



Independent Assurance Statement

Scope and Approach

YFY Inc. (“YFY” or “the Company”) commissioned DNV Business Assurance Co., Ltd. (“DNV” or “we”) to undertake independent assurance over the Company’s 2023 Sustainability Report for the year ended 31 December 2023 (“the Report”). The Report is prepared with reference to the reporting principles and requirements of the Global Reporting Initiative (GRI) Standards, which also serve as the basis of our verification.

We planned and performed our work to obtain the evidence we considered necessary to provide a basis for our assurance opinion. We are providing the evaluation of reporting principles with a Type 2, moderate level of assurance, according to the AA1000 Assurance Standard v3.

We understand that the reported financial data and information are based on the data from the Company’s financial statements on the consolidated basis, which are subject to a separate independent audit process. The economic data and information have been obtained from the certified financial statements of the Company and were not in the scope of our assurance, as DNV has relied on relevant information as accurate for the purposes of our scope of work. In addition, the Company’s greenhouse gas emissions data is not substantially included in the current scope of work; relevant data available during our engagement could be subject to change according to the results of several site-specific independent verifications or the Company’s future plans on third-party verifications.

The Report also incorporated disclosures with reference to relevant sustainability reporting guidelines, such as the Sustainability Accounting Standards Board’s (SASB) Sustainability Accounting Standard for the Pulp & Paper Products industry, and the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Responsibilities of YFY Inc. and the Assurance Provider

The management of YFY has sole responsibility for the preparation of the Report in accordance with the stated criteria and for the design, implementation, and maintenance of necessary internal controls. In performing our assurance work, our responsibility is to the management of YFY. Our statement, however, represents our independent opinion and is intended to inform all of YFY’s stakeholders.

DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. We have no particular contractual or other affiliations that could lead to conflicts of interest against the current assurance engagement under the established policies and procedures to ensure unwavering adherence to the independence principle.

Our assurance engagement is based on the assumption that the data and information provided by the Company are complete, sufficient, and authentic. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Assurance Statement.

Basis of Our Opinion

A multi-disciplinary team of sustainability and assurance specialists performed work at the Company’s headquarters and site level. We undertook the following activities:

- Review of the current sustainability issues that could affect YFY and are of interest to stakeholders.
- Review of YFY’s stakeholder engagement approach and recent outputs.
- Review of information provided to us by YFY on its reporting processes and management relating to the Principles.
- Conducted interview with the selected manager responsible for the management of sustainability issues and stakeholder relationships to understand the level of commitment and recent stakeholders’ feedback.
- Conducted on-site visits to YFY’s headquarters in Taipei, Taiwan and data checks on the Company’s main manufacturing sites in Taiwan, China and Vietnam, as well as subsidiaries as specifically indicated in the Report to assess the systems and processes for implementing sustainability initiatives and preparing site-level data.
- Review of supporting evidence for key claims and 2023 data in the Report, as reported information beyond 2023 is not within the scope of the current engagement. Our checking processes were prioritised according to the materiality of issues at the consolidated corporate level. In addition, we were able to conduct interviews with the corporate functions involved, considering the nature and management of the sustainability issues concerned.
- Review of the processes for gathering and consolidating the specified performance data and, for a sample, checking the data consolidation. Where data on financial performance and greenhouse gas emissions had been checked by other assurance providers or engagements, we tested the transcription from these sources to the Report.
- An independent assessment of YFY’s reporting with reference to the Global Reporting Initiative (GRI) Standards.
- The verification was conducted based only on the Chinese version Report.



Opinion

On the basis of the work undertaken, nothing came to our attention to suggest that the Report does not properly describe YFY's adherence to the Principles.

In terms of the reliability of the performance data, in accordance with moderate level assurance requirements, nothing came to our attention to suggest that these data have not been properly collated from the information reported at the operational level nor that the assumptions used were inappropriate.

Observations

Without affecting our assurance opinion, we also provide the following observations.

- Continual enhancement of the internal data collection and consolidation protocols will further strengthen the monitoring and reporting systems and support the Company's sustainability initiatives.
- Given the extensive geographical distribution of YFY's operations, we encourage the Company to continuously consider local operating contexts when devising and implementing long-term sustainability strategies and targets.
- On the basis of existing policy commitments, we also encourage the Company to further address and integrate these commitments at the consolidated corporate level.

Stakeholder Inclusiveness and Responsiveness

The Company has identified the expectations of stakeholders through internally devised mechanisms in dialogue with different groups of stakeholders. The stakeholder concerns are well identified and documented, and the significant sustainability issues identified through this process are reflected in the Report.

Sustainability Context

The Report provides an accurate and fair representation of the level of implementation of related corporate sustainability policies and meets the requirements of the GRI Standards.

Materiality

The process developed internally has not missed out any significant, known material issues, and these issues are fairly covered in the Report. A methodology has been developed to evaluate the priority of these issues.

Completeness

The Report covers performance data against the GRI Standards disclosures that are identified as material within the Company's reporting boundary. The information in the Report includes the Company's most significant initiatives or events that occurred in the reporting period.

Accuracy and Reliability

The Company has developed the data flow for capturing and reporting its sustainability performance. In accordance with moderate level assurance requirements, we conclude that no systematic errors were detected which causes us to believe that the specified sustainability data and information presented in the Report are not reliable.

Impact

The Company presents the impacts related to its identified material topics by measuring and monitoring impacts through appropriate performance metrics demonstrating outcomes and outputs of its value creation processes. Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Impact.

For and on behalf of DNV Business Assurance Co., Ltd.

Date: July 12, 2024

Yu Chung Chen
Lead Verifier
Business Assurance
DNV Taiwan

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