



Nan Pao Group

Environmental Responsibility Policy

This document attests that Nan Pao and its subsidiary companies (hereinafter referred to as "Nan Pao") have formulated an "Environmental Responsibility Policy," which is applicable to the entire group and all business units and factories within the company. Nan Pao actively establish effective communication channels with stakeholders, including employees, customers, strategic partners, contractors, shareholders, and communities, and strive for sustainable development by jointly promoting environmental conservation efforts. The scope of this commitment extends across our own operations as well as our suppliers and partners, ensuring that environmental responsibility is embedded throughout the value chain.

Throughout Nan Pao 's operational processes involving research and development, procurement, production, packaging, logistics, and services, ecological benefits are integrated. We continually enhance energy efficiency, construct a lower-energy, resource-efficient, and zero-pollution green environment and value chain. This approach enhances production, adds value to products, and simultaneously reduces the environmental and human impact of operations, offering environmentally friendly manufacturing services.

Our Commitment and Policy:

1. **Compliance with Laws and Regulations:** We commit to adhering to all relevant environmental laws and international standards. During operational activities and internal management, we dedicate ourselves to achieving environmental sustainability by effectively protecting the natural environment.
2. **Governance Structure:** We have established a dedicated environmental management unit responsible for formulating, promoting, and maintaining relevant environmental management systems and specific action plans. We also organize environmental education programs for both management and staff.
3. **Management Systems:** We implement an environmental management system in line with the best control techniques and prevention equipment. This ensures proper disposal of daily operational activities and material resources, effectively minimizing environmental impacts. We set quantifiable objectives for continuous improvement in alignment with the direction of environmental sustainability.
4. **Environmental Culture:** We foster a culture of environmental responsibility among all employees, expanding collaboration and sharing within the value chain. By exercising social influence, we collaborate to create a better, sustainable environment.

Supply Chain:

1. Advancing Green Procurement.
2. Balancing customer demands with green design, we collaborate with both upstream and downstream supply chains to develop innovative materials, thereby enhancing the overall technical capabilities and competitiveness of the supply chain.

Production and Manufacturing:

1. Enhancing resource, energy, and water efficiency while reducing greenhouse gas emissions.
2. Reducing emissions of pollutants, toxins, and waste, and appropriately managing waste through recycling and proper disposal.
3. Treating, recycling, and monitoring wastewater appropriately.
4. Enhancing the recyclability and reusability of raw materials.
5. Prioritizing and seeking environmentally friendly materials as alternatives to hazardous substances, expanding internal and external circular recycling to achieve the goal of "maximum resource utilization."
6. Promoting a circular economy through practical approaches such as redesign, value addition through recycling, and reuse.

This commitment and policy will guide Nan Pao towards continuous progress in environmental protection and sustainable development. We firmly believe that through our efforts, we can create a sustainable future for the environment, society, and our business.

Chairman *Wu Cheng-Hsien*
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