

Greenhouse Gas Verification Opinion

The inventory of Greenhouse Gas emissions in year 2023 of
CHING FENG HOME FASHIONS CO., LTD.

373, SEC 4 YEN-HAI RD., FU-NAN VILLAGE, FU-HSING HSIANG, 506009
CHANGHUA, TAIWAN



has been verified in accordance with ISO 14064-3:2019 as
meeting the requirements of

ISO 14064-1:2018

Direct emissions

189.4543 tonnes of CO₂e

Indirect emissions

4,416.0695 tonnes of CO₂e

Direct emissions and indirect emissions

4,605.524 tonnes of CO₂e

Authorized by

Stephen Pao

Business Assurance Director

Date: 08 October 2024

Version 1

TGP56B-15-1 2404

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Opinion TW24/00638GG, continued

The emission of each category is described as below:

Unit: tonnes of CO₂e

Reporting Boundaries			GHG Emissions	
Inventory categories	Description			
Direct emissions	Direct emissions from stationary combustion		0.2624	
	Direct emissions from mobile combustion		60.3333	
	Direct process emissions and removals from industrial processes		N/A	
	Direct fugitive emissions arise from the release of GHGs in anthropogenic systems		128.8585	
	Direct emissions and removals from land use, land use change and forestry		N/A	
Indirect emissions	Imported energy	Purchased electricity	1,588.4221	
	Transportation	Upstream transportation and distribution		67.8140
		Downstream transportation and distribution		2,063.3989
		Employee commuting		177.2925
		Business trip		35.2297
		Waste transportation		8.5336
	Products used by an organization	Upstream purchased goods		331.5375
		Capital goods		16.0742
		Solid and liquid waste disposal		127.7672
	Associated with the use of products from the organization	Undisclosed		N/A
Other sources	Undisclosed		N/A	
Direct emissions and indirect emissions			4,605.524	

The emission of each site is described as below:

Unit: tonnes of CO₂e

Site	Direct emissions	Indirect emissions		Total GHG emissions
	Category 1	Category 2	Category 3~6	
HQ	38.8713	227.2899	182.9597	449.121
2nd Plant	2.7975	70.0138	47.5844	120.396
CHANG BIN	147.7855	1,291.1184	2,597.1033	4,036.007

Opinion TW24/00638GG, continued

SGS has been contracted by CHING FENG HOME FASHIONS CO., LTD. (hereinafter referred to as "CHING FENG"), 373, SEC 4 YEN-HAI RD., FU-NAN VILLAGE, FU-HSING HSIANG, 506009 CHANGHUA, TAIWAN for the verification of direct and indirect Greenhouse Gas emissions in accordance with

ISO 14064-3:2019

as provided by CHING FENG HOME FASHIONS CO., LTD. (hereinafter referred to as "CHING FENG"), 373, SEC 4 YEN-HAI RD., FU-NAN VILLAGE, FU-HSING HSIANG, 506009 CHANGHUA, TAIWAN, in the GHG Statement in the form of GHG report.

Roles and responsibilities

- The management of CHING FENG is responsible for the organization's GHG information system, the development and maintenance of records and reporting procedures in accordance with that system, including the calculation and determination of GHG emissions information and the reported GHG emissions.
- The verification was based on the verification scope, objectives and criteria as agreed between CHING FENG and SGS on 22 August 2023.
- Verification Criteria: ISO 14064-1:2018
- Verification Period: 01 August 2024 to 29 August 2024.

Scope

- GHG information for the following period was verified: 01 January 2023 to 31 December 2023
- Location/boundary of the activities:
 - 373, SEC 4 YEN-HAI RD., FU-NAN VILLAGE, FU-HSING HSIANG, 506009 CHANGHUA, TAIWAN
 - NO.341, SEC.1, YUANLU RD., FUXING TOWNSHIP, 506011 CHANGHUA COUNTY, TAIWAN
 - NO. 15, LU-SIN RD., HAI-PU VILLAGE, LUKANG, 505029, CHANGHUA, TAIWAN
- Types of GHGs included: CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃
- The IPCC 2021 AR6 GWP values are applied in this inventory.

Opinion TW24/00638GG, continued

- Emission factor:
 - Direct emissions: Greenhouse Gas Emission Factor Table (6.0.4)
 - Indirect emissions:
 - Electricity emission factor is 0.494 kgCO₂e/kwh (Announced by Energy Administration, Ministry of Economic Affairs in 2024).
 - The secondary database has Carbon Footprint Information Platform, ICAO Carbon Emissions Calculator, China Products Carbon Footprint Factors Database (2022)
- The level of assurance for category 1 and category 2 agreed is that of reasonable assurance. Category 3 till category 6 agreed is that of limited assurance.
- Materiality : 5%
- The version of inventory sheet: 20240830_V6
- The version of GHG statement: 20240830_V6
- Intended user of the verification opinion: Private

Objective

The purposes of this verification exercise are, by review of objective evidence, to independently review:

- Whether the GHG emissions are as declared by the organization's GHG statement
- The data reported are accurate, complete, consistent, transparent and free of material error or omission.

Conclusion

SGS's approach is risk-based, drawing on an understanding of the risks associated with reporting GHG emissions information and the controls in place to mitigate these. Our examination includes assessment, on a test basis, of evidence relevant to the amounts and disclosures in relation to the organization's reported GHG emissions. We planned and performed our work to obtain the information, explanations and evidence that the GHG emissions are free from material misstatement.

- The greenhouse gas emissions is 4,605.524 metric tonnes of CO₂ equivalent
- The emissions from the combustion of biomass is 0.0000 metric tonnes of CO₂ equivalent

Opinion TW24/00638GG, continued

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Opinion TW24/00638GG, continued

- The opinion of SGS is modified in accordance with the following described circumstances.
 - The verifier has sufficient and appropriate evidence to support the material emissions, removals, or storage.
 - The verifier applies appropriate criteria for the material emissions, removals, or storage.
 - When the verifier intends to rely on relevant controls, the effectiveness of those controls has been assessed.
 - The verifier, applying the ISO 14064-1:2018 standard, presents the following findings. After adjustments and corrections, no material errors were identified.
 - Some anthropogenic fugitive emission sources have not been quantified.
 - Some indirect emission source activity data are inconsistent with supporting evidence.
 - Some emission quantification calculations are incorrect.
 - GWP misplantation
- Retention Limitation:
 - NA

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.

This opinion shall be interpreted with the GHG statement of CHING FENG as a whole.

Opinion TW24/00638GG, continued

Verifier Group

Above opinions coincide with auditing process with fairness and impartiality and aim at the emission of year 2023 of clients.

Lead Verifier:

Kai ping Teh

Verifier:

Kyle Tang.

Sophia Chiu

Chih Yuan Kuo

Note: This opinion is issued, on behalf of Client, by SGS Taiwan Ltd. ("SGS") under its General Conditions for Greenhouse 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 opinion, the findings and the supporting GHG Assertion may be consulted at CHING FENG HOME FASHIONS CO., LTD., 373, SEC 4 YEN-HAI RD., FU-NAN VILLAGE, FU-HSING HSIANG, 506009 CHANGHUA, TAIWAN, This opinion 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.