



Nan Pao Resins Chemical Co., Ltd.

Articles of Sustainability Development Committee

1 (Purpose and Basis)

To achieve the Company's sustainable development goals and enhance sustainability governance, the Sustainability Development Committee (hereinafter referred to as "the Committee") is established in accordance with Article 27, Paragraph 3 of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and Article 9, Paragraph 1 of the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies." This Organizational Charter of the Committee (hereinafter referred to as "the Charter") is hereby formulated for compliance.

2 (Scope of application)

The number, term of office, functions and powers, rules of procedure and resources to be provided by the Company for the exercise of the Committee's authority of this committee, unless otherwise stipulated by laws or regulations, shall be in accordance with the regulations of the organization.

3 (Announcement and Filing)

The Company shall make the content of this Charter available on its official website and the Market Observation Post System for reference.

4 (Composition of the Committee and Units for Promotion and Implementation)

The Committee shall consist of no fewer than three members, appointed by resolution of the Board of Directors. Members of the Committee must possess professional knowledge and capabilities in corporate sustainability, with at least one director participating in supervision.

The Committee may establish dedicated or concurrent sustainability units depending on the Company's scale, industry characteristics, or other factors relevant to effective sustainability management. A senior executive may be appointed as the Chief Sustainability Officer (CSO) to ensure the promotion of the Company's sustainability-related initiatives.

The CSO or an equivalent position holder may form cross-departmental teams as needed based on the sustainability tasks of each department to execute sustainability-related affairs.

5 (Term of Office and Replacement of Committee Members)

The term of office of the members of the Committee shall align with the term of the Board of Directors in principle and may be renewed upon re-election.

6 (Duties of the Committee, Promotion, and Implementation Units)

In order to achieve the purposes set out in Article 3, the duties of the Committee shall include the following matters:

1. Formulating, promoting, and enhancing the Company's sustainability development policies, annual plans, and strategies.
2. Reviewing, tracking, and revising the execution and effectiveness of



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sustainability initiatives.

3. Supervising sustainability information disclosure and reviewing the sustainability report.
4. Overseeing the implementation of the Company's Sustainability Development Principles or other sustainability-related tasks resolved by the Board of Directors.
5. Report the annual implementation results of sustainable development to the board of directors every year.
6. Other matters that the committee should be instructed by the resolution of the board of directors.

The Sustainability Office serves as the Company's dedicated sustainability unit, assisting the Committee in implementing various plans, covering the following tasks, and reporting the execution status to the Committee:

1. Sustainability Planning Group:

Responsible for managing sustainability goals, stakeholder communication mechanisms, climate change response mechanisms, and sustainability information management policies. This includes compliance with sustainability information disclosure regulations and international standards to ensure the disclosure of relevant and reliable sustainability information, enhancing transparency.

2. Corporate Governance Group:

Responsible for compliance with corporate governance regulations, establishing internal and external communication mechanisms for all organizational members (e.g., employees, subsidiaries, joint ventures) and key value chain stakeholders, and evaluating relevant risks and management mechanisms to achieve corporate sustainability goals.

3. Economic Group:

Responsible for sustainable business performance, green products and low-carbon chemicals, product lifecycle management, responsible chemical management, product quality and delivery schedule management, and ensuring product safety and customer satisfaction to foster sustainable economic growth.

4. Environmental Group:

Responsible for environmental management systems, compliance with environmental regulations and international standards, sustainability transition assessments, improving resource utilization, and establishing dedicated environmental management units or personnel to achieve environmental sustainability goals.

5. Social Group:



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Responsible for human rights management policies and procedures, compliance with human rights-related regulations and international standards, setting reasonable compensation policies and employee performance evaluation systems, conducting education and training, and promoting community and cultural development to achieve sustainable operation goals.

The cross-departmental teams execute the tasks of the above groups, consolidate execution plans, or handle other sustainability-related matters and report the outcomes to the Sustainability Office or the Committee.

7 (Meeting Convening and Notification)

The Committee shall convene at least twice a year and may hold additional meetings as necessary.

Notices of meetings must specify the reasons for the meeting and be provided to all Committee members at least seven days in advance. However, this requirement does not apply in cases of emergency. Meeting notifications may be issued in writing or electronically.

The Committee shall elect one member to serve as the convener, who will also act as the chairperson of the meetings. If the convener is on leave or unable to convene a meeting for any reason, they shall designate another Committee member to act as their proxy. If no proxy is designated, other Committee members shall elect one among themselves to act as the proxy.

The Committee may invite relevant department managers, internal audit personnel, accountants, legal advisors, or other corporate sustainability professionals to attend meetings and provide necessary information. However, such invitees must leave during discussions and voting.

When convening meetings, the Committee must prepare relevant materials to be made available for reference by attending members at any time.

8 (Agenda and Attendance)

The meeting agenda of the committee is set by the convener. Other members may also submit proposals for discussion by the committee. The meeting agenda should be provided to the committee members in advance.

When the committee is held, the company shall provide an attendance book for signature by the members attending the meeting and thereafter made available for reference.

The committee members shall attend the committee in person; a member who cannot attend in person may appoint another member to attend as their proxy. Attendance via tele- or video-conference shall be deemed as attendance in person.

When a Committee member appoints another member as a proxy, a proxy



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form must be submitted for each meeting, specifying the scope of authorization for the meeting agenda.

- 9 A proxy may only accept an appointment from one member per meeting.
(Resolution Method)
Unless otherwise stipulated by laws, regulations, the Articles of Incorporation, or rules, resolutions of the Committee require the consent of more than half of all members. If the chairperson solicits opinions during the meeting and no objections are raised, the resolution shall be deemed passed with the same effect as a formal vote.
The results of the Committee's vote shall be reported immediately during the meeting and recorded in the minutes.
- 10 (Conflict of Interest)
If a Committee member has a conflict of interest regarding a meeting agenda item, they must disclose the material details of their interest. If such a conflict is likely to harm the interests of the Company, the member shall not participate in the discussion or voting on the matter and must recuse themselves during both the discussion and voting. Additionally, they may not act as a proxy for other members in exercising voting rights.
If the spouse or relatives within the second degree of kinship of a Committee member have a conflict of interest regarding a meeting agenda item, the member shall be deemed to have a personal conflict of interest in that matter.
If the committee cannot make a resolution due to the provisions of the preceding paragraph, it shall report to the board of directors, and the board of directors shall make a resolution.
- 11 (Minutes of the meeting)
Minutes shall be prepared of the discussions at the committee, and the minutes shall record the matters listed below in a detailed and accurate manner:
1. Session (or annual meeting), time, and place of the meeting.
2. Name of the meeting chair.
3. Member attendance, specifying the names and number of members in attendance, excused, and absent.
4. Names and titles of those present at the meeting as nonvoting participants.
5. Name of minutes taker.
6. Matters reported on.
7. Agenda items: Resolution methods and results for each agenda item, names of members with conflicts of interest as defined in the preceding article, detailed explanations of the material aspects of such conflicts, reasons for



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recusal or non-recusal, recusal status, and any opposing or reserved opinions of Committee members.

8. Extraordinary motions: The names of proposers, resolution methods and results for motions, summaries of remarks by Committee members, experts, and other attendees, names of members with conflicts of interest as defined in the preceding article, detailed explanations of the material aspects of such conflicts, reasons for recusal or non-recusal, recusal status, and any opposing or reserved opinions of Committee members.

9. Other matters required to be recorded.

The committee attendance book constitutes an integral part of the minutes of each meeting of the committee. If the meeting is held via video conferencing, audio and video materials from the meeting shall also constitute part of the minutes.

The meeting minutes shall bear the signature or seal of the chair and the minute taker. The minutes shall be distributed to each committee member within 20 days after the meeting, and also be reported to the Board of Directors, included in the Company's important records, and retained for five years. The meeting minutes may be produced and distributed in electronic form.

If litigation arises concerning matters resolved by the Committee before the expiration of the aforementioned retention period, the minutes shall be preserved until the litigation is concluded.

12 (Implementation of Meeting Resolutions)

For matters resolved by the Committee under the authority defined in Article 6 or for the subsequent execution of tasks involving professional personnel appointed pursuant to Article 13, may be authorized to the convener or other members of the committee to continue to handle, and to report to the committee in writing during the implementation period. If necessary, it should be submitted to the committee at the next meeting for ratification or Report.

13 (Resources for Exercising Authority)

The Committee may, by resolution, appoint lawyers, accountants, or other professionals to conduct necessary investigations or provide consultations on matters related to the exercise of its authority. The associated expenses shall be borne by the Company.

14 (implemented)

The Articles of Corporate Sustainability Development Promotion Committee of the Company shall be implemented after the Board of Directors grants the approval. The same procedure shall be followed when the principles are amended.



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Set date: On March 26, 2020.

Revision date: The first amendment was made on May 11, 2022, and the revised name is "The Articles of Corporate Sustainability Development Promotion Committee".

The second amendment was made on May 18, 2024, and the revised name is "The Articles of Sustainability Development Committee".