9 winners of Green  
Connection Award

A total prize of NT\$560,000 was awarded. The list of award winners is as follows

No.	Southern Spirit Award	Name	Award Amount
1	台北市天文協會	劉 O 安	30,000
Pristine Homeland Awards			
2	台灣環境資訊協會	陳 O 賓	100,000
3	城市方舟	王 O 碩	30,000
4	瓦特先生	林 O 翊	10,000
5	新竹縣橫山鄉橫山社區發展協會	陳 O 詒	10,000
6	斜槓生活文化有限公司	張 O 宇	10,000
7	Atayal 文化魚	羅 O 山	10,000
8	社團法人中華民國自然步道協會	婁 O 平	30,000
9	環保星勢力志工隊	李 O 峯	30,000
10	日光小林社區發展協會	姚 O 福	10,000
11	小森日計畫	張 O 璋	10,000
12	中華民國台灣女童軍青年領袖暨創意組	簡 O 昀	30,000
13	台灣真善美環境創意交流協會	王 O 康	10,000
14	農家院子	陳 O 雲	30,000
15	山羌友善行動 - 羌進槍出古道行	江 O	10,000
16	甘樂文創	林 O 慧	30,000
Green Connection Awards			
17	嘉義縣朴子日新文化協會	陳 O 哲	10,000
18	大願文教基金會	張 O 然	10,000
19	台灣蝙蝠學會	周 O 翰	30,000
20	飾不飾獨創設計工作室	黃 O 婷	30,000
21	台灣綠生活發展協會	許 O 慶	10,000
22	生物多樣性田野工作室	梁 O 梅	10,000
23	動物城市生存戰	林 O 智	30,000
24	莫克牧場	朱 O 杰	10,000
25	桃園回龜山陣線	陳 O 偉	30,000

## 2019 Family Day for TAYA Group //

### TAYA Group Northern Region Family Day 140 People in Sanzhi Tatienliao Coastal Cleanup, Experienced Picking Bamboo Shoots Fun

In order to unite the employees', TAYA Group held a Family Day on 11/9 (Saturday) at Sanzhi Tatienliao Beach, and invited nearly 100 employee families from the Northern Region to join the happy time, and about 140 employees and their families jointly participated in the event. In addition, Chairman of TAYA Group, Mr. Shen, Shang-Hung also participated in this event, and enjoyed the weekend with colleagues through activities of coastal cleanup, fun contests, visited the Gongrong Community Park, and experience of farm life and picking water bamboo shoots.

This event is organized by the Pristine Homeland Foundation under TAYA Group. Based on environmental friendly concepts of environmental protection, caring for all life forms, and sustainable Earth, the Foundation promotes the future of Pristine Homeland that coexists with people and the environment, and promotes environmental education activities, expecting through a series of outdoor family day activities to let everyone understand that coastal cleanup is only the starting point and is the key to love the sea and the key to environmental sustainability to do a good job in garbage monitoring and waste source reduction.

Through the waste monitoring record, the coastal cleanup collected a total of 95.5 kilograms of recyclable garbage and 119.4 kilograms of non-recyclable garbage. The top three items picked up the most were PET bottles, plastic bottle caps and Styrofoam.

In order to make the family day activities more meaningful, special elements of fun competitions were brought in this year, through the competitions of environmental protection vanguard, environmentally-friendly art questions (topics), quick questions and quick answers to let the colleagues capable of deepening the meaning of the coastal cleanup and Pristine Homeland. We went to Sanzhi Gold Medal Gongrong Community Park in the afternoon to understand how the local area rehabilitates abandoned agricultural land through the rural village regeneration plan, becoming the first approved rural village regeneration community in New Taipei City, and creating paddy fields, wetlands, lotus ponds and other water-retaining water-planting ecology, like the "Underground Reservoir" that successfully weathered the drought crisis. We then went to Sanzhi November specialty water bamboo shoots field, experienced with barefooted harvesting the water bamboo shoots called Beauty's Legs, and learn about the beauty and preciousness of the water terraces in Sanzhi District.

Through a series of food agricultural education-based experiences, the colleagues are encouraged to always care about ecology, recognize the beautiful land of Taiwan in their lives, and while understand the importance of protecting their homeland, they can also promote mutual friendship and continue to fulfill the original intention of founding the Foundation.







## Corporate Volunteer Team //

The Group established the Wire Safety Volunteer Team in 2013 and is affiliated to the Daya Cable Beautiful Home Foundation. In 2016, after the implementation of the “Key Points for the Implementation of the Enterprise Volunteer Team”, some of the provisions were added to stipulate that “the number of volunteers who participated in the volunteer team’s activities during the year was 24 hours and served as a volunteer of the volunteer team. The team leader asked the human resources department to pay the award once.”

Since 2015, the number of volunteer team members and total volunteer service has continued to increase. In 2019, 30 members of the volunteer team contributed a total of 504 hours of volunteer service hours, of which nine personal service hours exceeded 24 hours. The Group encourages more employees and their families to participate in volunteer service and invest in social welfare, and expand the concept of the Group’s beautiful home to every corner.

Date	Title	Hours	Number of Participants
January 26	Environmental detention pond hand-made hemp bag	4	82
March 9	Corridor weeding and floating island reconstruction	4	75
March 31	Taya Marathon	8	15
May 4	Butterfly herbivore Ecological Fun	4	103
June 29	Clean environment and rich ecology	4	85
July 23	Taiwan Wetland Laws and Policies & Conservation Case Sharing	2	26
August 31	Landscape trail ecological record	4	115
October 19	Delonix Regia Forum	8	102
November 9	Family day	4	137
November 24	Power Safety Lectures	4	13
Total		54	784

### Volunteer Service Hours

Year	Volunteer Numbers	Total Service Time ( hours )
2017	27	473
2018	30	504
2019	33	670

## 6-2 Electricity Safety Education Promotion

Ta Ya Electric Wire and Cable uses its knowhow to offer education on electricity safety. Since October 2017, the Taiwan Professional Electrical Engineers Association R.O.C. (TPEEA) and Ta Ya's Pristine Homeland Foundation have jointly undertaken Old House Electrical Safety Inspections to offer comprehensive checks of residents' electrical equipment, distribution boards, electrical leaks from equipment casings, and wires and cables. The same volunteer team will also go around communities to raise awareness of the importance of electricity safety and the offer information and education on the topic.

### Electrical Wiring Safety Check Program for Old Buildings //

2018 marked the second year of Ta Ya's Pristine Homeland Foundation's giving old houses a power safety check-up. Since October 2017, TPEEA and Pristine Homeland have jointly undertaken Old House Electrical Safety Inspections to offer comprehensive checks of residents' electrical equipment, distribution boards, electrical leaks from equipment casings, and wires and cables.

However, it is difficult to check the electric wires installed in the deep wall, and it is necessary to rely on the high-resistance device this time : if the high-resistance device shows that the insulation resistance value is higher (generally more than  $1M\Omega$ ), indicating that the insulation coating is good, and the chance of short circuit is lower. After completed each check process, the electrical engineer will provide an initial explanation of results and recommendations right after completion of each inspection.

In 2018, the Taichung area (Taichung, Changhua, and Nantou) was included in the scope of the Old House Electrical Safety Inspections. In Greater Taipei and the Taichung area 68 households were thus served, making for a total of 82 households since the start of the program.

#### 2019 implementation status

Area	Service Households	Notes
Taipei, New Taipei, Taoyuan	39	
Taichung, Changhua, Nantou	36	
Tainan, Kaohsiung, Pingtung	40	Opened in April
Total	115	

\*Since the introduction of the campaign until the end of 2019, a total of 183 households had received services.

### Electrica Safety Awareness //

On November 24, volunteers of the Taya Group held an event for electrical safety awareness at the community center of Dongshi Village in Guanmiao District, Tainan City. In addition to promotion of the Foundation and awareness of electricity safety, the electricity safety inspection services for old houses were introduced during the event.

Based on the idea of community service, the Foundation and its volunteers have cooperated with the village chiefs of Tainan City every year. This year is the 7th year that the Foundation has sought to raise community awareness of home electricity safety. During the event, the participants had a passionate discussion. Many were eager to share their daily experience in electricity usage.

The Taya Group has long shown concern for the environment of electricity usage by the people in Taiwan. In addition to forums organized regularly for electricity safety awareness, the campaign of "electricity safety inspection for old houses" was introduced in 2017. In cooperation with the Taiwan Professional Electrical Engineers Association R.O.C., the Taya Group has offered to conduct free and professional electricity safety inspection for any house which is at least 20-year-old.



**We welcome you to apply  
for the electricity safety  
inspection for old houses**

<https://reurl.cc/95Qbv>



## 6-3 Social Participation

### My One Acre Farm Adoption Program //


















Since the program's beginning of 2010, Ta Ya has participated in the My One Acre Farm Adoption Program every year, creating a win-win for the Earth, farmers, and consumers. Our Company also continued to participate in local public welfare activities related to arts, culture, police, and government, including continued sponsorship of the Tainan Arts Festival. The program which supports small farmers, promotes Taiwan's rice industry, and promotes social welfare and corporate social responsibility, has been highly successful and well-received. As the program enters its 10th year, Ta Ya will continue its membership and support this social welfare activity. Ta Ya continued its adoptions of 2 hectares in 2019.



# GRI Standard Guidelines

## GRI 102 : General Disclosures 2016

		Disclosures Items	Page	Omit / Description	External Assurance
Organizational Profile	G102-1	Name of the organization	5		■
	G102-2	Activities, brands, products, and services	16-17		■
	G102-3	Location of headquarters	5		■
	G102-4	Location of operations	13		■
	G102-5	Ownership and legal form	5		■
	G102-6	Markets served	12-13		■
	G102-7	Scale of the organization	12-13		■
	G102-8	Information on employees and other workers	58-61		■
	G102-9	Supply chain	42-43		■
	G102-10	Significant changes to the organization and its supply chain		No major changes in 2019	■
	G102-11	Precautionary Principle or approach	51		■
	G102-12	External initiatives		No participation in external initiatives in 2019	■
	G102-13	Membership of associations	15		■
Strategy	G102-14	Statement from senior decision-maker	6		■
Ethics and Integrity	G102-16	Values, principles, standards, and norms of behavior	26-27		■
Governance	G102-18	Mechanisms for advice and concerns about ethics	18		■

		Disclosures Items	Page	Omit / Description	External Assurance
Stakeholder Engagement	G102-40	List of stakeholder groups	29		
	G102-41	Collective bargaining agreements		No signing group agreement	
	G102-42	Identifying and selecting stakeholders	29		
	G102-43	Approach to stakeholder engagement	29		
	G102-44	Key topics and concerns raised	30		
Reporting Practice	G102-45	Entities included in the consolidated financial statements	26		
	G102-46	Defining report content and topic Boundaries	5		
	G102-47	List of material topics	32		
	G102-48	Restatements of information		<p>P.21 2018 Director's remuneration ratio was 10.89% in 2017 and 9.64 in 2018.</p> <p>P.64 The number of employees in the 2018 Dazhan consolidated financial report is 115, and the per capita salary and benefits should be 714.</p>	
	G102-49	Changes in reporting	31		
	G102-50	Reporting period	5		
	G102-51	Date of most recent report	5		
	G102-52	Reporting cycle	5		
	G102-53	Contact point for questions regarding the report	5		
	G102-54	Claims of reporting in accordance with the GRI Standards	5		
	G102-55	GRI content index	5		
	G102-56	External assurance	5		

**GRI Subject-specific disclosure 2016**

Major theme	Disclosures Items		Page	Omit / Description	External Assurance
Economic Standards	Financial performance				
	103-1	Explanation of the material topic and its Boundary	31		■
	103-2	The management approach and its components	26		■
	103-3	Evaluation of the management approach	26		■
	201-1	Direct economic value generated and distributed	26		■
	201-3	Defined benefit plan obligations and other retirement plans	61-62		■
Environmental Standards	Energy				
	103-1	Explanation of the material topic and its Boundary	31		■
	103-2	The management approach and its components	46		■
	103-3	Evaluation of the management approach	46-48		■
	302-1	Energy consumption within the organization	46-48		■
	302-3	Energy intensity	46-48		■
	302-4	Reduction of energy consumption	46-48		■
	Emissions				
	103-1	Explanation of the material topic and its Boundary	31		■
	103-2	The management approach and its components	49		■
	103-3	Evaluation of the management approach	49		■
	305-1	Direct (Scope 1) GHG emissions	50		■
	305-2	Energy indirect (Scope 2) GHG emissions	50		■
	305-4	GHG emissions intensity	50		■
	305-5	Reduction of GHG emissions	50		■
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	50		■
	Waste water and waste				
	103-1	Explanation of the material topic and its Boundary	31		■
	103-2	The management approach and its components	52		■
	103-3	Evaluation of the management approach	52		■
	306-2	Waste by type and disposal method	55		■

Major theme	Disclosures Items		Page	Omit / Description	External Assurance
Environmental Standards	Compliance				
	103-1	Explanation of the material topic and its Boundary	31		■
	103-2	The management approach and its components	84		■
	103-3	Evaluation of the management approach	84		■
	307-1	Non-compliance with environmental laws and regulations		No major fines	■
Social Standards	Labor/Management				
	103-1	Explanation of the material topic and its Boundary	31		■
	103-2	The management approach and its components	57		■
	103-3	Evaluation of the management approach	62		■
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	62		■
	Employment				
	103-1	Explanation of the material topic and its Boundary	32		■
	103-2	The management approach and its components	58		■
	103-3	Evaluation of the management approach	58		■
	402-1	Minimum notice periods regarding operational changes	58		■
	Occupational Health and Safety				
	103-1	Explanation of the material topic and its Boundary	32		■
	103-2	The management approach and its components	64		■
	103-3	Evaluation of the management approach	64		■
	403-1	Workers representation in formal joint management-worker health and safety committees	64		■
	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	68		■
	Training and Education				
	103-1	Explanation of the material topic and its Boundary	32		■
	103-2	The management approach and its components	72		■
	103-3	Evaluation of the management approach	72		■
	404-1	Average hours of training per year per employee	72		■
	404-2	Programs for upgrading employee skills and transition assistance programs	69		■
	Diversity and Equal Opportunity				
	103-1	Explanation of the material topic and its Boundary	32		■



Major theme	Disclosures Items		Page	Omit / Description	External Assurance
Social Standards	Diversity and Equal Opportunity				
	103-2	The management approach and its components	72		■
	103-3	Evaluation of the management approach	72		■
	405-1	Diversity of governance bodies and employees	60-61		■
	Supplier Social Assessment				
	103-1	Explanation of the material topic and its Boundary	32		■
	103-2	The management approach and its components	42		■
	103-3	Evaluation of the management approach	42		■
	414-2	Negative social impacts in the supply chain and actions taken	43		■
	Marketing and Labeling				
	103-1	Explanation of the material topic and its Boundary	32		■
	103-2	The management approach and its components	37		■
	103-3	Evaluation of the management approach	37		■
	417-1	Requirements for product and service information and labeling	37		■
	Compliance				
	103-1	Explanation of the material topic and its Boundary	32		
	103-2	The management approach and its components	84		
	103-3	Evaluation of the management approach	84		
	419-1	Non-compliance with laws and regulations in the social and economic area		No major fines	

\*Major fines refer to fines of more than 500,000 yuan

# Independent Assurance Statement



## ASSURANCE STATEMENT

### SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE TAYA ELECTRIC WIRE & CABLE CO., LTD.'S CORPORATE SOCIAL RESPONSIBILITY REPORT FOR 2019

#### NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION

SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by TAYA Electric Wire & Cable Co., Ltd. (hereinafter referred to as TAYA) to conduct an independent assurance of the Corporate Social Responsibility Report for 2019 (hereinafter referred to as CSR Report). The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included the sampled text, and data in accompanying tables, contained in the report presented during on-site verification (2020/05/25-2020/06/08). SGS reserves the right to update the assurance statement from time to time depending on the level of report content discrepancy of the published version from the agreed standards requirements.

The information in the TAYA's CSR Report of 2019 and its presentation are the responsibility of the management of TAYA. SGS has not been involved in the preparation of any of the material included in TAYA's CSR Report of 2019.

Our responsibility is to express an opinion on the report content within the scope of verification with the intention to inform all TAYA's stakeholders.

The SGS protocols are based upon internationally recognized guidance, including the Principles contained within the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) 101: Foundation 2016 for accuracy and reliability and the guidance on levels of assurance contained within the AA1000 series of standards and guidance for Assurance Providers.

This report has been assured using our protocols for:

- AA1000 Assurance Standard (2008) Type 1 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2008) at a moderate level of scrutiny; and
- evaluation of the report against the requirements of Global Reporting Initiative Sustainability Reporting Standards (100, 200, 300 and 400 series) claimed in the GRI content index as material and in accordance with.

The assurance comprised a combination of pre-assurance research, interviews with relevant employees, superintendents, CSR committee members and the senior management in Taiwan; documentation and record review and validation with external bodies and/or stakeholders where relevant.

Financial data drawn directly from independently audited financial accounts and greenhouse gas emissions have not been checked back to source as part of this assurance process.

#### STATEMENT OF INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirm our independence from TAYA, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

TWLPP 5008 Issue 2005

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with ISO 26000, ISO 20121, ISO 50001, SA8000, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance service provisions.

#### VERIFICATION/ ASSURANCE OPINION

On the basis of the methodology described and the verification work performed, we are satisfied that the information and data contained within TAYA's CSR Report of 2019 verified is accurate, reliable and provides a fair and balanced representation of TAYA sustainability activities in 01/01/2019 to 12/31/2019.

The assurance team is of the opinion that the Report can be used by the Reporting Organisation's Stakeholders. We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting. In our opinion, the contents of the report meet the requirements of GRI Standards in accordance with Core Option and AA1000 Assurance Standard (2008) Type 1, Moderate level assurance.

#### AA1000 ACCOUNTABILITY PRINCIPLES (2008) CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

##### Inclusivity

TAYA has demonstrated a commitment to stakeholder inclusivity and stakeholder engagement. A variety of engagement efforts such as survey and communication to employees, customers, investors, suppliers, CSR experts, and other stakeholders are implemented to underpin the organization's understanding of stakeholder concerns.

##### Materiality

TAYA has established processes for determining issues that are material to the business. Formal review has identified stakeholders and those issues that are material to each group and the report addresses these at an appropriate level to reflect their importance and priority to these stakeholders.

##### Responsiveness

The report includes coverage given to stakeholder engagement and channels for stakeholder feedback.

#### GLOBAL REPORTING INITIATIVE REPORTING STANDARDS CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

The report, TAYA's CSR Report of 2019, is adequately in line with the GRI Standards in accordance with Core Option. The material topics and their boundaries within and outside of the organization are properly defined in accordance with GRI's Reporting Principles for Defining Report Content. Disclosures of identified material topics and boundaries, and stakeholder engagement, GRI 102-40 to GRI 102-47, are correctly located in content index and report. In the future, when reporting on goals and targets for each material topic, the expected results are suggested to be set, if applicable, with quantitative objectives. More descriptions about the performance against goals and targets, including key successes and shortcomings, and specific actions aimed at improving performance are also encouraged.

Signed:

For and on behalf of SGS Taiwan Ltd.

David Huang  
Senior Director  
Taipei, Taiwan  
20 June, 2020  
WWW.SGS.COM



AA1000  
Licensed Assurance Provider  
000-8

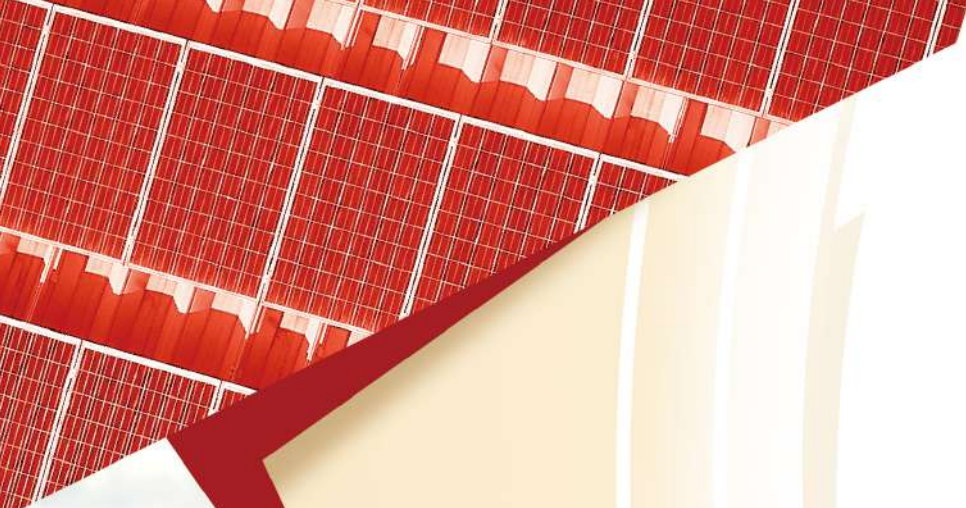
TWLPP5008 Issue 2005



**2019**

TAYA Group Corporate Sustainability Report





**2019**

TAYA Group  
Corporate Sustainability Report