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Cultivating Compassionate **Bonds**

- 5.1 Social Engagement at Business Sites
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Target Readers:

☐ Employee/Labor Union ☐ Direct Customer ☐ Government ☐ Business Partner (supplier/contractor) ☐ External Audit Agency ☐ Shareholder/Investor/ Financial Institution ☐ Industry Association

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Corporate Foundations

■ Local Resident and Organization



1 NO POVERTY























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Satisfaction for Y. Z. Hsu Innovation Forum



Heritage Reborn Award

Held for the 3rd time Over 30,000 online votes for Popularity Award About this Report

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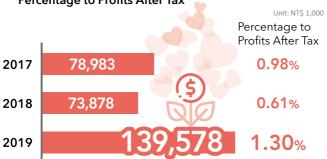
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FENC has dedicated itself to non-profit and charitable causes for half a century with the belief of "benefiting from the society, returning benefits to the society". By tapping into the Company's core strength and infusing capital, we promote public wellbeing, expand on international perspectives and improve competitiveness for the society as a whole, which will help us invent a new century.

Far Eastern New Century Corporation 2019 CSR Report

Amount Invested in Social Engagement and Percentage to Profits After Tax



Note:

- The total of social engagement and cash investment include the main subsidiaries on FENC's consolidated statement. Among them, FarEasTone Telecommunications, Co., Ltd publishes its own CSR report.
- The 2019 cash investment jumped 89% due to the NT\$65.35 million donation to Yuan Ze University for establishing medical (nursing) college.

5.1 Social Engagement at Business Sites

FENC has long maintained a good relationship with local communities at its business locations, engaging community organizations and providing resources, such as offering venues for community assembly or fire drill. We help the underprivileged members of the community. We also conduct beach cleanup campaigns and help schools and local neighborhoods clean their environment, fully utilizing our strength to raise public awareness on environmental protection and recycling. In 2019, the volunteered hours among the volunteers of all business sites amounted to 5,375 hours. The followings are the key events held in 2019:



Tour of Sustainable Plants for International Students







In the summer of 2019, FENC, CTCI Education Foundation and Taiwan Institute for Sustainable Energy co-organized Taiwan in My Eyes 120H – Rhapsody of Sustainability. The program invites 28 graduate and undergraduate students to tour the second plant of OPTC and Kuanyin Dyeing and Finishing Plant. Among the 28 students who toured the plant, 21 are international students from France, Vietnam, Malaysia and Indonesia.

The second plant of OPTC inaugurated in 2018. It is one of the most environmentally minded petrochemical plants in Taiwan. Aside from incorporating AI in quality and energy management, this plant is also equipped with the solar power system. These proactive measures are our response to governmental policies and effects of climate change. After getting an orientation of the plant, the students entered the 3D VR training room for some hands-on experience and tried on the personal protective equipment. They were amazed at the sense of reality created by VR as well as the sophistication and security the protective equipment offers.

Kuanyin Dyeing and Finishing Plant owns 2 water free dyeing machines, which replace the use of water with CO₂ during production. Such process consumes no water at all and reduces the use of dyeing and finishing agent. After learning about the water free dying process and observing the dyeing process on site, the students witnessed firsthand that a dyeing plant doesn't need to be messy. Instead, it is clean and tidy.

FENC has been aggressive with incorporating innovative green facilities. It is the Company's pledge to protecting the environment and love the earth. Through this summer program, FENC has composed a rhapsody of sustainability with students from Taiwan and the world.



Group photo of the students



Visiting OPTC and try on the protective suit



Visiting the waterless dyeing machine in Kuanyin Dyeing and Finishing Plant

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Protecting Home, Ocean and Forests with Cleanup Campaigns









FENC has taken part in many cleanup campaigns to help improve the quality of life.

In 2019, volunteers from Hsinpu Chemical Fiber Plant held 41 cleanup and beautification programs along the dike and in the riverside and community parks. Hukou Mill cleaned up the lawn areas twice to reduce pests. FENV implements a quarterly industrial park cleanup program each year, providing staff a cleaner environment and enhancing FENV's corporate image.

FENC also organized 2 beach cleanup campaigns. One of which was held in conjunction with the World Oceans Day event hosted by Taoyuan City Government at Yongan Fishing Harbor on June 15th. On the day of the event, fun games and exhibition booths are provided as ways to promote circular economy, which echo the environmental aspect of the beach cleanup campaign. During the two events, we removed 4.8 metric tons of waste from the beach. We also turned the 200 kg of waste PET bottles collected on June 15th into 400 pieces of apparel, reinventing ocean waste with a new purpose.

Location	Date	Number of Participating Emp l oyees and Their Fami l y	Total Waste Removed
Yongan Fishing Harbor, Xinwu District, Taoyuan City	6/15	Approximately 250	3,850 kg of non-recyclable waste 850 kg of recyclable waste
Beach along Xinwu Green Tunnel, Xinwu Township, Hsinchu County	6/22	34	45 kg of non-recyclable waste 35 kg of recyclable waste

FEDZ, OTIZ and FEAZ also co-hosted a mountain cleanup campaign on June 15th at Lingyan Mountain, Suzhou. The mountain was named after the famous Lingvan rock. Over 160 staff and their family members took part in this campaign.

Participants were divided into teams of 5 to clean up the mountain and tested on their environmental knowledge. Prizes for winners include water bottle, electric toothbrush and athletic towels. While enjoying the competition, participants protected the forest habitat by removing trash left by humans, and contributed to the sustainability of natural resources.



FENC Classic Marathon, Running for Local **Beauty with Deep Local Connection**







FENC holds FENC Classic Marathon between October and November each year. The event was started by a few marathon enthusiasts at the Company. They initiated the collaboration with the plant and local residents, and now, it has become the most famous marathon in Hsinchu. The scale increases by the year, with the number of participants growing from over 500 in 2009 to 6,201 in 2019. The number of volunteers also rose from almost 200 to 738.

Characteristics:

- This event was started by a few employees out of their love for marathon. Later, they worked with the Company to expand its scale.
- The routes vary each year, taking runners through different locales in Hsinchu to enjoy the scenic beauty of rural Hsinchu.
- To develop deeper bonds between the plant and the local residents, a carnival is held after the marathon where local farmers, merchants and food vendors are invited to set up booths to promote local merchandise.
- The event is a collaboration to spread the love with local non-profit organiza tions, including Eden Social Welfare Foundation, Taiwan Fund for Children and Families as well as Huashan Social Welfare Foundation
- The marathon taps into the Company's core strength in producing runner's jerseys. The jerseys are functional and environmentally friendly. The 2018 jerseys were made of recycled ocean PET bottles, and the 2019 version is made of recycled textile. By reusing waste materials, we are contributing to environmental causes.

The 11th FENC Classic Marathon ended on October 26th, 2019, and the 12th will be held on October 17th, 2020, which will be fast approaching. We will continue to uphold this good tradition, working with local residents, running for health, the environment, and the memorable classic!







FENC Classic Marathon, running for local beauty with deep local



Summary on 2019 "Far Eastern Group fraternity and the classic marathon of Far Eastern New

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Supporting Local Medical Development with Ambulance Donation

FEPV is located in Binh Dương province, Vietnam. Though the province occupies a vast geographic area, medical facilities are not so adequate. We decided to donate an ambulance to the medical center in Tân Uyên, Bình Dương province. The ambulance is equipped with the EKG machine, AED, suction unit and ventilator. The donation amounts to NT\$2.07 million. It is our hope that this donation will improve public health and medical service for local residents.



5.2 Social Engagement by Corporate Foundations

FENC has begun branching into charitable causes since the 1960s, dedicating resources to education, arts, culture, medical care and technology, while devoting corporate resources into promoting social engagement in various forms.



By 2030, ensure equa access for all women and men to affordable quality technical. vocational and tertiary education, including university.



Industry Evolution

Achieve higher levels of productivity of economies through diversification, technological upgrading and innovation, including through a focus on high value added and labor-intensive sectors.



By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries.

Non-profit Organizations



Educational Sector





























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5.2.1 Youth Talent

Establish Educational Institutes That Facilitate Diverse and Adaptive Learning

 Oriental Institute of Technology/ Yu Chang Technical and Commercial Vocational Senior High School/Yuan Ze University

Far Eastern New Century Corporation 2019 CSR Report

FENC values di verse and adaptive learning, encouraging students to apply what they have learned to achieve self-fulfillment. Over the years, the Company has established Oriental Institute of Technology, Yu Chang Technical and Commercial Vocational Senior High School and Yuan Ze University, providing students with options in terms of the right educational environment based on career development to bridge the gap between what students learn at schools and the skills required at the workplace. Since 2013, the affiliates of Far Eastern Group expanded the practical training program for students. As of today, 640 students have participated in the industryacademia internship program, and entered the companies after graduation. Such programs have created win-win for students, corporations and the society. (Please refer to 4.1.2 Recruitment.)



ducational institutions that value both knowledge and practical experience



Quality and diverse learning environment

Drawing International Spotlight over Taiwan with International Competitions

 Far Eastern Architectural Design Award - Far Eastern Architectural Young Talent Award

Far Eastern Memorial Foundation started hosting Far Eastern Architectural Design Award in 1999. Over the years, award category expanded to include Far Eastern Outstanding Architectural Design Award, Special Award for Heritage Reborn, and Shinjinsen in Taiwan – Far Eastern Architectural Young Talent Award. For Far Eastern Architectural Young Talent Award, the beginning can be traced back to the Foundation's collaboration with architects Mr. Norihiko Dan and Dr. Youngil Lee in 2014. Contestants include college students in spatial design and architectural disciplines. The Foundation also hosts Exhibition of Far Eastern Architectural Young Talent to showcase the finalists' entries. Winners represent Taiwan in Asian Contest of Architectural Rookie's Award, which helps students expand their horizon and aim for the Asia market. Co-hosted by the Foundation, Asian Contest of Architectural Rookie's Award was held in Taiwan for the first time in 2018. This is the 5th Far Eastern Architectural Young Talent Award. The competitions average over 100 entries each year.

• Y. Z. Hsu Competition-Taiwan Young Student Physicists' Tournament

To build a solid foundation in science education among young students, Y. Z. Hsu Science and Technology Memorial Foundation started the Y. Z. Hsu Competition-Taiwan Young Student Physicists' Tournament in 2019 with the Department of Physics, National Taiwan Normal University. The competition is open to high school student teams around the nation. Students who perform well during the competition will be recruited to the national team, which will train with professors from National Taiwan Normal University, and compete in International Young Physicists' Tournament (IYPT).

The twelve questions for contestants of Taiwan Young Student Physicists' Tournament are selected from the 17 questions published by IYPT. The tournament attracts students from top high schools each year. They conduct experiment or simulation based on each question; report and debate over their findings with other contestants during the tournament. As of 2019, the 11th year of the tournament, the event has attracted 1,577 contestants and awarded NT\$11 million in prizes. The 2019 National Team won the IYPT bronze medal for Taiwan. Y. Z. Hsu Science and Technology Memorial Foundation has been sponsoring food, accommodation and transportation for the IYPT national team members. The students were exceptional, winning 1 gold, 5 silver and 4 bronze medals.



Zhong-Lin Hsieh

1st IYPT National Team Member, representing Taipei Municipal Jianguo Senior High School Currently enrolled in Princeton University

During IYPT, students have many opportunities to gain hands-on experience and present on stage, which are both very significant experience for me.

Xin-Qi Lai

 8^{th} IYPT National Team Member, representing Concordia Middle School Currently enrolled in National Tsing Hua University

With guidance from the professors of National Taiwan Normal University and the support from Y. Z. Hsu Science and Technology Memorial Foundation, we defeated contestants from around th world, entered the finals and won the gold medal. This experience will be very beneficial for us in the future.



Source: Video footage from the 10th Taiwan Young Student Physicists' Tournament award ceremony

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Inspire Next Generation Talents to Embrace Emerging Fields

Y. Z. Hsu Innovation Forum

Y. Z. Hsu Science and Technology Memorial Foundation hosted the first Y. Z. Hsu Innovation Forum in 2013 to encourage youth to enter the field of science and technology and create a new future for the next generation. In 2019, we chose school campus as the venue for the forum to reach college students. The two forums brought students more diversity in terms of their exposure to the field of science and technology. Winners of Y. Z. Hsu Science Award are invited as speakers and panelists to share their achievements and legacy, inspiring these young students to embrace the emerging technological industries. Based on the survey collected on site, satisfaction for these events exceeds 90%.

Lecture Series

Session Detail	Yuan Ze University	Oriental Institute of Technology
Time	October 3 rd , 2019 (Thur) 13:30-15:30	October 2 nd , 2019 (Wed) 13:30-15:30
Topic	Welcoming the era of big data and artificial intelligence	New vision of Meta-optics
Speaker	Professor Ming-Syan Chen Department of Electrical Engineering, National Taiwan University Winner of Y. Z. Hsu Science Chair Professor- Information and Communication Category	Professor Din-Ping Tsai Graduate Institute of Applied Physics, National Taiwan University Winner of Y. Z. Hsu Science Chair Professor- Optoelectronics Category

Influence Over 70% of the 312 participants are students, and the satisfaction rating exceeds 90%.



Q&A with Professor Ming-Syan Chen



Lecture session at Yuan Ze University



Interaction between Professor Din-Ping Tsai and audience



Lecture session at Oriental Institute of Technology



Y. Z. Hsu Innovation Forum



Y. Z. Hsu Innovation Forum in 2019 (Chinesse)

5.2.2 Industry Evolution

Encourage Academia to Accelerate Technological Research, Development and Innovation

Y.Z. Hsu Science Award

Y. Z. Hsu Science and Technology Memorial Foundation is founded on the mission to promote "technology and innovation". Since 2002, the Foundation has been hosting Y. Z. Hsu Science Award to encourage the academia to devote efforts into technological research and development. As this award marches into its 17th year in 2019, it is now one of the most significant technology awards in Taiwan. Over 250 scholars and experts participated in the peer review, and chose 21 winners for Science Chair Professor, Science Paper Award, Yuan Ze Chair Professor and Outstanding



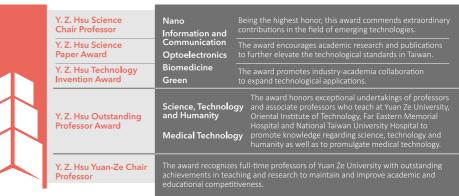
Dr. Hsiang-Tsung Kung is invited back to Taiwan to provide an analysis of the influence of Al.

Professor Award. Among them, winners of Y. Z. Hsu Science Chair Professor received NT\$1 million each. Over the 17 years of the award history, 357 awards have been presented with NT\$150 million in prize money, which is a remarkable record. During the 2019 award ceremony, the Foundation invited Dr. Hsiang Tsung Kung, president of Taiwan Al Academy to give the keynote speech, Deep-Learning Inference Everywhere.



Y.Z. Hsu Science Award

Y.Z. Hsu Science Award Categories



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Improve Quality of Medical Service with Medical Institutes

• Far Eastern Memorial Hospital/Far Eastern Polyclinic

Far Eastern New Century Corporation 2019 CSR Report

FENC was located in Bangiao and Tucheng Districts of New Taipei City in the 1970s. At that time, there was no major medical facility in the area to provide emergency care. We took it upon ourselves to build hospitals, incentivize medical research, and provide emergency and medical care for underprivileged patients. The Company donated funding to establish Far Eastern Medical Foundation. We went even further, building Far Eastern Memorial Hospital in Bangiao in 1981, and Far Eastern Polyclinic in Taipei City in 1988.

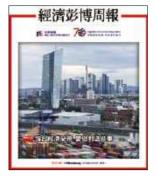


Far Eastern Memorial Hospital provides medical services of exceptional

For years, Far Eastern Memorial Hospital continues the pursuit of excellence for quality medical service, building professional technology and medical team to provide outstanding service to local residents. In 2006, the hospital was upgraded to a medical center. In September 2014, the second campus inaugurated. increasing the total bed count in the hospital to 1,400. Far Eastern Memorial Hospital will continue evolving to be a world class medical center.

Introducing Bloomberg Weekly to Stay Up to Date on World Economy

Bloomberg News is a U.S. economic news platform established in 1982 that is known globally for its influential economic commentary and perspectives. In an age of globalization, staying on top of the happenings in world economy is one of the determining factors to staving competitive in the industry. Since October 2019, Far Eastern Memorial Foundation has been collaborating with Bloomberg News. We introduced Bloomberg Weekly, which is published with the Monday





issues of Economic Daily News. As of 2019, 13 issues and 4.45 million copies have been circulated.

5.2.3 Social Development

Heritage Reborn - Architecture That Fuses The New and Old

• Far Eastern Architectural Design Award - Special Award for Heritage Reborn

While Far Eastern Memorial Foundation promotes breakthrough and innovation in the field of architecture, architectural heritage and revitalization is also an area of focus. The first Heritage Reborn Award was presented during the 9th Far Eastern Architectural Design Award in 2015. Renovation of existing structures is a way of reinterpreting and revitalizing the historical context of the old into the new. The existing space can be reinvented to better reflect and satisfy the needs of modern living while preserving traditional architectural techniques, allowing the past and present to coexist and communicate.

2019 is the third year for the Heritage Reborn Award. Political Deputy Minister Fan Sun-Lu leads this year's jury, which consists of over 10 experts across disciplines. including design, arts and culture, civil engineering and urban design. The jury members went through several rounds of discussion and 3 rounds of secret ballot before deciding on the winners. Voting is also open to the public for the Popularity Award to support the best heritage reborn in their views. Over 30,000 people voted.



Design Award Facebook Page



Grand Prize - Art Chishang



Special Jury Prize - workstation JK



Honorable Mention - Renovation of Building B, Shih Chien Univ



Popularity Award - Dream Sugar Theater and Sugar Honey Triple Tanks in Ten-Drum Cultural Creative Park in Rende Sugar Refinery, Tainan

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2019 Far Eastern Architectural Design Award - Winners of Heritage Reborn Award

Award	Title	Winner
Grand Prize	Art Chishang	Professor Kuan-Hua Chen
Honorable Mention	Renovation of Building B, Shih Chien University	Shen Ting Tseng Architects
Special Jury Prize	Workstation JK	Architects Ren Lai and Jiann-Jyh Wu
Judge's	R04 Exhibition Hall, Taichung Cultural and Creative Industrial Park	Architects Yu-Chin Chen and Kyle Chiakai Yang
Award	Hong-Gen Mansion	Architects M. H. WANG and Associates
Popularity Award	Dream Sugar Theater and Sugar Honey Triple Tanks in Ten-Drum Cultural Creative Park in Rende Sugar Refinery, Tainan	S. T. Yeh Architects

Exploration - Creating Livable, Inclusive and Sustainable Environment

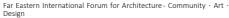
• Far Eastern International Forum for Architecture

Far Eastern Memorial Foundation is the organizer of Far Eastern International Forum for Architecture. The Foundation approaches architecture from various social perspectives. The 2019 forum, Community •Art •Design, explores how creative approaches in art and design redefine, inspire and deepen the meaning and role of "community" for the future. The Foundation will continue to host the forum to explore the effects of social issues on architectural design.



Far Eastern Internatanal Forum for Architecture (Chinesse)







Speakers and special guests

2019 Far Eastern International Forum for Architecture - Community · Art · Design

- 1. Time: March 29th (Fri), 09:00-18:00 2. Venue: Shangri-La's Far Eastern Plaza Hotel Taipei
- 3. Speakers



Mr. Horikoshi Hidetsugu Architect and Dean of School of Architecture, Shibaura Institute of Technology, Japan

Mr. Yamazaki Ryo CEO, Architect and Community Designer of studio-L, Japan





Dr. Wei HeProfessor of School of Architecture,
Central Academy of Fine Arts, China

Dr. Mali Wu

Associate Professor and Director of Graduate Institute of Transdisciplinary Art, National Kaohsiung Normal University, Taiwan





Professor Kuan-Hua Chen Associate Professor and Chairperson of Department of Art and Design, Yuan Ze University, Taiwan

Source: Far Eastern International Forum for Architecture Official Webiste