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## Independent Limited Assurance Report

To Taiwan Prosperity Chemical Corporation:

We were engaged by Taiwan Prosperity Chemical Corporation (“TPCC”) to provide limited assurance over the selected information attached as Appendix I (“the Subject Matter Information”) on the 2022 Sustainability Report of TPCC (“the Report”) for the year ended December 31, 2022.

### Reporting Criteria of the Subject Matter Information

TPCC shall prepare the Subject Matter Information in accordance with reporting criteria required by Article 4 of Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies (“the Regulation”) as set forth in Appendix I.

### Management’s Responsibility for the Report

TPCC is responsible for determining its objectives with respect to sustainable development performance and reporting, including the identification of stakeholders and material aspects, and using the reporting criteria to fairly prepare and present the Subject Matter Information. TPCC is also responsible for establishing and maintaining internal controls relevant to the preparation and presentation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error.

### Our Responsibilities

We performed our work in accordance with the Standard on Assurance Engagements TWSAE3000 – “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” issued by the Accounting Research and Development Foundation and to issue a limited assurance conclusion on whether the Subject Matter Information is free from material misstatement. Also, we have considered appropriate limited assurance procedures according to the understanding of relevant internal controls in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the internal control over the design or implementation of the Report.

### Independence and Standards on Quality Management

We have complied with the independence and other ethical requirements of the Code of Professional Ethics for Certified Public Accountant in the Republic of China, which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior. In addition, we applied Standards on Quality Management. Accordingly, we maintained a comprehensive system of quality management, including documented policies and procedures regarding compliance with ethical requirements and professional standards as well as applicable legal and regulatory requirements.



### **Summary of Work Performed**

As stated in reporting criteria of the Subject Matter Information paragraph, our main work on the selected information included:

- Reading the Report of TPCC;
- Inquiries with responsible management level and non-management level personnel to understand the operational processes and information systems used to collect and process the Subject Matter Information;
- On the basis of the understanding obtained listed above, perform analytical procedures on the Subject Matter Information and if necessary, inspect related documents to gather sufficient and appropriate evidence in a limited assurance engagement.

The work described above based on professional judgment and consideration of the level of assurance and our assessment of the risk of material misstatement of the Subject Matter Information, whether due to fraud or error. We believe that the work performed and evidence we have obtained are sufficient and appropriate to provide a basis of our conclusion. However, the work performed in a limited assurance engagement varies in nature and timing from, and is 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.

### **Inherent limitations**

The Report for the year ended December 31, 2022 includes the disclosures of non-financial information that involved significant judgments, assumptions and interpretations by the management of TPCC. Therefore, the different stakeholders may have different interpretations of such information.

### **Conclusion**

Based on the work we have performed and the evidence we have obtained, as described above, nothing has come to our attention that causes us to believe that the Subject Matter Information has not been properly prepared, in all material aspects, in accordance with the reporting criteria.

### **Other Matters**

The management of TPCC is responsible for the maintenance of its website where includes the Limited Assurance Report, we shall not be responsible for any further changes on the Subject Matter Information or its applicable reporting criteria, nor be responsible for reconducting any assurance work after the issuance date of the Limited Assurance Report.

Taipei, Taiwan (Republic of China)  
Aug 25, 2023



Appendix I: Summary of the Subject Matter Information

No.	Corresponding Section	Subject Matter Information	Reporting Criteria	The Regulation
1	Appendices Sustainability Disclosure Indicators - Chemical Industry	<ul style="list-style-type: none"> <li>■ Total energy consumption: 729,468 GJ.</li> <li>■ Percentage of purchased electricity: 71.03%.</li> <li>■ Renewable energy utilization rate: 0%.</li> <li>■ Total used volume of self-generated energy: 0 GJ.</li> </ul>	<ul style="list-style-type: none"> <li>■ Details on energy consumption.</li> </ul>	Taiwan Stock Exchange Corporation Rules Table 1-2 No.1  Total energy consumption, percentage of purchased electricity, utilization rate of renewable energy and total self-generated energy
2	Appendices Sustainability Disclosure Indicators - Chemical Industry	<ul style="list-style-type: none"> <li>■ Total water withdrawal: 1,846.95 thousand cubic meters.</li> <li>■ Total water consumption: 1,239.04 thousand cubic meters.</li> <li>■ Waste (sewage) water discharge: 607.91 thousand cubic meters.</li> </ul>	<ul style="list-style-type: none"> <li>■ Details on water withdrawn and water discharge.</li> </ul>	Taiwan Stock Exchange Corporation Rules Table 1-2 No.2  Total water withdrawal, total water consumption, and the amount of wastewater (sewage) discharged that is required to be disclosed by law or voluntarily
3	Appendices Sustainability Disclosure Indicators - Chemical Industry	<ul style="list-style-type: none"> <li>■ Total amount of hazardous waste: 24.97 tons.</li> <li>■ Percentage of hazardous waste recycled: 8.16%.</li> </ul>	<ul style="list-style-type: none"> <li>■ Details on hazardous waste generation and recycled ratio</li> </ul>	Taiwan Stock Exchange Corporation Rules Table 1-2 No.3  Total amount and recycled percentage of hazardous waste generated during the production process of products disclosed as required by law or voluntarily

No.	Corresponding Section	Subject Matter Information	Reporting Criteria	The Regulation
4	Appendices Sustainability Disclosure Indicators - Chemical Industry	<ul style="list-style-type: none"> <li>■ Taiwan Prosperity had no occupational hazards in 2022, with 0 people in occupational hazards, 0% occupational hazard rate, and 0 disabling injury frequency rate.</li> <li>➢ Occupational hazard rate = annual number of people in occupational hazards / total number of employees at the end of the year</li> <li>➢ Disabling injury frequency rate: Number of disabling injuries x 1,000,000 / total working hour</li> </ul>	<ul style="list-style-type: none"> <li>■ Details on performance of occupational safety and health.</li> </ul>	Taiwan Stock Exchange Corporation Rules Table 1-2 No.4 Describe the number and rate of occupational accidents
5	Chapter 6 Social Responsibilities 1.Social Care	<ul style="list-style-type: none"> <li>■ Community Impact Assessment</li> <li>➢ Taiwan Prosperity Chemical is engaged in the manufacturing of chemical products, and its processes generate waste gas, wastewater, waste liquids and waste materials that need to be treated by environmental facilities. Therefore, the impact on the local community is mainly on the environment, including air pollution control, water pollution control, toxic chemicals and waste management.</li> <li>➢ The actual or potential impacts of the operations of the Linyuan manufacturing site in Kaohsiung on the local community are as follows:               <ul style="list-style-type: none"> <li>- Water Management: No negative impacts in 2022, all in compliance with laws and regulations.</li> <li>- Pollutant Discharge Management: Improvements have been made to the violations in 2022, including violations of Paragraph 2 of Article 24 of the Air Pollution Control Act and Article 23 of the Stationary Pollution Source Installation, Operating and Fuel Use Permit Management Regulations Amended Clauses.</li> <li>- Waste Management: There were five waste violations in 2022 (violations of Articles 31 and 36 of the Waste</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>■ Evaluation results of operation impact on local communities</li> </ul>	Taiwan Stock Exchange Corporation Rules Table 1-2 No.5 Operations with significant actual and potential negative impact on local communities

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		<p>Disposal Act), most of which were due to documentation failures and operational deficiencies that were found to have no actual impact on the community.</p> <ul style="list-style-type: none"> <li>- Management of Toxic Chemicals: The transportation management of toxic chemicals shipped out of the plant was evaluated. As one of the raw materials (benzene) of Taiwan Prosperity is identified as toxic chemical, we have applied for the transportation permission for the relevant products and conducted risk prevention and emergency response drills to avoid any actual negative impact. In 2022, there was one toxicity and chemical of concern reporting management noncompliance. The web-based reporting process failed to be completed in a timely manner and was found to have no actual impact on the community.</li> <li>➤ Taiwan Prosperity has reviewed, remedied and strengthened education and training for these breaches and has taken a series of measures to ensure that similar situations will not recur.</li> </ul>		