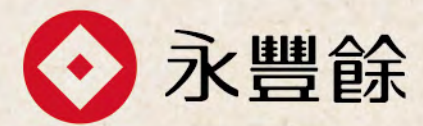




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2015 企業社會責任報告書
2015 YFY Sustainability
and Social Responsibility Report

Looking Forward to "Standing Up and Going Forth" with Taiwan



This is YFY's second sustainability report. Sustainability is a concept that sounds familiar to most of us, yet in reality seems very distant in real practice. Actually, the sustainability of the environment is closely related to our daily life. The same can be said about the sustainability of a business because it requires a business to strive to implement sustainability in its daily operations.

YFY cut its teeth in agriculture, so our connection with the environment is deeply rooted. Under the premise of supporting a sustainable business, the methods of minimizing our impact on the environment while maximizing our contribution to society is a subject we have never stopped pondering since the inception of our business.

In terms of business performance, 2015 was not a particularly profitable year for YFY. Economic growth in the emerging markets and developing countries was lower than expected, and Taiwan's economic growth also was affected by the weakening global trade activities, which was reflected in the poor performance of our investments and exports. Consequently, the Taiwan economic growth rate dropped from 3.92 percent in 2014 to 0.85 percent in 2015. At the same time, due to our reliance on domestic demand, export, and overseas markets, YFY's performance was also affected. Fortunately, thanks to the efforts of our employees and our response with an adjusted product portfolio, we managed to generate a slight profit.

However, with respect to environmental performance and social contribution, we have some accomplishments to share with you, as follows:

✓ **Energy Recycling Platform:** At the end of 2014, YFY established a cross-mill energy recycling platform by linking the significant cross-strait locations of operation. In 2015, we launched regular formal exchanges and promoted a focus on energy conservation measures to not only reinforce the operation stability of the machinery and equipment in all the mills, but also to enhance energy efficiency. In 2015, the total annual electricity saving rate reached 1.83 percent, and total electricity savings were more than 19 million kWh.

✓ **Water Recycling Platform:** In the third quarter of 2015, the cross-strait and cross-mill water recycling platform was formally established with the aim of focusing primarily in three areas: conserving system water, reclaiming fibers from water, and reinforcing water treatment functions. In 2016, the Quarterly Water Seminar was also initiated.

✓ **Volunteer services:** True social value is created only when employees are involved in volunteer services. Our mills continue to encourage employees to donate blood and supplies. In September 2015, YFY's

volunteers initiated, with the support of the Taiwan Fund for Children and Families (TFCF) in Taitung a three-year Reading Companion program to help children to read. The estimated total number of dedicated volunteer service hours is 1,200 hours.

As the ancient saying goes, "You need to crouch before you leap." When the market is less than ideal, businesses need to adjust their structures and operational fitness ("crouch"), so that they are ready take advantage of the situation when the economy improves ("leap").

The same scenario can be applied to YFY Inc. In the past two years, in addition to continuing to adjust our product portfolio to correspond with market needs, we have also proactively planned out internal professional platforms that are dedicated to different objectives. We anticipate that the experience and knowledge at one facility/affiliated company will be conveyed to the entire Group through communications and knowledge exchange via collaboration among our subsidiaries and affiliated companies. This process will result in mutual teaching and learning.

For our next step, we plan to integrate various trainings and facilitate learning programs throughout the departments and to launch the YFY College. We intend to establish a comprehensive knowledge management system, so that all of our employees can continuously enhance their professional knowledge and skills in management competency, industry trends, as well as in individual development, while reinforcing their capabilities as a team.

Internally, we aim to adjust our operational structure and the optimization of energy in terms of management, equipment, products, education and training. Externally, we hope to "Stand Up and Go Forth" with our employees and others.

Our slogan "Stand Up and Go Forth" refers to the brave and adventurous immigrant spirit, particularly unique to Taiwan. In the 15th century, Zheng He sailed his fleet to the West. In the 17th century, the first group of the Han Chinese reclaimed Taiwan. In the 19th century, the immigrants flowed into the United States for the gold rush, and by the 20th century the Taiwanese started with "a single suitcase" to sell products and conduct business abroad. This fearless spirit is our precious asset and has laid a solid foundation for the development of Taiwan.

Unfortunately, over the past 20 years, Taiwan's pace towards globalization and internationalization have slowed down. Tales of brave, outward adventures have tapered off, while at the same time the economy has seemed to have become stagnant. This is something that we don't want to happen, which is why we are here to pronounce boldly, "Stand Up and Go Forth!"

To be able to "Stand Up and Go Forth," we need to be able to first stand up and then go forth. To stand up, we must have the self-awareness and introspection to identify our unique and untapped advantages to branch out. As far as YFY is concerned, our unique bio pulp product – nPulp, which involves the comprehensive utilization of cultural straw, will enable us to develop a circular economy. It will be an important means to encourage and support us to "Stand Up and Go Forth."

In the end of 2015, the Taiwan Pavilion project, part of the 15th International Architecture Exhibition in Venice, was kicked-off. The project theme Re:Made in Taiwan, aimed to convey the concept of reuse and recycling at the exhibition. Thus, when the organizer, National Chiao Tung University, invited YFY to collaborate with it, our ideas dovetailed, and our nPulp integrated perfectly with this theme. As an environmental protection building material, nPulp not only was showcased on the international stage, but the application of nPulp also became the next milestone.

Once again at the Venice Architecture Biennale in May 2016, nPulp continued to demonstrate our care for the land, the environment, and Taiwanese culture. We hope to multiply and expand our contributions to the community and the environment linking YFY's three core focuses: the employees, the community, and the environment. Additionally, new production capacities gradually are being added to the mills, and the Energy Recycling Platform and the Water Recycling Platform are also actively researching more effective methods to use resources to achieve a balance among the production capacity, the operation, and the environment, while minimizing any impact on the environment.


The resources on earth are limited, so all types of environmental issues are constantly being identified. After the Conference of the Parties (COP) 21 on climate change, all participating countries are releasing information on their control measures for greenhouse gas emission. For businesses, these external pressures offer opportunities. Only those companies who are willing to invest the resources and efforts and consider the environmental issues as a major aspect of their business and who are committed to reaching a balance between the companies' survival and the environment, can successfully achieve sustainability. Taiwan is the root of YFY, so we look forward to "Standing Up and Going Forth" with our homeland and our countrymen.

永豐餘投控董事長

永豐餘投控執行長

邵香雲 何奕達

YFY's Innovation and Green Pathway to Sustainability, Abundance, and Prosperity




1955

Successfully developed and produced typing paper using sugarcane bagasse to replace imported paper and exported a considerable quantity.


1960

Produced Taiwan's first piece of coated art paper, and laid the cornerstone for YFY to become the largest cultural paper manufacturer.




1972

Produced Taiwan's first piece of crepe toilet paper.




1974

Produced Taiwan's first adhesive stamp sheet.



Since the 1980s

Proactively involved in reforestation, committed to the conservation of water, soil and tree species, and planted over 2 million trees in Taiwan.



1980

Established Taiwan's first and only "Paper Production Research Center" to promote the research and innovation of paper production technology.

1984

First case in Taiwan's paper industry of exporting an entire mill to overseas.



1984

Produced Taiwan's first environmentally friendly recycled paper and applied for Taiwan's first Green Mark eco-label (Xin He Recycled Paper).

1996

Established a taskforce specializing in green technology.



2000

Established "Green & Safe" and officially entered into the organic food sector.



2008

Became Taiwan's first paper manufacturing company certified by International Forest Stewardship Council (FSC), which implemented YFY's social responsibilities for reforestation and forest protection.



2011

Produced Taiwan's first greaseproof cardboard for food without laminating or plastic toxicity -- Fresh Clean greaseproof cardboard.



2013

Officially mass-produced the straw bio pulping -- nPulp® -- at Yangzhou mill.

2014

nPulp® straw bio pulping won the Silver medal of the American "Edison Award" for Environment Sustainable System.

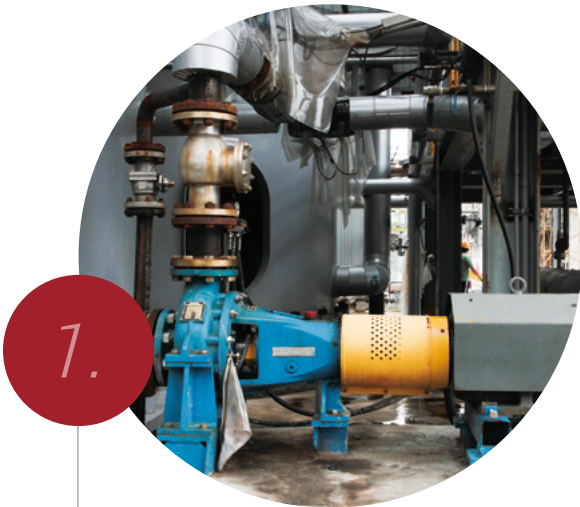


2014

Hualien mill reclaimed electrolytic salt by-products during the pulping process and established Taiwan's first "Hydrogen Energy Demonstration Base" in the industry.



A Glimpse at 2015



Annual Carbon Reduction by 8,940,974 kg:

All mills co-promoted 71 carbon reduction measures, including the replacement of high efficiency motors, increasing the power of electrical grids, etc. In 2015, electricity saving was 17,128,000 kWh, and carbon emission reduction was 8,940,974 kg.



Reused 3,753,631 tons of water:

Actively reinforced water recycling system, reduced water consumption, increased water circulation rate, reclaimed 2,393,555 tons of drain water for use in production and flushing, and reclaimed 1,360,076 tons of production drain water for reuse.



Water Consumption Reduction by 6.5 percent; Solid Production Residual Material Reduction by 10 percent:

Continued to implement the policies to reduce water consumption and solid production residual material through production residual material reuse and recycling methods. Compared with 2014, the water consumption and the quantity of solid production residual material were reduced by 6.5 percent and 10 percent, respectively.



Voluntary Blood Donation of 170,000 cc:

The mills voluntarily organized blood donation activities, and, in 2015, YFY's employees donated 170,000 cc of blood.



ISO 50001 Energy Management Systems Certification:

After the Xinwu mill and the Jiutang mill were ISO 50001-certified in December 2014, Consumer Products Group's Yangmei mill and Qingshui mill also obtained their ISO 50001 certificate in 2015, further advancing the energy management of the mills.



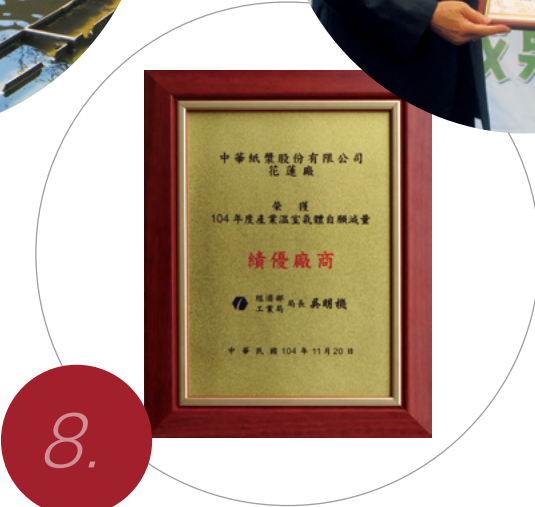
Paid Volunteer Leave Launched:

The Group's volunteer service program was officially launched. To encourage employees to get involved in volunteer services, they are entitled to two days' paid volunteer leave per year.



Nearly \$250 Million Investment in Environmental Protection Facilities:

Annual investment in environmental protection expenditures reached NT\$ 248,628,000. Investment in water treatment prevention and control facilities accounted for 66.41percent, and the ratios of the investments in air quality control equipment and solid residual material reduction facilities were 32.39 percent and 1.2 percent, respectively.



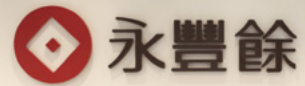
Hualian Mill Recognized for Excellent Greenhouse Gas Reduction Performance:

Hualian mill was awarded by the Industrial Development Bureau, MOEA, as the Excellent Industry Greenhouse Gas Voluntary Reduction Manufacturer for its outstanding performances on a number of indicators, including annual reduction achievement, and percentage of annual emission and reduction, and innovation, and management system, and reclaim duration, and etc.



Jiutang Mill awarded Excellent Green Procurement Unit:

Jiutang mill responded to the Government's green procurement program and was awarded an Achievement Certificate by the Environmental Protection Bureau of Kaohsiung City Government in 2015 for making green procurements of over NT\$700 million. Amongst all the companies Jiutang Mill is the first to invest the most on green procurements in Kaohsiung.



"We cannot hope to create a sustainable culture with any but sustainable souls."

- Derrick Jensen, Endgame, Vol. 1: The Problem of Civilization

At YFY we continue to look toward the future, a future that is better for our families, our communities, our countries, and the global community as a whole. A future that sets us apart in the market place with our products, creating a future that is prosperous as we continue to sustain our over 90 years of doing business as a company.

Our Sustainability and Social Responsibility Office is committed to be part of YFY's visions for tomorrow. Some great visionaries such as Masayoshi Son of Softbank said, "At first, what I have is a dream and unfounded confidence. But everything starts here." The late US Senator Robert Kennedy said, "There are those who look at things the way they are, and ask why. I dream of things that never were, and ask why not?" Visionaries are always at the center of change at YFY. We have visionaries like Chairman SC Ho who knew that alternative forms of pulp, more sustainable paper products and even alternative to paper were the future.

At YFY, we have had visions that have become reality and we have more visions that together we can make a reality.

At YFY, over 10 years ago we asked why not produce pulp to make paper that using bio-resources, less energy, and benefits local farmers. So we did, today we have nPulp.

At YFY, we invested in company that is changing the way we read books and news papers through E Ink, that produces the screens used in a large majority of the e-readers on the market.

At YFY, with our company Green & Safe we were determined to create a safe organic food network partnering with local farmers and logistics companies and we have.

At YFY, we dedicated our research and development to create product lines that were not only environmentally friendly but of great value to our customer, so we did, products like CHP's Bristol Board and YFY's High Performance liners.

So what's ahead?

The YFY vision of continuing to make our company stronger, our customers satisfied, our employees and the communities they live in a better place all starts with our continued vision of asking "Why Not."

Why Not be determined to make more products that reduce the overall CO2 out put plus the reduction of fossil fuels usage.

Why Not use bio waste from our own plants and convert it back into energy for our own operations.

Why Not continue to make a difference in our communities by supporting local farmers, organizations and giving of our own time and resources.


Visions that make a difference never come easily, dedication to overcoming obstacles or set backs are what will keep a vision from becoming a reality. At YFY we continue to build on our vision of the future, over coming the obstacles and keeping our out look of "why not" as we find the solutions that make a difference.

Sincerely,

Ronald Allen
YFY Chief Sustainability Officer



Create Future Reserve of Talents— Inaugural Cross-Division Management Training Program



In 1924, YFY started in fertilizers and paper making. Today, the YFY Group has branched into 12 vertical sectors, thanks to the support of our customers, suppliers, as well as to our employees' diligent and unrelenting efforts.


Without skilled employees, a business has no soul. According to the study from the popular book “Built to Last”, one of the key characteristics that distinguishes a company is that it develops and trains its own CEOs by promoting internally and progressively up the ranks, rather than hiring senior executives externally. We realized that in order to have the capacity to train an outstanding CEO internally, we would inevitably need to build a system for cultivating and developing effective talent to continue our leadership legacy.

YFY has always enjoyed the reputation of being the “cradle of managers.” We have always had a group of employees who have refined and improved themselves, growing with the company and helping us to overcome challenges, and who subsequently become the backbone of the company’s executive management. These individuals were instrumental in managing the overseas investment in PT Indah Kiat Pulp & Paper Corp. in 1976, the unprecedented export of an entire mill

from Taiwan to Thailand to establish the Thai Paper Co., Ltd. in 1984, the large-scale 10 Billion Growth Plan investment in 1986, and the reinvestments and diversified business ventures that followed. Now, we hope to capture and organize their professional and managerial knowledge in a systematic way, so they can become valuable assets for us to share and pass down.

After piloting it for a few years in the Consumer Products Group, YFY’s Inaugural Cross-Division Management Training Program from the Group level was launched in 2015. First, we identified the personality traits required of YFY managers, and then we defined seven key functional skills: 1) Win over Recognition, 2) Promote Team Success, 3) Learn Continuously, 4) Pursue Excellence, 5) Improve Continuously, 6) Innovation, and 7) Problem Analysis and Solving Capabilities. We use these functional skills as the selection criteria for the recruitment of management trainees.

YFY’s Affiliated Companies

Forest Products and Fine Paper Group  中華紙漿股份有限公司 Chung Hwa Pulp Corporation	Packaging Group  永豐餘工業用紙	Packaging Design and Service 		
Printing Group  永豐紙業股份有限公司 YUEN FOONG PAPER CO., LTD.  沈氏藝術印刷股份有限公司 SHEN'S ART PRINTING CO., LTD.  中華彩色印刷股份有限公司 CHESA COLOR PRINTING CO., LTD.  宏通數碼 FOONGTONE	Consumer Products Group  五月花  得意  柔情  ORANGE HOUSE 橘子工坊  freshSense 植淨美	E-commerce  永豐商店 YUEN FOONG SHOP  LIVEBRICKS 生活磚資訊服務	RFID  YEG  ARIZON RFID TECHNOLOGY (YANGZHOU) CO., LTD  永道無線射頻標籤	
Financial Group  永豐金控 SinoPac Holdings	Organic Food and Drink  GREEN & SAFE  右農購物	Biotechnology Ventures  TaiGen Biotechnology  上騰生技顧問 YFY BIOTECH MANAGEMENT COMPANY	Chemical Group  POLYLAC®	Technology Group  Eink  先豐通訊 BoarTek



YFY Managers' Seven Key Functional Skills

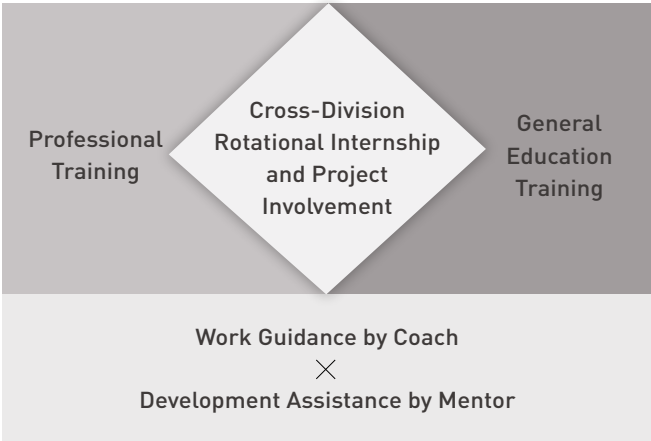


The recruitment process, which can take as long as two months, includes written examinations, English tests, interviews, and presentations on specific topics. The executives, through face-to-face interactions and observation of team presentations on specific topics, along with the aid of Human Resources Department recruitment tools, such as interpersonal style and function suitability tests, will identify the candidates who meet the required traits and invite them to join YFY.

The first year of the management training program includes a complete set of rollout-style training courses. We also make adjustments, subject to the actual training turnout and trainee feedback. The contents of the training course include 11 subcategories, such as Compliance with Laws and Regulations, Team Building, Interpersonal Communication, Problem Analysis and Solving, Time Management, Project Management, Presentation Skills, Business Management, Engineering and Public Works, Manufacturing Processes, and Quality Management. In addition to job rotation and project experience at our headquarters and subsidiaries, a quarterly appraisal of performance objectives and project results reporting is conducted, as well as an evaluation of leadership ability. We expect to formulate a successful YFY management training program from the two-year long process.

In addition to on-the-job experience, project-based training, and periodic performance review, we also provide counseling. We designed a dual system using both coaches and mentors. Department coaches are responsible for providing guidance on the trainee's routine work and the content of their project work. The one-to-one mentors periodically check on how the management trainees are adapting to the program and assist them with career-development planning. The goal is for the management trainees to have access to resources and support from the company on both the professional and psychological levels.

Key Elements of the Management Training Program



"Compared with what we have learned at school, what we have learned here is the real 'business management'!"

"This is the first time that I don't even dare to take a day off since I started schooling, because I am afraid that I would miss an important opportunity to learn."

"The amount of resources that the company is willing to invest in the management training program is really amazing, and all coaches/mentors are willing to share their valuable experiences without reservation, so we feel that we are learning while standing not on the shoulders of a giant but rather on the shoulders of 'a group of giants'."

"The effect of having peers at work to motivate each other is amazing, so I also look forward to working with these partners by fighting shoulder to shoulder and growing together at YFY!"



The YFY Business College — Establish a Knowledge Management System

In addition to the management training program with employee development as the core element, we are also planning a YFY Business College with skill cultivation as the main focus. By integrating various training and facilitated learning programs throughout the departments, we hope to establish a comprehensive knowledge management system, in which all of our employees can continuously enhance their skills in management competency and professional knowledge in industry trends, as well as invest in their individual development to strengthen their capabilities as team members. Within the framework of the Business College, we will plan the curriculum utilizing both hard and soft knowledge through actual and virtual channels.

Framework of YFY Business College

Content Framework of Both Hard and Soft Knowledge	Core professional knowledge including pulping, paper manufacturing, energy management, water treatment, industrial safety, occupational health and safety, etc.
	Soft knowledge including career development, task management, mentality adaptation, team motivation, etc.
Both Actual and Virtual Channels	YFY Business College Online Course Network
	The HR Department regular and periodic in-classroom education and training

✓ Hard and Soft Knowledge - Collect the professional hard knowledge related to the core of our business, including pulping, paper manufacturing, energy management, water treatment, industrial safety, occupational health and safety, etc., as well as the soft knowledge related to career development, task management, etc., and reorganize all knowledge into categories according to different topics, difficulties, and job types.

✓ Actual and Virtual Channels - Arrange both in-classroom and online courses, according to the characteristics of the topics, provide tailored annual curriculum for all employees, and set up KPI to motivate employees to make good use of the company's training resources.

We believe that employee development is not only a key company strategy but also a necessary and critical investment. Traditional employee training programs emphasize building relevant knowledge and skills about the business to enable employees to perform their jobs. On the other hand, employee development is more focused on the identification of employees and the development of leadership abilities within the organization, so it is not only a strategic action but also a future investment for YFY.

Our employees are the most important assets of YFY. We believe that these investments in employee development will bring positive innovative energies to the company and become invaluable assets for future employees and the organization.



Employee Language Learning Program to Boost Personnel Competitiveness

As early as 1971, the concept of lifelong learning was introduced in Denmark. Over time, it has influenced the methods of receiving education, whether it's in science and technology, business activities, or personal interests. This so-called "lifelong learning" has been assimilated into everyday life, even without our awareness through the use of the Internet and mobile devices.

In an era when information is so readily available, the ability to master new knowledge immediately, quickly, and accurately has become a requirement for career and business survival. Language ability, especially in English, helps to facilitate the comprehension of the latest industry changes and international trends. Mastery of Japanese, Spanish, Vietnamese, Thai, Korean, etc., is also critical for YFY to expand beyond Taiwan and advance internationally.

To encourage all employees to pursue lifelong learning, invest in their development, reinforce their professional skills, and enhance their team capability, we are gradually reorganizing the training and learning assistance programs, which were originally located throughout all departments, by launching the YFY Business College. At the end of 2015, we also started to formulate the funding support program for employee individual language learning. We look forward to seeing our employees reinforcing their language abilities to help us gain a stronger foothold in the regions in which we are already established, including Southeast Asia, Japan, the United States, and the United Kingdom. This language facility will help YFY achieve a more prominent global presence.

Say Goodbye to the Ergonomic Hazards through Soft and Hard Approaches

The use of ergonomics in the workplace, from the regulatory perspective, first appeared in the 2014 amendment of Occupational Health and Safety Standards, in which the newly added Article 324-1 stated, "In order to prevent laborers from musculoskeletal disorders caused by poor posture, excessive application of force and extremely high operating frequency, etc., preventive measures shall be taken."

At YFY, we go above and beyond in abiding by government laws and regulations with respect to handling ergonomic hazards. How do we do it? First, we conduct an employee survey, and then, based on the results, we take a dual approach from both a soft and hard perspective.

We have discovered that to effectively prevent ergonomic hazards, we need to factor in ergonomic hazards in the design of operating equipment and also consider job functions. Employees are required to learn how to maintain correct postures while working to protect themselves, as well as to reduce the chances of an ergonomic hazard incident by strengthening their muscles.

In 2015, YFY's Consumer Products Group released a set of operation standards dedicated to ergonomic hazard prevention. The standards define the roles and responsibilities of our headquarters, the industrial safety offices at all mills, the health center, the executives of the operation units, and all employees. Additionally, we investigated and evaluated

ergonomic hazard prevention operations through an employee survey. After the data were collected and analyzed, we developed a dual approach utilizing soft and hard aspects to assist employees in the prevention of all possible ergonomic hazards.

Soft approaches: The registered nurses at all mills were asked to serve as health ambassadors to teach the correct health postures through daily interactions and weekly onsite visits. Physiatrists also were invited regularly to offer classes to the employees, so they could learn and practice the correct working and movement postures. We also collaborated with the professional sports coaches who taught employees how to strengthen the muscles of specific body parts to reinforce their endurance and reduce the possibility of ergonomic hazards.

Hard approaches: We discovered that several employees on the pocket-size facial tissue production line had raised the issue of leg soreness caused by standing for long periods. After further investigation, we purchased pressure-releasing, anti-fatigue insoles for them. Follow-up data indicated that the use of the insoles has reduced the pressure on their feet by 54.86 percent. Interviews with these employees using the insoles also confirmed that their leg soreness problem has been significantly relieved. Separately, several employees responsible for paper-feeding on the box tissue paper production line reported suffering muscle soreness of their upper arms and shoulders, so we are gradually adopting automatic paper-feeding one production line after another.





Alternative Training Methods: Music Appreciation and Spiritual Growth

Listening to beautiful music can bring back sweet memories, relax the nerves, relieve stress, and inspire people to move forward.

Studies have shown that cows listening to music produce better quality and higher output of milk. Experiments also have confirmed that Mozart's music helps to reinforce a person's reasoning ability. The positive impact of music on human beings may be greater than what we could have ever imagined.

In 2015, the Packaging Group launched the first tour of music appreciation courses around the mills. We invited Director Chen Chong-Xiong of the Kaohsiung Design Center to serve as a key lecturer to first study our employees' job functions, the pressures they face at work, and the responsibilities entrusted upon them by the organization.

Afterwards, he used music as a method to guide employees through three stages: listening, reflection, and introspection. This exercise enabled them to reflect upon their position within their team, the team's position within the company, the company's position in the industry, and the industry's position in the economy as a whole, and to identify together the equation for success.

The elements of the course are very basic, using only music, images, and questions and answers (Q&A). However, the design of the course content is anything but simple, as the direction of the course was not confirmed until the Assistant Manager of the Packaging Group, Ou Zhe-Hong and Director Chen had discussed it for nearly a quarter of a year. Only 70 percent of the content was applied to all of the mills, and the other 30 percent of the content was tailored to the characteristics of each mill and the composition of the participating employees.

At the start of the course, the lecturer played music and showed the images on the computer, while guiding the employees to gradually relax through listening and appreciating the content. Next, while music videos of singers/amateurs played, the lecturer used the elements in the songs as an opening to ask employees about their definition of happiness, what their dreams were, what troubled them, and the importance of work and life to them, etc. And then, based on employees feedback, the discussion focused on functions of the team, their roles on the team, how to succeed in cross-departmental cooperation, the current challenges the company faced, and finally, collective brainstorming on the current state of the industry and the path to its survival.

Even though it was quite experimental in terms of education and training, the ideas and reflections coming out of the interactions were far beyond our expectations. Indeed, the philosophy of business comes from the crystallization of collective wisdom. One-way communication has limitations in its effectiveness, whereas interactive exchange allows the employee's voice to be heard and provide a genuine value to education and training.



Make Employee the Spokesperson – Qingshui Mill's CBN Competition

Both domestic and foreign research has shown that when employees understand a company's vision and philosophy, it has a positive effect on enhancing employee cohesiveness and improving employee productivity. However, the big question which puzzles many businesses is, "What kind of communication really enhances the employee's understanding of the company's philosophy and vision?"

At YFY, our approach has been to encourage employees to be actively involved in the communications and dialogues in our company.

At the end of 2014, the management team of the Qingshui mill of the Consumer Products Group outlined the mill's three-year targets for 2015-2017 and created the slogan CBN 2017 to highlight them, as follows:

- ✓ **2 = 2 million safe working hours**
- ✓ **0 = zero quality incidents + zero environmental incidents**
- ✓ **17 = reduce the costs on the manufacturing process by 17%**

After the CBN 2017 slogan was announced and the targets were explained at the quarterly Qingshui Day employee activity and at all group meetings at the mill, a CBN 2017 poster competition for employees was held. Within a month, we received a total of nearly 70 designs from employees. Their diverse and creative designs and

interpretations were impressive. Some employees selected their representative colors according to the three targets of 2017, and other employees used the idea of "Let's go hand in hand towards our vision!" as their creative concept, while still others used the implications of different targets in their interpretations.

Through the employees' visual interpretation of the CBN 2017 targets, it has successfully become a slogan that all employees can remember and recite. Along with the quarterly KPI tracking, as well as the corresponding objectives for production, industrial safety, and quality control, the whole team of Qingshui mill can now work together as one towards achieving the targets of 2017.



Energy Recycling Platform: Discovering the True Value of Resources



"Take what we deserve and give what we owe to maximize our positive impacts on the society and, at the same time, reduce the traces left behind on Earth; that is corporate social responsibility."

Felix Ho, CEO of YFY Inc.

At YFY, from our founder down to all employee levels, we believe it is to everyone's benefit to serve society's interests, as well as to subscribe to the belief that "all beings are created to realize their own missions." The concept of waste reuse or converting waste into usable material is nothing new to YFY. Since 1998, we have been attempting to recycle waste tires, which caused serious environmental and health problems at that time, to fuel the cogeneration boilers at the Xinwu mill. After several attempts, we finally succeeded in the alteration of the boilers, which resulted in the ratio of waste tires for total boiler fuel energy exceeding the world record at that time. To date, more than 400,000 tons of waste tires have been reused in Xinwu mill.

In addition to addressing problems in our society, we continually think about opportunities to minimize our impact on the environment. As an example, we not only use the residual organic sludge produced during the pulping and paper production as fuel, but we also mix the sludge, produced during the pulping process, with wood chips to convert it into an organic fertilizer after a fermentation treatment. Our organic fertilizers are recommended by domestic high quality organic fertilizer brands that are recognized by the Agriculture and Food Agency, Council of Agriculture Executive Yuan. We are also the first company within our industry to treat solid production residual materials, other than metal, by crushing,

sorting, drying, mixing them with additives, and transforming them into refuse derived fuel (RDF). Through our efforts, we also have successfully persuaded the Taiwan Government to formally change the definition of RDF from waste to fuel.

Waste to fuel is not merely a change in terminology but also a change in attitude. At YFY, we aspire to apply our ancestors' wisdom of "all beings are created to realize their own missions," by eliminating the concept of waste from our minds, discovering the unique value of each resource item, and using them well and wisely.

YFY's Energy Recycling Platform was established at the end of 2014 and fully operational in 2015. We hope to reorganize and consolidate the Group's resources and experiences, not only for ourselves but also for society as well, so we can contribute even more in terms of energy conservation and resource utilization.

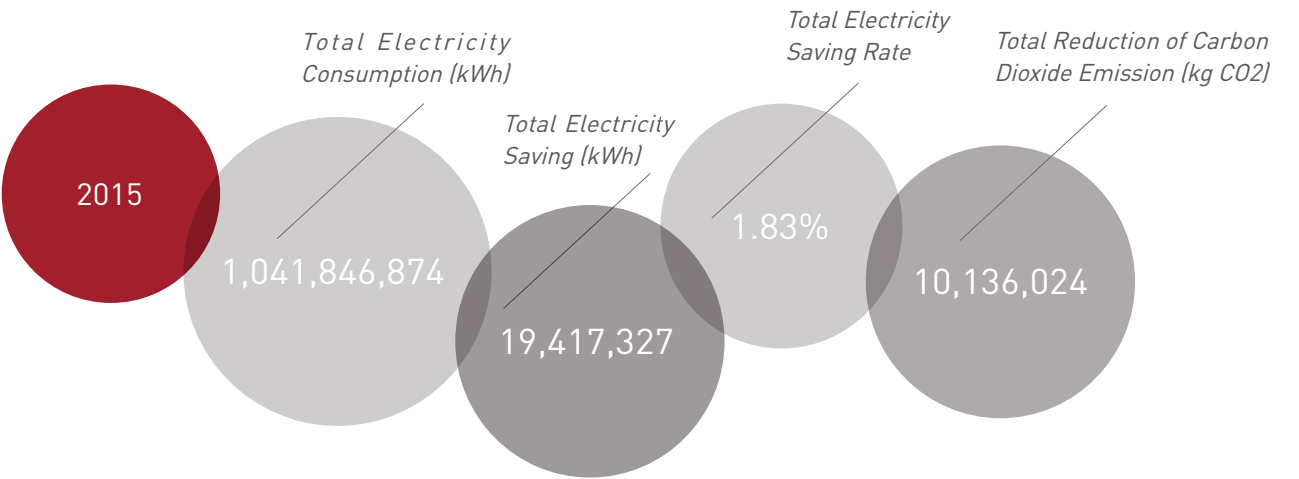
The Energy Recycling Platform has both internal and external missions. Internally, with respect to the unique and common characteristics of all mill equipment, we hope to reinforce the operation stability of all mill machinery and equipment, as well as enhance energy efficiency through communication and leadership legacy. Externally, we aspire to introduce new external technical and scientific knowledge through the platform. We also are actively cooperating with government bodies, non-profit organizations, and

In 2015, the Energy Recycling Platform initiated the following key projects:

1. Topic-Centered Mill Mutual Review System: In 2015, the employees in charge of energy management were assembled for several brainstorming meetings to discuss the key points of energy management, including pipe insulation, air compression, steam drainage, etc. Each quarter, one topic is selected as the review topic, and the employees from one mill will review another mill and provide a deadline to submit an improvement plan.
2. Quarterly Demonstration and Exchange meetings: Each quarter, one mill will be chosen to host the demonstration

and exchange meeting. During the meeting, the host mill will also arrange an energy management tour to demonstrate the results of improvement after its last energy review. Additionally, all participating mills will share energy-related incidents from the previous quarter and suggest energy related issues for all employees to discuss and exchange ideas.

3. Education and Training: Use the quarterly demonstration and exchange meetings to identify the skills or knowledge the employees lack during practical operations and invite the specialist for additional employee training.



At the end of 2015, we officially undertook what seemed like an impossible mission —the examination of all motors at all of our Taiwan mills.

According to the statistics, motors are the major electricity-consuming equipment across all industries, and its electricity consumption accounts for 70 percent of total industrial electricity consumption. The number of total motors distributed throughout the mills is staggeringly large. Without a common management system or even a basic data collection method, when it comes to thinking about energy-saving programs, most businesses are not willing to invest the considerable amount of time or efforts on this important but cumbersome project.

Following the Confucius' spirit of "knowing what is impossible but proceed anyway," by the end of 2015, we spent more than three months taking inventory of tens of thousands of motor in all mills in Taiwan and testing their load factor. Through our investigation, there were about 700 motors running with operating current less than 30 percent. These were the ones to be replaced in the first round. By the first quarter of 2016, more than 500 motors had been replaced. The ones to be replaced in the second round would be the motors with a load factor less than 50 percent. The ultimate goal was to have all the motors at

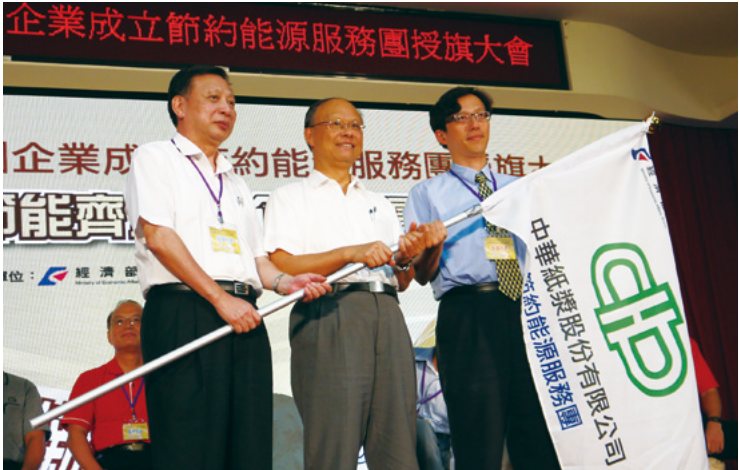
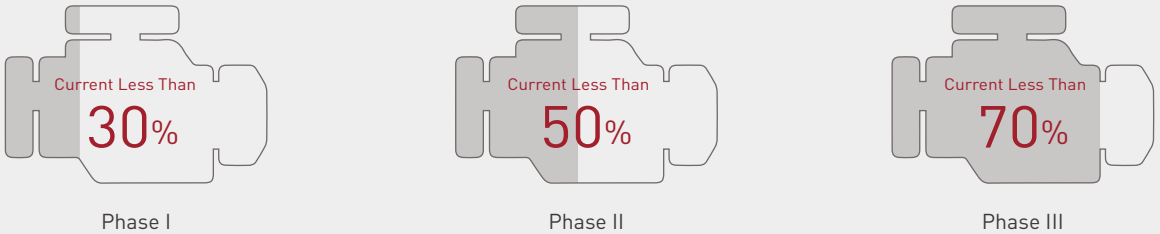
all mills always running with operating current above 70 percent to ensure optimal energy efficiency.

Meanwhile, while facing the wave of green energy and renewable energy, we have succeeded in reclaiming hydrogen, the by-product of the pulping process, and purifying it to use as fuel at Hualian mill. We are also carefully assessing the possibility of installing solar panels at each mill to generate our own electricity.

Additionally, we will soon be collaborating on related projects with the Industrial Development Bureau, the Environmental Protection Bureau, as well as industry associations, and expect to be able to provide updates on our progress soon.

For next steps, we plan to share the knowledge related to the Group's internal energy and production residual material on the platform and online. We will gradually set up an education and training platform and information exchange forum to provide professional training to new hires, as well as to all technical personnel. By challenging and learning from one another, relevant experience can be gathered and shared to maximize their value.

Motor Replacement in Three Phases , 30%, 50%, 70%



CHP Energy Conservation Engineering Project: Save 40 Million kWh in 3 Years

At YFY, energy conservation is a deeply ingrained in our thought process. We understand very well the close relationship between the pulp and paper industry and the sustainability of the environment. We are always looking for production process improvements and efficiency enhancements. Over time, all our mills have not only developed their own energy conservation practices through internal brainstorming and review, but they also have established their own effective management systems and processes through the introduction of external systems, including the ISO 14001 Environmental Management certification and the ISO 50001 Energy Management System.

In 2015, in response to the Energy Conservation and Carbon Reduction Plan initiated by the Bureau of Energy and Ministry of Economic Affairs, Chung Hwa Pulp Corporation established a cross-mill energy conservation engineering project. With guidance from the energy conservation service team entrusted by the Ministry of Economic Affairs, we are expected to reduce energy consumption by 5 percent in three years, save electricity consumption by 40,680 thousand kWh, and reduce carbon dioxide emission by 39,603 tons through the following measures:

- ✓ **Update Production Equipment:** Replace old production equipment, add devices with energy-saving features, according to the requirements of the paper mills, and purchase and install high-efficiency motors, etc.
- ✓ **Enhance Energy Efficiency:** Reduce leakage of compressed air, reduce the temperature of air intake by compressors, control the oxygen content, and reduce the temperature on the surface of the furnace walls.
- ✓ **Renew and Reuse Resources:** Increase white water reclamation rates, reclaim the production sludge and residual materials, using them as alternative fuels, and make steam with the hydrogen produced during the production, etc.

The above-mentioned energy conservation projects have been gradually implemented at all mills. Using the Hualian mill as an example, in 2015, we invested NT\$17 million in the project to make steam from hydrogen. By collecting this byproduct, drained from the production in the electrolysis and pharmaceutical departments, and burning it in the lime kiln, we are able to create steam to partly substitute for the use of heavy crude oil. The device started operating in April 2015, and in that same year, the annual reclaimed amount of hydrogen reused reached 1,889,600 cubic meters. If we convert the steam generated to calculate the quantity of heavy crude oil that would otherwise be required, the total saving of heavy crude oil would be an astounding 436,300 liters.

Water Recycling Platform – A Triple Approach of Water Conservation, Reclamation, and Treatment Optimization

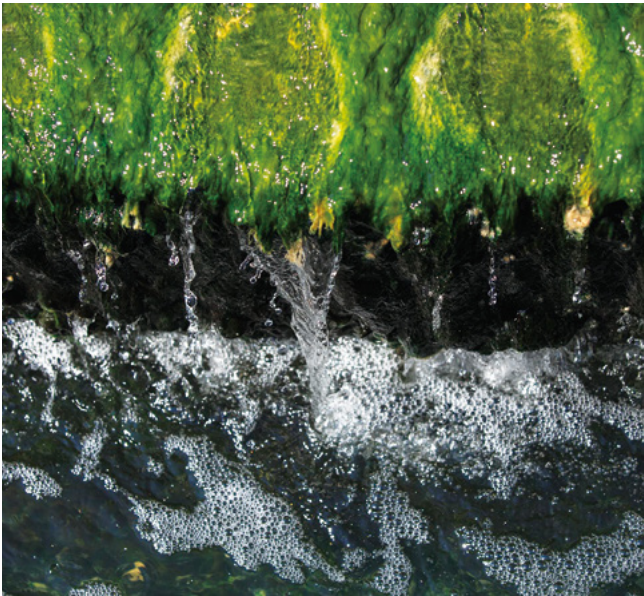
YFY considers water a precious resource. It is one of the major raw materials required for pulping and paper production. From the separation and restructuring of fiber to the forming of paper, water is used in many steps during production.

In the fourth quarter of 2015, we officially established the Water Recycling Platform, positioning it as the experience-sharing platform for water recycling and treatment. In consideration that each mill's water treatment system has its commonalities as well as its own uniqueness, platform personnel carefully inspect each mill's water treatment system, from pipe to pipe and from pool to pool, including the paths, recycling, and treatment at the end of the pipes. They also reference new technology and study the unique characteristics of the production processes at each mill, with a commitment to search for the most conservative water-use approach at each mill.

The major tasks of the Water Recycling Platform include:

1. Systemic Water Conservation Plan: Plan water circulation paths and assess the feasibility of water recycling and reuse from all points of production.
2. Reclaim Fibers at Water Drainage Sites: Examine the quantity and quality of drain water at drainage points at all mills. In addition, plan related recycling program. Fiber recycling not only reduces fiber runoff, from which we can make the best possible use of materials, but also alleviates the loading on the drain water treatment plant.
3. Reinforce Water Treatment Function: Optimize the existing drain water treatment system, install monitoring and inspection equipment, and standardize sampling and inspection methods.
4. Education and Training: Share water recycling and treatment experiences. Conduct case discussions and visit the designated mills on a regular basis to promote the exchange of technology and knowledge.

With the implementation and promotion of the Energy Recycling Platform and Water Recycling Platform, together with all YFY employees, we look forward to moving towards our unwavering vision of environmental sustainability.



YFY HQ Building Wins Energy Conservation Award

In the past century, Taiwan has experienced global warming along with the rest of the world, but Taiwan's increase in temperature (0.98-1.43°C/century) is far greater than the global average (0.6°C/century). According to International Energy Agency (IEA) statistics, the energy consumption of buildings accounts for about 30 percent of total global greenhouse gas emissions. Therefore, conserving the energy consumption of our buildings is an absolute priority for us.

We have been proactive in this area. Since 2013, theYuen Foong Hsin-Yi Building, where our headquarters is located, has initiated several energy conservation projects, and the results have been outstanding. In 2015, we won dual recognition, receiving the Taipei Energy Conservation Leadership Award for Industrial and Commercial Sectors Group A-Excellence Award and the Taipei Commercial Building Energy Conservation Label Certification.

The specific conservation projects and their results are as follows:

- ✓ Elevator Update Project with Dual Efficiency in Energy and Time: The new elevators use the advanced permanent-magnet motors, which replace the traditional helical gear motors, to eliminate transmission losses between the gears, reaching 100 percent efficiency. Through elevator energy regenerative technology, the electricity consumed is regenerated and reused, and it is expected to save more

than 40 percent of the electricity consumed by elevators. Additionally, since the new elevators' response speed is enhanced, the average elevator waiting time has been reduced by 20 percent.

- ✓ Renew the 250-ton Air Conditioning Chiller with the Partial Ice Storage System to Shift Peak-Hour Demand: Ice is made during off-peak evening hours to shift the peak hour demand. The ice melting during peak hours reduces the electricity consumption of the air conditioner. In the winter, the ice melting can serve 100 percent of the demand for air conditioning during peak hours, so the electricity consumption of air conditioning in the building has been successfully reduced by 30 percent.
- ✓ Install New Heat Exchangers: In 2012, the old heat exchangers were replaced with brand new ones. The annual energy conservation reached 183.7 thousand kWh and the CO2 emissions were reduced by 95.89 tons.
- ✓ LED Lamp Replacement: The traditional lighting fixtures in the buildings were gradually replaced with LED lamps, yielding an annual energy conservation efficiency of about 145 thousand kWh and CO2 emissions reduction by 75.68 tons.
- ✓ Introduce Water Dispensers with Energy Labels: Energy conservation is achieved by installing automatic switches to turn the dispensers on and off during and after business hours and having automatic shutoffs during the weekends.

YFY's Dream for China: Fertile Farmland and Wealthy and Healthy Farmers Everywhere

China has a population of 1.4 billion and is the world's largest rice-producing country. However, the farming methods over the past decades, which focused primarily on maximizing output, has resulted in soil depletion and a considerable amount of residue from chemical fertilizers and pesticides.

YFY has often wondered if there is a method that takes into account agricultural production ecology, farm profits, and consumer health concurrently and that may even produce the circular economy that YFY has long desired. The Fertile Farmland project, which is still in its pilot stage, may be the solution.

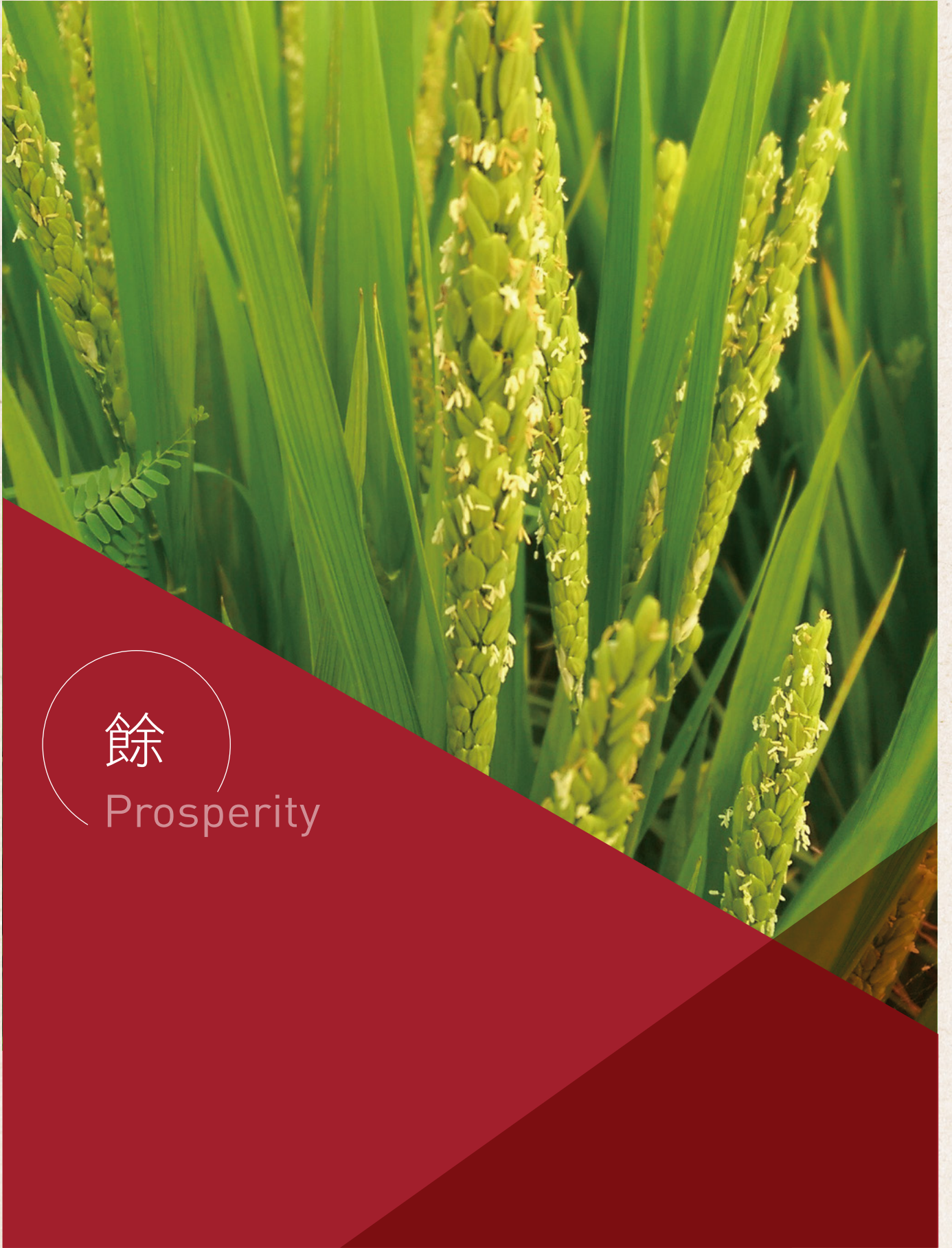
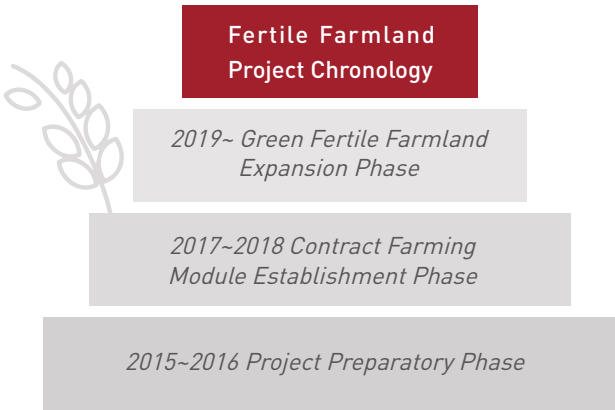
In 2015, the Fertile Farmland project was officially launched. It adopted a farming method that involved compliance with organic farming regulations, cultivation of various species of rice, and selection of the species which have the best potential for commercialized mass production. A contract farming module was gradually established to set up a three-fold framework that includes the business, the farmland, and the farmers. The framework follows the model of "The enterprise provides the farmland; the farmland nurtures the farmers; and the contract farming connects the three parties." Through this framework, a consistent operating system of production, purchasing, milling, and sales is established.

The characteristics of the Fertile Farmland project are as follows:

- ✓ Green Farming to Safeguard Consumer Health: The farming method that complies with the organic farming regulations is adopted throughout the whole process to select the species of rice that have the potential of market competitiveness. Subsequently, the contract farming module is established to ensure the consistency of seedlings, machine transplanting, management of plant diseases, pests and fertilizers, etc., to ensure the quality and safety of the rice.

- ✓ Guaranteed Acquisition to Increase Farmers' Income: Sign guaranteed acquisition agreements with the contract farmers to purchase not only rice but also the agricultural waste straws. This would solve the air pollution problem resulting from burning straws and generate additional income for the farmers.
- ✓ Make Best Use of Resources to Sustain Soil Fertility: Take full advantage of each part of the rice farming process. In addition to the acquisition of the rice and straws, we also would reclaim scraps, such as straw chips, hulls, and barns to make natural organic composts and return them to the farmland for sustainable soil fertility.

The vision of the Fertile Farmland project involves not only assuring an eco-friendly farming method, but also enhancing farming efficiency, taking care of both farmer and consumer health, and further developing sound farm villages and farmer organizations. This vision will create higher added value for the rice farming industry and give back to the farmers. As far as the national development and the world environment are concerned, the planning of better business models allows us to consolidate China's grain production and simultaneously solve the carbon emission pollution problem resulting from the burning of straw. We look forward to the day when the Fertile Farmland project will create a triple surplus for the farmland, the farmers, and the environment.



YFY Taitung Children's Academy

Influencing Other Lives with Our Own



There are many different ways to establish a relationship with the community. In YFY's first year of volunteering, we chose an old-fashioned but congenial approach—the Reading Companion Program, which is supported by the Taiwan Fund for Children and Families (TFCF) in Taitung. Over a three-year period totaling 1,200 hours, YFY employees volunteered to help children with their reading.

Starting from 2015, our employees are entitled to two days of paid volunteer leave to participate in volunteer services. When we thought about launching YFY's first volunteer project, we discussed and considered various activities that would gain the full support of our senior management, as well as generate enthusiasm and commitment from all our employees. We finally decided on a project that would be mutually beneficial for our employees and the community—the Reading Companion Program, YFY Taitung Children's Academy.

The design of the project was straightforward. We targeted Taitung, a location which has limited community education resources. It is also where YFY's mill was established more than 50 years ago. We recruited a group of 20 volunteers to pair up with children at the Taitung branch of the TFCF. We established two libraries in Taipei and Taitung with suitable children's books. Each branch had identical book collections. Every Wednesday afternoon via online video conferencing, the volunteers would accompany the children in reading one to several books. Our hope is that by serving

as reading companions, the children will establish good reading habits and increase their literacy. We also expect our volunteers will have a positive influence on the children, serving as their spiritual guides, assisting them in deportment, and teaching them values.

YFY Taitung Children's Academy is a long-term commitment of three years. Our volunteers are expected to build stable relationships with the children during this period. They must be both mentally and emotionally prepared to become part of a child's life and understand that the child will also become part of their life journey.

Influencing other lives with our own—this is the core concept of the YFY Taitung Children's Academy project. We don't expect to transform the lives of the children or the volunteers with just one project, but we are confident that the whole experience will have a heartfelt impact on all of them. Perhaps one day in the future, when one of the children is at a crossroad, the life-altering choice he or she makes can be credited to the companionship and memorable moments shared, a single sentence exchanged, or even a book read

Hand-made Paper Bookcases, Desks, and Chairs for Children to Enjoy the Fun of Reading with Companions

The four design centers of YFY Packaging Group also made important contributions to the reading program. The centers built a full set of paper arrangements and paper furniture for the Children's Academy to make the children feel welcome at YFY.

The Packaging Group's printing team led the furniture project, coordinating the production by the four design centers in Kaohsiung mill, Changhua mill, Pek Crown mill and Taoyuan mill. This was also the first collaboration effort among our four centers.

First, our colleagues from Kaohsiung mill went to the TFCF to take measurements and confirm the requirements. Afterwards, a joint design center meeting was held to discuss the design, assign and allocate the work, and finalizes the design with the following features:

1. Paper Bookcases with Storage Function: Because the duration of the project was three years, we designed book cases strong enough to support the weight of the 500 books in the collection, and we added drawers with extra storage space to accommodate additional books. To make the bookcases more visually appealing, we designed 20 different animal patterns for the drawers and filled the space with playful elements, using the Taoyuan mill's newly purchased flatbed plotter for printing.
2. Foldable Japanese Style Desks with Japanese-style cushions: The classroom used by the project serves as a multifunctional

classroom, so the furniture may be moved or stored at any time to maximize the use of the space. We designed Japanese-style desks with legs that can be easily stowed, without requiring much space. In addition, the desktop design is trapezoid-shaped with a narrow top end and wide bottom end, so that when the narrow side of the desks are placed side by side, it becomes one large, long arc-shaped desktop. The design allows the social workers and teachers to sit in the middle and observe each child, making the interaction more intimate.

3. Other: We also made a series of decorative and functional paper products, including owl-shaped pendulum clocks, elephant-shaped pen holders, file folders, storage boxes, etc., which enhanced the use of the overall space.

We were concerned that the extra work from the Children's Academy furniture design project would burden our design center colleagues, so we were surprised when they expressed that this project brought them a lot of joy and rewarding feelings. What made us even happier was that the paper furniture in the classroom of the Taitung branch of TFCF was welcomed with great acclaim. Many of the children were amazed that the furniture was constructed from paper, touched it and asked, "Why is it so hard? Is there iron inside?"

YFY Taitung Children's Academy is just a first step in our efforts to create a win-win experience for the employees, the children, and the community through hands-on community involvement and public welfare project.





All Corrugated Cardboard-Based Exhibition Triggers Students' Unlimited Ingenuity

The creative sparks that can be ignited by the cooperation of industry and academics were revealed at the 2015 Young Designers' Exhibition (YODEX). Started in 1982, the internationally-renowned YODEX is Taiwan's largest joint exhibition of graduate works by design institutions. It is where graduating design institute students display their masterpieces highlighting their artistry and skills to mark their academic achievement.

For the Taiwanese design industry, it is also a significant annual event where the design community's new generation of creative ideas is brought together. Each year, tens of thousands of visitors attend the event, drawing an abundance of creative energy.

In 2015, YFY collaborated for the first time with the Industrial Design Department of National Cheng Kung University (NCKU). It was also the first time that NCKU design students used corrugated cardboard as the major structural design material for their entire exhibition space. The exhibition, named Triggering Ingenuity, featured 18 pieces of work by 56 students who hoped their creations would trigger a chain reaction of creative thought and jumpstart a global trend.

To inspire the professionals and the general public to be

fully "triggered" for "ingenuity," YFY substituted wood boards with corrugated cardboard and worked with the students to design an environmentally-friendly and reusable modular exhibition space that also was easy to move and transport. Among the modules, the wall surface of the central darkroom was predominantly constructed with AB-flute corrugated cardboard without adhesive and connected with a mere snapping action. Since only six different shapes were used to form the structure, the assembly process was quicker, and the possibility for mistakes was reduced. The structure had a reinforced design, so that even if it was shaken vigorously or someone leaned over it, it would still remain as steady as a rock. For the 18 platforms that had a wooden facade, the inside was constructed with AB-flute corrugated cardboard with an interlaced design structure, making them lightweight and easy to move and transport. The structure of the booths and chairs was made out of AB-flute cardboards, and a layer of white veneer wood board was pasted on the exterior of the booths to improve its appearance.

We hoped that participants and spectators would appreciate that the concept of a green exhibition space can be easily achieved, using a detachable structural design that is easy to move and transport and offers convenient storage. We also hoped that the viewing public would also perceive the subtle message YFY and the students of NCKU meant to convey: Trigger the brain for a little more ingenuity, and anywhere can be the starting point of making the world a better place.

The Cogeneration System of Jiutang Mill Achieves Real Harmony and Symbiosis with the Community

Established in 1948, Jiutang mill is YFY's first mill, as well as the company's first entry into the paper industry. Since its inception nearly 70 years ago, Jiutang mill has witnessed the development of the Dashu District in Kaohsiung City, as well as the transformation of the surrounding area from a place of few inhabitants to a lively, vibrant community with neighboring houses built against the walls of the mill.

To enable the residents in the community to live comfortably, Jiutang mill has always utilized the highest standards in self-discipline and self-review. The cogeneration system, launched in 2009 and fully operational at the end of 2010, is the best example of genuine harmony and symbiosis with the community.

Empty Bunker

To prevent potential air quality impact caused by holding coal in the bunker, Jiutang mill boldly adopted an operating method of not storing coal. For 24 hours a day, the coal delivery truck is controlled, the coal material and coal level for the cogeneration system are constantly monitored, and the coal suppliers are kept in touch with at all times, to ensure the coal supply is steady without any interruption. The Director of Jiutang mill, Hsieh Yan-Chang report, "Once there was a strong typhoon, and the usual road the coal truck takes was cut off, so we immediately contacted the supplier to guide the coal truck, in order for it to arrive at the mill within the time required."

This statement demonstrates the team's crisis management capability in always being prepared.

- Success Record: Since the inception of the system, the supply of coal has never been interrupted

- Management Principle: Consider transport as part of production and manage it, and anticipate all problems that we might encounter and plan alternative solutions.

Clean and Dust-Free Chimneys

To eliminate community concern regarding any possible misunderstanding and doubts about the cogeneration systems, Jiutang mill adopts a level of transparency that is stricter than what is required by the laws and regulations. The gas emissions from the system chimneys comply with regulatory requirements, and the gas is virtually transparent without any particulate matters, completely erasing the old image of the "smoke-free" chimneys. Jiutang mill uses Taiwan's first high frequency vibration dust collecting equipment. Strict management assures that operating conditions and routine checks are regarded as the golden rule and closely complied with.

- Success Record: Measure all environmental data and ensure they are superior to both the central and local governments' requirements.

- Management Principle: Take care of the cogeneration system, as if it is our own home, so that whatever needs to be improved and handled should be done fully and completely.



● The cogeneration system chimneys in operation at Jiutang mill



● The pure white periwinkles are planted around the cogeneration system at Jiutang mill. These little white flowers are the best spokesperson for the high standard



AED Mission: Qingshui Team's Successful Rescue

According to statistics by the Ministry of Health and Welfare, heart disease ranked second amongst the top ten leading causes of death in 2014. Deaths caused by heart diseases are mostly due to sudden cardiac arrest, and electric shock is the best way to restore a normal heartbeat. From the standpoint of employee healthcare and workplace safety, we installed AEDs, which can automatically detect the patient's heartbeat and provide electric shock treatment, in all of our major offices and mills in Taiwan. Currently, there are a total of 24 units of AEDs installed.

Because of the distance between most of the mills and medical facilities and the small window of time to perform emergency measures after a heart attack, we arranged for all mill employees to receive training on the use the AED. We also plan for new hires to receive AED hands-on education and training, as well as provide ongoing on-the-job training every two years. In 2015, the proportion of active Qingshui mill employees that completed the training was 98.4 percent.

The AED would help us prepare for the worse-case scenario, but we never anticipated that the equipment would actually come in handy until June 29, 2015, when a construction contractor collapsed on the grass of the Qingshui mill garden during the lunch break. After employees witnessed the incident, the emergency notification system was immediately launched according to standard operating procedures (SOP). In the meantime, while the hospital was notified to dispatch an ambulance, mill personnel rushed to the scene and

At the beginning of 2014, a contractor responsible for cleaning work at headquarters suddenly collapsed on the floor from an apparent heart attack. Fortunately, a nearby colleague immediately performed CPR and successfully resuscitated the contractor, who was later sent to the hospital with no serious problems. Even though this incident was ultimately resolved, we realized that first aid is a race against time. Therefore, we started a program to install an Automated External Defibrillator (AED) at all of our locations in Taiwan.

assessed the patient who was unconscious without a heartbeat. CPR was immediately performed on the contractor, and someone was sent to fetch the AED. Our colleagues at the scene, using the skills they learned during the first aid training, correctly used the AED. Per the AED instructions, electric shock was performed three times, before and after the ambulance arrived. CPR was performed and the AED was used again in the ambulance. By the time the patient arrived at the hospital, his heartbeat had returned, and the rescue data recorded on AED was used by the physician specialist to help diagnose the patient's medical condition.

Our Qingshui mill colleagues received recognition and praise from the health care personnel at the hospital. The patient, under the hospital's care, recovered and returned home to recuperate a few days later.

Even though we hope that incidents like this will never happen, the experience of saving a life with an AED made us appreciate the importance of first aid training. But purchasing first-aid equipment is useful only if all employees are willing to receive first-aid training and value its importance. Only then will our workplace truly be a safe and assuring, giving us a peace of mind.