

Validation Opinion Statement of Carbon Neutrality Declaration

The Carbon Neutrality Declaration of

TCI Co., Ltd.

**S5 Functional Drink Factory, S9
Functional Food Factory and S11
Eco Facial Mask Factory**

No.12, Shennong Rd., Changzhi Township, Pingtung County 90846, Taiwan (R.O.C.)
No.21, Nongke Rd., Changzhi Township, Pingtung County 90846, Taiwan (R.O.C.)

has been validated in accordance
with ISO 14064-3:2006 as meeting the requirements of

PAS 2060:2014

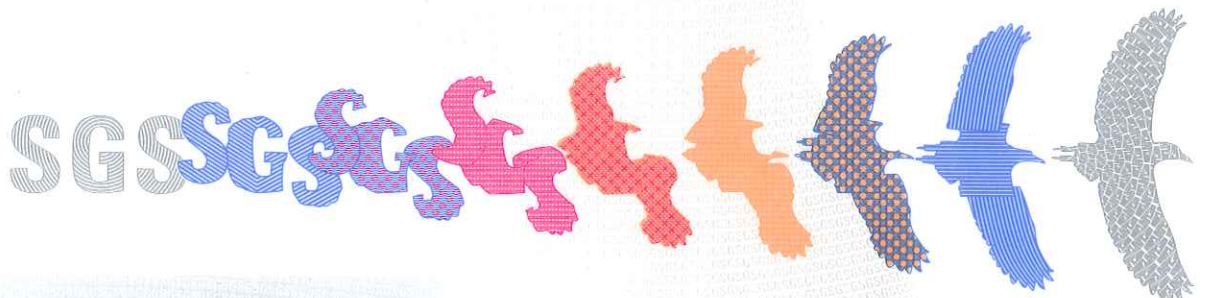
Authorized by



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Issue Date: 23 July 2019
Expiry Date: 22 July 2021
Version 1

TGP 5615E-2 1901
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Statement TW19/00240PAS, continued

SGS has been commissioned by TCI Co., Ltd. (hereinafter referred to as "TCI"), 8F, No. 187, Kang Chien Rd., Nei Hu Dist., Taipei, Taiwan (R.O.C.) to conduct the carbon neutrality validation of the year 2018 organizational level greenhouse gases emissions provided by TCI Co., Ltd. S5 Functional Drink Factory, S9 Functional Food Factory and S11 Eco Facial Mask Factory (hereinafter referred to as "TCI S5 & S9 and S11 Factories"), No.12, Shennong Rd., Changzhi Township, Pingtung County 90846, Taiwan (R.O.C.) and No.21, Nongke Rd., Changzhi Township, Pingtung County 90846, Taiwan (R.O.C.) in accordance with ISO 14064-3: 2006 against the requirements of

PAS 2060:2014

Roles and responsibilities

The management of TCI S5 & S9 and S11 Factories is responsible for the organization's carbon neutrality information system, the development and maintenance of records and reporting procedures in accordance with that system, including the calculation and determination of the carbon neutrality subject.

It is SGS's responsibility to express an independent carbon neutrality validation opinion on the carbon neutrality subject.

SGS conducted a third party verification of the provided carbon neutrality declaration against the principles of PAS 2060: 2014 in the period 11 June 2019 to 21 June 2019. The validation was based on the scope, objectives and criteria as agreed between TCI and SGS.

Scope

An independent validation conducted by SGS Taiwan of reported carbon neutrality subject, to establish conformance with PAS 2060:2014 principles within the scope of the validation as outlined below.

This engagement covers validation of carbon neutrality subject was established in accordance with the specification of PAS 2060:2014.

- Carbon neutrality model: Model 3.
- Carbon neutrality objective: The year 2018 organizational level greenhouse gases emissions of TCI S5 & S9 and S11 Factories.
- Carbon footprint quantification methodologies: ISO 14064-1:2006.
- Carbon neutrality baseline: From 01 January 2018 to 31 December 2018.
- Emission reduction objective: 8,592.668 tonnes of CO₂e.
- First application period: From 01 January 2018 to 31 December 2018.

Statement TW19/00240PAS, continued

- Expected date of declaration: 16 July 2019.
- Carbon neutrality report: TCI S5 & S9 and S11 Factories carbon neutrality report, (20190718).

Criteria

Criteria against which the verification assessment is undertaken is the principles of PAS 2060:2014.

Conclusion

We conducted our validation with regard to the carbon neutrality of TCI S5 & S9 and S11 Factories, which included assessment of the company carbon neutrality information system, monitoring and reporting protocol. This assessment included the collection of evidence that support the reported data and verification of whether the provisions of the protocol reference were consistently and appropriately applied.

The Retired offset credit information is described as below:

Objective		The year 2018 organizational level greenhouse gases emissions of TCI S5 & S9 and S11 Factories
Baseline Emission		8,592.668 tonnes of CO ₂ e
Achievement of GHG emissions reductions		8,592.668 tonnes of CO ₂ e
Offsetting residual GHG emissions	Offset quota program	Verified Carbon Standard (VCS)
	Sources of credit offset	JARI/AMAPÁ REDD+ PROJECT
	Retired offset carbon credits	8,593.000 tonnes of CO ₂ e
	Offset credit serial number	6329-295593086-295601678-VCU-001-MER-BR-14-1115-15022013-14022014-0

In SGS's opinion, the presented carbon neutrality declaration :

- is materially correct and is a fair representation of the carbon neutrality data and information, and
- is prepared in accordance with PAS 2060:2014 in relation to carbon footprint quantification, monitoring and reporting.

Confidentiality

The reports and attachments may contain relevantly confidential information of the clients. In addition to being submitted as governmental application or certification documents, the reports and attachments are not allowed to be edited, duplicated, or published without the clients' agreement in written form.

Avoidance of Conflict of Interest

The reports and attachments are completely complied with the standards and procedures that related-authorities established. The reports and attachments of auditing process are conduct with fairness and honesty. If not, the auditing institution not only has to bear the relevant compensation duties, but also to receive legal charge and punishment.

Verifier Group

Above statements coincide with auditing process with fairness and impartiality, and aim at the emission of clients.

This statement shall be valid for a maximum period of one year. Should any change or event occur that could invalidate the declaration, the entity shall either take corrective action coming into effect within no more than three months to restore validity, or withdraw the declaration.

Note: This Statement is issued, on behalf of Client, by SGS Taiwan Ltd. ("SGS") under its General Conditions for Green Gas Verification Services available at http://www.sgs.com/terms_and_conditions.htm. The findings recorded hereon are based upon an audit performed by SGS. A full copy of this statement, the findings and the supporting Carbon neutrality Declaration may be consulted at TCI Co., Ltd. S5 Functional Drink Factory, S9 Functional Food Factory and S11 Eco Facial Mask Factory, No.12, Shennong Rd., Changzhi Township, Pingtung County 90846, Taiwan (R.O.C.) and No.21, Nongke Rd., Changzhi Township, Pingtung County 90846, Taiwan (R.O.C.). This Statement does not relieve Client from compliance with any bylaws, federal, national or regional acts and regulations or with any guidelines issued pursuant to such regulations. Stipulations to the contrary are not binding on SGS and SGS shall have no responsibility vis-à-vis parties other than its Client.