



# ASSURANCE STATEMENT

## SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE CROSLINE CHEMICAL INDUSTRIES LTD.'S SUSTAINABILITY REPORT FOR 2022

### NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION

SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by Croslene Chemical Industries Ltd. (hereinafter referred to as Croslene Chemical) to conduct an independent assurance of the Sustainability Report for 2022. The scope of assurance is based on the SGS Sustainability Report Assurance methodology and AA1000 Assurance Standard v3 Type 1 Moderate level to assess whether the text and data in accompanying tables contained in the report presented and complies with the GRI Universal Standard (2021) and AA1000 Accountability Principles (2018) during verification (2023/5/2 ~ 2023/6/6) at Croslene Chemical's manufacturing plant. The assurance process did not include the evaluation of specific performance information outside the scope, such as climate-related financial disclosures (TCFD) and sustainability accounting standards (SASB).

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.

### INTENDED USERS OF THIS ASSURANCE STATEMENT

This Assurance Statement is provided with the intention of informing all Croslene Chemical's Stakeholders.

### RESPONSIBILITIES

The information in the Croslene Chemical's Sustainability Report of 2022 and its presentation are the responsibility of the directors or governing body (as applicable) and management of Croslene Chemical. SGS has not been involved in the preparation of any of the material included in the Sustainability Report.

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

### ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

The SGS ESG & Sustainability Report Assurance protocols used to conduct assurance are based upon internationally recognized assurance guidance and standards including the principles of reporting process contained within the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) GRI 1: Foundation 2021 for report quality, GRI 2: General Disclosure 2021 for organisation's reporting practices and other organizational detail, GRI 3: 2021 for organisation's process of determining material topics, its list of material topics and how to manages each topic, and the guidance on levels of assurance contained within the AA1000 series of standards.

The assurance of this report has been conducted according to the following Assurance Standards:

Assurance Standard Options	Level of Assurance
A	SGS ESG & SRA Assurance Protocols (based on GRI Principles and guidance in AA1000)
B	AA1000ASv3 Type 1 Moderate (AA1000AP Evaluation only)



## SCOPE OF ASSURANCE AND REPORTING CRITERIA

The scope of the assurance included evaluation of adherence to the following reporting criteria:

Reporting Criteria Options	
1	GRI Universal Standard (2021) (Reference)
2	AA1000 Accountability Principles (2018)

- AA1000 Assurance Standard v3 Type 1 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2018) at a moderate level of scrutiny; and
- evaluation of the report against the requirements of Global Reporting Initiative Universal Standards (2021) listed in the GRI content index where the organization has referenced for the preparation of the reported information.

## ASSURANCE METHODOLOGY

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

## LIMITATIONS AND MITIGATION

Financial data drawn directly from independently audited financial accounts, Task Force on Climate-related Financial Disclosures (TCFD) and SASB related disclosures has 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 Croslene Chemical, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

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.

## FINDINGS AND CONCLUSIONS

### ASSURANCE/VERIFICATION OPINION

On the basis of the methodology described and the verification work performed, we are satisfied that the disclosure with inclusivity, materiality, responsiveness, and impact information in the scope of assurance is reliable, has been fairly stated and has been prepared, in all material respects, in accordance with the reporting criteria.

We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting.

## ADHERENCE TO AA1000 ACCOUNTABILITY PRINCIPLES (2018)

### INCLUSIVITY

Croslene Chemical has demonstrated a commitment to stakeholder inclusivity and stakeholder engagement. Various engagement efforts, such as surveys and communication with employees, customers, investors, suppliers, ESG experts, and other stakeholders, are implemented to underpin the organization's understanding of stakeholder concerns. For future reporting, Croslene Chemical may proactively consider having more direct two-ways involvement of stakeholders during future engagement.

### MATERIALITY

Croslene Chemical had identified stakeholders based on the level of impact on stakeholders and determined material topics with negative and positive impacts on the economy, environment, and people.

### RESPONSIVENESS

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

### IMPACT

Croslene Chemical has demonstrated a process to identify and fairly represent impacts that encompass a range of environmental, social, and governance topics from diverse sources, such as activities, programs, decisions, products, and services. The relevant management systems and monitoring metrics are being implemented and developed, and they have been accurately reported in the report.

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

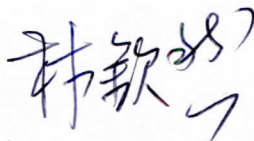
The report, Croslene Chemical's Sustainability Report of 2022, is reporting with reference to the GRI Universal Standards 2021 and complies with the requirements set out in section 3 of GRI 1 Foundation 2021. The significant impacts were assessed and disclosed with reference to the guidance defined in GRI 3: Material Topic 2021 and the relevant 200/300/400 series Topic Standard related to Material Topic have been disclosed. The report has properly disclosed information related to Croslene Chemical's contributions to sustainability development. For future reporting, Croslene Chemical is encouraged to prepare for the transition to reporting in accordance with the GRI Standards in time as it will provide a comprehensive picture of the Croslene Chemical's most significant impacts on the economy, environment, and people, including impacts on their human rights.

Signed:

For and on behalf of SGS Taiwan Ltd.

Signed:

For and on behalf of SGS Taiwan Ltd.



AA1000  
Licensed Report  
000-8/V3-ZB1BQ

Stephen Pao  
Knowledge Deputy General Manager  
Taipei, Taiwan  
07 August, 2023  
[WWW.SGS.COM](http://WWW.SGS.COM)