

## **Independent practitioner's assurance report**

To: Nan Pao Resins Co., Ltd.

### **Scope**

We have been engaged by Nan Pao Resins Co., Ltd (the "Company") to perform a 'limited assurance engagement,' as defined by the Taiwan Accounting Research and Development Foundation, hereinafter referred to as the engagement, to report on selected sustainability performance indicators (the Subject Matter) contained in the Company's 2024 Sustainability Report (the "Report").

### **The Subject Matter selected by the Company and their applicable criteria**

Regarding the Subject Matter selected by the Company and their applicable criteria, please refer to Appendix A.

### **The Company's responsibilities**

The Company's management is responsible for the preparation of the Company's 2024 Sustainability Report in accordance with the adequate criteria, including referencing the Global Reporting Initiatives Standards ("GRI Standards") issued by the Global Reporting Initiative (GRI), and compiling in accordance with the Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies issued by the Taiwan Stock Exchange and the disclosure standards issued by the Sustainability Accounting Standards Board (SASB) for chemical industry, and for the design, execution and maintenance of internal controls in regard to report preparation to support the collection and presentation of the Company's 2024 Sustainability Report. The Company's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

### **EY's responsibilities**

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Statements on Assurance Engagements (ISAE) 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information", issued by the Taiwan Accounting Research and Development Foundation, and the terms of reference for this engagement as agreed with the Company. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

## **Our independence and quality management**

We have maintained our independence and confirm that we have met the requirements of the Norm of Professional Ethics for Certified Public Accountant in the Republic of China and have the required competencies and experience to conduct this assurance engagement.

EY also applies Standards on Quality Control No. 1 “Quality Control for Public Accounting Firms”, which requires that we design, implement, and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## **Description of procedures performed**

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management’s internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.

Our procedures included:

- Conducted interviews with personnel to understand the business of the Company, the overall implementation of sustainability development and the reporting process
- Conducted interviews with personnel and inspections of documents to understand how the Company communicates with and responds to main stakeholders, and to understand stakeholders’ expectations and needs
- Conducted interviews with key personnel of the Company to understand the process for collecting, collating and reporting the Subject Matter during the reporting period
- Checked that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria
- Undertook analytical procedures on the Subject Matter; collected and evaluated the supporting documentation, obtained management’s assertions of the Subject Matter, and, if necessary, tested on a sample basis
- Identified and tested assumptions supporting calculations
- Tested, on a sample basis, the underlying source information to check the accuracy of the data
- Read the Report to ensure that the overall implementation of sustainability development is consistent with our understanding

### **Inherent Limitation**

Non-financial information contained within the Sustainability Report are subject to measurement uncertainties. The selection of different measurement techniques can result in materially different measurement. Also, assurance engagements are based on selective testing of information being examined, and it is not possible to detect all of the existing material misstatements whether resulting from fraud or error.

### **Conclusion**

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter for the year ended December 31, 2024, in order for it to be in accordance with the applicable Criteria.

Hung, Kuo-Sen

Hung, Kuo-Sen

Ernst & Young

August 25, 2025

Appendix A:

No.	Page	Corresponding Chapter	Corresponding Report Contents	Applicable Criteria	Supplementary Explanation
1	80	5.3 Energy Management	The consumption of purchased electricity, the total energy consumed and the grid electricity usage ratio in 2024.	The Company calculates the energy consumption data of each plant based on natural gas bills, electricity bills, and renewable energy certificates.	According to Attachment 1.2 Sustainability Disclosure Indicators, Article 4 of "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" – (1) total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy (Note) <sup>1</sup> . Refer to the accounting metrics of SASB RT-CH-130a.1.
2	84	5.4 Water Resources	The total tap water intake and total water consumption of Taiwan's water resources data in 2024.	The Company calculates the water intake and discharge data of each plant based on water bills and waste (sewage) discharge surface water declaration tables.	According to Attachment 1.2 Sustainability Disclosure Indicators, Article 4 of the "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" - total water withdrawal, total water consumption and volume of effluent required to be disclosed under the law or to be disclosed voluntarily. Refer to the accounting metrics of SASB RT-CH-140a.1.
3	89	5.6 Waste Management	Total amount of hazardous industrial waste and the recycling percentage in Taiwan facilities in 2024.	Based on the details indicated in the three-part form of business waste entrusted to joint treatment control delivery declared by the Company.	According to Attachment 1.2 Sustainability Disclosure Indicators, Article 4 of the "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" - total quantity of hazardous wastes generated and recycling percentage during the production process of products required to be disclosed under the law or to be disclosed voluntarily. Refer to the accounting metrics of SASB RT-CH-150a.1.

Note: The total amount of self-generated and self-consumed energy is defined in the "Renewable Energy Development Act", "Implementation Regulations Governing Renewable Energy Certificates" or related sub-laws.

No.	Page	Corresponding Chapter	Corresponding Report Contents	Applicable Criteria	Supplementary Explanation
4	114	6.4 Safe Workplace Environment	Total injury statistics and fatality rate in 2024.	Based on the information declared by the Company in the occupational disaster statistical summary table.	According to Attachment 1.2 Sustainability Disclosure Indicators, Article 4 of the "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" – illustrating the number of persons involved in and rate of occupational accidents. Refer to the accounting metrics of SASB RT-CH-320a.1.
5	114	6.4 Safe Workplace Environment	Process Safety Incident Count (PSIC), Process Safety Total Incident Rate (PSTIR) and Process Safety Incident Severity Rate (PSISR) in 2024.	The Company evaluates whether each incident recorded in the accidents summary report meets the definition of Process Safety incidents (PSI) in accordance with the Process Safety Leading and Lagging Metrics.	According to Attachment 1.2 Sustainability Disclosure Indicators, Article 4 of the "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" - illustrating the number of persons involved in and rate of occupational accidents. Refer to the accounting metrics of SASB RT-CH-540a.1.
6	43-47 111-115	3.4 Enhancing Risk Culture Awareness 6.4 Safe Workplace Environment	Methods for evaluating operations that have significant and actual or potentially negative impact on the local communities.	According to GRI 3, the Company has identified actual and potential negative impacts on the economy, environment and people (including human rights).	According to Attachment 1.2 Sustainability Disclosure Indicators, Article 4 of the "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" - operations that have significant and actual or potentially negative impacts on local communities.
7	63	4.3 Responsible Chemical Management	Responsible Chemical Management Strategy		
	92	5.7 Biodiversity Protection	Nan Pao Group Biodiversity Policy		

No.	Page	Corresponding Chapter	Corresponding Report Contents	Applicable Criteria	Supplementary Explanation										
	96-110	6.1 Human Rights Policy 6.3 Employee Communication and Development	Human Rights Protection Measures of Nan Pao Employee Grievance Mechanisms	According to GRI 3, the Company has identified actual and potentially negative impact on the economy, environment and people (including human rights), related policies or commitments, and the actions taken regarding the aforementioned impacts.	According to Attachment 1.2 Sustainability Disclosure Indicators, Article 4 of the "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" – the specific and effective actions taken by the enterprise and suppliers to reduce negative impact on the environment and society.										
	111-115 117	6.4 Safe Workplace Environment 7.1 Community Safety and Health	In order to impose the protective measures against general disasters, natural disasters and chemical leakage disasters, various safety drills are regularly carried out every year to minimize the environmental impact on the communities if a disaster takes place.												
	39 67-69 96	3.2 Anti-Corruption and Ethical Business Practices 4.5 Supplier Management 6.1 Human Rights Policy	Suppliers are committed to social and environmental responsibility by signing the Supplier Code of Conduct												
8	9	0.3 Operational Capability	<table><tr><td></td><td>Production (Metric Tons)</td></tr><tr><td>Adhesives</td><td>240,692</td></tr><tr><td>Coating</td><td>15,375</td></tr><tr><td>Others</td><td>-</td></tr><tr><td>Total</td><td>256,067</td></tr></table>		Production (Metric Tons)	Adhesives	240,692	Coating	15,375	Others	-	Total	256,067	Based on the tonnage recorded in the production and sales table as well as the product output statistics table.	According to Attachment 1.2 Sustainability Disclosure Indicators, Article 4 of the "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" - production by reportable segments. Refer to the accounting metrics of SASB RT-CH-000. A.
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