

Corporate Sustainability Report

2020



KSECO
Kung Sing Engineering Corporation

Table of Contents

1 ∙ Operating Sustainable	3
Annual highlight performance	4
About this report	5
About KSECO	7
Sustainable development strategy and performance	12
Stakeholder negotiation	18

2 ∙ Corporate Governance	25
Management policy	26
Board of Directors Operation and Operation Status	27
Supply chain management	42
Risk Management	45
Integrity, transparency and legal compliance	50

3 ∙ Environmental protection	51
Management policy	52
Abide by the law	54
Energy management	55
Pollution prevention	59

4 ∙ Happy workplace and social integration	68
Management policy	69
Labor Rights and Human Rights	70
Employee care and welfare	72
Occupational health and safety	80
Social participation and charity feedback	85

Appendix	90
GRI indicator item comparison table	90
SDGs comparison table	94

Important information:

This English version of the CSR report is only a translated version of the Chinese version. If the content is different from the Chinese version, the Chinese version shall prevail.

1、Operating Sustainable



Topic of this chapter

Annual highlight performance	P4
About this report	P5
About KSECO	P6
Sustainable development strategy and performance	P10
Stakeholder negotiation	P15

The triple surplus of ESG (environmental, social, governance) enables companies to develop sustainably. Therefore, the chapter on sustainable management includes all the major issues that we have summarized, but in this chapter, the major issues 1-15 are only A brief description of the general direction is detailed in the chapters "Corporate Governance", "Environmentally Friendly" and "Happy Workplace and Social Inclusion".

Important issues

- 1 Operating status
- 2 Quality 3 Health and Safety
- 4 Interface coordination
- 5 5 5 Abide by the law
- 6 Construction period
- 7 Environmental protection
- 8 Salary 9 Risk Management
- 10 Energy management
- 11 Talent recruitment, cultivation and human rights
- 12 Employee Benefits
- 13 Corporate governance (including supplier management mechanism)
- 14 Neighborhood relations
- 15 Social Public welfare
- 16 Stakeholder communication

2020 Annual highlight performance

In 2020, Kung Sing has achieved a number of performance achievements.

Now let's take a look at which ones!

business performance

Operating income in 2020 is NT\$7,159,730 thousand, an increase of **67.17%** from 2019 operating income of NT\$4,282,904 thousand.



The return on shareholders' equity in 2020 is 19.94%, an increase of **40.88** from the return on shareholders' equity in 2019 (0.50)%



Corporate Governance

※ Passed the latest version of ISO 9001:2015/CNS12681:2016.※ No corruption or bribery occurred in 2020.

※ New suppliers sign the "Occupational Safety and Environmental Protection Recognition Letter", "Environmental and Environmental Protection" Social Responsibility Recognition" ratio reaches **100%**.

※ In 2020, the corporate governance evaluation score will reach 89.74 points, which is in the **top 20%** of all listed companies.



Environmental protection

※ In 2020, the total power consumption of the head office and the construction sites will be reduced by 2,685,953 kWh compared with the previous year, and the power saving rate will be **72.48%**.

※ In 2020, the total water consumption of the head office and the construction sites will be reduced by 18,480 kWh compared with the previous year, and the water saving rate will be **40.21%**.

※ In 2020, the carbon emissions of electricity and water consumption will be reduced by 1,680,052KG in total compared with the previous year, and the target of **2%** reduction has been reached.



Happy workplace and social integration

※ There were no human rights complaints in 2020.

※ The average salary of non-supervisory grassroots employees is **2.02** times the minimum basic salary.

※ The average employee salary expenses in 2020 will increase by **33.99%** compared to the previous year.

※ The average employee benefit expenses in 2020 increased by **31.11%** compared to the previous year.



About this report

Kung Sing compiled the corporate social responsibility report for the first time in 2012. In 2014, he formally prepared the report in accordance with the indicators set by the Global Sustainability Reporting Association (GRI) reporting guidelines. Thereafter, the report was compiled annually as a non-financial report of the company. Gongxin adheres to the spirit of honesty, steadiness, openness and transparency, and reports the company's governance and operation overview and social responsibility practice status in 2020 to stakeholders through this report.

range

The content of this report covers the activities of the Kung Sing Engineering Co., Ltd. from January 1 to December 31, 2020. Part of the content is due to the disclosure of information in the past three years, and there are cases where it is reiterated with the information in the previous report. In addition, if the content includes our affiliated companies, it will be noted in the report. The report is divided into four main themes: sustainable management, corporate governance, environmental friendliness, and happy workplace and social integration. Each content should correspond to the GRI Standards of the Sustainability Report Guide (please refer to the attachment).

Writing principles

The various information and statistical data disclosed in the report are the results of the self-investigation and statistics of the Industry and Information Engineering. Among them, the data of the financial information has been certified by an accountant from a joint accounting firm, and is carried out on the public information observatory and the company's website in accordance with the law. Expose.

We use the five concepts of "safety, quality, progress, environmental protection, and cost" as the company's operating standards. This is also the cornerstone of us as a construction

industry to maintain sustainable development. Therefore, this report also starts with these five business concepts. As the medium and long-term direction of fulfilling corporate social responsibility. In order to align the company's sustainable development goals with the company's operating direction, in 2020, we will adopt "sustainable management" (including five business philosophy), "corporate governance" (including quality and cost concepts), "environmentally friendly" (environmental protection concepts), "Happy Workplace and Social Harmony" (including the concept of safety and quality), this framework is used to compile this report.

Progress of the report

Compared with the 2019 Corporate Social Responsibility Report, strengthen stakeholder negotiation, as well as short-, medium-, and long-term business development plans, and list major issues. The preparation of the report is based on major issues and the content is ensured. More enrichment and diversification, to improve the company's reporting to stakeholders on the company's sustainable business development, and to make a more complete statement of the company's operation and management to be accountable to the stakeholders.

Report issuance

Previous report: issued in June 2020.

This report: issued in June 2021.

Feedback

If you have any questions or suggestions about the contents of this report, please feel free to contact us.

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Official website QR Code:



Kung Sing CSR website and report download

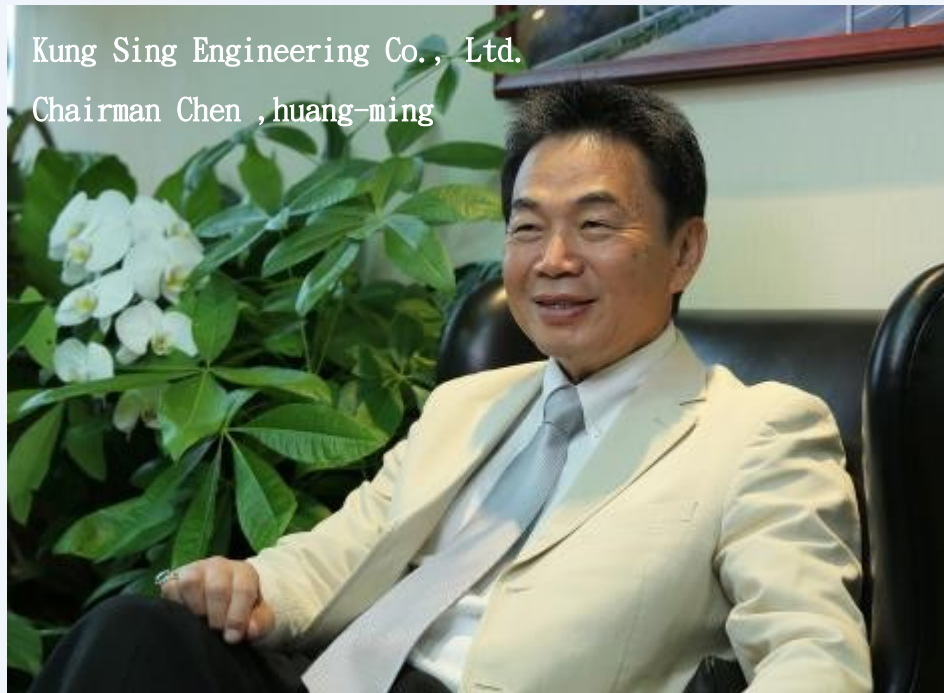
<http://www.kseco.com.tw/tc/responsibility.aspx?cid=27&cchk=A3450C32-ACF0-4D13-81C1-976EF7C59836>



This year is the first time that the English version of the CSR report has been published, so it used to be only in Chinese.

About Kung Sing Engineering

Message from the chairman



Kung Sing Engineering Co., Ltd.
Chairman Chen, Huang-ming

In recent years, corporate social responsibility has become the most frequently discussed topic of corporate sustainable development in the world. While pursuing profitable growth and operational performance, companies still need to take into account the rights and interests of all stakeholders and develop operations based on corporate core values.

Concept to achieve the goal of sustainable operation. The industry and information engineering also adopts the five business concepts of "safety, quality, progress, cost, and environmental protection" as the strategy for practicing corporate social responsibility.

Diligent development in the industry is the most fundamental social responsibility of an enterprise, and the company's business strategy focuses on the development of public projects, which is a business that benefits the public and promotes social progress and economic development. In order to achieve the goal of sustainable operation, the company maintains its consistent insistence, carefully selects project tenders, strives for stable revenue and profit, and constantly seeks new changes, masters advanced technology and construction methods, strengthens its own professional capabilities, and expands diversification. The corporate value of the company demonstrates the company's overall strength and continuous forward momentum, thereby consolidating the centripetal force of employees and the sense of identity of shareholders.



Over the years, following the caring and warming activities of the Federation of Industries, my love has spread to all corners of Taiwan, including the 2012 North District "Caring and Warming Trip to Disadvantaged Institutions" and the 2013 Central District "Child Care Trip". In 2014 Taoyuan, Zhongli, Xinwu, and Daxi "Send Warmth to Disabled Babies", 2015 "Yilan Love Journey" at Yilan Sanxing, Dongshan, Luodong, Jiaoxi, 2016 "Hsinchu Love Journey", 2017 "Miaoli Love Journey" in 2018, "Keelung Love Journey" in 2018, "New Taipei Love Journey" and "Yunlin Love Journey" in 2019, and "Hualien Love Journey" in 2020. In addition, he also donated touring book trains and looms in Xiulin Township, Hualien County, adopted training for the Hualien County Xiulin Junior High School Choir, donated nutrition breakfasts for aboriginal school children, and hosted visits to Taipei for children from remote villages (flower expo, children's playground, cat cable) Day trips and other activities. In my opinion, the focus of caring and delivering warmth is not the amount of materials, but more importantly, the ability to continue and eternally pass on love. This is also the value of sustainable corporate social responsibility!

Company Profile

Kung Sing Engineering Co., Ltd. was founded in Shanghai in 1941 by the late founder Mr. Lu Er-gong. It was established and registered in Taiwan in 1947. It has a long history of more than 70 years since its establishment. The stocks were listed on the OTC in 1999 and listed in December 2012. , Is the first domestic large-scale construction factory to obtain ISO 9001 quality management and ISO 14001 environmental management certification qualified company.

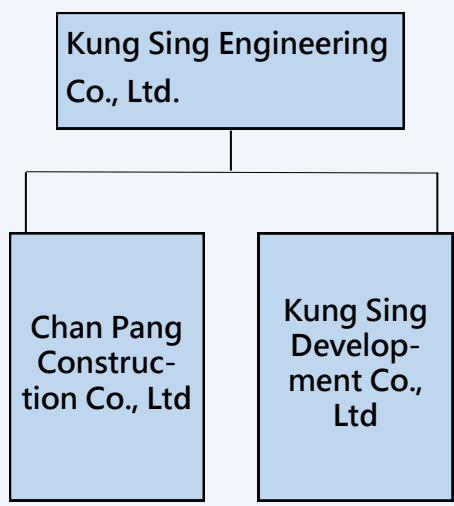
Kung Sing engineering has many excellent conditions such as rich construction experience, high-level construction technology, flexible capital scheduling ability, excellent construction quality, excellent construction engineering talents, professional project management and interface integration capabilities. It has participated in national major projects over the years. Construction, undertaking various public projects such as highways, bridges, tunnels, rapid transit systems and buildings, has made indelible contributions to major national transportation and local construction, regional development and engineering technology improvement, and has participated in public works committees many times , The Ministry of the Interior, and the quality evaluations organized by various local governments were awarded the Excellent Builders or Best Constructors.

Take the construction of the Taipei Mass Rapid Transit system road network as an example. The company has participated in various routes such as Tamsui Line, Xindian Line, Banqiao Line, Nangang Line, Xinzhuang Line, Wenhua Line, and Airport MRT. Although many difficulties and obstacles were encountered during the construction period, they were overcome one by one through careful planning, professional skills, firm perseverance and team spirit. Each section of the tender has been successfully completed and opened to traffic, which proves that the construction quality can indeed meet the project sponsorship. According to the strict requirements of the agency, the company has also reached the business philosophy of fulfilling its social responsibilities.

basic information

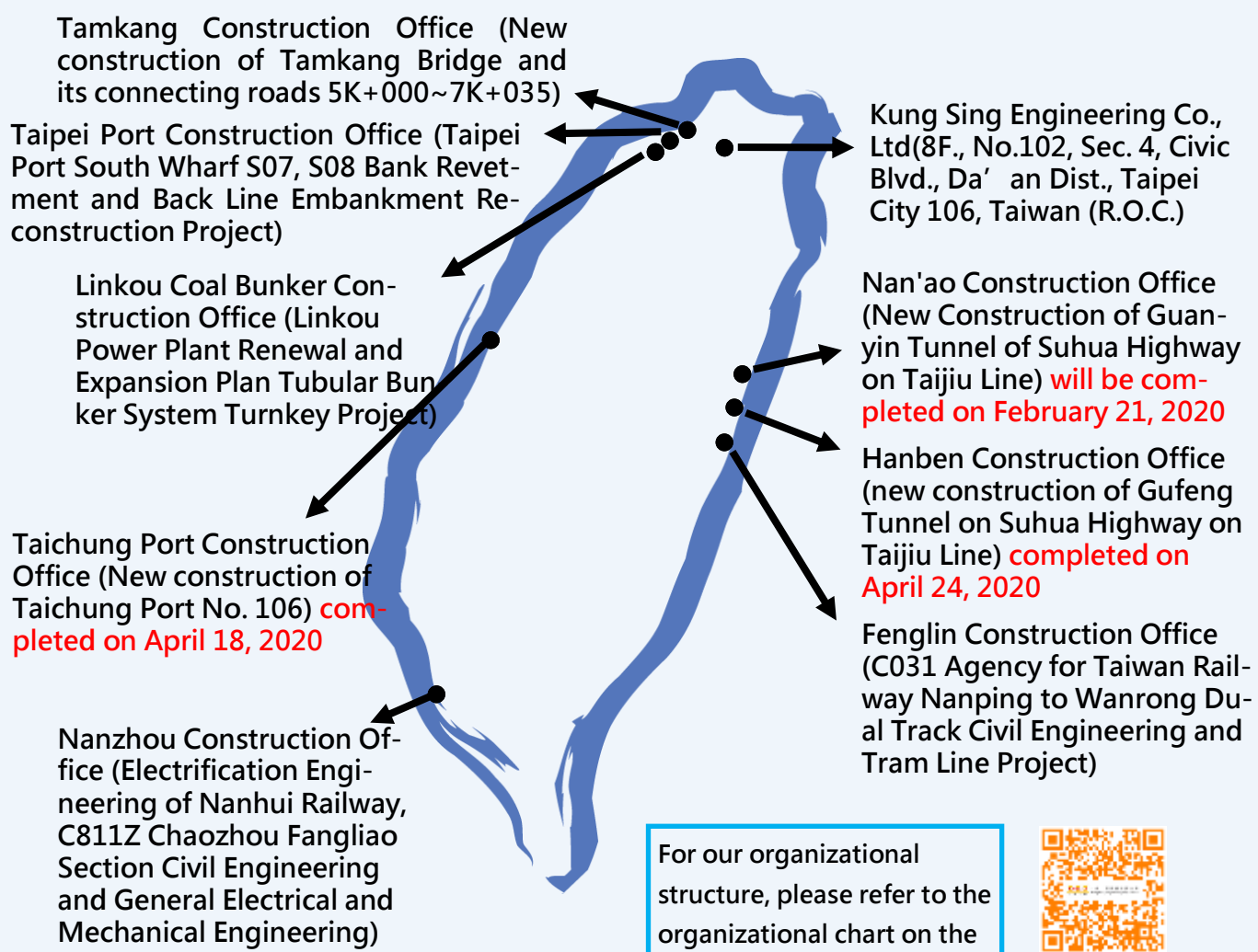
company name Kung Sing Engineering Co., Ltd.	Amount of capital NT\$4.47 billion
Date of establishment February 1, 1947	Turnover (2020) Operating income
number of workers Home country: 165 people, foreign nationals: 96 people	Affiliated company 2 (see the organization chart on the right)
Main business MRT, tunnels, buildings, bridges, airports, roads and maritime engineering.	Business scope Too many items, please refer to our company website: www.kseco.com.tw

Group Organization Chart



Business base

Kung Sing Engineering Corporation, construction sites and projects under construction



For our organizational structure, please refer to the organizational chart on the company's official website.



Management team

Job title	Name
Chairman	Chen ,huang-ming
General manager	Chiang,chi-ching
Vice- General Manager	Liu, Yung-ching
Director, Auditing Office	Liu, Te-chang
Administration Manager	Chu wei kuo
Vice-manager, Business Development Dept	Yeh, Tsan-yu

Job title	Name
Manager, Finance Dept	Huang, li-wang
Engineering manager	Kuo, yao- wen
Accounting Supervisor	Wen, Shu Chiao
Legal Director of General	Li, kuei- chung
Deputy Director of Safe-	Chiang sung hui
Project manager and director of each con-	

Company history

2017
 Obtained "C031 Agency for Taiwan Railway Nanping to Wanrong Dual Track Civil Engineering and Tram Line Project" and "Taichung Port No. 106 New Construction Project" procurement projects.

Won the 17th Public Works Gold Award for outstanding works.

2019 year
 Cash capital increase was processed, and the paid-in capital was changed to NT\$4,475,274,130

2020 year
 The new construction of Taichung Port No. 106 won the "Public Engineering Gold Award, Water Conservancy Engineering Category".

Suhua Guanyin and Gufeng Tunnel new construction project on 1/6 was opened to traffic.

2018
 Acquired "TamKang Bridge and its connecting roads 5K+000~7K+035 New Construction" procurement case.

2015
 Selected as a constituent stock of the Corporate Governance 100 Index.

Awarded the benchmark enterprise for corporate social responsibility.

year 2011
 Obtained the new construction of Gufeng and Guanyin Tunnel on Suhua Highway on Taijiu Line.



2016
 Re-elected as a constituent stock of the Corporate Governance 100 Index.

Taiwan Corporate Sustainability Award-Bronze Award for Corporate Sustainability Report.

Won the 11th Public Works Gold Award "Excellent".

Year 2009
 Acquired Taiwan 3 lines 418k+60

0 Ligang Bridge Reconstruction Project

2012
 The stock was converted to listing.

Received the Certificate of Appreciation for Professional Management and Careful Care of Thai Workers from the Thailand Economic and Trade Office in Taiwan.

Obtained KCL211 standard Linluo

, Zhutian Section Railway Elevated Project.



Year 2003
 Contracted the world's single largest civil engineering, mechanical and electrical integration standard CB410 section of the Taipei MRT Wenhua Line.

1954
 The load test of the pre-stressed concrete product was introduced, and the results were praised by the industry.

1996
 Passed ISO 9002 international quality management certification.

Year 2008
 The C564A and C564C combined tender project won the 9th Public Project Gold Award and the 2nd Public Project Gold Safety Award.

Year 1999
 The stock is open to the counter buying center.

1993
 The stock is officially issued to the public.

February 1947
 Registration and establishment.

Sustainable development strategy and performance

Sustainable development strategy

Business development plan

Based on our five business concepts of "safety, quality, progress, environmental protection, and cost", we formulate short, medium and long-term business development plans in response to market demand and market trends.

Short-term business development

According to the ISO 9001 various operating systems, the construction plan is implemented, so that the implementation of each project is not only planned in advance, but also the quality, cost, construction period, and safety of the actual implementation can be effectively controlled, so that new projects and safety can be contracted in the future. Lay the foundation for expanding the scale of operations.

Mid-term business development

Introduce all kinds of advanced construction methods, research and combine the strengths of each family, strengthen its own technical capabilities, and move towards the goal of enhancing competitiveness and sustainable operation.

Long-term business development

Seizing the implementation of the government's plan to expand domestic demand, actively participate in bidding for various new projects, and plan to gradually expand the contracting of private projects and overseas large-scale projects, and use the opportunity of technical cooperation with foreign construction factories to extend the reach of business to overseas, With the gradual rise of the international economic cycle and the increasing emphasis on public construction by various countries, it will step onto the international stage and develop into a large international construction factory, and its scale of operation will move towards a world-class direction.

Goal and vision

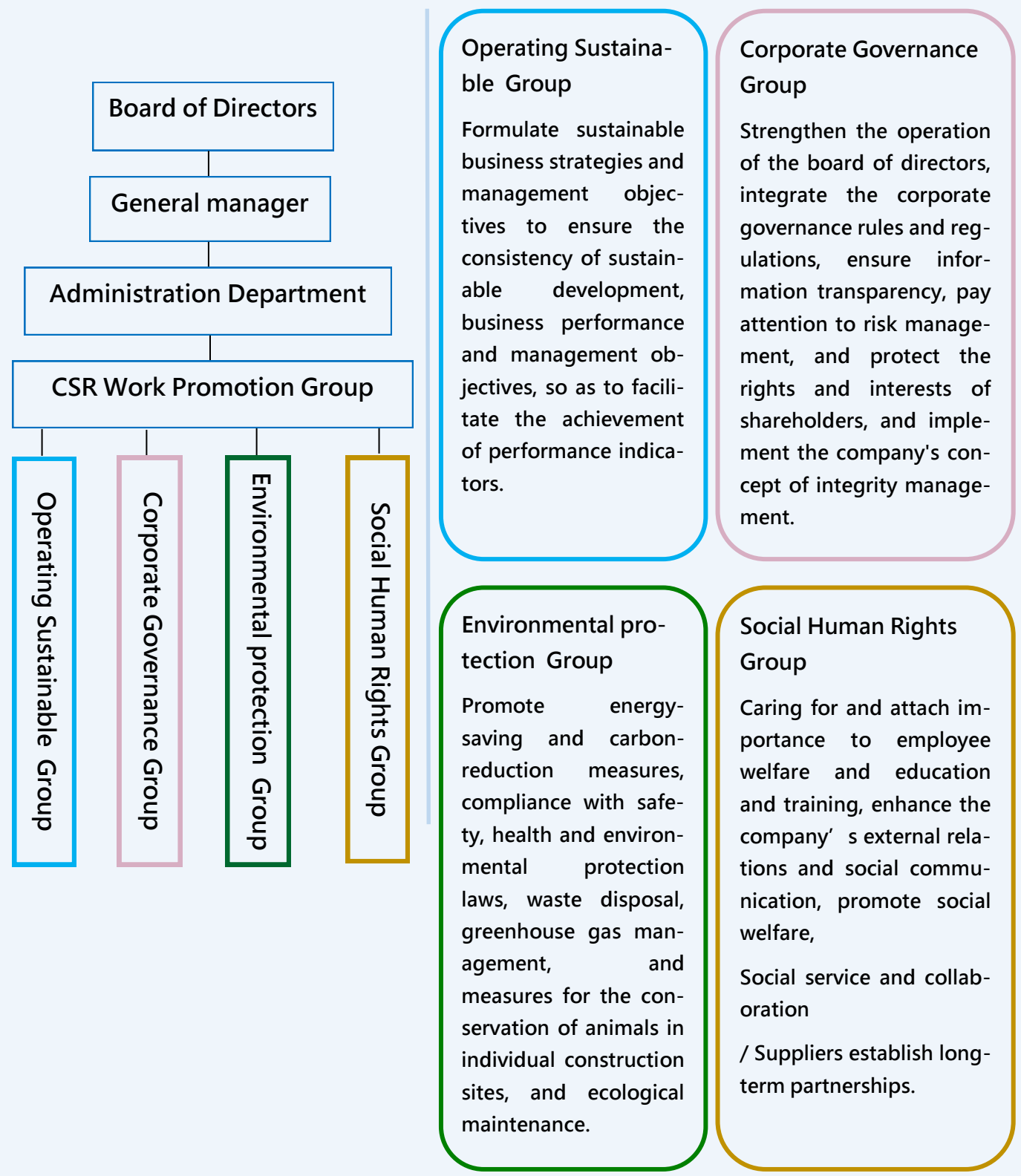
Focusing on developing into a comprehensive large-scale construction industry, gradually expanding the business of construction, environmental protection, building materials, machinery and equipment import, and supplemented by private construction and land development, in order to make use of financial planning, overall construction, design, maintenance, operation, investment, etc. Business strength!



Actively seek to form an excellent team with related industry manufacturers and consulting companies to jointly participate in public project bidding, and in line with the excellent tradition and performance of the past, as well as the consistent team spirit, continue to innovate in technology, strictly control the quality progress, and provide the best from all walks of life Build services, create a niche to give back to shareholders, and carry out land development to expand business areas.

CSR organization and operation

In order to strengthen the company's emphasis on CSR (Corporate Social Responsibility) and believe that the promotion of CSR can create better competitiveness for the company, under the supervision of the company's highest governance body (board of directors), the general manager has appointed the administrative department to form CSR The work promotion group is responsible for assisting and organizing other departments in the promotion, data collection and execution of CSR related work, and reporting to the company's highest governance body.



Industry and Information Technology established a CSR work promotion team in 2014, which was coordinated by the administrative department manager and appointed a commissioner as the chief editor of the corporate social responsibility report, which was divided according to the importance of the issues concerned by the stakeholders as the basis for compiling the CSR report.

The sustainable development of the company aims to enhance the competitiveness of the company. In 2020, our working group will split the original governance management group into a sustainable management group and a corporate governance group, and combine the company's business philosophy, operating policy, and management. The combination of performance and management objectives can strengthen the achievement of various performance indicators.

At the beginning of each year, the managers of each group will feed back the data to the team coordinator, who will evaluate the data and compile the corporate social responsibility report after the integration. The board of directors will report on the corporate social responsibility operation of the previous year in May each year, and the report will be completed by the end of June. The compilation of the book will be announced in the public information observatory and the corporate social responsibility section of the company's website.

CSR policy

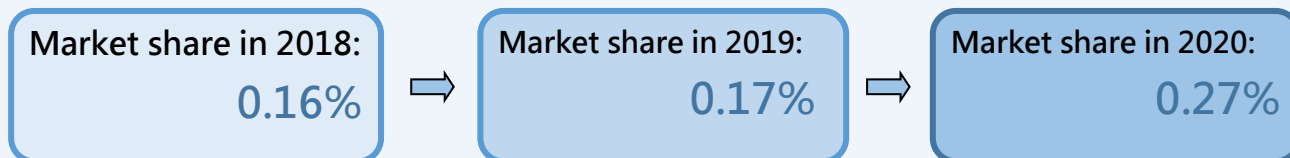
Kung Sing engineering is the foundation of sustainable operation, and it faithfully implements the business philosophy of "cost first, construction period first, quality first, safety first" and the company management policy of "safety, quality, progress, environmental protection, and cost", and With the mission of fulfilling corporate social responsibility, we are committed to achieving corporate social responsibility to stakeholders such as investors, the government, consumers, employees, and communities, and we would like to reveal the following corporate social responsibility policies:

- There are no accidents in the construction of the project, and the safety of all employees is guaranteed.
- Improve quality management and increase customer satisfaction.
- The overall work progress control is completed as scheduled.
- Friendship with nature and devote to environmental conservation practice.
- Precise cost control, open and transparent information, to ensure the rights and interests of investors.
- Cultivate talents for a long time, take care of employees' well-being, and create a quality working environment.
- Care for the development of the community, promote social welfare, and maintain good neighbor relations.

Sustainable performance

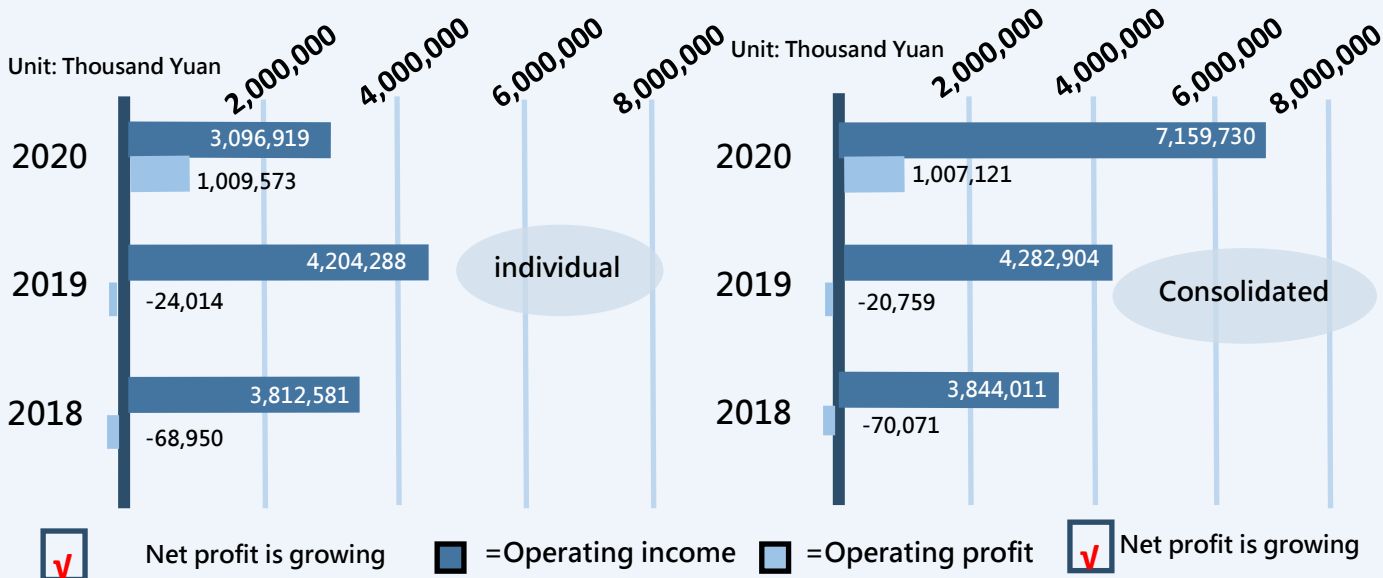
Market share has increased year by year

The turnover in 2020 will increase compared with the previous two years, so the market share is higher than the previous two years.



Profitability

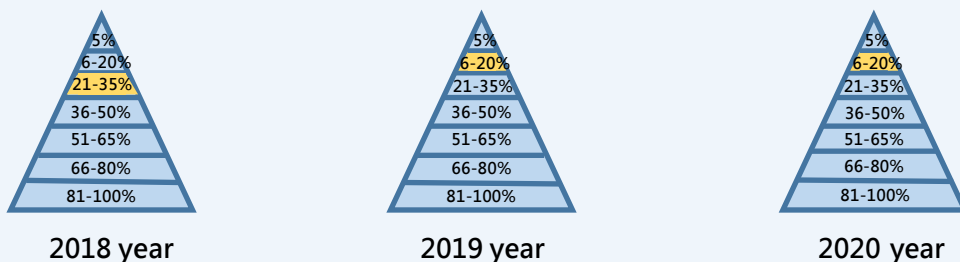
In 2020, the net profit of the individual revenue of the industry and information project was NT 1,009,573 thousand, and the net profit of the group's consolidated revenue was NT 1,007,121 thousand.



Corporate governance performance

We are committed to the strengthening and development of corporate governance. Over the years, we have made efforts in implementing information disclosure, strengthening the functions of the board of directors, diversifying directors, as well as internal control, risk management and corporate sustainability. Effectiveness.

The percentage of results in all listed companies is as follows:

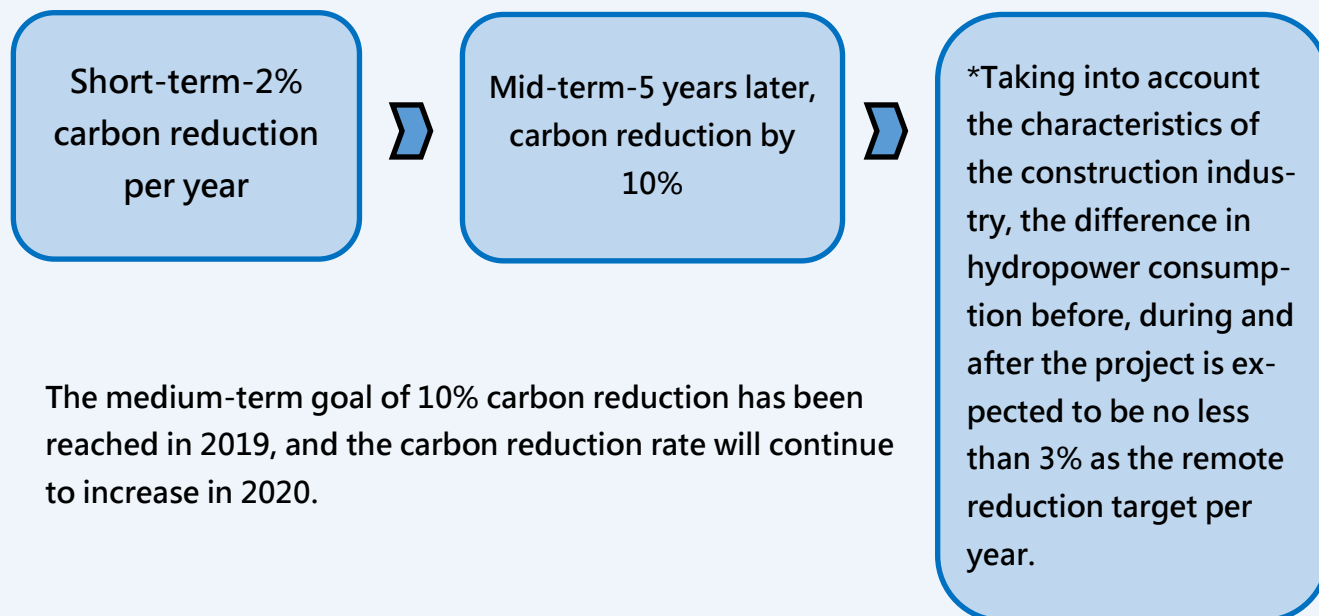


In the future, we will continue to work hard for the development of corporate governance, hoping to achieve better results!

For the implementation of corporate governance operations, please refer to the "Corporate Governance" chapter of this report, pages P24~P32.

Environmental protection performance

We are currently targeting the reduction of electricity and water to reduce the amount of indirect emissions of greenhouse gases. We hope to achieve a 2% annual reduction target from 2019, and a 10% reduction in five years as the medium-term target, and hope that the annual reduction will be expected in five years. Take not less than 3% as the long-range reduction target.



The medium-term goal of 10% carbon reduction has been reached in 2019, and the carbon reduction rate will continue to increase in 2020.

Electricity		
project	Annual electricity consumption (degrees)	Total carbon emissions (KG)
2020	1,019,938	637,461
2019	3,705,891	2,316,182
2018	6,069,237	3,793,273

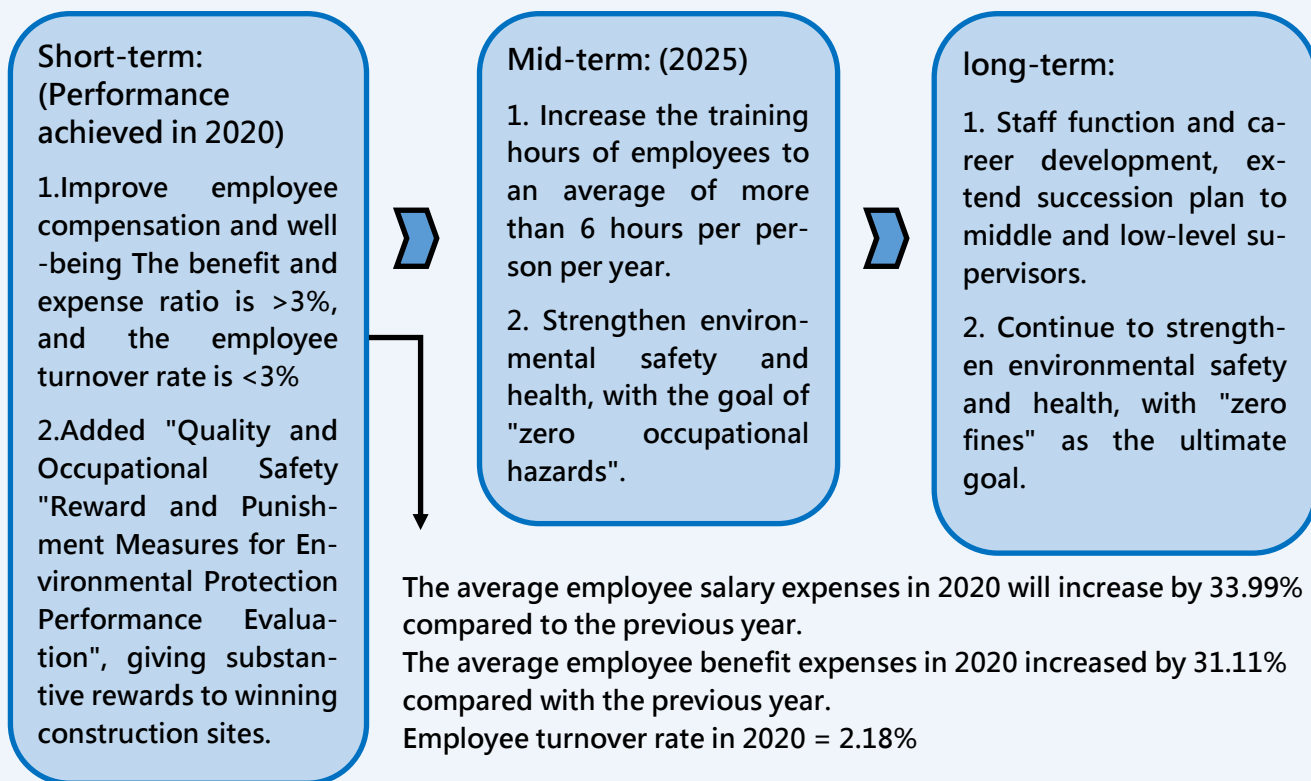
Water		
project	Annual water consumption (degrees)	Total carbon emissions (KG)
2020	27,475	1,978
2019	45,955	3,309
2018	70,631	5,085

The total carbon emissions (hydropower) in **2020** is 639,439KG, which is 1,680,052KG **less than in 2019**.

The carbon reduction rate will increase from 38.93% in 2019 to 72.43% in 2020.

Happy workplace performance

Employees are the partners of the company. We take the common growth of employees and the company as the goal, and formulate short-, medium-, and long-term goals in terms of employee care, employee welfare, and occupational safety.

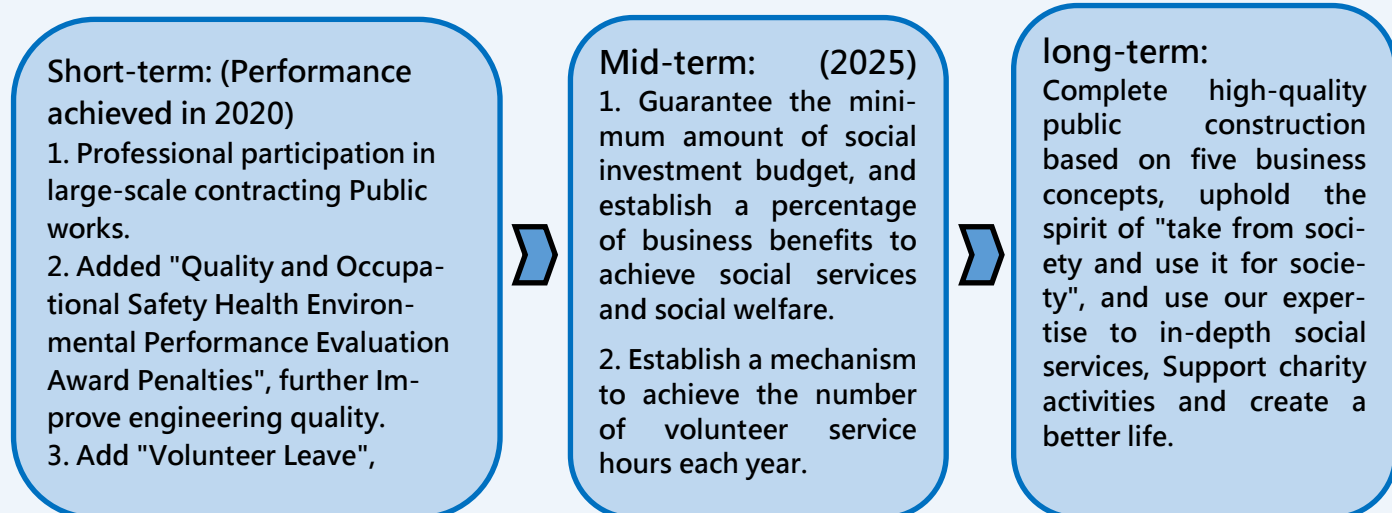


For details on the operation of a happy workplace, please refer to the "Happy Workplace and Social Inclusion" chapter of this report, pages P70~P89.

Social inclusion performance

Kung Sing has more than 70 years of public engineering experience. We participate in national infrastructure construction with professional construction technology and pursue multiple quality assurance. In addition to obtaining ISO 9001 quality management system certification, ISO 14001 environmental management system verification, and CNS45001 occupational safety and health management system In addition to verification, the projects we contracted over the years have won the Golden Safety Award, the Gold Award, and the Ministry of Transportation, and the county and city governments issued the Engineering Excellence Award. Excellent construction quality is our contribution to the public. At the same time, we also actively participate in community neighbourhood activities, promote neighbourhood development, and support social welfare.

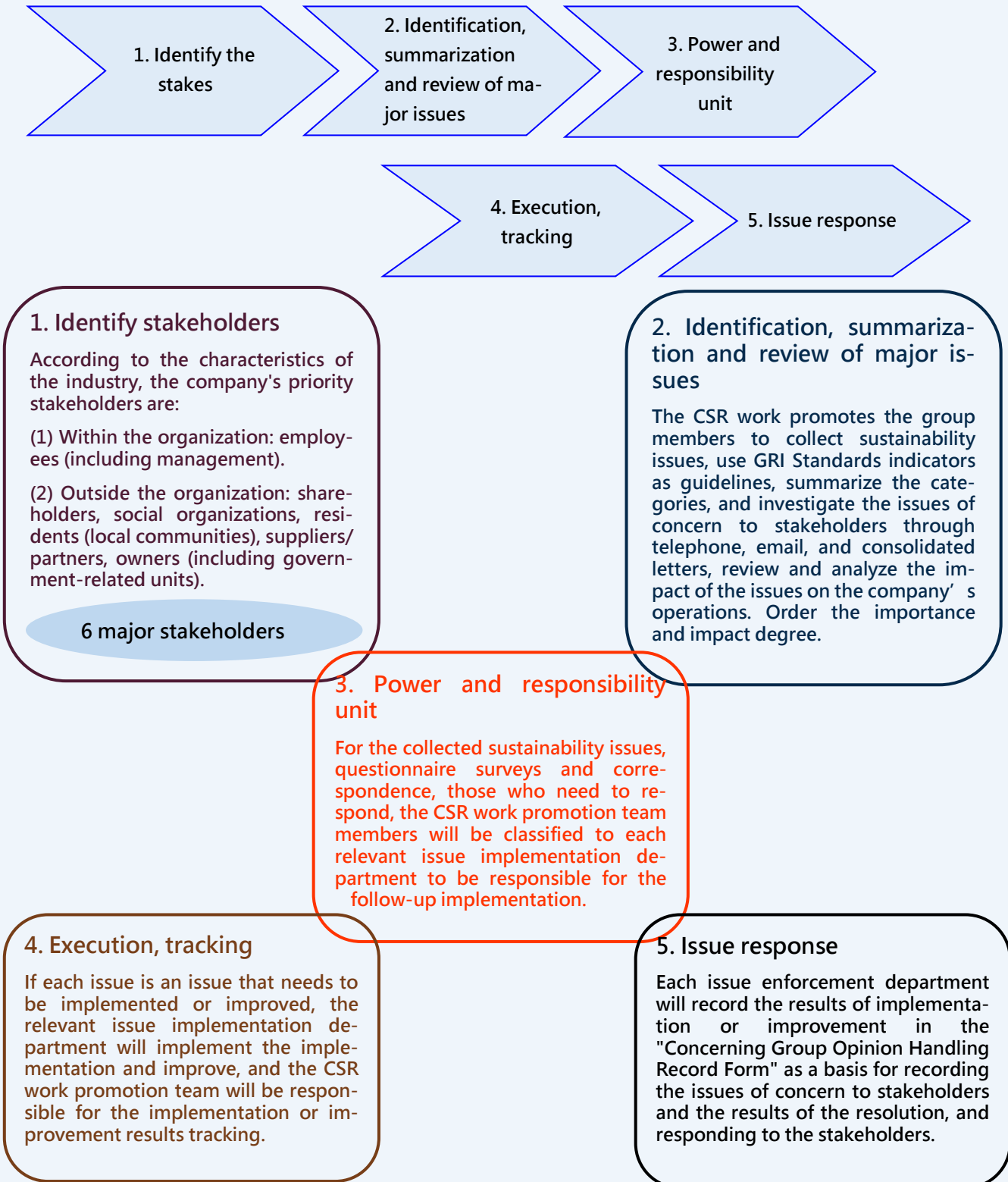
In terms of social inclusion, our short, medium and long-term goals are as follows:



Stakeholder negotiation

In order to achieve continuous and effective communication with stakeholders, the industry and information project will affect the company or individuals, ethnic groups or organizations that may be affected by the company, and they will be included in the scope of stakeholders, and diversified communication will be established. Channels and mechanisms to ensure the smoothness of communication channels, and disclose them through this report and the interested parties section of the company's website.

Define the report content process



Significant issues of concern

In 2020, we will use active visits, passive telephone calls, faxes, and statistics of letters from all walks of life to understand the degree of concern of stakeholders on various sustainability issues. We use open and transparent communication channels to allow stakeholders to easily obtain and express their needs for sustainable information.

155 e-mail and telephone

Through the calls and e-mails of the stakeholders, we can understand the sustainability issues that the stakeholders are concerned about. A total of 155 e-mail and telephone records in 2020.

1,375 official documents

Mainly letters from owners, manufacturing supervisors, government-related units and community groups, suppliers/cooperatives, etc., based on the analysis and statistics of the letters, lists various issues with significant concern and impact, as major issues for corporate

16 major issues of concern

The members of the CSR work promotion team count and summarize the collected telephone calls, faxes, emails, and letters. According to the degree of concern and impact, 16 categories of major issues that have an impact on the company are listed.

6 major stakeholders	According to the characteristics of the industry, the company's priority considerations are: employees, shareholders, social organizations, residents (local communities), suppliers/partners, and owners (including government-related units)
16 important questions	1. Operation status, 2. Construction quality, 3. Safety and health, 4. Interface coordination, 5. Regulatory compliance, 6. Construction period, 7. Environmental protection (including pollution prevention and control), 8. Salary, 9. Risk management, 10. Energy management, 11 Recruitment, cultivation and human rights, 12. Employee benefits, 13. Corporate governance (including supplier management mechanism), 14. Neighbor relations, 15. Social welfare, 16. Communication with stakeholders.

The 16 important issues of concern are classified as follows:

Operating Sustainable

16. Stakeholder communication

1. Operating status
2. Construction quality
3. Safety and health
4. Interface coordination
5. Regulatory compliance
6. Duration
7. Environmental protection (including pollution prevention and control)
8. Salary
9. Risk Management
10. Energy Management
- 11 Talent recruitment, cultivation and human rights
12. Employee benefits
13. Corporate governance
14. Neighborhood relations
15. Social welfare

Corporate Governance

1. Operating status
2. Construction quality
4. Interface coordination
5. Regulatory compliance
6. Construction period
9. Risk Management
13. Corporate governance (including supply Business management mechanism)

Environmental protection

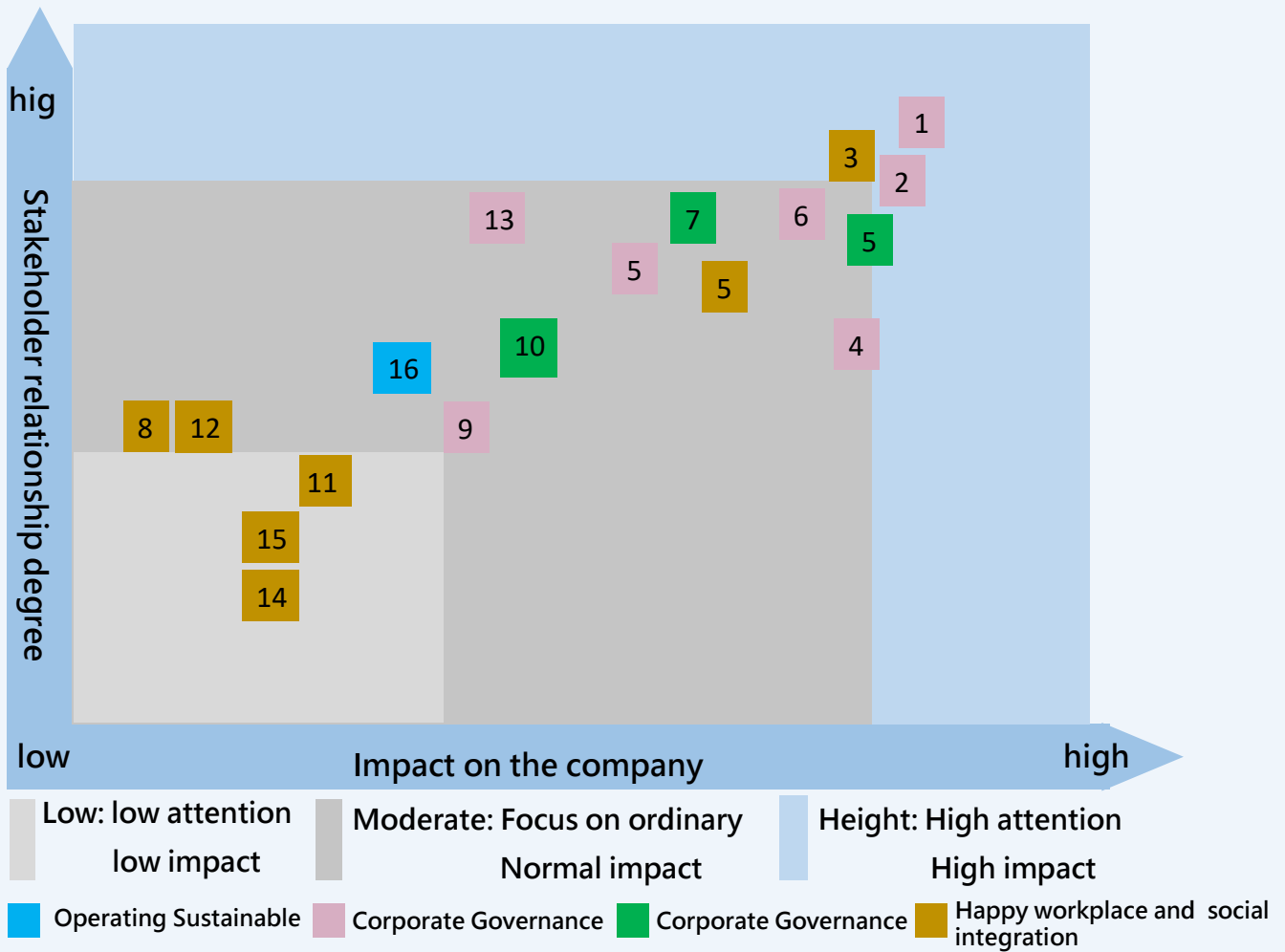
5. Regulatory compliance
7. Environmental protection (including pollution prevention and control)
10. Energy Management

Happy workplace and social integration

3. Safety and health
5. Regulatory compliance
8. Salary
11. Talent recruitment, cultivation and human rights
12. Employee benefits
14. Neighborhood relations
15. Social welfare

Items 1-15 are briefly described in the sustainable management chapter, and the actual content is detailed in other classification chapters.

Matrix of Concerned Issues



Select the corresponding SDGs

There are a total of 17 UN Sustainable Development Goals (SDGs). We review the company's operating conditions and issues of concern to stakeholders, and evaluate the company's corresponding contribution to the UN Sustainable Development Goals, including the following 11



Concerned topics correspond to GRI and SDGs indicators

Stakeholder	Staff	shareholder	Social groups	Resident (local community)	supplier/ Third Party	Owners (including government concerned department)
Major concern issue	<div style="display: flex; flex-wrap: wrap; gap: 5px;"> <div style="background-color: #FFC000; padding: 2px;">3</div> <div style="background-color: #FFC000; padding: 2px;">8</div> <div style="background-color: #FFC000; padding: 2px;">11</div> </div> <div style="background-color: #FFC000; padding: 2px; margin-top: 5px;">12</div>	<div style="display: flex; flex-wrap: wrap; gap: 5px;"> <div style="background-color: #FFC000; padding: 2px;">1</div> <div style="background-color: #FFC000; padding: 2px;">6</div> <div style="background-color: #FFC000; padding: 2px;">13</div> </div> <div style="background-color: #00AEEF; padding: 2px; margin-top: 5px;">16</div>	<div style="display: flex; flex-wrap: wrap; gap: 5px;"> <div style="background-color: #00AEEF; padding: 2px;">5</div> <div style="background-color: #00AEEF; padding: 2px;">7</div> <div style="background-color: #FFC000; padding: 2px;">14</div> </div> <div style="background-color: #FFC000; padding: 2px; margin-top: 5px;">15</div>	<div style="display: flex; flex-wrap: wrap; gap: 5px;"> <div style="background-color: #FFC000; padding: 2px;">2</div> <div style="background-color: #FFC000; padding: 2px;">6</div> <div style="background-color: #00AEEF; padding: 2px;">7</div> </div> <div style="background-color: #FFC000; padding: 2px; margin-top: 5px;">14</div>	<div style="background-color: #FFC000; padding: 2px; margin-top: 5px;">13</div>	<div style="display: flex; flex-wrap: wrap; gap: 5px;"> <div style="background-color: #FFC000; padding: 2px;">2</div> <div style="background-color: #FFC000; padding: 2px;">3</div> <div style="background-color: #FFC000; padding: 2px;">4</div> </div> <div style="background-color: #FFC000; padding: 2px; margin-top: 5px;">5</div> <div style="background-color: #00AEEF; padding: 2px; margin-top: 5px;">5</div> <div style="background-color: #00AEEF; padding: 2px; margin-top: 5px;">5</div> <div style="background-color: #FFC000; padding: 2px; margin-top: 5px;">6</div> <div style="background-color: #00AEEF; padding: 2px; margin-top: 5px;">7</div> <div style="background-color: #FFC000; padding: 2px; margin-top: 5px;">9</div> <div style="background-color: #00AEEF; padding: 2px; margin-top: 5px;">10</div> <div style="background-color: #FFC000; padding: 2px; margin-top: 5px;">13</div>
Corresponding to GRI major themes	<div style="display: flex; flex-wrap: wrap; gap: 5px;"> <div style="background-color: #D9E1F2; padding: 2px;">401</div> <div style="background-color: #D9E1F2; padding: 2px;">402</div> </div> <div style="display: flex; flex-wrap: wrap; gap: 5px; margin-top: 5px;"> <div style="background-color: #D9E1F2; padding: 2px;">403</div> <div style="background-color: #D9E1F2; padding: 2px;">404</div> </div> <div style="display: flex; flex-wrap: wrap; gap: 5px; margin-top: 5px;"> <div style="background-color: #D9E1F2; padding: 2px;">405</div> <div style="background-color: #D9E1F2; padding: 2px;">406</div> </div> <div style="display: flex; flex-wrap: wrap; gap: 5px; margin-top: 5px;"> <div style="background-color: #D9E1F2; padding: 2px;">408</div> <div style="background-color: #D9E1F2; padding: 2px;">409</div> </div> <div style="background-color: #D9E1F2; padding: 2px; margin-top: 5px;">412</div>	<div style="background-color: #D9E1F2; padding: 2px; margin-top: 5px;">201</div>	<div style="display: flex; flex-wrap: wrap; gap: 5px;"> <div style="background-color: #D9E1F2; padding: 2px;">102</div> <div style="background-color: #D9E1F2; padding: 2px;">304</div> </div> <div style="display: flex; flex-wrap: wrap; gap: 5px; margin-top: 5px;"> <div style="background-color: #D9E1F2; padding: 2px;">306</div> <div style="background-color: #D9E1F2; padding: 2px;">307</div> </div>	<div style="display: flex; flex-wrap: wrap; gap: 5px;"> <div style="background-color: #D9E1F2; padding: 2px;">304</div> <div style="background-color: #D9E1F2; padding: 2px;">306</div> </div> <div style="background-color: #D9E1F2; padding: 2px; margin-top: 5px;">413</div>	<div style="display: flex; flex-wrap: wrap; gap: 5px;"> <div style="background-color: #D9E1F2; padding: 2px;">204</div> <div style="background-color: #D9E1F2; padding: 2px;">308</div> </div> <div style="background-color: #D9E1F2; padding: 2px; margin-top: 5px;">413</div>	<div style="display: flex; flex-wrap: wrap; gap: 5px;"> <div style="background-color: #D9E1F2; padding: 2px;">102</div> <div style="background-color: #D9E1F2; padding: 2px;">302</div> </div> <div style="display: flex; flex-wrap: wrap; gap: 5px; margin-top: 5px;"> <div style="background-color: #D9E1F2; padding: 2px;">304</div> <div style="background-color: #D9E1F2; padding: 2px;">305</div> </div> <div style="display: flex; flex-wrap: wrap; gap: 5px; margin-top: 5px;"> <div style="background-color: #D9E1F2; padding: 2px;">306</div> <div style="background-color: #D9E1F2; padding: 2px;">307</div> </div> <div style="background-color: #D9E1F2; padding: 2px; margin-top: 5px;">419</div>
Corresponding to other Major themes						<div style="background-color: #D9E1F2; padding: 2px; margin-top: 5px;">Interface coordination</div> <div style="background-color: #D9E1F2; padding: 2px; margin-top: 5px;">Construction period</div>
Corresponding to SDGs	<div style="display: flex; flex-direction: column; gap: 5px;"> <div style="background-color: #00AEEF; color: white; padding: 2px; text-align: center;">3 GOOD HEALTH AND WELL-BEING</div> <div style="background-color: #FFC000; color: white; padding: 2px; text-align: center;">4 QUALITY EDUCATION</div> <div style="background-color: #FFC000; color: white; padding: 2px; text-align: center;">5 GENDER EQUALITY</div> <div style="background-color: #00AEEF; color: white; padding: 2px; text-align: center;">8 DECENT WORK AND ECONOMIC GROWTH</div> <div style="background-color: #FFC000; color: white; padding: 2px; text-align: center;">10 REDUCED INEQUALITIES</div> </div>	<div style="display: flex; flex-direction: column; gap: 5px;"> <div style="background-color: #00AEEF; color: white; padding: 2px; text-align: center;">8 DECENT WORK AND ECONOMIC GROWTH</div> <div style="background-color: #FFC000; color: white; padding: 2px; text-align: center;">10 REDUCED INEQUALITIES</div> </div>	<div style="display: flex; flex-direction: column; gap: 5px;"> <div style="background-color: #FFC000; color: white; padding: 2px; text-align: center;">1 NO POVERTY</div> <div style="background-color: #00AEEF; color: white; padding: 2px; text-align: center;">8 DECENT WORK AND ECONOMIC GROWTH</div> <div style="background-color: #FFC000; color: white; padding: 2px; text-align: center;">10 REDUCED INEQUALITIES</div> <div style="background-color: #00AEEF; color: white; padding: 2px; text-align: center;">13 CLIMATE ACTION</div> <div style="background-color: #FFC000; color: white; padding: 2px; text-align: center;">14 LIFE BELOW WATER</div> <div style="background-color: #00AEEF; color: white; padding: 2px; text-align: center;">15 LIFE ON LAND</div> </div>	<div style="display: flex; flex-direction: column; gap: 5px;"> <div style="background-color: #00AEEF; color: white; padding: 2px; text-align: center;">6 CLEAN WATER AND SANITATION</div> <div style="background-color: #00AEEF; color: white; padding: 2px; text-align: center;">13 CLIMATE ACTION</div> <div style="background-color: #FFC000; color: white; padding: 2px; text-align: center;">14 LIFE BELOW WATER</div> <div style="background-color: #00AEEF; color: white; padding: 2px; text-align: center;">15 LIFE ON LAND</div> </div>	<div style="display: flex; flex-direction: column; gap: 5px;"> <div style="background-color: #00AEEF; color: white; padding: 2px; text-align: center;">3 GOOD HEALTH AND WELL-BEING</div> <div style="background-color: #00AEEF; color: white; padding: 2px; text-align: center;">8 DECENT WORK AND ECONOMIC GROWTH</div> </div>	<div style="display: flex; flex-direction: column; gap: 5px;"> <div style="background-color: #FFC000; color: white; padding: 2px; text-align: center;">5 GENDER EQUALITY</div> <div style="background-color: #00AEEF; color: white; padding: 2px; text-align: center;">6 CLEAN WATER AND SANITATION</div> <div style="background-color: #FFC000; color: white; padding: 2px; text-align: center;">12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div style="background-color: #00AEEF; color: white; padding: 2px; text-align: center;">13 CLIMATE ACTION</div> <div style="background-color: #FFC000; color: white; padding: 2px; text-align: center;">14 LIFE BELOW WATER</div> <div style="background-color: #00AEEF; color: white; padding: 2px; text-align: center;">15 LIFE ON LAND</div> </div>
Corresponding disclosure Chapter	<div style="background-color: #00AEEF; color: white; padding: 2px; margin-bottom: 5px;">Environmental protection</div> <div style="background-color: #FFC000; color: white; padding: 2px;">Happy workplace and social integration</div>	<div style="background-color: #00AEEF; color: white; padding: 2px; margin-bottom: 5px;">Operating Sustainable</div> <div style="background-color: #FFC000; color: white; padding: 2px;">Corporate Governance</div>	<div style="background-color: #00AEEF; color: white; padding: 2px; margin-bottom: 5px;">Environmental protection</div> <div style="background-color: #FFC000; color: white; padding: 2px;">Happy workplace and social integration</div>	<div style="background-color: #FFC000; color: white; padding: 2px; margin-bottom: 5px;">Corporate Governance</div> <div style="background-color: #00AEEF; color: white; padding: 2px; margin-bottom: 5px;">Environmental protection</div> <div style="background-color: #FFC000; color: white; padding: 2px;">Happy workplace and social integration</div>	<div style="background-color: #FFC000; color: white; padding: 2px; margin-bottom: 5px;">Corporate Governance</div> <div style="background-color: #00AEEF; color: white; padding: 2px; margin-bottom: 5px;">Environmental protection</div>	<div style="background-color: #FFC000; color: white; padding: 2px; margin-bottom: 5px;">Corporate Governance</div> <div style="background-color: #00AEEF; color: white; padding: 2px; margin-bottom: 5px;">Environmental protection</div> <div style="background-color: #FFC000; color: white; padding: 2px;">Happy workplace and social integration</div>

Stakeholder communication

Stakes Relations	Issues of concern	Communication channel	Response frequency/method
Staff		Labor-Management Coordination Meeting	Quarterly/convene meetings to communicate and record
	3 Health and Safety	Occupational Safety and Health Committee, Toolbox Meeting	Quarterly occupational safety meeting/ convening and recording of meetings Daily toolbox meeting/before work
	8 Salary	Executive meeting	Daily/morning meeting for direct communication or report after meeting
	11 Talent recruitment, cultivation and human rights	Welfare Committee Meeting	Quarterly/convene meetings to communicate and record
	12 Employee Benefits	Self-evaluation by employees at the end of the year	Annual/individual interview communication
		Employee suggestion mailbox, EIP	Continue to open up employee responses and reply online
shareholder	1 Operating status	Shareholders meeting	Annual/convene a meeting to communicate and make records
	6 Construction period	Company website "Investor Area"	Continue to open / set up a contact window to communicate and respond
	13 Corporate governance (including supply)	Phone, fax, email	Continue to open up/respond to shareholder opinions
	16 Stakeholder communication	Legal person briefing	Held once a year/information meeting to respond directly
Social groups	5 Regulatory compliance	Company website, FB, telephone, letter, email, CSR report	Respond by phone, letter or other electronic means from time to time according to needs, sponsor social groups to handle activities
	7 Environmental protection (including pollution prevention and control)		
	14 Neighbor relations		
	15 Social welfare		
Resident (local community)	2 Construction quality	Company website, FB, phone, letter, email	Irregularly based on demand / reply by phone, mail or other electronic means
	6 Construction period		
	7 Environmental protection (including pollution prevention and control)		
	14 Neighbor relations		
Supplier/ Partner	13 Corporate governance (including supplier management mechanism),	Vendor Evaluation	Once a year / conduct evaluation, weed out failed manufacturers
		Interface integration / construction period / safety, health and environmental protection / quality inspection meeting	Each construction site regularly holds/convenes meetings according to needs, communicates and records during the meeting, and reports on the implementation and improvement status at the next meeting.
Owner (including government related units)	2 Construction quality	Correspondence, telephone, fax, e-mail, CSR report	Continue to open / respond according to various communication channels
	3 Health and Safety		
	4 Interface coordination	Public works conferences, environmental safety and health conferences, education and training, quality inspections	According to the needs, conduct direct communication and make records during the meeting, and conduct an improvement review report at the next meeting. Ongoing/Reply by post or phone call or email.
	5 Regulatory compliance		
	6 Construction period		
	7 Environmental protection (including pollution prevention and control)		
	9 Risk Management		
	10 Energy Management		
13 Corporate governance			

Summary of important communication issues and responses:

Stakeholders: shareholder

Communication channel: legal person briefing, telephone

Frequency: Legal person briefing are held once a year

Phone: irregular



Sustainable development

Main communication issues

Our response

When will the land of the subsidiary Nangang be booked after the sale and the current status of project execution. (phone)

The amount of land in Nangang was recognized in the second quarter financial report. The main project currently underway is the Tamkang Bridge, and the progress of the project is about 8%.

Next year's dividend situation, future development direction (Legal person briefing)

This year has not yet reached the end of the year. The balance of the year-end surplus after making up the previous losses will be distributed in accordance with the articles of association.

Stakeholders: Owners (including government-related units), suppliers/partners, residents

Communication channel : Correspondence, telephone, company website, FB, youtube and CSR report

Frequency: Letters: from time to time as needed, company website and FB: updated at any time, CSR report: prepared every year.

Corporate Governance

Main communication issues

Our response

The competent authority's letter stated that the self-assessment of corporate governance will be conducted from October 1st to January 31st of the following year. (Official document)

By completing the self-assessment work before the end of January each year, we scored 89.74 points in the 2020 (7th) Corporate Governance Evaluation, ranking 6%-20% of all listed companies.

The competent authority promotes the corporate governance blueprint 3.0. (Official document)

In addition to the corporate governance and operating conditions disclosed on the company's website, we have deployed ahead of time, cooperated with the corporate governance blueprint 3.0, and compiled our own CSR report as one of the communication channels with stakeholders and demonstrated our sustainable business performance.

The third-party manufacturer applies for the refund of the retention money, the performance bond promissory note and the issuance of the completion acceptance certificate. (Official document)

Upon receipt of the manufacturer's letter, we immediately signed it and notified the contractor of the construction station to assist with the manufacturer's settlement.

Residents are concerned about the company's Tamkang Bridge project. (Phone, social network)

We update the project progress and latest news on the company website at any time, and place construction photos and videos on social networking sites such as FB and youtube to help the public understand the latest project status.

Summary of important communication issues and responses:

Environmental protection

Stakeholders : Owners (including government related units)

Communication channel: Correspondence, CSR report, company website

Frequency: Correspondence: from time to time as needed, environmental safety and health meeting

Main communication issues

The owner held a quality and environmental review meeting. (Official document)

Our response

Regularly attend the meeting in accordance with the letter to discuss quality and environmental issues together. The CSR section of the company website exposes environmental friendliness

Operation and implementation status.

Happy workplace and social integration

Stakeholders : Employees, social groups

Communication channel : Occupational safety and health committee meetings, labor-management coordination meetings, correspondence

Frequency: Occupational safety and health meeting and labor-management coordination meeting: once a quarter, correspondence: irregular time as needed

Main communication issues

The public works offices report on the work safety incidents this season. (Occupational Safety and Health Committee Meeting)

1. COVID-19 prevention measures.
2. Flexible shifts on worksites on the day of making up shifts.
3. Staff health check.
4. The setting of volunteer leave.

(Labor-Management Coordination Meeting)



Please sponsor the "Gengzi Chongyang Respect for the Elderly Public Welfare Activity." (Letter)

The association invites advertising sponsorship. (Correspondence)

Please assist in handling teacher and student visits and academic exchange activities. (Correspondence)

Our response

All works offices strengthen the implementation of work safety, conduct work safety publicity, strengthen pre-work education and training and work safety education training, and add "Quality and Occupational Safety and Health Environmental Performance Evaluation Rewards and Punishments Measures" to give substantive rewards to winning construction sites for excellent performance.

1. Formulate the "Manpower Utilization and Office Contingency Measures Plan in Response to New Coronary Pneumonia", divert personnel, spread risks, and post epidemic prevention posters.
2. Implement flexible schedules on make-up days, so that employees can arrange their own work.
3. Regular health check once a year, scheduled to be implemented from July to September each year.
4. At the end of December 2020, a "volunteer leave" was added. The service target should be mainly charity-oriented. The service hours can be accumulated according to the service certificate issued by the charity organization. Every eight hours can be exchanged for one day of "volunteer leave" per person. Sixteen hours a year.

For invitation, sponsorship and assistance in handling visits and other activities

, We will respond to the letter from the unit based on the annual budget and the evaluation of the company' s operational connectivity, sponsorship methods, amounts, and visits and exchange activities.

2、Corporate Governance

Topic of this chapter

Management policy	P26
Board of Directors	
Operation and Operation Status	P27
Supply chain management	P42
Risk Management	P45
Integrity, transparency and legal compliance	P50

Important issues

- 1 Operating status
- 2 Construction quality
- 4 Interface coordination
- 5 Regulatory compliance
- 6 Construction period
- 9 Risk Management
- 13 Corporate governance

Highlights in this chapter

- ※ Passed the latest version of ISO 9001:2015/CNS12681:2016.
- ※ In 2020, no corruption or bribery occurred, and no huge fines were imposed for violation of laws and regulations.
- ※ The proportion of new suppliers signing "Occupational Safety and Environmental Protection Recognition Letter" and "Environmental and Social Responsibility Recognition Letter" reaches **100%**
- ※ In 2020, the corporate governance evaluation score will reach 89.74 points, which is the top **20%** of all listed companies.

Management policy

103-1、103-2、103-3

Major topics of corporate governance (in order of significance)	Management purpose	Management methods and effective evaluation mechanism
Operation status (P38-41)	To achieve sustainable operation and obtain long-term benefits, and create sustainable value for stakeholders.	<ol style="list-style-type: none"> 1. Actively develop case sources, and do a good job of cost control to ensure revenue and profit. 2. Establish an audit room under the board of directors to assist the board of directors and management to check and evaluate whether the internal control system is operating effectively.
Construction quality (P36-37)	Reduce the potential risks of the company's operations, avoid financial and goodwill losses, and protect the safety of users.	<ol style="list-style-type: none"> 1. Establish a quality control system and allocate appropriate quality control personnel. 2. Establish an internal control system and implement internal audits.
During the construction period (P35)	Comply with the specifications and reduce the loss caused by the delay of the construction period.	<ol style="list-style-type: none"> 1. Make engineering network diagrams and control the construction schedule according to the network diagrams. 2. Convene a progress meeting to report and review the construction progress regularly. 3. According to the risk management and control assessment mechanism, conduct risk assessment and response to the controllable and force majeure factors that affect the construction period.
Interface coordination (P35)	Avoid interface conflicts during construction, resulting in the inability of the project to proceed.	Regular interface coordination meetings are held to discuss meetings with other interface vendors, and list the resolutions and handling situations and keep track of them until the project is completed.
Compliance (P50)	Reduce the potential risks of company operations, avoid financial and goodwill losses, and strengthen corporate governance.	<ol style="list-style-type: none"> 1. Regularly review the update and revision of the regulations of the competent authority. 2. Establish and implement an internal control system and implement internal audits.
Corporate governance (P27-37, P50)	Improve the company's physique. (Mainly in the operation of the board of directors, integrity management and internal control system)	The company has established the "Code of Practice for Corporate Governance", "Code of Integrity Management", "Code of Ethical Conduct" and "Personnel Regulations" to regulate employees' ethical standards and codes of conduct. The board of directors and management should also follow the standards of the Code of Integrity Management. The performance of corporate governance is evaluated annually based on the corporate governance evaluation indicators of the competent
Risk management (P45-48)	Reduce industry, operation and other risks to avoid cost increase and other unfavorable factors.	Establish a risk management mechanism. All levels of management are responsible for risk identification and management. Once a potential risk is discovered, it should be reported to the Audit Office or senior management in a timely manner, and a solution should be sought as soon as possible. The decision maker should also take action in the shortest possible time.

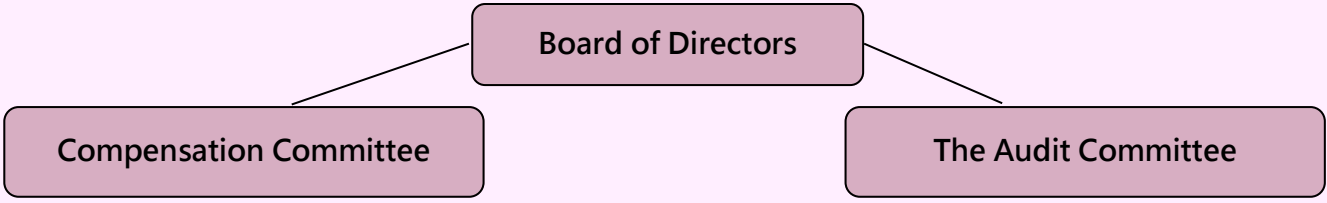
Board of Directors Operation and Operation Status

Based on the concept of integrity, transparency and responsibility, we formulate integrity-based policies, and establish a good corporate governance risk control mechanism to create a sustainable business environment, and we formulate integrity management rules to establish integrity Operating corporate culture and sound development. We usually handle recurring business in accordance with the spirit of the Code of Practice for Corporate Governance of Listed OTC Companies, and implement the concept of maintaining good corporate governance in our daily operations. In addition to reducing the possibility of corporate crises, we also protect the rights and interests of investors and creditors. Long-term cultivation of good corporate physique and competitiveness.

MIIT takes the board of directors as the supreme governance unit, and has an audit committee and a salary and remuneration committee, which are implemented in accordance with the "Rules of Procedure of the Board of Directors", "Organization Rules of the Audit Committee" and "Organization Rules of the Salary and Remuneration Committee". The company also conducts board performance evaluation at the end of each year. All directors self-assess their mastery of company goals and tasks, awareness of directors' responsibilities, participation in company operations, internal relationship management and communication, directors' professional and continuing education, and internal Actual implementation of control, etc. The performance evaluation of the board of directors in 2019 was excellent. Please refer to the company's website for relevant implementation status:



Company website QR Code



Board of Directors

Our board of directors adopts a candidate nomination system. For the relevant nomination process and standards, please refer to the company's website:



The board of directors is composed of 7 directors with different professional backgrounds, of which three are independent directors. The diversified academic and industrial experience of the directors is very helpful to the company's short, medium and long-term development.

Board members without manager status account for more than half of all directors. A total of ten board meetings will be held in 2020, with an average attendance rate of 100%. Directors will continue to study for six hours each year, and 100% will be achieved in 2020 (for details, please refer to this The company's annual report P30).

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Director seats without company manager status

> 1/2

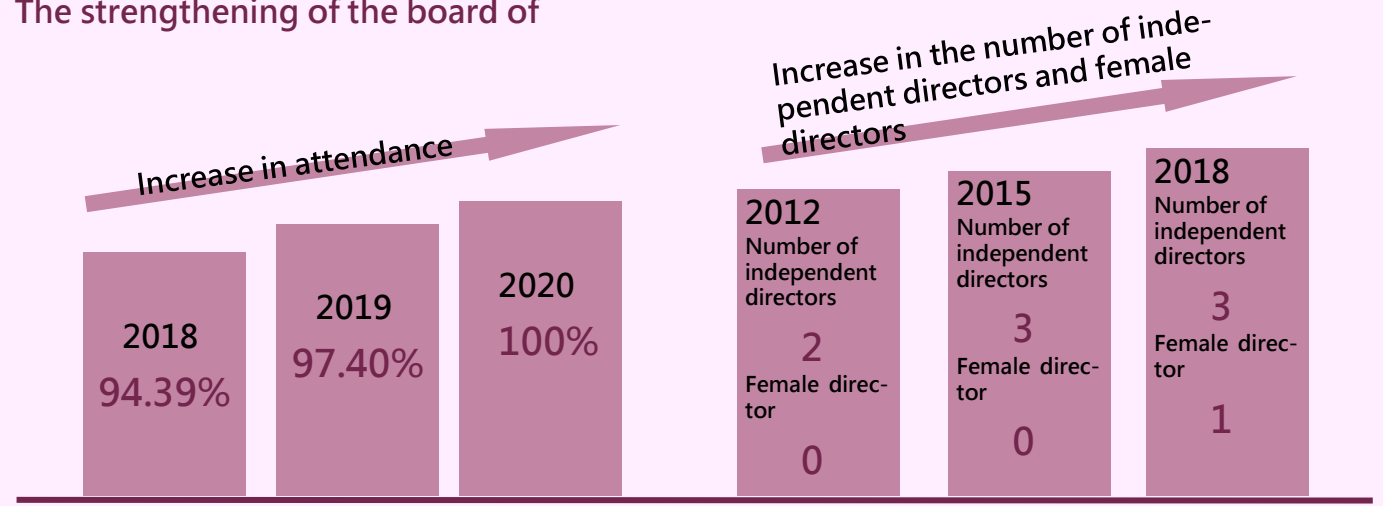
Ten board meetings will be held in 2020, and the average attendance rate of all directors

100%

Achievement rate of 6-hour continuous training for directors in 2020

100%

The strengthening of the board of



Operation of the Board of Directors in 2020

The 2020 board meeting 10 [A], the directors' attendance is as follows:

job title	gender	Name	Actual attendance (B)	Delegated to attend	Actual attendance rate (%) 【B/A】
Chairman of the board	Man ♂	Ch'uan Fu Representative: Chen ,huang-ming	10	0	100%
Director	Man ♂	Ch'uan Fu Representative: Chiang,chi-ching	10	0	100%
Director	woman♀	Chia ho Representative: Tseng, mei- ling	10	0	100%
Director	Man ♂	Ju hsiang Representative: Chang , liang -ming	10	0	100%
Independent director	Man ♂	Chen, chin- yueh	10	0	100%
Independent director	Man ♂	Tu,yi- yang	10	0	100%
Independent director	Man ♂	Wang, chih- lung	10	0	100%

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Supplementary matters concerning the attendance of the board of directors:

1. In 2020, independent directors opposed or reserved opinions and recorded or written statement of board resolutions: none.
2. The implementation situation of directors' avoidance of the interested proposal:
 - (1).2020.03.26 The first proposal of the twenty-sixth session of the board of directors in 2020: a proposal for the distribution of employee and director compensation in 2019. (Proposed by the Salary and Compensation Committee)
In the agenda of this case, interested parties are invited to avoid voting, and other directors shall vote.
Resolution: This case was passed without objection by all the directors present.
 - (2).2020.03.26 The twenty-sixth session of the first board of directors in 2020, the tenth proposal: review the remuneration of directors and review the salary adjustment of managers and the remuneration of new deputy general managers and heads of corporate governance. (Proposed by the Salary and Compensation Committee)
In the agenda of this case, interested parties are invited to avoid voting, and other directors shall vote.
Resolution: This case was passed without objection by all the directors present.
- 3.The listed company should disclose the evaluation cycle and period, evaluation scope, method and evaluation content of the board of directors' self (or peer) evaluation. Please refer to the implementation of the board of directors evaluation on the Below.
- 4.Evaluation of the objectives and implementation of strengthening the functions of the board of directors in the current year and the most recent year:

In 2020, two remuneration committee meetings will be held to strengthen performance evaluation and remuneration structure. At the end of each year, the company will conduct self-assessment of directors and board performance evaluation as the basis for board performance appraisal, and conduct review and improvement.

In 2020, directors and independent directors have completed 6 hours of training to strengthen the functions of the board of directors.

Implementation of the Board of Directors Evaluation in 2020

We conduct self-evaluation of individual directors at the end of each year, and complete the performance evaluation of the board of directors and functional committees at the beginning of the following year. Directors' self-assessment and board performance evaluation serve as the basis for the board's performance appraisal, and review and improve accordingly.

Evaluation cycle: once a year.

Evaluation period: January 1, 2020-December 31, 2020

Evaluation content

Evaluation scope: individual board members.

Evaluation method:Directors' self-evaluation

1. Master the company's goals and tasks. (3 items)
2. Awareness of directors' responsibilities. (3 items)
3. The degree of participation in the company's operations. (8 items)
4. Internal relationship management and communication. (3 items)
5. Professional and continuing education of directors. (3 items)
6. Internal control. (3 items)

evaluation result

The board of directors is operating well, but the two comments are "the directors have a clear understanding of all the company's strategic goals set by the board of directors" and "the directors and the certified accountant have fully communicated and communicated with each other."

The project needs to be strengthened.

Improvement plan:

1. The company's description of the strategic goals set will be further strengthened.
2. Invite accountants to sit on the board of directors or increase the number of meetings between accountants and directors to achieve sufficient communication and exchanges.

Continued from previous page

Evaluation content

Evaluation scope: Overall board

Evaluation method: Internal self-evaluation of the board

1. The degree of participation in the company's operations. (12 items)
2. Improve the decision-making quality of the board of directors. (12 items)
3. The composition and structure of the board of directors. (7 items)
4. The selection and continuing education of directors. (7 items)
5. Internal control. (7 items)

evaluation result

The board of directors is operating well, but the two assessment items of "directors attending shareholders' meetings" and "directors have full communication and exchanges with certified public accountants" need to be strengthened.

Improvement plan:

1. The directors/independent directors are requested to cooperate in attending the shareholders' meeting.
2. Invite accountants to sit on the board of directors or increase the number of meetings between accountants and directors to achieve sufficient communication and exchanges.

Evaluation content

Evaluation scope: Functional committees

Evaluation method: Internal self-evaluation of the board

1. The degree of participation in the company's operations. (4 items)
2. Recognition of the responsibilities of functional committees. (5 items)
3. The decision-making quality of functional committees. (7 items)
4. Functional committee composition and member selection. (3 items)
5. Internal control. (3 items)

evaluation result

Functional committees are operating well. However, "the audit committee and the certified public accountant have fully communicated and communicated with each other" and "the public

The information provided by the company to the audit committee is complete, timely, and of a certain quality, so that the audit committee can perform its duties smoothly

....." Two items need to be strengthened.

Improvement plan:

1. Increase the number of meetings between accountants and audit committees to achieve full communication and exchanges.
2. When the company provides meeting information to the committee, it will be attached when the meeting notice is sent, and the information must be complete.

Diversification of the Board of Directors

The composition of our board of directors is diversified, and considerations are not limited to the following benchmarks:

1. Basic conditions and values: gender, age, nationality and culture, etc.
2. Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing or technology), professional skills and industry Experience etc.

The overall capability of the board of directors and the achievement of diversity:

Diversified projects	gender	Operat- ing manage- ment	leader- ship decision making	industry Knowledg e	Finance account- ing	crisis deal with	Interna- tional view Market view
Chairman of the board Chen ,huang-ming	Man	●	●	●		●	●
Director Chiang,chi-ching	Man	●	●	●		●	●
Director Tseng, mei- ling	woman	●	●			●	
Director Chang , liang -ming	Man	●			●	●	●
Independent director Chen, chin- yueh	Man	●			●	●	
Independent director Wang, chih- lung	Man	●			●	●	
Independent director Tu,yi- yang	Man	●			●	●	
Diversity target expected number of seats		4	2	2	3	5	2
Achievement situation (seats)		7	3	2	4	7	3
Achievement rate		100%	100%	100%	100%	100%	100%

Functional Committee

Compensation Committee

In 2020, the Audit Committee will meet 2 times [A], and the attendance is as follows:

job title	gender	Name	Actual at- tendance (B)	Delegated to attend	Actual attendance rate (%) 【B/A】
Independent director	Man ♂	Chen, chin- yueh	2	0	100%
Independent director	Man ♂	Tu,yi- yang	2	0	100%
Independent director	Man ♂	Wang, chih- lung	2	0	100%

something else:

1. In 2020, there is no case that the Board of Directors does not adopt or amend the recommendations of the Compensation Committee.
2. In 2020, there are no cases where members of the Salary and Compensation Committee have objections or reservations and have records or written statements.

Salary policy

On December 28, 2011, the Board of Directors approved the establishment of the Compensation Committee. Regarding the remuneration of directors and managers, the remuneration committee shall convene a meeting to determine and review the policies, systems, standards and structure of directors' and managers' performance evaluation and remuneration, and formulate and evaluate directors' and managers' remuneration.

The procedures for determining remuneration are based on the company's "Board of Directors and Functional Committee Performance Evaluation Methods" and the company's personnel evaluation methods as the basis for the evaluation of directors and managers, except for reference to the company's overall operating performance, future business risks of the industry, and The development trend also refers to the individual's performance achievement rate, investment time, responsibilities and contribution to the company's performance, and gives reasonable remuneration. The relevant performance appraisal and reasonableness of remuneration are reviewed by the Compensation Committee and the Board of Directors, and are subject to reality at any time The operating conditions and relevant laws and regulations shall be reviewed in a timely manner to achieve a balance between the company's sustainable operation and risk control.

The process of determining salary:

Regulation basis	content
Article 15 of the Articles of Association	The remuneration of all directors is authorized to be determined by the board of directors in accordance with the extent of their participation in the operation of the company and the value of their contribution, as well as the domestic and foreign industry standards.
Article 18 of the Articles of Association	After deducting accumulated losses based on the profit of the year, if there is a balance, the company shall allocate between 3% and 5% for employee compensation, and directors' compensation shall not exceed 3%.
Others: The Remuneration Committee shall refer to relevant provisions of the company's personnel rules and regulations, and in accordance with Article 7 Clause 2 of the Organizational Rules of the Remuneration Committee, formulate and regularly review the remuneration policies, systems and standards for directors and managers And structure.	



Interest avoidance

The company's rules of procedure for the board of directors and the organizational rules of the audit committee have provisions for avoiding interests. With regard to meeting matters, directors who have interests in themselves or the legal person they represent should explain the important content of their interests in the current board of directors. If they are harmful to the company's interests, they shall not participate in discussions and voting, and shall not act for other directors. Exercising their voting rights. The independent directors of the audit committee shall evade the matters of the meeting and their own interests, which may be harmful to the interests of the company.

In addition to the above, the company has also established a code of integrity management and a code of ethical conduct, which have express provisions for avoiding the interests of directors, managers, etc., and employees must also abide by the provisions of the employee code to truly avoid interests.

The Audit Committee

In 2020, the Audit Committee will meet 5 times [A], and the attendance is as follows:

job title	gender	name	Actual attendance (B)	Delegated to attend	Actual attendance rate (%) 【B/A】
Independent director	man ♂	Chen, chin- yueh	5	0	100%
Independent director	man ♂	Tu,yi- yang	5	0	100%
Independent director	man ♂	Wang, chih- lung	5	0	100%

something else:

1. In 2020, the resolutions agreed by more than two-thirds of all directors without the approval of the Audit Committee: **No such matter.**

2. The implementation situation of independent directors' avoidance of interested proposals in 2020 (the name of independent directors, the content of the motion, the reasons for avoiding interests and the voting situation should be stated): **the audit committee has no such case.**

3. Communication between independent directors and internal audit supervisors and accountants:

(1). Communication policy between independent directors and internal audit supervisors and accountants:

A. Independent directors and accountants conduct written or face-to-face communication on the completion stage of the company' s financial reports quarterly to confirm the reliability of the company' s public financial information, communicate with the auditor' s work, understand the company' s major risks, and understand the management' s approach to reducing risks . The accountant reports and communicates with independent directors on the completion stage of the company' s financial report, major adjusted and unadjusted entries, related party information, customer declarations, accountants' independence, and independent directors. In case of major abnormalities, they may convene meeting.

B. The head of internal audit and independent directors hold quarterly meetings to report on the company's internal audit performance and internal control operations. In case of major abnormal events, they may convene a meeting.

(2). Communication between independent directors and accountants:

Communication date	content	Independent Director's Opinion
3/26	The financial report is approved by the audit committee and submitted to the board of directors for approval and declaration completed	The independent director/audit committee has no opinion.
5/6	The financial report is approved by the audit committee and submitted to the board of directors for approval and declaration completed	The independent director/audit committee has no opinion.
8/10	The financial report is approved by the audit committee and submitted to the board of directors for approval and declaration completed	The independent director/audit committee has no opinion.
11/12	The financial report is approved by the audit committee and submitted to the board of directors for approval and declaration completed	The independent director/audit committee has no opinion.
12/29	1. Communicate the current self-editing progress of the company's financial report and the 2021 guidance plan, in order to have the ability to complete the self-editing financial report. 2. Check the communication plan for 2021.	The independent director/audit committee has no opinion.

(3) Communication between independent directors and internal audit supervisor:

2020 Communication Date: In addition to each board meeting (10 meetings in 2020), face-to-face interviews will be held on the following dates.

On 12/11, the audit conducted face-to-face interviews with independent directors, collected the implementation status of the audit business reports in the first three quarters of the year 109, and reported the current audit business implementation and the company's operating conditions to the independent directors.

Implementation situation: The independent director has no objection, and the audit continues to be implemented in accordance with the regulations.

Internal Control System

In accordance with Article 11 of the "Public Offering Companies Establishing Internal Control System Processing Guidelines" promulgated by the Financial Supervision and Administration Commission of the Executive Yuan, we set up an audit room under the board of directors in accordance with the company's size, business conditions, management needs and other relevant laws and regulations. Allocate a competent and appropriate number of full-time internal auditors, and set up job agents, establish an internal control system, and divide the internal control system into five components: 1. Control environment, 2. Risk assessment, 3. Control operations, 4. Information and communication, 5. Supervise operations.

Through the inspection results of the aforementioned five elements, the effectiveness and efficiency of operations (including profit, performance, and asset safety, etc.), reporting reliability, timeliness, transparency, and compliance with relevant regulations and compliance with relevant laws and regulations, etc. Achieve, provide reasonable assurance.

Audit Office Powers

- ◆ Check and evaluate the company's budget, finance, business, operating performance, various management systems and internal control systems.
- ◆ Provide management improvement suggestions in a timely manner to ensure that the internal control system can be continuously and effectively implemented, the company's resources can be fully utilized, and the efficiency of operation integration can be improved.
- ◆ Assist management in fulfilling its responsibilities.

Implementation matters

- ◆ In accordance with the regulations of the competent authority, inspections are carried out in accordance with the annual audit plan every year.
- ◆ Issue an audit report and continue to track the improvement situation.
- ◆ Audit the annual internal control self-assessment operations of various departments and subsidiaries.
- ◆ The promotion, formulation, modification and implementation of the company's internal control and internal audit system.
- ◆ Communicate with independent directors and report to the audit committee and the board of directors.
- ◆ Assist management in fulfilling its responsibilities.

Implement information disclosure

In terms of information disclosure, we follow the principles of real-time, open and transparent, so that investors can immediately grasp company information. In addition to explaining the operating status and financial figures at the annual shareholders meeting, the board of directors also publishes the issues passed on the company's website, and issues that require major information to be released publicly immediately. In addition to setting up an "investor area" on the company website to disclose financial and business information such as revenue and important information, it also has a contact window so that investors can communicate with our spokesperson no matter by telephone, fax, or e-mail. Make contact to solve investors' problems and needs immediately. At the same time, the public information observatory will regularly and irregularly disclose information in accordance with the regulations.

In the Fifth Corporate Governance Evaluation in 2018, the Securities and Exchange Commission announced that the company scored 82.60 points, which was among the **top 35%** of all listed companies evaluated.

In the 6th Corporate Governance Evaluation in 2019, the Securities and Exchange Commission announced that the company scored 90.36 points, which was among the **top 20%** of all listed companies evaluated.

In the 7th Corporate Governance Evaluation in 2020, the Securities and Exchange Commission announced that the company scored 89.74 points, which was among the **top 20%** of all listed companies evaluated.

The results of the seventh evaluation in 2020 are 0.62 points lower than last year. The main reason is that some of the previous scoring indicators were deleted. Although the newly added indicators have scores, the total number of indicators is reduced and the weight ratio is different, resulting in a slight decrease in scores.

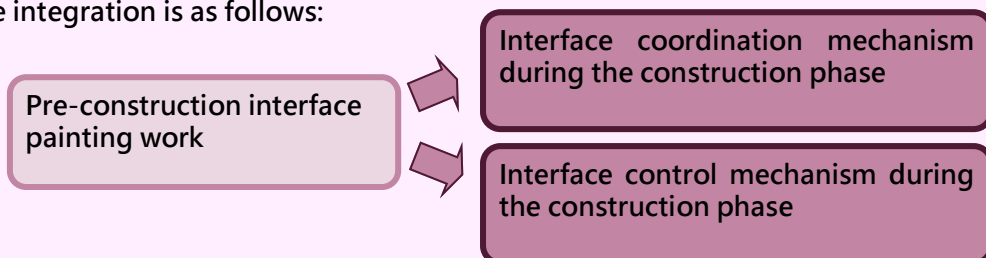
Priorities and measures for strengthening:

The quarterly board of directors and the reporting time for financial reporting are in line with the standards of corporate governance evaluation.

Interface integration

If the construction project is subdivided, it can be divided into civil engineering, pipeline engineering, electrical and mechanical engineering, hydropower and environmental control engineering... etc. When these projects are jointly in a bid and form multiple sub-construction bids, then the project starts After construction, it will face the problem of interface integration and interface coordination.

We have quite a wealth of experience in interface integration and interface coordination. The way to deal with interface integration is as follows:



Although the pre-construction interface integration includes interface mapping, interface management and control documents, etc., interface conflicts in on-site construction cannot be avoided, especially when the civil engineering part of the project can be constructed after the start of construction, and the core mechanical and electrical system is after the contractor starts construction. When planning and designing just started, there will be a considerable gap in the interface integration between each other, and if there are several sub-construction targets, and the interface diagrams provided by them are not accurate, it will cause troubles in adjustments and changes in the on-site construction. Interface coordination during construction can resolve interface conflicts. Therefore, the interface coordination mechanism is very important in the construction phase.

We regularly hold interface coordination meetings to conduct interface issues during the construction phase, discuss with other interface vendors, make records, list the resolutions and handling situations, and continue to track them until the project is completed.

Construction period

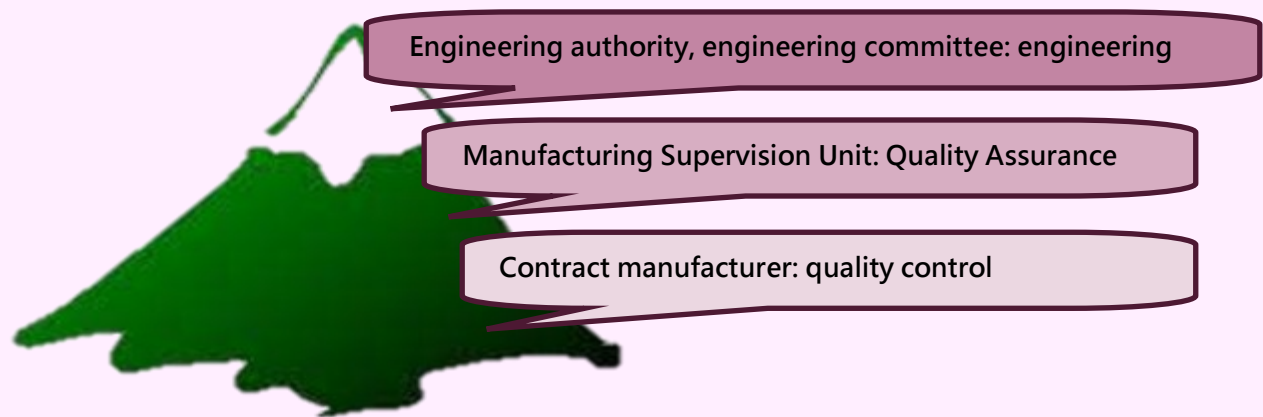
From small private construction projects to national infrastructure construction, the completion schedule of the project is one of the most important concerns of the owners. The construction of public projects has a huge impact on the public. For example, the completion of a transportation construction can not only facilitate the public Life can also balance regional development, activate the local economy, channel the over-concentration of population and industry, promote the potential of regional development, and narrow the regional development gap. Therefore, whether the project is completed on schedule and in good quality is the focus of attention for the owners and the general public.

We have undertaken countless major government constructions and won numerous awards from the government. All the contracted projects have been completed on schedule and with good quality. We have such a good performance thanks to our more than 70 years of experience in construction projects, drawing construction network diagrams and arranging work schedules at the beginning of the project, and regularly holding project progress meetings to control the construction period. If there is a situation in which the project cannot be fully constructed due to force majeure or irresponsible contractors during the construction process, the company will list the risk reasons and corresponding measures in accordance with the risk management and control mechanism, and follow the regulations Apply to the owner for the extension of the construction period, revise the construction network diagram, and complete the construction as scheduled according to the postponed construction period.



Construction quality

According to the construction quality management system of public works, it can be divided into three levels:



As a contractor, we must establish a construction quality control system in order to achieve the project quality goals stipulated in the contract, such as characteristics, specifications, cost, effectiveness, life cycle, etc., and formulate a quality plan based on the scale and nature of the project. The content includes management responsibilities, construction essentials, quality management standards, materials and construction inspection procedures, independent checklists, control of non-conforming products, corrective and preventive measures, internal quality audits and document management systems.

The implementation of quality control is the most important part of ensuring construction quality. We are committed to complete independent inspections of various construction quality and cooperate to complete various quality audits.



Executive unit	Inspected unit	Implementation frequency and timing	Implementation status	
			time	number of times
Engineering Department Ministry of Transportation (Engineering check)	Taichung Port Branch Supervision manufacturer Construction manufacturer	Irregular project inspection	2018.5.18、2019.3.8、 2019.6.12、2019.10.2、 2020.3.18	5
Taiwan port corp. (Engineering supervision)	Taichung Port Branch Supervision、 Construction manufacturer	Irregular project supervision	2019.7.11	1
Taichung Port Branch Engineering Audit Team	Supervision、 Construction manufacturer	Irregular project audit	2018.5.10、2019.2.22、 2020.5.27	3
Taichung Port Branch The first department of the new case	Supervision、 Construction manufacturer	Perform quality spot checks and verifications from time to time	At least 2 times a month	72

2020 Kung Sing has Obtained Verification



- CNS 45001: 2018 Taiwan Occupational Safety and Health Management System Verification Certificate
- ISO 14001: 2015 Environmental Management System Certificate
- ISO 45001: 2018 Occupational Safety and Health Management System Certificate
- ISO 9001:2015 Quality Management System Certificate

Operating status

We focus on developing into a comprehensive large-scale construction industry, and gradually expand the business of construction, environmental protection, building materials, machinery and equipment import, and supplemented by private construction and land development, in order to give full play to financial planning, overall construction, design, maintenance, operation, investment, etc. Diversified business strength!

Market production and sales and supply and demand

(1) Market analysis

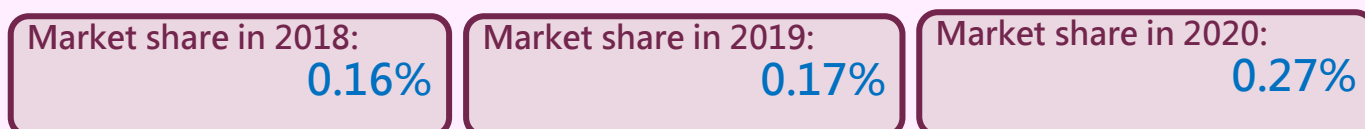
1. The sales (provide) area of the company's main products (services):

Our main products are road engineering, bridge engineering, tunnel engineering, etc. The construction sites are located in all parts of the north, central and south. In recent years, in response to the government's eastward policy, we have also actively participated in the eastern development plan, which will enable the company to There is no restriction on the bidding area, and the service area can be all over the province.

2. Market share in the past three years:

The turnover in 2020 will increase compared with the previous two years, and the market share will therefore be higher than that in the previous two years.

Market share is increasing year by year



(2) The future supply and demand situation of the market:

In 2021, in order to strengthen the momentum of economic recovery, promote industrial upgrading and transformation, revitalize the economy, and build "six core strategic industries", the government plans to continue to promote the third phase of forward-looking infrastructure construction in addition to the "five plus two" industrial innovation plan Plan and optimize the domestic investment environment through the "Accelerated Investment Taiwan Project Conference", remove investment barriers, accelerate industrial innovation and structural transformation, and combine economic supply and demand to stimulate private consumption and reward private participation in public construction. This will help Drive the growth of domestic investment next year and stabilize the momentum of economic growth.

In 2021, the government's public construction design drawings totaled NT\$534 billion, which is an increase of NT\$67 billion from the same basic budget of NT\$467 billion in 2020. Among them, the three sub-categories of "Transportation and Construction", "Environmental Resources" and "Urban and Regional Development", which are the contractable categories of the construction industry, total NT\$273.8 billion, and the most important transportation construction category is NT\$196.4 billion yuan.

In 2021, we will continue to focus on public projects such as roads, rail transportation, bridges, tunnels and ports as our main targets.

(3) Competitive niche:

Over the years, we have been selected as an excellent construction manufacturer by government units at all levels, and will have a competitive advantage in the promotion of the company's overall corporate image and the selection of the most favorable public projects. The company will continue to develop into a comprehensive large-scale construction industry in the future. In addition to the current major public projects, it will gradually expand its businesses in construction, environmental protection, building materials, machinery and equipment imports. The construction business contract goal is still mainly public projects, with private construction projects and land development as supplements, and actively participate in the island-wide transportation backbone restructuring plan, and actively seek the cooperation of good physical quality and good finance for public projects that are tendered by turnkey methods. Manufacturers participate together in order to give full play to the diversified business strengths of financial planning, overall construction, design, maintenance, operation, and investment.

Favorable and influencing factors and measures of development vision

Operating Sustainable

Corporate Governance

Environmental protection

Happy workplace and social integration

Favorable factors

- ◆ The government continues to promote existing major economic and construction projects.
- ◆ The domestic economy gradually recovered and continued to grow.
- ◆ The government promulgated the "Government Procurement Law."
- ◆ The government actively handles the rewards of excellent construction companies, and implements the incentive measures to be more competitive for the excellent large construction companies.
- ◆ In order to stabilize the domestic economy, promote the "Expansion of Domestic Demand Plan" and introduce the BOT model to develop major projects to stimulate private capital investment.
- ◆ Since 1999, for new tenders for public projects of more than 50 million yuan, the manufacturer can receive 30% of the project advance payment after providing the same amount of guarantee.
- ◆ The government expands investment in public construction, boosts the economy, and implements the "Love Taiwan 12 Construction Master Plan", giving priority to the promotion of 12 infrastructure projects.
- ◆ Entry into the WTO can open up overseas markets.

Influencing factors and measures

- ◆ **Labor safety penalties are strict, and labor safety costs increase.**
Response measures → Strengthen labor safety education and training, strengthen labor safety concepts, implement an independent inspection system, reduce labor safety penalties and improve safety.
- ◆ **The instability of bulk material prices for construction projects.**
Countermeasures → Since bulk materials (such as sand, concrete, steel bars, earthwork, oil, etc.) account for a high proportion of the entire project cost, in order to reduce this risk, the projects undertaken by the company are still mainly public projects, mainly It is because after winning the bid, you can use the advance payment to contract with the manufacturer to supply materials, or the material adjustment can make up for the increased cost and expenditure, so as to reduce the adverse impact of the shortage of raw materials or the increase in prices.
- ◆ **The people's minds have been vulnerable to resistance, affecting the delay of construction progress.**
Countermeasures → Actively engage in close friendship and good-neighborliness, start with the establishment of a common living body, and reduce confrontation.
- ◆ **Environmental protection awareness has increased, and environmental protection expenditures have increased.**
Corresponding measures → The company has passed the "ISO14001" international environmental management certification, through the implementation of the system, and cooperated with measures such as adding anti-pollution equipment, increasing environmental protection work manpower, and strengthening environmental protection education and training for employees.
- ◆ **Construction regulations are not sound, and unfair clauses in formalized contracts still exist.**
Corresponding measures → In addition to trying to coordinate with the owners, you can also apply to the Public Works Committee of the Executive Yuan for mediation or the Arbitration Association for arbitration.
- ◆ **After joining the WTO, foreign manufacturers were able to bid independently, forming another competitive force.**
Corresponding measures → Committed to improving construction quality, high-efficiency construction management capabilities, and high-level construction technology, in order to expand overseas markets.

Financial Information

In 2020, the individual revenue of the industry and information engineering project was NT\$3.097 billion, and the group's consolidated revenue was NT\$7.16 billion. The main project revenues are: the new construction of the Tamkang Bridge and its connecting roads 5K+000~7K+035, the new construction of the Gufeng tunnel on the Suhua Highway on the Taijiu Line (completion on April 24, 2020), and the new construction of the Guanyin Tunnel on the Suhua Highway on the Taijiu Line (2020.2.21 Completion) Linkou Power Plant Renewal and Expansion Plan Tubular Coal Bunker System Turnkey Project, C811Z Chaozhou Fangliao Section Civil Engineering and General Electrical and Mechanical Engineering, C031 Agency for Taiwan Railway Nanping to Wannong Dual Track Civil Engineering and Tram Line Project, Taichung Port 106 The new construction of the wharf (completion on April 18, 2020) and the revetment of S07 and S08 of the Taipei Gangnan Wharf and the embankment construction of the rear line.

The group's consolidated revenue was higher than the parent company's individual revenue, mainly because the subsidiary Zhanbang Industrial Co., Ltd. sold land inventories and increased revenue this year.

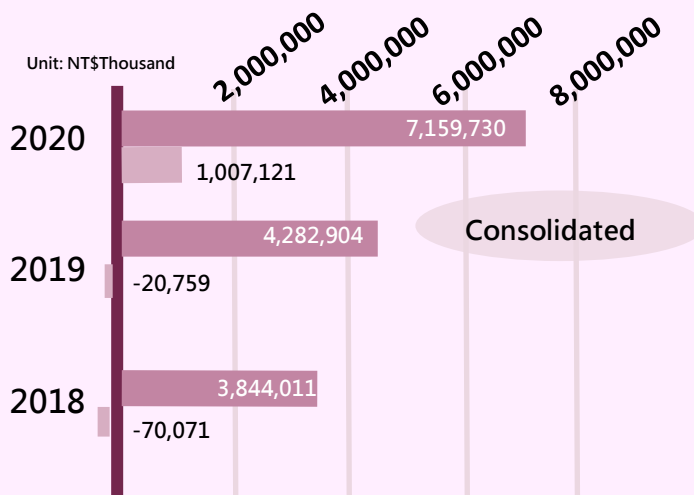
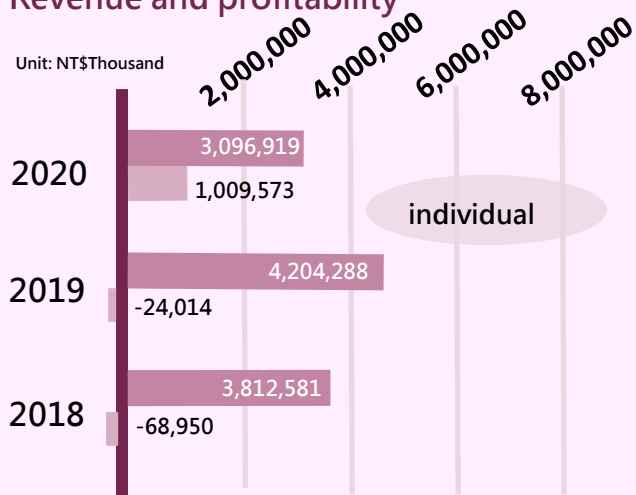
Our main expenses are engineering costs and labor expenses

(For detailed financial information, please refer to the company's quarterly financial reports published regularly).



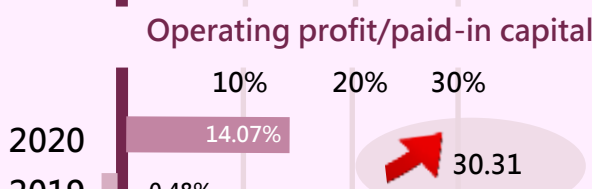
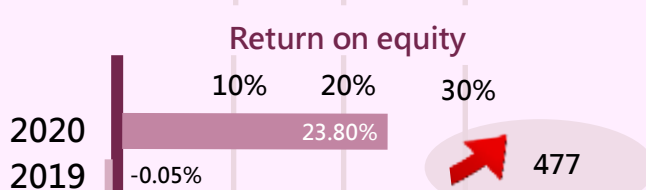
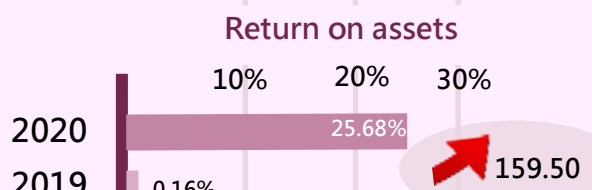
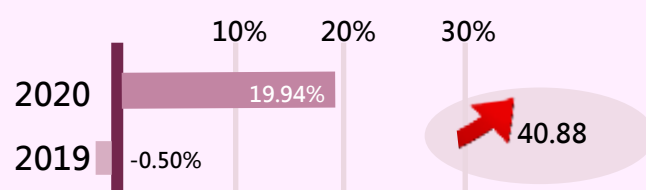
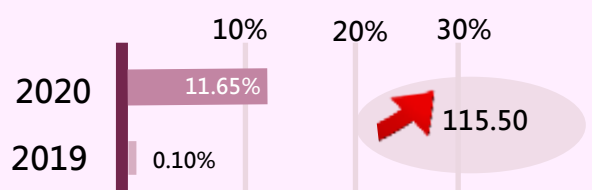
Company website financial report announcement information

Revenue and profitability



■ = Operating income

■ = Operating profit



Dividend policy

The distribution of surplus is handled in accordance with the company's articles of association and relevant laws and regulations. If there is a surplus in the annual final accounts, the tax should be paid and the previous year's losses should be paid first, and 10% of the balance after the transfer of the capital reserve should be proposed as the statutory surplus reserve in accordance with Article 41 of the Securities Exchange Law. The balance of the special surplus reserve shall be allocated according to the company's articles of association and the resolutions of the shareholders meeting.

The dividend policy is formulated after considering our industrial environment, coordinating with financial planning, and before the company's sustainable operation and stable development, and the maximum protection of shareholders' rights.

Conditions of issuance, opportunity	We are currently in the growth stage. With a number of major public projects underway, there is a strong demand for funds. In order to support the needs of corporate growth, the company's dividends are issued to meet the principle of future operation and development, and after comprehensive consideration of conditions such as a sound financial structure, maintaining stable dividends, and guaranteeing shareholders' reasonable remuneration, the board of directors drafts a surplus distribution proposal, and approves the proposal by shareholders. It will be issued after approval by the regular meeting and the competent authority.	
Distribution ratio of cash dividends to stock dividends	According to the provisions of the company's articles of association: if there is a surplus in the company's annual final accounts, the company shall first pay taxes to make up for the previous year's losses, and 10% of the statutory surplus reserve will be provided. If there is surplus plus the surplus at the beginning of the period, the board of directors After the proposal is submitted to the general meeting of shareholders for a resolution, the distribution of dividends to shareholders shall be distributed in two ways: stock dividends and cash dividends. The proportion of cash dividends shall not be less than 10% of the total shareholder dividends.	
Remuneration of employees and directors	<p>The amount or scope of compensation for employees, directors, and supervisors stated in the company's articles of association:</p> <p>After deducting accumulated losses based on the profit of the year, if there is a balance, the company shall allocate 3% to 5% for employee remuneration, and directors' remuneration shall not exceed 3%.</p>	<p>In the current period, the estimated basis for employee dividends and the remuneration of directors and supervisors, the calculation basis for the number of shares allocated for stock dividends, and the accounting treatment if there is a difference between the actual allotted amount and the estimated amount:</p> <p>The company's staff remuneration and directors' remuneration are estimated based on the current pre-tax net profit, after making up for previous losses, and considering relevant laws and regulations, articles of association, and past experience as appropriate estimates. If there is a difference between the actual allotment amount and the estimated amount, it will be treated according to the change in accounting estimates and recorded as the annual adjustment of the shareholders' meeting resolution.</p>

The distribution of surplus in the past three years:

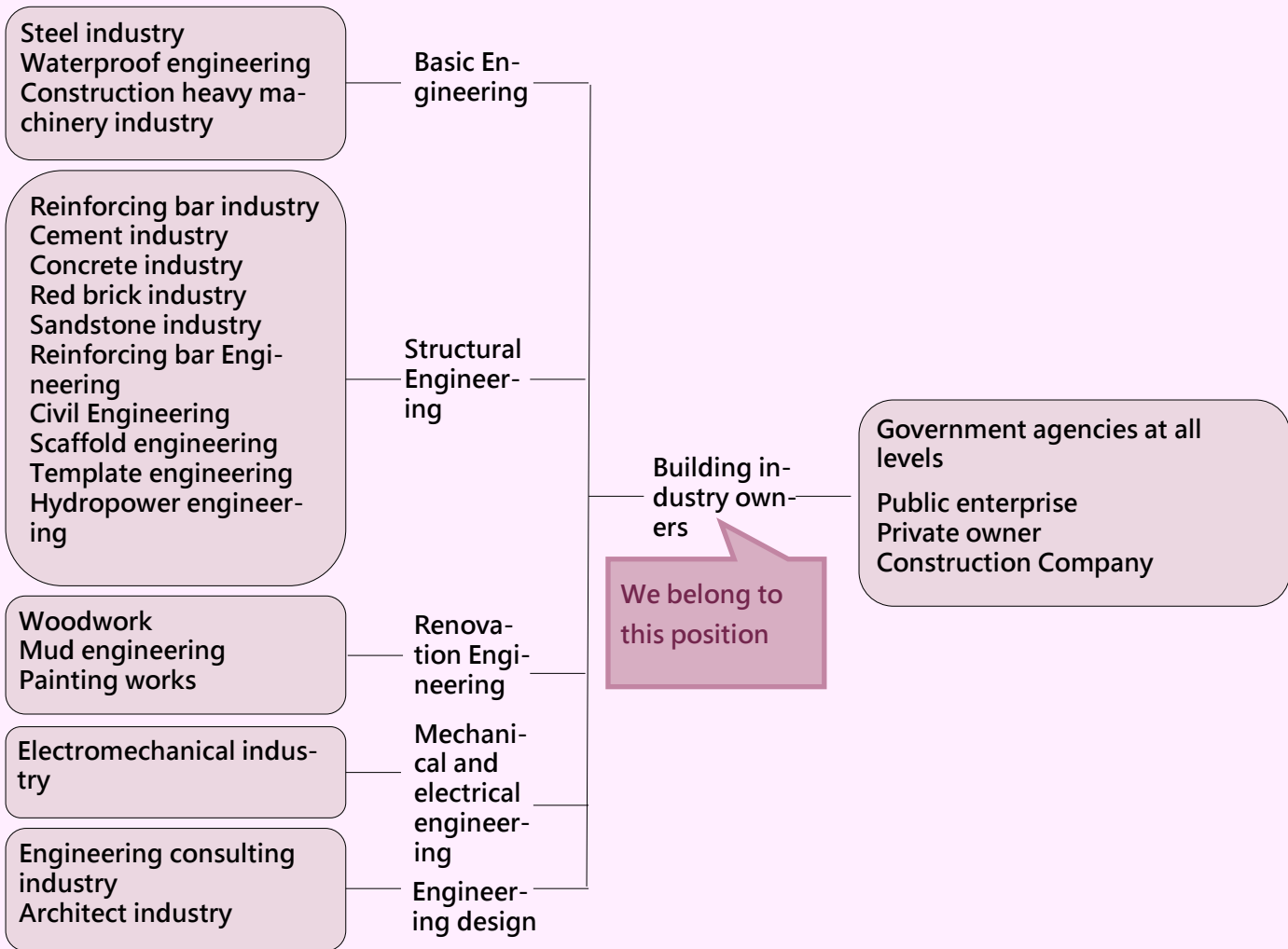
year	2018	2019	2020(Note)
Dividend distribution	0	0	The company's 2020 dividend distribution, after the board of directors approved the surplus distribution on May 11, 2021, the cash dividend for the surplus distribution (yuan/share): NT\$0.13, the total amount of cash (dividends) distributed by shareholders (yuan): New Taiwan dollars 58,178,564, surplus transfer and capital increase allotment (yuan/share): NT 1.00, total number of shares allotted by shareholders (shares): 44,752,742.
Remuneration of employees and directors	0	0	NT\$ 25,529,178
	0	0	NT\$ 21,274,315

*Note: The case will be reported at the general meeting of shareholders on June 29, 2021.

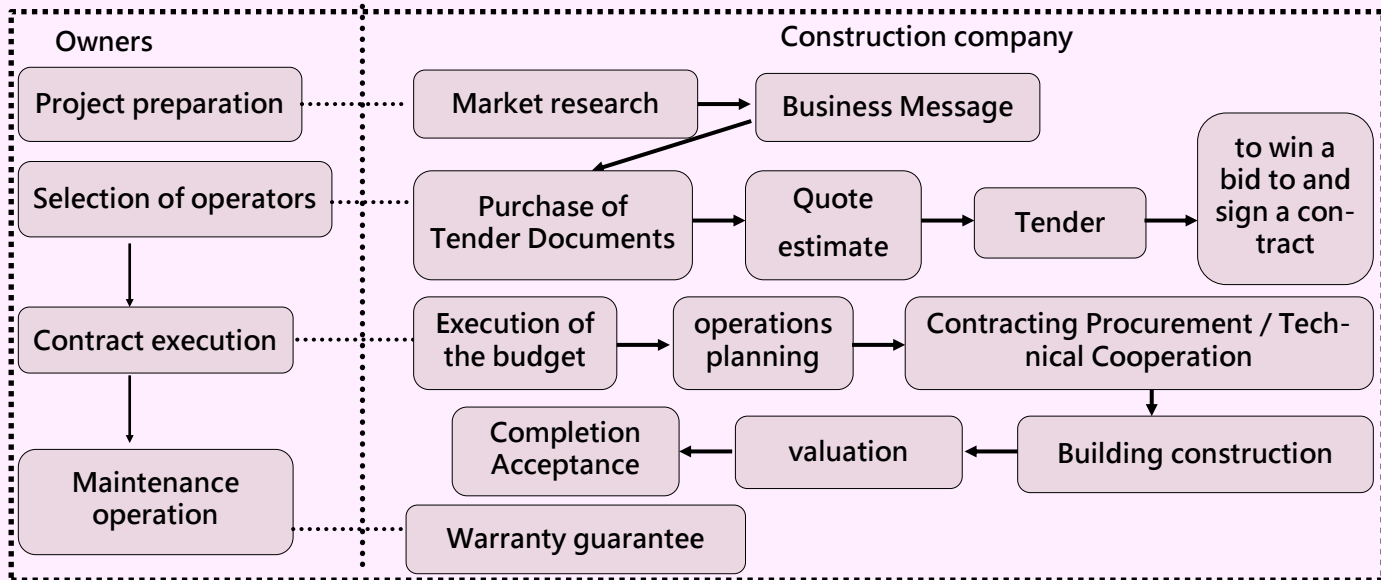
Supply chain management

Our supplier management strategy is to develop a sustainable supply chain from the four aspects of "coordination and cooperation", "environmental safety and health cooperation", "construction progress" and "engineering quality", with regular inspections, meeting exchanges, and education and training. Grow together with suppliers.

The supply chain of the construction industry



Supply chain operation process



Raw material supply status

Our construction engineering is based on the principle of "contracting labor and materials". All materials are purchased by ourselves. The main bulk building materials are supplied domestically, and some special materials are purchased from abroad. Since we have been standing in the market for more than 70 years, In addition to the national shortage of sand, gravel and earth and the increase in CNPC oil products, the upstream and downstream raw material supply chain is very stable. Even if there is a huge rise and fall in bulk building materials during construction, it is because of the purchase contract with the bulk material supplier The floating price adjustment mechanism should be able to control building materials and manufacturers, and effectively control the construction period, construction quality and building materials costs, so there is no shortage or interruption of supply.

Supplier evaluation

In terms of procurement and outsourcing, we have strict regulations in the internal control system, establish a management model for supplier information, promote smooth supply sources and ensure quality, to meet customer needs, and conduct random checks on various departments with strict audit standards. In terms of supplier management, in 2020, 100% of our procurement and outsourcing will be made by domestic manufacturers. In terms of power and responsibility, the units are allocated as follows:

Purchasing unit:
Supplier data archiving, management and other operations.

Construction location:
Supplier assessment.

Public Works Unit:
Review the evaluation data sheets of each sup-

In the management of material suppliers, the purchasing unit, in addition to handling market surveys and vendor credit investigations in accordance with the regulations, also registers the "supplier registration card" for inspection. And strictly stipulate that if the price of the same goods or services is higher than that of other manufacturers, delayed delivery or completion, poor delivery quality, or other circumstances that can damage the rights and interests of the company, the long-term cooperative relationship will be cancelled and other qualified suppliers will be found for transactions. . In terms of the management of subcontractors, conduct market surveys, vendor credit investigations, etc. to obtain information in accordance with regulations, and review the qualifications in conjunction with relevant units in accordance with company regulations. Subcontractors who issue a contract over a certain amount of money will be registered with the "Project Subcontractor Registration Card" and "Project Subcontractor List", and will be assessed in accordance with the company's regulations, and subcontractors that are not qualified will be eliminated.

We conduct regular evaluations of third-party vendors. We have established "Material Supplier Evaluation Data Sheet" and "Engineering Subcontractor Evaluation Data Sheet". The evaluation items are as follows:

Material supplier assessment matters

Coordination: 10%

Delivery progress: 45%

Material quality: 45%

Project subcontractor assessment items

Coordination: 10%

Environmental safety and health cooperation: 20%

Construction progress: 35%

Engineering quality: 35%

Based on the above percentages, companies with a vendor evaluation score of less than 60 points (unqualified) will be eliminated according to the company's internal control system, and the new vendor qualification review will be conducted in accordance with the contracting mechanism, and then the contract will be issued.

Supplier/subcontractor labor human rights and practice evaluation

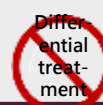
When evaluating and reviewing new suppliers/subcontractors, the industry and information engineering also attaches great importance to labor human rights, choosing ethical integrity, non-forced labor, good labor relations, and labor human rights material suppliers and project subcontracting Quotient.

Evaluation key points for the right of new material suppliers and project subcontractors

1. Suppliers/subcontractors shall abide by relevant labor laws and regulations, protect the legitimate rights and interests of internal employees, and respect internationally recognized basic labor human rights principles, such as: prohibiting child labor (no employment under the age of 16), eliminating various forms The forced labor shall not endanger the basic rights of labor.



2. Suppliers/subcontractors shall confirm that their employment policies are free of discrimination in terms of gender, race, age, marital and family status, and the implementation of remuneration, employment conditions, training and promotion opportunities are equal.



3. The human resources policy of the supplier/subcontractor shall respect the basic principles of labor human rights protection, and establish appropriate management methods and procedures.



4. Apply other revised human rights clauses and norms.



In terms of sustainable supply chain management, putting people first, attaching importance to labor human rights, assisting suppliers in enhancing green competitiveness, and creating sustainable business opportunities together have become our responsibilities. Therefore, suppliers/subcontractors of industry and information projects are not only partners. In addition to coordination, safety and health, construction progress and project quality, human rights and environmental protection mechanisms must also follow related social responsibilities.

Recognition guarantee of subcontractor/cooperator:



● Occupational Safety and Environmental Protection Recognition: In addition to screening the cooperating partners on safety, health and environmental protection when issuing the contract, the "Occupational Safety and Environmental Protection Recognition" and the "Environment and Safety Policy Statement" are also included in the contract when signing the contract. Ensure that safety and environmental protection are emphasized during the construction process.

● Environmental and Social Responsibility Recognition: Mainly conduct social human rights and other social responsibility-related inspections of cooperatives to ensure that cooperatives comply with laws and regulations and value corporate social responsibility.

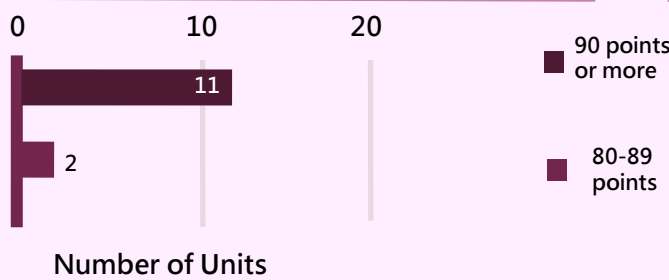
● Integrity management policy: All cooperating parties shall cooperate with the company's integrity management policy for construction in the company's work area.

Evaluation results of material suppliers and engineering subcontractors

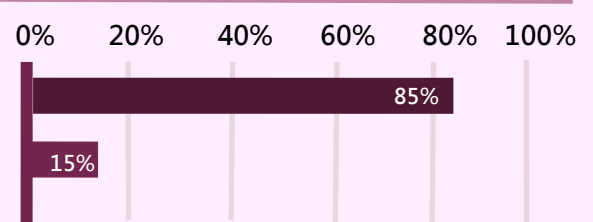
We conduct the annual vendor evaluation at the end of each year. In 2020, there will be 74 material suppliers and engineering subcontractors that will be evaluated (136 in 2019). Compared with 2019, there will be a decrease of 62 vendors in 2020. The main reason is The new construction of the Guanyin Tunnel on the Suhua Highway on the Taijiu Line was completed in February 2020, the new construction of the Gufeng Tunnel on the Suhua Highway on the Taijiu Line was completed in April 2020, and the new construction of the Taichung Port Pier 106 was completed in April 2020. Since the vendor evaluation is conducted at the end of each year, some vendors have already left the site and were unable to accept the evaluation at the end of the year. However, the evaluation data of previous years are all stored in electronic files for reference in future cooperation.

In 2020, the evaluation score of one new manufacturer falls between 60-70 points. This year, the cooperation degree of the subcontractor of the project will be more strictly reviewed to ensure the overall construction quality.

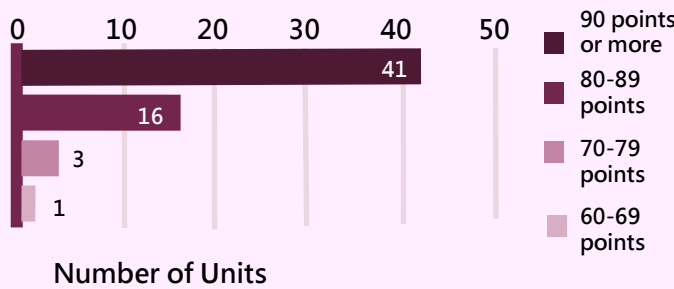
Distribution of material supplier evaluation results



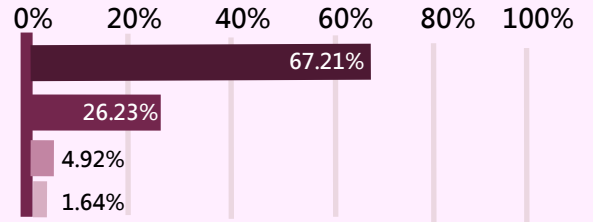
Material supplier evaluation score ratio



Project subcontractor assessment items



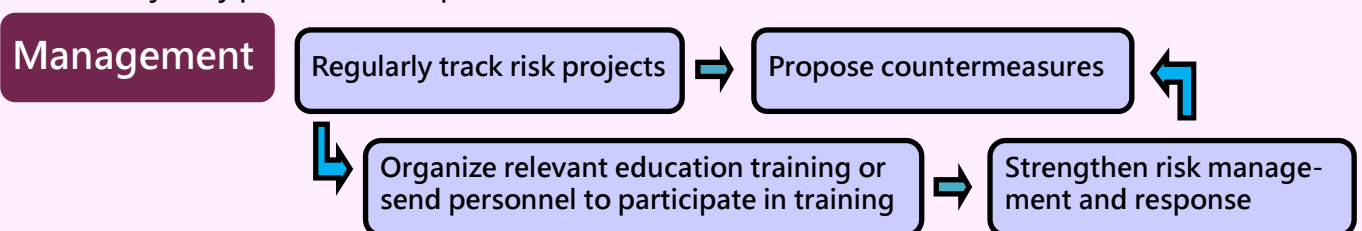
Project subcontractor evaluation performance



Risk management

The working environment of the construction industry is greatly affected by climate and uncertain factors. The terrain and the geological, hydrological environment, and traffic conditions of the work site have an impact on the construction industry's engineering costs, quality control and construction safety. We must evaluate many problems before construction. To determine the influence of factors, place bids based on production costs and competitive pressures, work is highly dangerous, and a large amount of manual investment increases management difficulties. Therefore, we pay special attention to risk management!

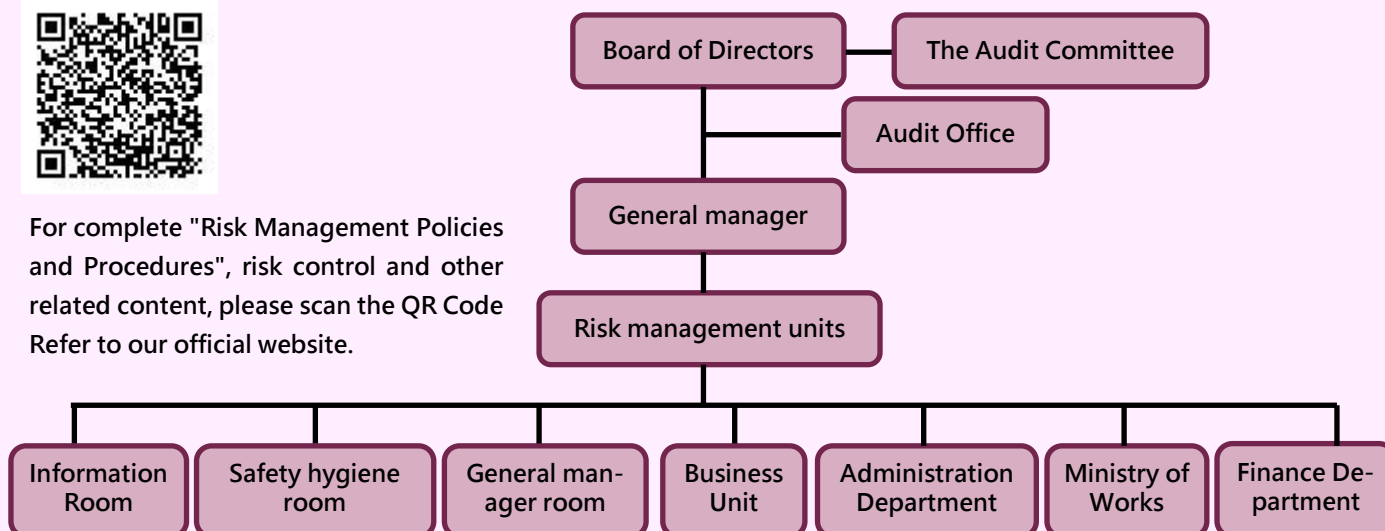
We have formulated the "Risk Management Policies and Procedures" to establish an overall risk management system. Our board of directors, audit committee, general manager, audit office, and risk management units jointly promote the implementation.



Risk management organization structure



For complete "Risk Management Policies and Procedures", risk control and other related content, please scan the QR Code Refer to our official website.



Main risks and control mechanisms

Risk category	Risk content	Control mechanism
■ Risk of interest rate changes	Interest rate changes	Monitor changes in the interest rate market, grasp capital status, and maintain good banking relationships.
■ Exchange rate change risk	Exchange rate changes	Daily monitoring of foreign exchange market changes and information, and formulating hedging strategies.
■ Climate change and environmental risks	Carbon emission management, reducing environmental pollution and reducing energy consumption	Establish energy management and site carbon footprint management mechanisms, establish environmental pollution prevention and waste treatment mechanisms, and strengthen construction techniques to reduce energy consumption and construction schedules, so as to avoid climate change affecting the construction period.
■ Occupational safety risks	Work environment and employee safety	Handle environmental safety and health functions and education and training, strengthen the integration of occupational safety and environmental protection management systems, implement contractor management, and improve occupational health management.
■ Raw material prices and supply chain risks	Raw material price fluctuations and supply interruptions	Supplier management, inventory management, understanding of market conditions in advance through business information collection or market research, and raw material price risk management.
■ Information security risk	Information System and Confidential Information Protection	Continue to introduce advanced information security solutions, plan and build data protection mechanisms, strengthen the protection of external information services, and hold regular education and training.
■ Strategic and operational risks	Strategic risk Operational goals achieved	Regularly propose business undertaking assessment and risk analysis. Manage annual policies and target achievement through budget seminars.

Risk category	Risk content	Control mechanism
■ Capital expenditure risk	Purchase and management of major machinery and equipment	1. Formulate and revise the "Property Management Measures". 2. Regular inspections in accordance with the property management measures.
■ legal risks	Punishment	The legal affairs of the general manager's office are responsible for legal risk management, and provide legal consultation and handling advice on matters such as internal systems, compliance with laws and regulations, disputes, contract disputes, investment and mergers and acquisitions, and intellectual property rights management.
	Leaking personal information	The company formulated the "Performance of the Notification Obligation and Consent Form of the Personal Data Protection Law" in April 2013 for colleagues to sign to protect and manage personal assets, and information, human resources, and legal affairs are responsible for relevant protective measures.
	Employee misconduct	It has established "Integrity Management Code", "Integrity Management Code Operation and Behavior Guidelines", and "Ethical Conduct Code" to implement the values of integrity management and build a corporate culture of integrity to guide the behavior of the company's colleagues to comply with ethical standards and avoid involvement in violations of the law Behavior, and improve corporate governance.
	Transaction risk	Manage the signing status of various types of contracts of the company and control related risks through the contract system, and supervise and manage the production, use, and abolition of the company's seal through the seal management system to reduce the company's overall legal risk. The legal affairs of the general manager's office disseminates relevant legal information internally from time to time, and enhances and strengthens colleagues' awareness of legal risks, so that colleagues can comply with relevant laws and regulations when engaging in business activities and reduce transaction risks.
■ Manage risk	Handling of personnel changes and labor-management relations	Strengthen labor-management communication channels to promote harmonious relations, strengthen personnel recruitment channels, perform business qualification review of employees, and manage, implement and supervise education and training, continue to improve written standards and respect the rights and interests of employees (parties).
■ Corporate image risk	Negative image	In response to operational risks that may affect the company's image, a good crisis management response mechanism is usually established and possible incidents are simulated. The response system can be activated as soon as possible, and the spokesperson system will act as a unified external speech, or use a major information platform to clarify the truth. Information to maintain the company's image and communicate with all stakeholders.

Engineering technology improvement

How to guide the construction industry to the direction of automation, systematization, modularization, shortening the construction period, reducing manpower, and improving efficiency. At the same time, in order to improve management efficiency, how to digitize and informatize the construction industry site management is the future development The subject.

Currently listed as a future research plan, the statement is as follows:

Item	category	Technical research project name
1	management	Research on the practical application of BIM 4D and 5D measurement in construction engineering
2	management	Research on the Application of Bulk Material Management Module in Construction of Public Works System
3	design	Research on Construction Method of Steel Pipe Pile Cofferdam in Water
4	construction	Research on the Construction Method of Filling and Forming Platform Used in the Construction of Foundation Piles of Piers in Water
5	design	Research on using IP cement in concrete
6	design	Analysis of Optimizing the Number of Steel Formwork Sets of Bridge Pier Columns
7	construction	A Study on the Shipping and Offshore Hoisting Methods of Steel Bridge Segments
8	design	Research on Hot Dip Galvanizing Process of Galvanized Steel Bar
9	design	Research on the Construction Tower Crane of Danjiang Bridge
10	construction	Tamkang Bridge Water Steel Bridge
11	design+construction	Cable-stayed steel cables of Tamkang Bridge

The technologies that have been successfully developed and used in engineering are as follows:

Item	category	Technical research project name
1	management	Research on the practical application of BIM in construction engineering
2	design	Research on Anti-corrosion Construction Method of Spraying Polyurea Ethylene Concrete on Pier Column and Foundation of Tamkang Bridge
3	design+construction	Tamkang Bridge Water Steel Bridge
4	design+construction	Cable-stayed steel cables of Tamkang Bridge
5	design+construction	Research on Climbing Formwork Method for Tower Column of Tamkang Bridge
6	design+construction	Research on Binding Steel Bars in Tower Columns of Tamkang Bridge
7	design+construction	Research on Self-balanced Load of Foundation Piles of Tamkang Bridge
8	design+construction	Research on Concrete Temperature Control of Tamkang Bridge
9	design+construction	Research on the Steel Structure Retaining Support System of the Cofferdam for the Tower Column Foundation of Tamkang Bridge
10	design+construction	Research on Damping System of Tamkang Bridge
11	design+construction	Research on Ball Support System of Tamkang Bridge
12	design+construction	Research on the Elevator in the Construction of Tamkang Bridge
13	design+construction	Research on Transportation and Hoisting of Steel Bridge Segments of Tamkang Bridge
14	design+construction	1,200T steel bridge completed the side thrusting study within 12 hours

Integrity, transparency and legal compliance

We conduct business activities in a fair and honest manner. Before doing business, we consider the legitimacy and credibility of business partners, avoid dealing with people with records of dishonest behavior, and incorporate our integrity management policy when signing contracts with third-party vendors. Establish regulations related to integrity. Our directors uphold a high degree of self-discipline. When discussing and voting on the proposals listed by the board of directors, they should be avoided when discussing and voting, and shall not exercise their voting rights on behalf of other directors.

In terms of preventing insider trading, we have submitted the "Inquiry Letter for Shareholding Changes of Company Insiders" for compliance when directors, managers and other insiders took office. Please inform us of the changes in shareholding before the 5th of each month. Avoid violations or insider trading. In addition, the company has also submitted the "Manual for Propagating Regulations for Directors and Supervisors of Listed Companies" compiled by the Taiwan Stock Exchange when the directors took office.

"Securities Market Regulatory Matters to be Noted by Listed Companies and Their Directors, Supervisors, and Major Shareholders" and "Independent Directors Regulations Promotion Manual" to assist directors in understanding relevant securities trading laws and regulations and listing rules and other relevant filings Provisions and legal responsibilities of matters.

Integrity management

There are basic codes of conduct that should be followed according to status

Based on integrity management, in order to ensure that our daily operations are in line with corporate ethics, we have established basic standards of conduct for directors, managers, and general employees, including the "Code of Practice for Corporate Governance", "Code of Integrity Management", and "Standards and norms such as Integrity Management Operating Procedures and Behavior Guidelines, "Code of Ethical Conduct" and "Code of Conduct for Employees", and earnestly comply with the law and anti-corruption.

Education training and contract norms

In order to implement integrity management, we promote the company's integrity management policy during the training of new recruits. Before cooperating with third-party vendors, all evaluations including the integrity behavior of the third party are evaluated first, and the company's integrity management policy is included in the contract when signing the contract, and the integrity-related regulations are established.

Integrity management education training will be held on November 12, 2020. Participants include directors/independent directors and company managers. A total of 2 hours of class will be held. This time there are 16 students. The course notes are also published on the EIP of the company's intranet for all employees to download and read, in order to achieve the purpose of education and publicity for all employees.

Set up reporting channels

We have set up "Methods for Reporting Cases of Illegal and Unethical or Dishonest Behavior", and we have channels for reporting. There is also a contact window for various stakeholders' concerns in the special area for stakeholders, and a designated person is designated to be responsible. For relevant information on integrity management, please refer to pages P42-44 of the company's annual report, and the investor area of the company's website-company regulations.

*In 2020, the company did not have any corruption.



Compliance Law

Our general manager's office has dedicated legal personnel to provide consultation and assistance on relevant laws of various departments, and employees of the company and various departments are required to comply with relevant laws and regulations on business. Every year, we send staff to receive the education and training of the latest laws and regulations, to obtain the amendments of the latest laws and regulations related to the business in real time, and to update the company's internal operating standards to ensure compliance with the law.

2020 compliance with various regulations

Number of large fines imposed for violation of laws and regulations

0

Number of penalties for violation of insider trading

0

Number of penalties for violating the law for major information or information reporting

0

3 、 Environmental protection



Topic of this chapter

Management policy	P52
Regulatory compliance	P54
Energy management	P55
Pollution prevention	P59

Important issues

- 5 Regulatory compliance
- 7 Environmental protection (including pollution prevention and control),
- 10 Energy Management

Highlights in this chapter

- ※ In 2020, the total power consumption of the head office and the construction sites will be reduced by 2,685,953 kWh compared with the previous year, and the power saving rate will be **72.48%**.
- ※ In 2020, the total water consumption of the head office and the construction sites will be reduced by 18,480 kWh compared with the previous year, and the water saving rate will be **40.21%**.
- ※ In 2020, the carbon emissions of electricity and water consumption will be reduced by 1,680,052KG in total compared with the previous year, and the target of **2%** reduction has been reached.
- ※ There were no environmental protection complaints in 2020.

Management policy

103-1、103-2、103-3

Major topics of Environmental protection (in order of importance)	Management purpose	Management methods and effective evaluation mechanism
Regulatory compliance(P54)	Reduce potential risks of company operations, avoid financial and goodwill losses, and strengthen corporate governance.	<ol style="list-style-type: none"> 1. Regularly review the updates and revisions of the relevant environmental regulations of the competent authority and the owner. 2. Establish and implement an internal control system for environmental safety and health, and implement internal audits.
Environmental protection (including pollution prevention and control), (P52-53 及 P59-67)	Friendly environment to avoid environmental damage caused by project construction.	<ol style="list-style-type: none"> 1. Establish an environmental protection education and training mechanism and a risk control and evaluation mechanism, implement an internal control system for environmental safety and health, and implement internal audits. 2. Use innovative construction methods to reduce the impact on the environment and im-
Energy Management (P55-59)	Achieve energy saving and carbon reduction, protect the earth, and effectively save the company's expenses.	<ol style="list-style-type: none"> 1. Establish energy-saving measures, set energy-saving plans and targets (short-range, medium-range, and long-range), and keep track of progress and benefits. 2. Regularly review laws and regulations, establish internal control and internal audit systems to ensure that the construction process

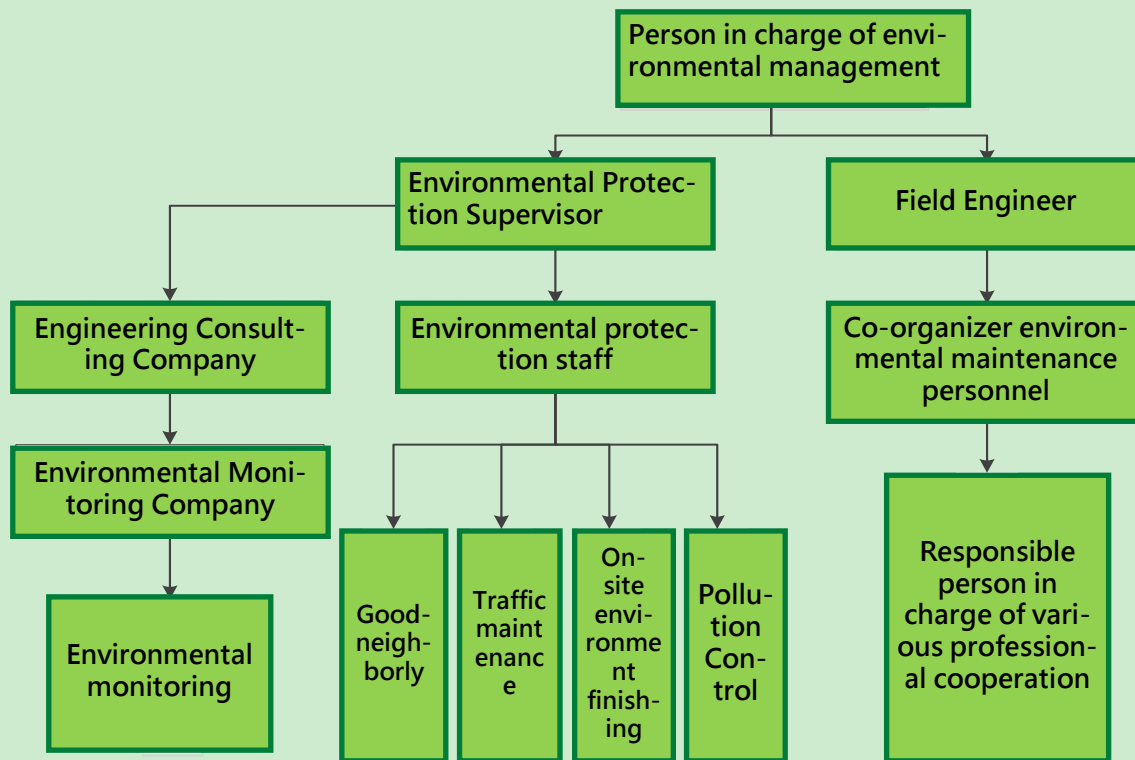
Environmental policy

We passed the "ISO 14001" international environmental management system certification in 1999. The ISO14001 environmental management system mainly regulates the production or service process of products, reduces the impact on the environment, takes into account the needs of various stakeholders related to the environment, and meets the needs of the society in the evolution of environmental protection, and avoids the impact of project implementation on the ecological environment. The impact. The internal company also continues to promote the concept of environmental protection to employees, so as to make environmental protection not only a concept, but also It can be a spontaneous and introspective action.

- We are committed to:
- (1) Comply with government environmental protection laws and regulations.
 - (2) Cooperate with the owner's environmental protection requirements.
 - (3) Strengthen various monitoring measures.
 - (4) Continue to improve performance.

In the early stages of construction, each of our construction sites has formulated environmental protection plans, adapted to local conditions, and formulated environmental protection plans in accordance with relevant laws and regulations (water pollution prevention, air pollution prevention, noise and vibration prevention, waste and soil resource management, etc.) The management and execution plan shall serve as the basis for the implementation of environmental protection work in the future.

Construction site environmental protection organization and management



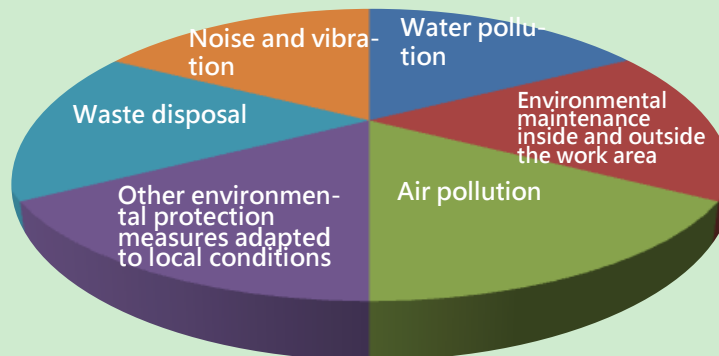
Through environmental safety and health education and training, promote "6S construction environmental management".



6S construction environment management

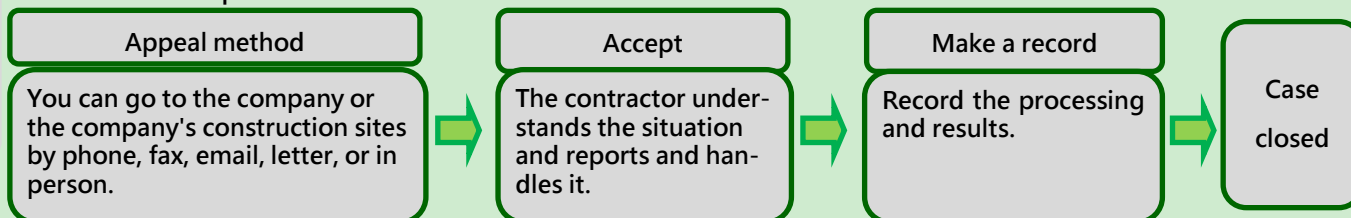


In order to implement environmental protection in the work area, each construction site conducts daily site inspections on environmental protection sites, and uses the inspection record sheet/independent inspection sheet to truthfully make records. (Check items as left)



Environmental complaint mechanism

The company has set up a special area for interested parties on the official website (<http://www.kseco.com.tw//tc/index.aspx>). The complaint mechanism provided can be visited by phone, fax, e-mail, letter, or in person. Or the company's construction sites, etc. to appeal. There are 0 complaints about environmental issues in 2020.



Regulatory compliance

In construction projects, in order to improve environmental protection, we need to monitor the environment and comply with relevant environmental protection laws and regulations to achieve the goal of green operation and pollution prevention.

2020 Environmental Protection Regulations Compliance	
Number of large fines imposed for violation of environmental protection laws and regulations	0
Number of general fines imposed for violating waste disposal regulations	5

Nearly three years	2018	2019	2020
Total number of violations of environmental protection law	0	5	5
Total number of violations of air pollution law	0	0	0
Subtotal	0	5	5

We have been making continuous efforts in environmental protection. In addition to using low-noise equipment to perform work and laying related equipment to improve road pollution, the site also strengthens cleaning to maintain a clean environment, and uses water spraying, spreading dust nets, etc. The measures to prevent air pollution have been effective, so there was no environmental pollution in 2018. However, in 2019 and 2020, due to improper disposal of construction waste, 5 small fines were imposed. The total fines were NT\$30,000 in 2019 and NT\$36,000 in 2020. The reasons and improvement measures are as follows:

	Reason for the penalty	Improvements
2019	The Suhuagai Gufeng Tunnel Project was punished by the Environmental Protection Bureau of the Yilan County Government due to waste dumping that could not be processed immediately. All five cases were fined on the same day.	In the future, it will follow the regulations for disposal, focusing on environmental protection measures in waste disposal, and carry out internal audits to avoid environmental pollution problems.
2020	<p>The Suhuagaigufeng Tunnel was not marked with the name of the waste in Chinese in the obvious place where the waste storage site of the construction mixture was built, and the storage location did not have equipment or measures to prevent rainwater from inflowing and permeating. It was punished for violation of the Waste Cleanup Law. A total of 2 bills were issued, respectively. It is NT\$6,000 and NT\$12,000.</p> <p>In addition, the Guanyin Tunnel and the Gufeng Tunnel were in the Business Waste Declaration and Management Information System of the Environmental Protection Department of the Executive Yuan. The declared amount did not match the approved amount in the business waste plan, and violated the Waste Disposal Law. A total of 3 orders were issued, each with NT\$6,000.</p> <p>A total of NT\$36,000 was fined for the above five orders.</p>	<p>Supervise on-site security personnel to check the disposal of waste, and ensure that it is implemented in accordance with the regulations.</p> <p>Supervise on-site personnel to manage the amount of construction waste, so as to avoid being punished if the amount exceeds the approved plan.</p>

Energy management

High electricity and high oil prices have forced Taiwan to move towards a low-carbon society. Based on the concept of sustainable operation, we always attach importance to environmental protection, energy saving and carbon reduction measures, and actively implement energy saving in the work area. We promote water saving and power saving in the office on weekdays. For example, the office building adopts water-saving faucets, air-conditioning temperature control, and rest. Turn off the lights at time to save electricity and energy consumption. In conjunction with the sorting and recycling of resources, it is also implemented that leave, overtime, business trips, commuting and other attendance conditions are all electronic, reducing paper waste, and making everyone a master of energy saving and carbon reduction.

Energy Management Organization and Policy

Energy Inspection Organization		
category	Number of people	Actual annual work content
manager	1 person in charge	Set energy-saving goals
	1 energy manager	Set energy-saving goals and draw up energy-saving plans
The person who pushes the job	1 person	Formulate energy-saving plans, promote, evaluate and manage
Executor	1 person	Carry out energy saving plan, find problems and report to them

The company's energy management policy and current promotion situation:

1. Set management goals for energy usage or energy costs.
2. Confirm that the company complies with the relevant provisions of the current energy management regulations.
3. Plan to promote the setting of energy performance indicators and review changes in energy performance.
4. Support priority purchase of products that meet energy conservation standards.
5. Planning to promote senior executives to meet regularly to review energy usage.
6. The plan promotes the requirement for suppliers to provide energy efficiency specifications for the use of energy equipment in the procurement specifications.
7. Use energy equipment to replace the old with the new process, preferentially select high-efficiency equipment.
8. The plan promotes the preparation of a fixed budget and is responsible for updating or maintaining energy-using equipment.

Energy saving and carbon reduction goals

Since 2018, we have set a single-site energy-saving target for energy-saving management and control, and expanded it to all construction sites that have been contracted for two years. From 2019, we have included all construction sites under control to reduce indirect emissions by reducing electricity and water. We hope to achieve a short-term goal of reducing the amount of greenhouse gases by 2% per year, and reaching a medium-term goal of reducing 10% in five years. At present, we have reached the 10% reduction goal in 2019 in the previous year, considering the characteristics of the construction industry, and the hydropower consumption before, during and after the project. The difference is expected to be revised to not less than 3% per year as the long-range reduction target.

2020 Energy Conservation and Carbon Reduction Action Plan

Implementation area: Headquarters and contracted construction sites (including: coal bunker, Guanyin and Gufeng tunnels, Taichung Port and Fenglin and Nanzhou, Tamkang Bridge and Taipei Port construction sites)

Energy saving measures

Common measures

- The head office and various construction offices (stations) implement electronic leave, overtime, business trips, commuting and other attendance conditions to reduce paper usage.
- Turn off the lights during breaks to save electricity and energy consumption and control the temperature of the air-conditioning.
- Single-sided paper recycling, use of LED energy-saving lamps and water-saving faucets.

Good site action plan

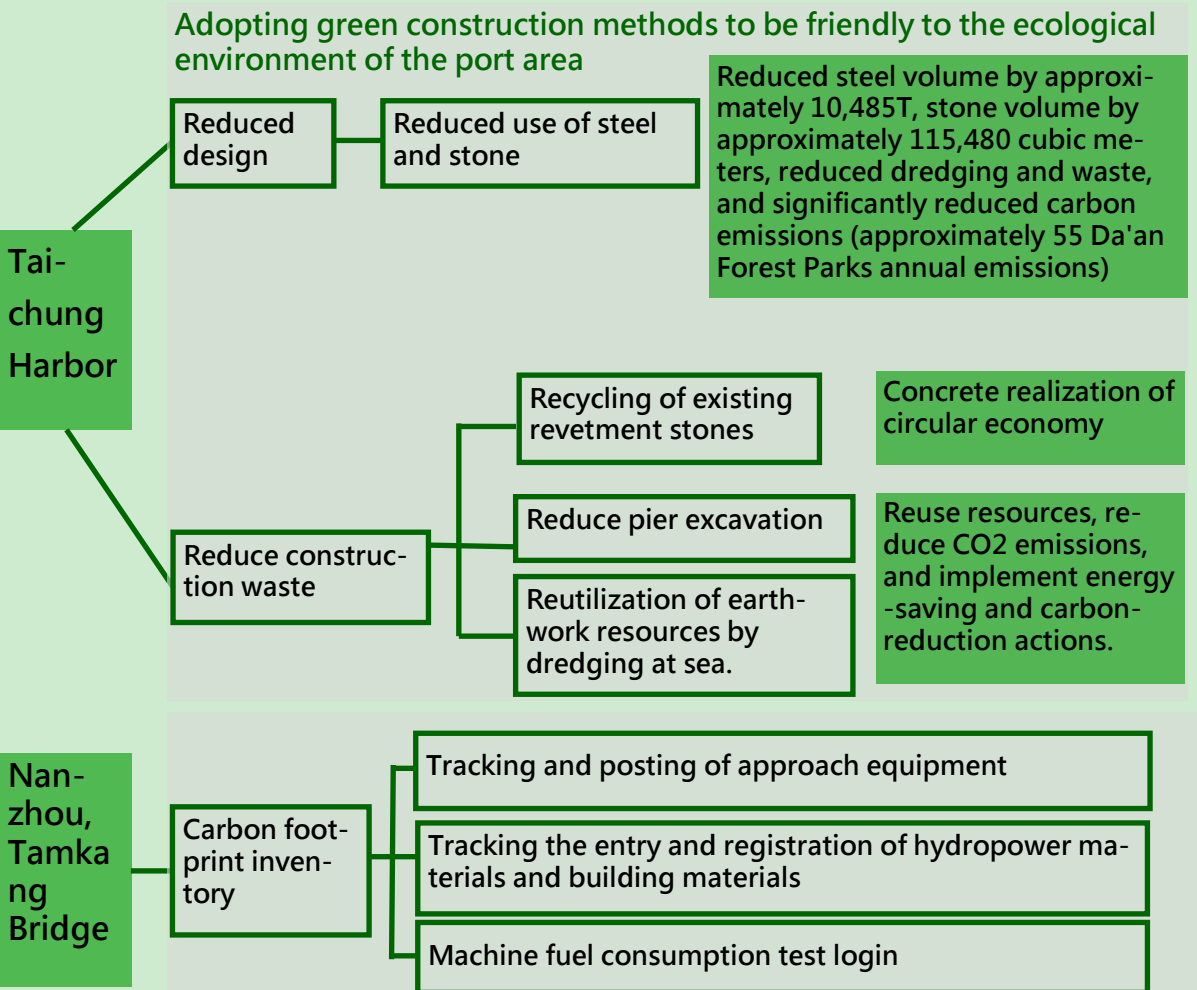


表 A-2 材料機動管理表(含機動)

機動編號	機動日期	機動地點	機動內容	機動數量	機動單位	機動說明	機動類別	機動狀態	機動備註
1	2020/01/01	台中港	鋼筋	10,485T	kg	減少鋼筋用量	材料	完成	
2	2020/01/01	台中港	砂石	115,480	m ³	減少砂石用量	材料	完成	
3	2020/01/01	台中港	土方	10,000	m ³	土方回填	材料	完成	
4	2020/01/01	台中港	機油	100	L	機油回收	材料	完成	
5	2020/01/01	台中港	柴油	500	L	柴油回收	材料	完成	
6	2020/01/01	台中港	汽油	200	L	汽油回收	材料	完成	
7	2020/01/01	台中港	電力	10,000	kWh	電力回收	材料	完成	
8	2020/01/01	台中港	水電	100	m ³	水電回收	材料	完成	
9	2020/01/01	台中港	廢料	100	kg	廢料回收	材料	完成	
10	2020/01/01	台中港	其他	100	kg	其他回收	材料	完成	
11	2020/01/01	台中港	鋼筋	10,485	T	鋼筋回收	材料	完成	
12	2020/01/01	台中港	砂石	115,480	m ³	砂石回收	材料	完成	
13	2020/01/01	台中港	土方	10,000	m ³	土方回收	材料	完成	
14	2020/01/01	台中港	機油	100	L	機油回收	材料	完成	
15	2020/01/01	台中港	柴油	500	L	柴油回收	材料	完成	
16	2020/01/01	台中港	汽油	200	L	汽油回收	材料	完成	
17	2020/01/01	台中港	電力	10,000	kWh	電力回收	材料	完成	
18	2020/01/01	台中港	水電	100	m ³	水電回收	材料	完成	
19	2020/01/01	台中港	廢料	100	kg	廢料回收	材料	完成	
20	2020/01/01	台中港	其他	100	kg	其他回收	材料	完成	
21	2020/01/01	台中港	鋼筋	10,485	T	鋼筋回收	材料	完成	
22	2020/01/01	台中港	砂石	115,480	m ³	砂石回收	材料	完成	
23	2020/01/01	台中港	土方	10,000	m ³	土方回收	材料	完成	
24	2020/01/01	台中港	機油	100	L	機油回收	材料	完成	
25	2020/01/01	台中港	柴油	500	L	柴油回收	材料	完成	
26	2020/01/01	台中港	汽油	200	L	汽油回收	材料	完成	
27	2020/01/01	台中港	電力	10,000	kWh	電力回收	材料	完成	
28	2020/01/01	台中港	水電	100	m ³	水電回收	材料	完成	
29	2020/01/01	台中港	廢料	100	kg	廢料回收	材料	完成	
30	2020/01/01	台中港	其他	100	kg	其他回收	材料	完成	

Electricity consumption in the past three years

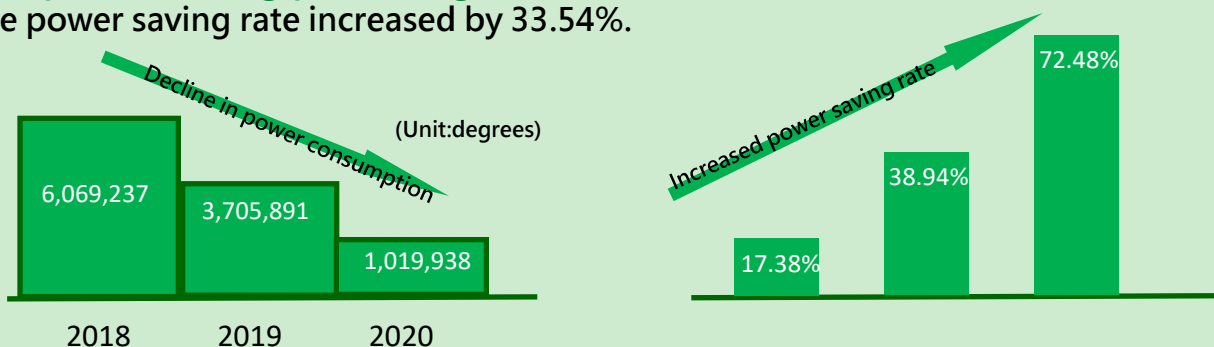
*After the revetment of the Taipei Gangnan Wharf S07 and S08, the embankment and land reclamation project will only start in the second half of 2020, so it will not be included for the time being.

Looking at the electricity consumption in 2018 and 2019, the actual energy saving percentage of electricity reduction is 38.94%, and the medium-term target of 10% reduction in 5 years has been reached. The target for 2020 and beyond is due to consideration of the characteristics of the construction industry. The difference in hydropower consumption is expected to be revised to not less than 3% per year as the long-range reduction target.

Year / region	Head-quarters (degrees)	Coal bunker (degrees)	Guanyin and Gufeng Tunnel (degrees)	Taichung Port (degrees)	Fenglin (degree)	Nanzhou (degrees)	Tamkang Bridge (degrees)	Total electricity consumption (degrees)
2020(A)	52,759	169,400	254,239	50,560	10,600	83,840	398,540	1,019,938
2019(B)	49,316	435,840	2,919,645	94,880	49,866	72,000	84,344	3,705,891
2018(C)	52,165	1,034,907	4,824,208	44,381	43,856	69,720	0	6,069,237
(A)-(B)	3,443	-266,440	-2,665,406	-44,320	-39,266	11,840	314,196	-2,685,953
[(B)+(C)] / 2(D)	50,741	735,374	3,871,927	69,631	46,861	70,860	42,172	4,887,564
(A)-(D)	2,018	-565,974	-3,617,688	-19,071	-36,261	12,980	356,368	-3,867,626
Energy saving compared with the average of the previous 2 years (%)	-3.98%	76.96%	93.43%	27.39%	77.38%	-18.32%	-845.03%	79.13%
Note		As the project entered the completion stage, electricity consumption was greatly reduced	As the project was completed in April, electricity consumption has been drastically reduced	As the project was completed in April, electricity consumption has been drastically reduced	Due to the reduction of one office, the electricity consumption is reduced		As the project has entered the rush phase, electricity consumption has increased significantly	

The total electricity consumption in 2020 is 1,019,938 kWh, which is a reduction of 2,685,953 kWh compared with 3,705,891 kWh in 2019.

The power saving percentage was 72.48%, compared with 38.94% in 2019, and the power saving rate increased by 33.54%.



Water for the past three years

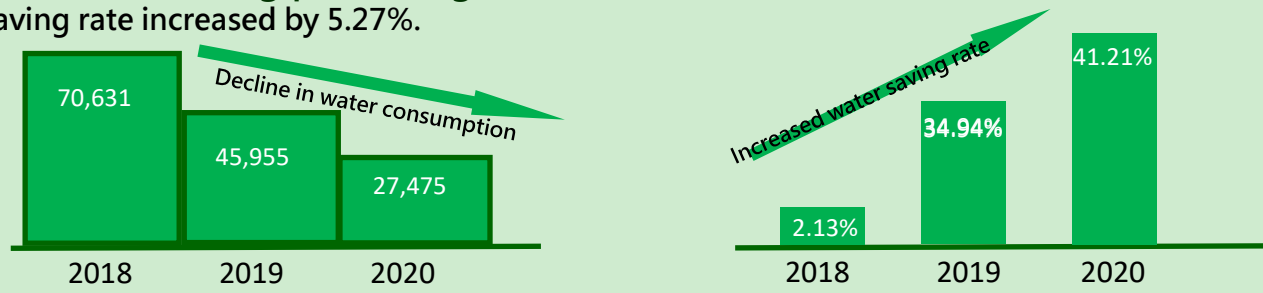
*After the revetment of the Taipei Gangnan Wharf S07 and S08, the embankment and land reclamation project will only start in the second half of 2020, so it will not be included for the time being.

Looking at the water consumption in 2018 and 2019, the actual reduction in water consumption has an energy-saving benefit percentage of 34.94%. The medium-term goal of 10% reduction in 5 years has been reached. The 2020 and beyond targets are due to consideration of the characteristics of the construction industry. The difference in hydropower consumption is expected to be revised to not less than 3% as the long-range reduction target per year.

Year / region	Head-quarters (degrees)	Coal bunker (degrees)	Guanyin and Gufeng Tunnel (degrees)	Taichung Port (degrees)	Fenglin (degree)	Nanzhou (degrees)	Tamkang Bridge (degrees)	Total electricity consumption (degrees)
2020(A)	1,134	7,628	9,542	760	264	2,093	6,054	27,475
2019(B)	758	23,956	15,863	2,028	410	1,707	1,260	45,955
2018(C)	1,106	34,619	30,275	2,428	670	1,533	0	70,631
(A)-(B)	376	-16,328	-6,321	-1,268	-146	386	4,794	-18,480
【(B)+ (C)】/2(D)	932	29,288	23,069	2,228	540	1,620	630	58,293
(A)-(D)	202	-21,660	-13,527	-1,468	-276	473	5,424	-30,818
Energy saving compared with the average of the previous 2 years (%)	-21.67%	73.96%	58.64%	65.89%	51.11%	-29.20%	-860.95%	52.87%
Note		As the project entered the completion stage, water consumption was greatly reduced	As the project was completed in April, water consumption was drastically reduced	As the project was completed in April, water consumption was drastically reduced	Due to the reduction of one office, the water consumption is reduced		As the project enters a stage of rapid development, water consumption has increased significantly	

The total water consumption in 2020 is 27,475 degrees, which is a reduction of 18,480 degrees compared with 45,955 degrees in 2019.

The water saving percentage was 40.21%, compared with 34.94% in 2019, the water saving rate increased by 5.27%.



Carbon emissions in the past three years

*After the revetment of the Taipei Gangnan Wharf S07 and S08, the embankment and land reclamation project will only start in the second half of 2020, so it will not be included for the time being.

Electricity		
project	Annual electricity consumption (degrees)	Total carbon emissions (KG)
2020	1,019,938	637,461
2019	3,705,891	2,316,182
2018	6,069,237	3,793,273

Note 1: Carbon emission calculation method = 0.625KG of carbon emitted by kWh of electricity.

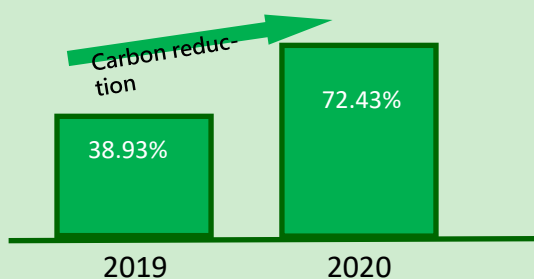
Note 2: Calculation area: head office and all contracted

water		
project	Annual water consumption (degrees)	Total carbon emissions (KG)
2020	27,475	1,978
2019	45,955	3,309
2018	70,631	5,085

Note 1: Carbon emissions calculation method = 0.072KG carbon emissions from water for 1 degree.

Note 2: Calculation area: head office and all contracted

The total carbon emissions (hydropower) in 2020 is 639,439KG, which is 1,680,052KG less than in 2019.



*Considering the characteristics of the construction industry, the difference in hydropower consumption before, during and after the project is expected to be no less than 3% as the long-distance reduction target per year.

Pollution prevention

In 2020, we will spend a total of NT\$11,169,750 in environmental protection expenditures, including environmental impact assessment, pollution prevention equipment, waste removal and disposal costs, etc.

At each construction site, we will fill in the environmental protection site inspection record form every day to conduct inspections on noise, vibration, air pollution, water pollution, and environmental maintenance inside and outside the work area, so as to do a good job in the independent management of environmental protection.

Environmental monitoring

In order to maintain the environment of the work area and implement environmental protection, the company regularly implements environmental monitoring. The projects are as follows:

Environmental monitoring	
category	project
Discharge water quality monitoring	Site sewage discharge standard
	Domestic wastewater discharge standard
Construction noise monitoring	Construction noise control standards
Construction vibration monitoring	Construction vibration monitoring, unit: dB
Air quality monitoring	Establish air quality control standards

Environmental Monitoring-Water Pollution Prevention and Control

We have different pollution prevention actions based on site sewage and domestic wastewater. The new construction of Taichung Port No. 106 and the revetment of S07 and S08 of Taipei Gangnan Wharf and the back-line embankment construction project have also set up water quality monitoring projects. In 2020, we have not been punished for water pollution.



Set up anti-overflow seats on the perimeter of the work area to suppress the overflow of sewage



Surface water quality monitoring



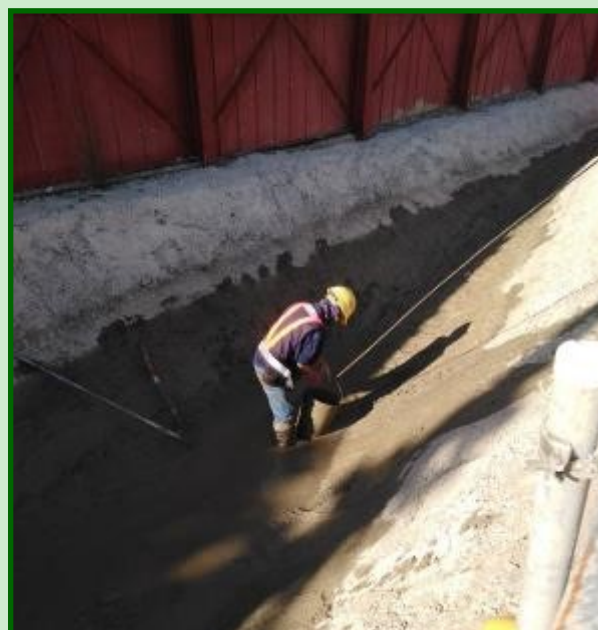
Water quality monitoring



Sea water quality monitoring



Work area drainage ditch cleaning



Sedimentation basin interception ditch dredging

Environmental Monitoring-Noise and Vibration Pollution Prevention and Control

During the project, it is inevitable that noise will be generated due to the operation of large machines. In order to comply with construction noise control standards and vibration standards, we conduct noise and vibration monitoring.



Noise monitoring



Noise and vibration monitoring



Noise and vibration monitoring



Noise and vibration monitoring



Noise and vibration monitoring panoramic sampling

漢江大橋及其連絡道 5K+000~7K+035 新建工程環境監測計畫

表 1.4.3-1 採樣儀器校正及頻率

設備名稱 (標準件編號)	校正頻率	校驗(檢定)方式	容許範圍	再校驗 需求	備註	
噪音計 聲學級儀器 LS84-019 LS86-026 LS88-037 LS88-038 LS183-067 LS184-074 LS184-075	使用前	正規標準聲源校正器校正合格為 實值	合格標準 ±1.7dB	檢定/ 定期	—	
	—	(使用前後差值)	<±.3dB	檢定/ 定期	—	
	三個月	音壓標準確認	±1.7dB	檢定/ 定期	—	
	二年	噪音計檢定 (外部校正)	符合 CNS 58-1 檢定規 範	檢定/ 定期	—	
振動計 LS84-021	使用前	機械校正	±1.0dB	檢定/ 定期	—	
	二年	(外部校正)	數值誤 ±1.0dB	檢定/ 定期	—	
水質 pH計	1. 使用前 2. 三個月	1. 向點或自動檢定校正 2. 冰點或凍融檢定	—	檢定/ 定期	—	
	導電度計	1. 使用前 2. 一年 3. 三個月	1. 單點檢定 2. 全刻度檢定 3. 冰點或凍融檢定	—	檢定/ 定期	
	分光光度計	工前用	波長-透光校正	波長 ±1 mm 透光 ±1%	檢定/ 定期	—
	培養箱	—	專用溫度計	—	檢定/ 定期	—

Environmental Monitoring Plan

Environmental Monitoring-Air Pollution Prevention and Control



Washing and sprinkling water on the road in the work area



Coal bunker-CCTV monitoring work area

We have implemented different air pollution prevention and control measures according to the different needs of various projects, which have been very effective. In the past three years, we have not been punished for violating the Air Pollution Law.



Dust net laying



Environmental Monitoring of Work Area



Air quality monitoring



Air quality monitoring

Resource reuse

Recycled asphalt concrete recycling, recycled asphalt concrete manufacturing and recycled asphalt concrete use.

Use a secondary burner: the flue gas generated when the sand is heated and the AC is mixed is subjected to secondary treatment to reduce the air pollution rate.

Ecological Protection

For different projects, we have different ecological protection measures. For example, the new construction of the Guanyin Tunnel on the Suhua Highway on the 9th line of Taiwan has a lot of conservation animals in the work area, so the conservation measures for the conservation of animals, the new construction of Taichung Port No. 106, and the shore protection and rear line of Taipei Gangnan Wharf S07 and S08 are specially formulated. The embankment and land reclamation project requires special attention to ecological conservation because of marine life in the work area.

Ecological Protection-New Construction of Guanyin Tunnel of Suhua Highway on Taiwan 9th Line

Species name	Project impact	Protection Policy item (Note 1)	Note
birds			
Starling	1. Interferences such as construction noise and vibration.	A、H	
Red-bellied tit	1. Interferences such as construction noise and vibration. 2. Fragmentation and obstruction of the habitat.	A、B、C、E、F、H	
Red-tailed shrike	1. Interferences such as construction noise and vibration.	A、H	
Yellow belly colored glaze	1. Interferences such as construction noise and vibration. 2. Fragmentation and obstruction of the habitat.	A、C、E、F、H	
Mammals			
White nose heart	1. Interferences such as construction noise and vibration. 2. Fragmentation and obstruction of the habitat.	A、B、C、D、E、F、H	
Crab-eating Mongoose	1. Interferences such as construction noise and vibration. 2. Fragmentation and obstruction of the habitat.	A、B、C、D、E、F、H	
Taiwan macaque	1. Interferences such as construction noise and vibration. 2. Human hunting behavior.	A、C、D、H	
Reptiles			
Soder's Grass Lizard	1. Reduction and destruction of the habitat	A、B、E、H	
Umbrella Festival	1. Increased road fatalities. 2. Cutting the habitat.	A、C、D、H	1. Set up ecological corridors at the embankment section for reptiles to pass. 2. Extensive management is used in areas not for tourists to gather and driver activities, so that voluntary herb plants can grow and increase the habitat of reptiles.
Banded Red Snake	1. Increased road fatalities. 2. Cutting the habitat.	A、C、D、H	1. Set up ecological corridors at the embankment section for reptiles to pass. 2. Reduce the frequency of vehicles entering and leaving at night.

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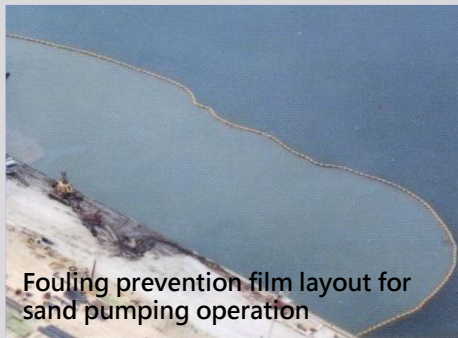
Note 1: A=Perform regular monitoring work before construction, during construction and during operation; B=Avoid opening construction and transportation roads in forest habitats; C=Using field casting and related interference mitigation methods for engineering to reduce vegetation and habitat damage ; D = Set up engineering fences or isolated green belts in the construction area; E = Replant native native tree species after construction; F = Avoid construction during peak hours of early morning and evening activities; G = Set up isolation facilities on elevated road sections to reduce road fatalities Probability; H = to handle ecological education and training for construction personnel, to teach the understanding of the habits of conservation animals and related conservation strategies.

Ecological Protection-New Construction of Taichung Port No. 106

Environmental protection measures

During the dredging and filling operation, a fouling prevention film is installed to avoid contamination.

Regularly monitor the water quality of the water area (monitoring items include PH value, suspended solids, chemical oxygen demand, biochemical oxygen demand, and true color) to confirm that the water area is free of pollution.



Fouling prevention film layout for sand pumping operation

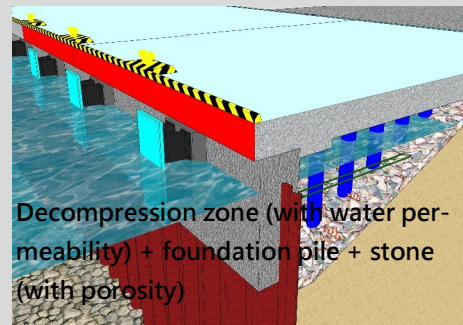


Regular water quality monitoring during construction

The decompression zone of the wharf adopts water-passing and porous design to create a diverse ecological environment.



The eco-environment of the decompression zone covered stone (with water permeability and porosity).



Decompression zone (with water permeability) + foundation pile + stone (with porosity)

Ecological environment creation



Cladding stone



Foundation pile

Foundation piles + covered stones create a porous and diverse ecological environment, which will help attract algae, corals, fish, shrimps and shellfish... to inhabit.

Green construction method

A green construction method that uses disturbance reduction to reduce seabed disturbances.

The dredging operation of this project is carried out by an innovative hydraulic grab ship



Ecological protection-Taipei Gangnan Wharf S07, S08 Bank Revetment and Back Line Embankment Reconstruction Project

A fouling prevention film is provided to avoid contamination. Regularly monitor the water quality of the water area to confirm that the water area is free of pollution.

Environmental protection measures



Fouling prevention film layout



Ecological protection-bubble curtain

Ecological Protection-C031 Agency for the Taiwan Railway Nanping to Wanrong dual-track civil construction and tram line project

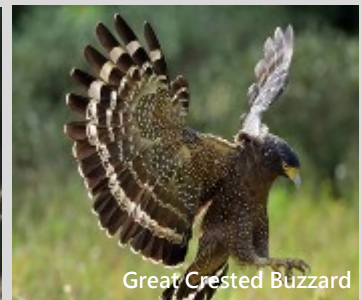
C031 Standard Environmental Monitoring Scope: Within 500 meters of the dual-track project between Fenglin Tunnel and Wanlix Bridge and the surrounding area, 7 species of rare and rare second-level conservation species were discovered, and the third-level conservation category that should be conserved 3 Species: Taiwan macaque, white-nose heart, red-tailed shrike. The 7 rare and rare secondary conservation species are as follows:



Ring-necked Pheasant



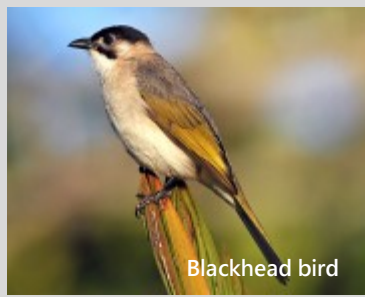
Black-winged kite bird



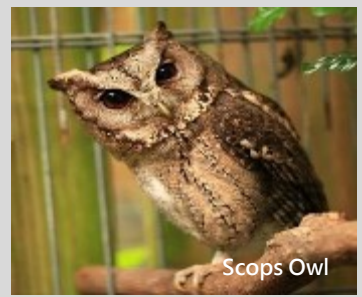
Great Crested Buzzard



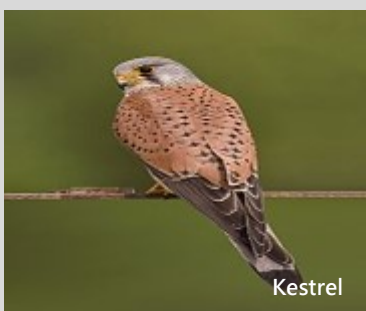
Crested Goshawk



Blackhead bird



Scops Owl



Kestrel

Environmental protection measures

Among the seven secondary conservation species, acornitum is widely distributed in various environments in this area; ring-necked pheasant is a resident bird; kestrel and red-tailed shrike are winter migratory birds, and the resident black-winged kite prefers to live in open environments. The remaining species are found in the secondary forest environment and its margins.

We have mastered their activity areas, carried out environmental monitoring to ensure environmental quality, and did a good job of "conservation and publicity" to avoid impacts on the ecological environment.

Waste removal

Every project in the construction industry will inevitably produce construction waste. Therefore, it is necessary to comply with the Waste Disposal Law and the relevant regulations of the Environmental Protection Agency.

Depending on the project, there are different wastes, such as construction mixtures, earth and stone, etc., of course, it also includes the removal of general waste (such as domestic garbage). Usually, we use outsourcing for the disposal of waste and make a contract.

Cleaning service table and clearing quantity control table

工廠營運泥和物(益昇)清運數量管制表

月/日	申請數量(T)	清運數量(T)	累計清運(T)	剩餘數量(T)	備註
109.01	0.00	6,595.67	1,685.78		
109.02	86.26	6,641.95	1,599.50	109.02.27	
109.03	0.00	6,641.95	1,599.50		
109.04	0.00	6,641.95	1,599.50		
109.05	59.9	6,701.85	1,539.60	109.05.26	
109.06	0.00	6,701.85	1,539.60		
109.07	91.06	6,792.93	1,448.52	109.07.01	
109.08	0.00	6,792.93	1,448.52		
109.09	0.00	6,792.93	1,448.52		
109.10	0.00	6,792.93	1,448.52		
109.11	0.00	6,792.93	1,448.52		
109.12	0.00	6,792.93	1,448.52		
110.01	0.00	6,792.93	1,448.52		
110.02					
110.03					
110.04					
110.05					
110.06					

Waste removal



Clearance of weighing bills and proof of completion

The above information is based on our contracted Linkou Power Plant's tubular coal bunker system turnkey project. In 2020, a total of 384.88T of industrial waste and 237.26T of construction blends will be cleared and transported, which is compared with 2019 (660.36T). Reduce 38.22T to achieve the effect of carbon reduction.

The impact of the supply chain on the environment in 2020: None.

Green consumption

In our business philosophy, environmental protection has always been an important part. We passed the "ISO 14001" international environmental management system certification in 1999. Externally, the project is in progress to reduce the impact on the environment, take into account the needs of various stakeholders related to the environment, and meet the needs of the society in the evolution of environmental protection. Demand. Internally, the company continues to promote the concept of environmental protection to employees, so that environmental protection is not only a concept, but also a spontaneous and introspective action!

We support green consumption and agree that green consumption should be carried out by all people.

The so-called green consumption means that when consumers choose products, they take into account the impact of the product on the ecological environment, and the choice is less harmful to the environment, And even favorable commodities, whose scope covers the production, transportation, marketing, discarding process, the degree of recycling, and the contents of the product packaging.

We have always attached great importance to the maintenance of the environment and ecology to prevent our living environment from being persecuted by pollution.



In 2017, we purchased green power for the first time. Compared with other power generation methods, green power has a lower impact on the environment. Therefore, "purchasing green power" can be equivalent to sponsoring the development of renewable energy.

Electricity is currently our main source of carbon emissions. Supporting the development of green power and promoting the energy transition will have a considerable effect on reducing carbon emissions.



In 2020, we will use Nordic sponge cloth for our shareholder meeting souvenirs, environmentally friendly sponge cloth towels from Northern Europe, The raw materials are taken from the natural cellulose and cotton flower of the FSC certified forest. It is the only all-natural and environmentally friendly clean sponge cloth in the world.

We use this sponge cloth as a souvenir for our shareholders meeting. In addition to its environmentally friendly materials, the printing on it is also printed with water-based non-toxic pigments, and this sponge cloth can achieve 100% biodegradable environmental protection characteristics, and can be reused .

Natural material

Made of natural cellulose and cotton, water-based non-toxic pigment, safe and environmentally friendly.

Sustainable environmental protection

It can complete 100% biodegradation after 24 weeks, and implement a friendly environment.

4、Happy workplace and social integration



Topic of this chapter

Management policy	P69
Labor Rights and Human Rights	P70
Employee care and welfare	P72
Occupational health and safety	P80
Social participation and charity feedback	P85

Important issues

3	Health and Safety
5	Regulatory compliance
8	Salary
11	Talent recruitment, cultivation and human rights
12	Employee Benefits
14	Neighbor relations
15	Social welfare

Highlights in this chapter

- ※ There were no human rights complaints in 2020.
- ※ The average salary of non-supervisory grassroots employees is **2.02 times** the minimum basic salary.
- ※ The average employee salary expenses in 2020 will increase by **33.99%** compared to the previous year.
- ※ The average employee benefit expenses in 2020 increased by **31.11%** compared to the previous year.
- ※ Added "Volunteer Leave" and "Quality and Occupational Safety and Health Environmental Performance Evaluation Reward and Punishment Measures".
- ※ The growth rate of employee education and training increased by **3.97%** from last year.

Management policy

103-1、103-2、103-3

Major topics of Happy workplace and social integration (in order of significance)	Management purpose	Management methods and effective evaluation mechanism
Health and Safety (P80-84)	<ol style="list-style-type: none"> 1. Provide employees with a healthy and safe working environment. 2. Achieve the goal of zero accidents and zero disasters. 	<ol style="list-style-type: none"> 1. Establish a strict environmental safety and health management system and internal control and internal audit systems. 2. Regular labor safety meetings, daily toolbox meetings, pre-construction education and training, pre-construction inspections, and entry control are held. 3. Purchasing, erecting, and wearing appropriate safety equipment according to different projects.
Regulatory compliance (P71)	Reduce the potential risks of company operations, avoid financial and goodwill losses, and strengthen corporate governance.	<ol style="list-style-type: none"> 1. Regularly review the updates and revisions of relevant regulations of the competent authority, and revise the company's internal regulations in light of time. 2. Establish an internal control system and implement internal audits.
Salary (P79)	Effectively retain outstanding talents to enhance the company's human capital and competitiveness, and create a win-win situation.	Comprehensively review the rationality of employee functions and salary and continue to adjust, establish smooth communication and promotion channels.
Talent recruitment and human rights (P70-71)	<p>Revitalize the company's human resources and enhance the overall competitiveness.</p> <p>People-oriented, attach importance to employees and co-operating vendors.</p>	<ol style="list-style-type: none"> 1. Establish a manpower requirement form to recruit and control talents. 2. Revise the employee handbook and contract specifications in due course to protect the rights and obligations of employees and co-workers. 3. Establish a personal data protection mechanism and appeal system to protect human rights.
Employee Benefits (P72-76)	Effectively retain outstanding talents to enhance the company's human capital and competitiveness, and create a happy workplace.	<ol style="list-style-type: none"> 1. Provide employees with improved education and training plans and mechanisms, encourage colleagues to continue to study, and actively obtain professional skills licenses. 2. Regularly review the applicability of various welfare measures.
Neighborhood relations (P89)	Give back to the neighbours, get close to each other, and avoid damage to the neighbourhood due to the construction of the project.	<ol style="list-style-type: none"> 1. Establish work area management personnel, inspect and strengthen the cleanliness of the chemical area daily, avoid noise and air pollution, and avoid neighbouring problems due to the progress of the project. 2. Participate in the sponsorship of neighbourhood activities.
Social welfare (P85-89)	Give back to the society, help disadvantaged groups, and connect with the company's sustainable operation.	Use more diversified methods to help charity organizations, establish "volunteer leave", and hold meetings to evaluate charity investment and external cooperation.

Labor Rights and Human

As of December 31, 2020, we have a total of 165 employees of this nationality who have become employees in accordance with the formal employment procedures. They will be covered on the day of employment and are protected, regardless of job acquisition, job promotion, and salary increase. The system does not distinguish between gender, age, race, religious beliefs, or political leanings. As long as the ability is consistent and performance is achieved, everyone has equal opportunities. If you have any comments, you can also use the company intranet (EIP) or complaint channels and the end of the year Self-evaluation makes recommendations. As for foreign workers, as of December 31, 2020, there are 96 foreign workers. The management of foreign workers is carried out in accordance with the relevant government regulations, and it has been awarded the Certificate of Appreciation for Professional Management and Careful Care of Thai Workers by the Ministry of Labor of Thailand. The praise.

The core labor rights and human rights of the industry and information project:

human rights Emphasize the protection of human rights, prohibit child labor, pay attention to wages and benefits, non-discrimination, and freedom of association.

Moral integrity Integrity management, information disclosure, no improper interests, protection of personal information, privacy, and no retaliation.

Labour Relations Regular labor-management meetings and labor contracts comply with laws and regulations.

Prohibition of child labor Comply with the Labor Standards Law and do not employ child laborers under 16 years of age.

Working hours Overtime work of employees is voluntary and is controlled at any time on EIP attendance records.

Anti-discrimination Any acts of sexual harassment and discrimination are prohibited, regardless of gender, age, race, religious belief, or political inclination. Everyone has equal opportunities.

Prohibition of forced labor No forced labor, and oppose the slavery system.

The rights and obligations of all employees are stated in the employee handbook. When new employees are hired, they will be sent to colleagues, and when new employees are trained, they will be guided to learn about relevant regulations. After the deployment of personnel is confirmed and the approval is completed, an announcement will be made in the company's EIP, and the changes will be completed according to the effective date of the announcement, and the announcement period shall be at least one week.

The company attaches great importance to the protection of personal information laws and privacy rights, and both employees and interested parties follow human rights-related laws and regulations.

Open and transparent information

Our laws and regulations, such as: the company's articles of association and the regulations, codes, and rules regulated by the competent authority.

It is published on the company website and corporate governance area.

Measures related to employee rights such as:

"Thesis Reward Method", "Creative Proposal Reward Method", "Employee Travel Expenses Method", "Labor-Management Conference Implementation Measures", "Overtime Work Regulations", "Private Car Public Management Measures", "Employee Education and Training Measures", "Traffic Allowance" "Management Measures", etc., are available for colleagues to consult on the company's internal network (EIP).



Corporate Governance Zone-
Company Regulations

Regulatory compliance

We fulfill our corporate social responsibilities, protect the basic human rights of all colleagues, agree with and support various international human rights conventions such as the United Nations Universal Declaration of Human Rights, the United Nations Global Covenant, and the International Labor Convention, and eliminate any violations and violations of human rights. It clearly revealed that all colleagues should be treated and respected with justice and fairness, and the "Human Rights Policy" of the industry letter was formulated. It hopes to achieve the goals of protecting human rights in the workplace, providing a healthy and safe workplace, supporting freedom of association, and promoting labor-management harmony, and establish human rights and environmental sustainability clauses with contractors, and work together to pay attention to human rights issues and attach importance to the management of related risks.

For human rights policy content and human rights policy risk management, please refer to our company website:

Human rights policy



Human rights policy risk management



The Environmental and Social Responsibility Recognition Letter signed with the contractor, which covers the environment, human rights and other social responsibility



Grievance mechanism

In order to implement gender equality and avoid workplace sexual harassment incidents, in addition to strengthening publicity on weekdays, the "Workplace Sexual Harassment Prevention Measures Complaints and Disciplinary Measures" have been formulated, and special telephone lines have been set up for the handling of sexual harassment incidents, and the complaint cases will start when they are received , The case is closed within two months, if necessary, it may be extended by one month, and the confidentiality of the complainant must be protected.

In order to protect the rights and interests of employees and avoid the occurrence of illegal and unreasonable situations, the company has set up employee suggestion mailboxes and "employee grievance handling system" to provide employees with a channel for suggestions to strengthen labor-employment cooperation. The methods for employee complaints are as follows:

1. If an employee complains verbally, it should be recorded by the accepting staff of each department and reported immediately.
2. If employees have damages to their rights or have other opinions, they can submit complaints in writing, and the supervisors of each unit should investigate and deal with them immediately. or report to the complainant one by one, and send a letter to the complainant about the result or handling situation.
3. Complaint department/person: our company's spokesperson and acting spokesperson.

Human rights complaints in 2020

Sexual harassment complaints
0

Employee rights appeal case
0

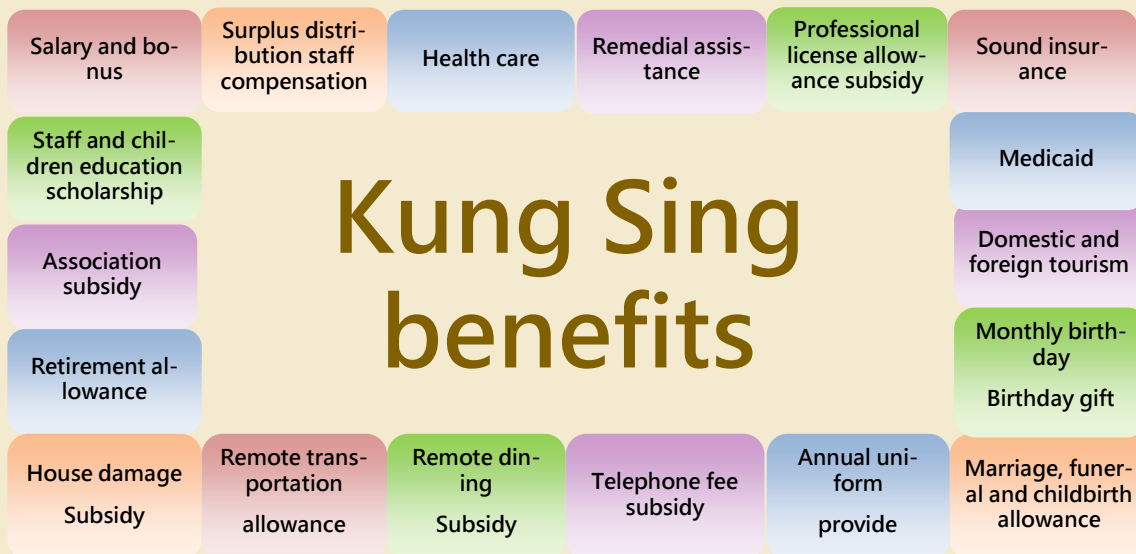
Our appeal method is clearly disclosed in the workplace announcement board.



Employee care and welfare

We regard our employees as the most important asset and the key to our sustainable development. Therefore, we are committed to creating a safe and comfortable working environment, caring for the physical and mental health of employees, supplemented by professional and diversified talent training, and expecting to reach employees and the company together Grow together!

Welfare system



The company established the Employee Welfare Committee in June 1993. Every year, the annual plan and budget are set for various activities, including: emergency relief, wedding subsidies, scholarships, annual gifts, employee travel, and regular health check-ups (2020 The health check will be completed in September), and the annual health check fee will be allocated from 1,500 to 12,000 yuan per person (different depending on the rank), to continuously monitor the health of employees, and conduct health-related lectures. In addition to labor insurance, employees are also covered by group accident insurance and medical insurance, so that colleagues can enjoy multiple protections.

In order to enable all employees to work together to create profits, after the end of the fiscal year, if the company has a surplus, in addition to making up for the previous year's losses, a 3%-5% bonus from the surplus is allocated to all employees, and the cash is paid every time. When increasing capital, a certain percentage is allocated according to law for employees to invest in shares.

In addition, in order to allow employees to relax, relieve stress, and live a healthier and more energetic life after busy work, we have specially established a sports club — badminton club. Some construction sites with larger spaces also have basketball courts. And audio-visual entertainment room for employees to watch TV, sing karaoke and other leisure activities during the break. In the future, we will also combine the interests of employees to establish more diversified clubs to enrich the activities of the clubs and enhance the communication between colleagues and make communication more



Vigorous badminton club



A relaxing audio-visual room



A pressure-relief wall to relieve stress

Domestic and foreign employee travel

In order to enable employees to relax and rest during their intense work, our Welfare Committee has planned a foreign travel itinerary from October 1, 2019 to March 31, 2020:

Item	Tourist place
1	Maple Viewing Tour in Busan, Gyeongju and Daegu, South Korea
2	Journey to intellectual hot springs in Kitakyushu, Japan
3	Fashion tour of Netherlands, Belgium and France

The travel locations of the Welfare Committee are all open, transparent, and the "voting" method that best meets the needs of employees. All employees vote on the EIP intranet system to select three tourist spots that everyone most want to go to, and then the Welfare Committee Excellent travel agencies will be selected to arrange different times and steps to provide colleagues to choose, and the Welfare Committee will provide travel allowance subsidies to implement real benefits.



The picture shows a group photo of the members of the group in 2019.

From 2020, due to the new coronavirus disease (COVID-19)

In order to protect the health and safety of employees, the company discussed with travel agencies to cancel some of the escalations and restart the schedule after the epidemic is over.

However, the new coronavirus has

continued to raging around the world from the beginning of 2020 to the present (June 2021). There have been hundreds of millions of people infected with the disease and millions of deaths. In such a severe situation of the epidemic, We must be responsible for the health and safety of our employees. Therefore, the benefits of travel for domestic and foreign employees can only be postponed until the end of the epidemic is confirmed.

*About our anti-epidemic measures in response to the new coronavirus disease (COVID-19) and our office contingency measures plan, there are detailed explanations in "Occupational Health and Safety" (page P76 and P83 of this report).

Retirement system

According to relevant laws and regulations, our retirement system is divided into two types: old system and new system:

A. The old labor pension system of the "Labor Standards Law":

The company has established a Labor Retirement Reserve Supervision Committee, and reserves monthly retirement funds to be deposited in a special retirement fund reserve account of the Bank of Taiwan. Retirement methods are handled in accordance with the provisions of the Labor Standards Law.

B. The new labor pension system under the "Labor Pension Ordinance":

Since July 2005, the new system of labor pensions has been implemented. According to the law, the company requires employees to voluntarily circle the "old and new" system (regardless of whether employees choose the new system or the old system, the seniority before June 2005 will be retained and applied to the old labor base Law), for employees who choose the new system, the company pays 6% of the labor's salary monthly as a labor pension and deposits it into a special employee pension account.

Birthday activities

The Welfare Committee counts the employees who have birthdays in each month, and selects the day of the employee's birthday to hold birthday activities. This is not only a part of employee welfare, but also a time for employees to relax a little after busy work, and also make birthday stars feel full of blessings and hearts.



At the end of 2020, the epidemic in Taiwan will slow down, and birthday celebrations will be held when there are no local cases.



Cancellation of birthday events that threaten to gather when the epidemic is severe, Change to the way of sending lunch boxes or pastries, gifts to express blessings.

Education Training

Our training and development of employees has always been listed as one of the important policies of the company's operations. There is no distinction between men and women. The ultimate goal is to create core values and improve corporate performance. In addition to planning complete education and training, it is also divided into company-owned and self-run policies. In-service training within the department, and out-of-office training to innovate thinking and pursue excellence, to increase investment in employee education and training, and to strengthen the training of talents needed, so that the work of the company and the employees themselves can be practically and effectively combined to improve The quality of the staff, the cultivation of leadership integration ability, and the enrichment of professional skills.

2019-2020 education and training

project	Course Title	2020 Person times	2019 Person times	2020 Hours	2019 Hours	2020 Training cost (yuan)	2019 Training cost (yuan)
Engineering professional courses (quality control, labor safety, site director and other technical courses)	External training for various professional courses	20	26	1,205	653	179,201	124,196
Human resources, administration, audit, legal affairs, information courses	External training for various professional courses	26	19	138.5	209	60,577	89,190
Accounting and director education and training courses	Director and supervisor training and staff training	9	9	66	66	27,000	31,500
Internal education and training	Prevention of insider trading and integrity management education and publicity, language classes, etc.	170	220	2	2	5,000	5,000
total		225	274	1411.5	930	271,778	249,886

Continued from previous page

The total training hours in 2020 is 1411.5 hours/170 people (total domestic employees, including 5 non-part-time employee directors) = average hours 8.30 hours/person. (The average hours in 2019 is 4.33 hours/person)

The growth rate of education and training in 2020 will **increase by 3.97%** from 2019.

Education and training-actual implementation

In 2020, our efforts in education and training will cover everything from high-level supervisors to general staff, from external training to internal education and training. We hope that everyone can improve themselves and build a high-performance team.



Response to the new type of coronavirus disease (COVID-19) in the form of education

In the past, our education and training were divided into internal training and external training.

Internal training	Internal education and training, the company invites lecturers to the company (head office or construction site) to teach.
Outside training	For external education and training, colleagues can register for training courses handled by external organizations to obtain certificates and licenses.

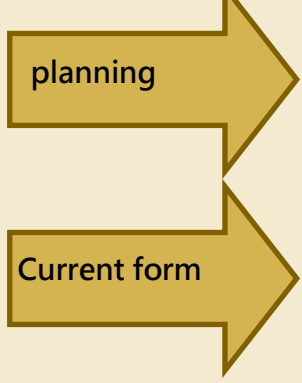
External training is to enrich professional skills, enhance our own functions and career development. In external education and training, we have always adopted an open and free approach to encourage colleagues to apply more to enhance and strengthen their professional fields.

Internal education and training focus on breaking rigid thinking, enhancing creativity and cohesive team consensus, creating a high-performance team. In addition, it also arranges general general education courses for employees to relax their body, mind, and spirit, so as to relieve stress and create rich and healthy life.

The company also conducts performance assessments for all employees at the end of each year, and participation in education and training and the development of its own functions are also included in the assessment.

However, since the beginning of 2020, the world has been affected by the epidemic one after another. Although Taiwan has been affected from February to June 2020, fortunately, the epidemic has been controlled afterwards. Therefore, in 2020, we will be in education and training regardless of internal or external training. , The impact is not big.

However, as the global epidemic situation becomes more and more serious, we must also think about how we should respond to the impact of the epidemic in the education and training of employees. To this end, we set out to plan online courses so that colleagues can improve themselves in a more diversified way.



Actively look for digital platforms or corporate management companies for online courses, and study the feasibility of promoting online education and training.

【教育訓練】
 版主: 何漢倫, 何漢倫

主題	作者	回覆 / 查看
<input type="checkbox"/> 免費的線上研討會BIM	何漢倫 2021/8/3	0 / 13
<input type="checkbox"/> 【Autodesk 雲端設計 至中獎品】12月4日 禮券兌換 - 中國工程 BIM 協同作業平台之設計與應用	何漢倫 2020/11/26	0 / 46
<input type="checkbox"/> 【教育訓練】- 建築師協同設計平台之設計與應用	何漢倫 2020/11/18	0 / 20
<input type="checkbox"/> 財團法人中興工程顧問社 先進工程技術研討會 - 機大參訪	何漢倫 2020/9/29	0 / 46
<input type="checkbox"/> 中國土木水利工程學會- 第四屆國際設計與建造研討會 - 暨大參訪	何漢倫 2020/7/24	0 / 32
<input type="checkbox"/> Autodesk BIM 360 免費線上課程	何漢倫 2020/6/18	2 / 128
<input type="checkbox"/> 財團法人建築師學會 建築師專業工程系列課程 - 暨大參訪	何漢倫 2020/5/22	0 / 71
<input type="checkbox"/> 工安輔導手冊APP	何漢倫 2019/12/17	0 / 110
<input type="checkbox"/> 【教育訓練】- 企業經營經營 - 尚德文書及內部圖書資訊服務	何漢倫 2018/11/21	0 / 49
<input type="checkbox"/> AUTOCAD 2020 新開訓	何漢倫 2019/7/23	0 / 138

Before the completion of the online course plan, the EIP (company intranet) is currently used to provide education and training information for online courses to colleagues, in order to respond to the employees' right to education when the epidemic is severe.

Part of the foreign training courses that require licenses are restricted by external institutions. If they do not provide online courses, they still have to go to the training venues. It is recommended that colleagues must wear masks and keep distance from others to protect their own safety.

Manpower distribution and salary

*This item is calculated based on domestic employees in Taiwan

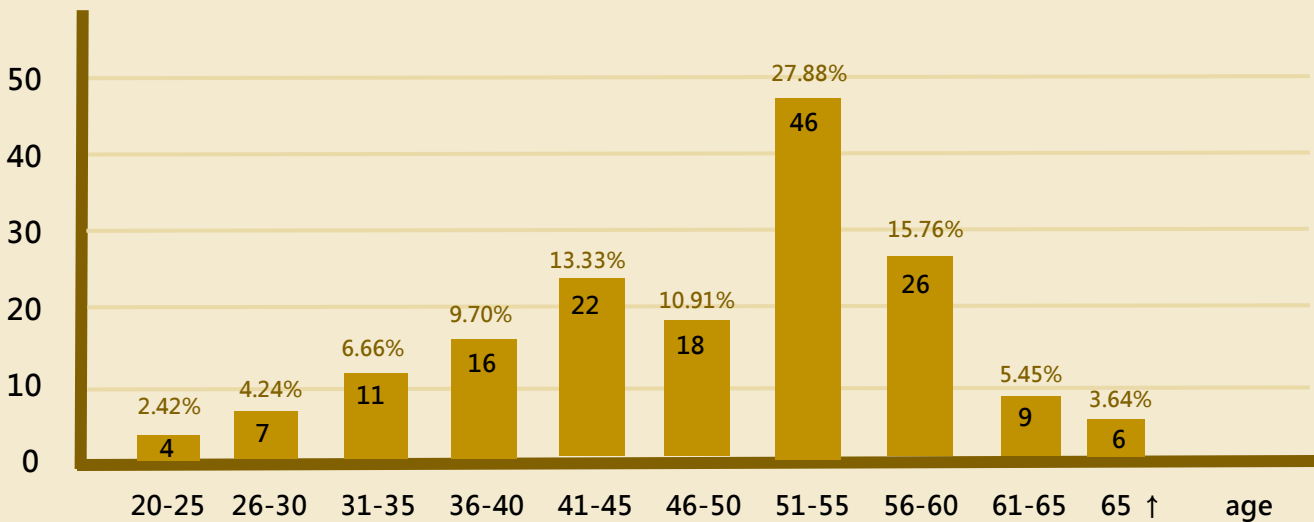
We uphold the principle of diversified staff composition and application of talents. We do not give different treatment or discrimination due to factors such as gender, race, religion, political party, and provide competitive salary levels.

Number of domestic employees and average age in 2020

year		2018	2019	2020
number of workers	Manager	9	8	8
	General staff	218	207	157
	total	227	215	165
Average age (years)		47.52	48.09	49.06

The number and percentage of domestic employees by age in 2020

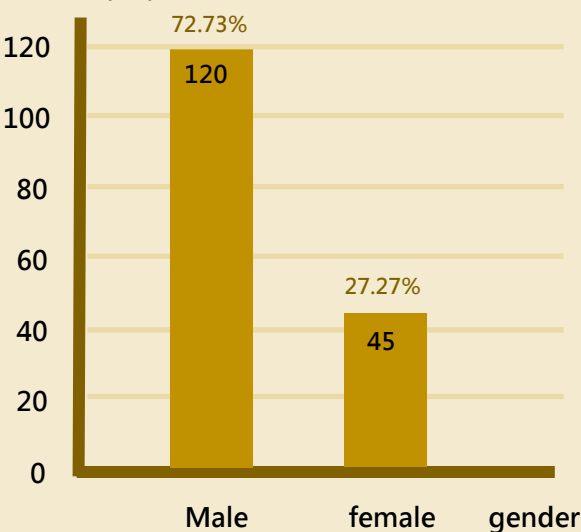
Number of people



In 2020, the number of our domestic employees will be 50 less than in 2019, mainly due to the completion of three projects in 2020 and the reduction of the number of employees.

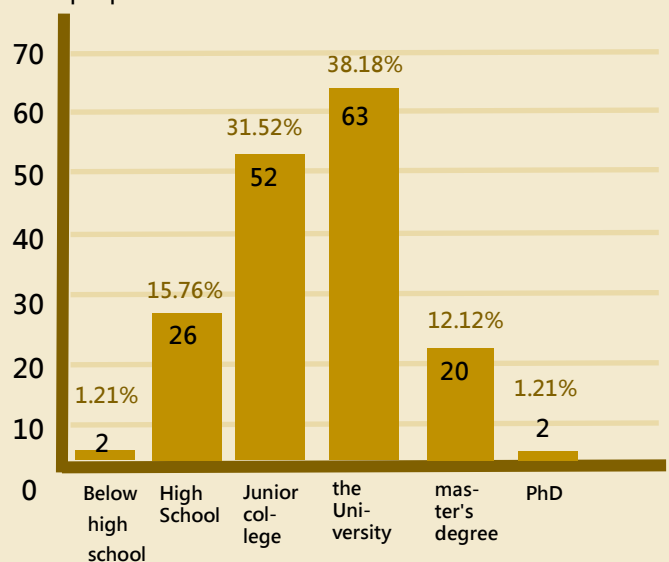
The number and percentage of domestic employees by gender in 2020

Number of people

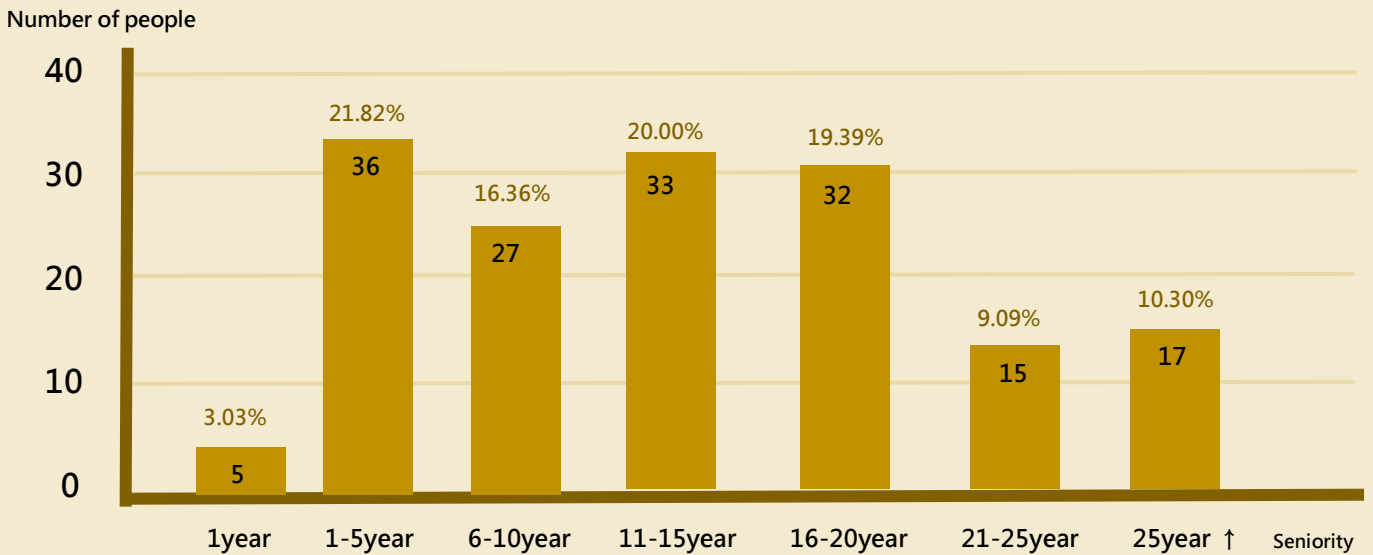


The number and percentage of national employees' academic qualifications in 2020

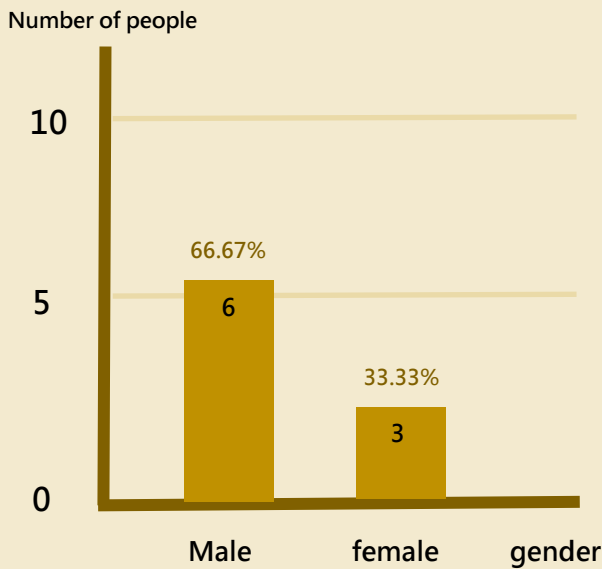
Number of people



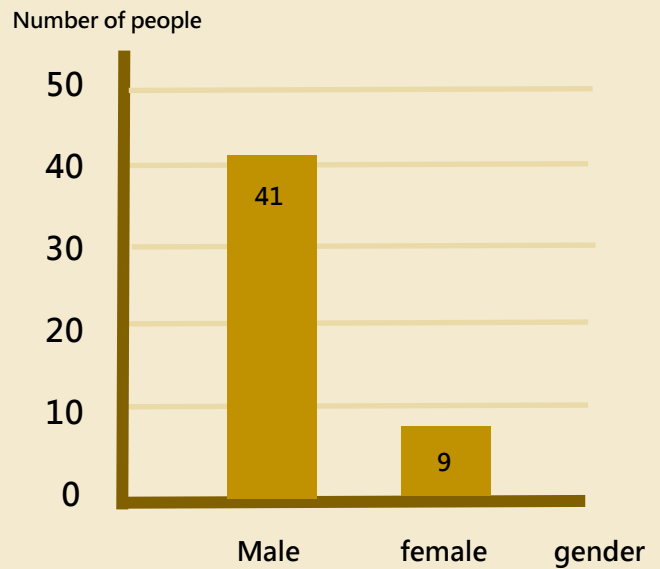
Number and percentage of domestic employees' seniority distribution in 2020



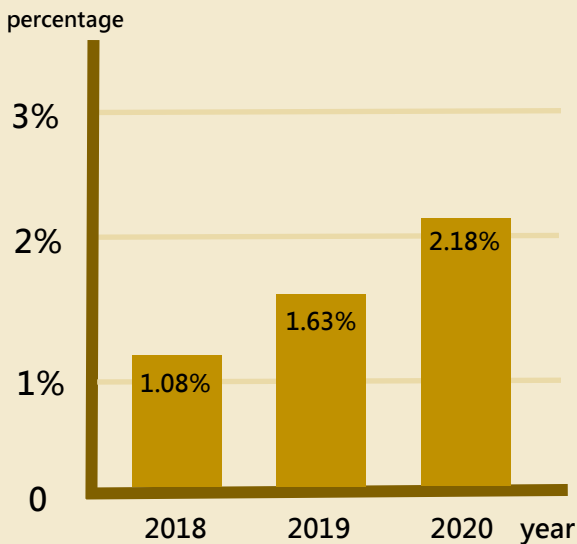
Number of new hires and male-to-male ratio of domestic employees in 2020



The number of domestic employees leaving and the ratio of men to women in 2020



Average turnover rate/turnover rate of domestic employees in the past three years



2018-2020 Parental Leave Application Rate and Reinstatement Rate

2018-2020 year	male	Female	total
Number of people who can apply for parental leave	3	1	4
Actual number of applicants for parental leave	0	1	1
Estimated number of reinstatements	0	1	1
Actual number of reinstatements	0	1	1
Parental leave application rate	0.00%	100.00%	100.00%
Parental leave reinstatement rate	NA	100.00%	100.00%
Parental leave retention rate	NA	100.00%	100.00%

The employee turnover rate has increased in the past two years, mainly due to the successive completion and completion of construction in progress, and the reduction of manpower requirements.

In 2020, domestic employees will disclose the basic salary and salary ratio of men and women according to their ranks and regions

Basic salary

Occupational rank	Male	Female	Compared with the local minimum salary	
			Male	Female
十二	1	NA	5.93	NA
十一	1	NA	3.51	NA
十	1	NA	4.13	NA
九	1	NA	3.13	NA
八	1	NA	2.92	NA
七	1	0.93	2.29	2.12
六	1	1.01	1.88	1.90
五	1	1.02	1.46	1.49
四	1	0.98	1.20	1.18
三	1	0.99	1.08	1.07
二	NA	NA	NA	NA
一	1	NA	1.11	NA

Salary

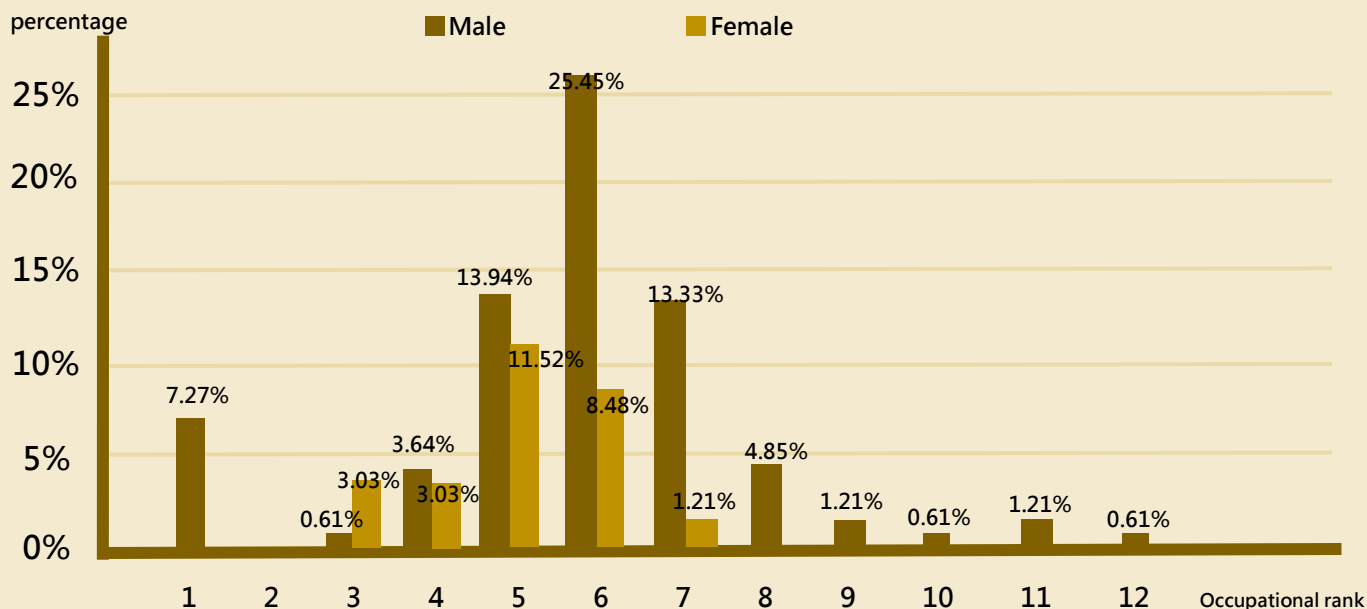
職等	Male	Female
十一	1	NA
十	1	NA
九	1	NA
八	1	NA
七	1	0.81
六	1	0.93
五	1	0.92
四	1	0.86
三	1	0.89
二	NA	NA
一	1	NA

*In the construction industry, due to the same job title, there are different job bonuses. Male employees are mostly on-site engineers, and the license and job bonuses are more. Therefore, the overall salary is slightly higher than that of female employees.

Note: The ratio is shown based on the basic salary of men. NA means that there is no number of people in this grade. In addition, the local minimum wage in 2020 is Taiwan's basic wage, which is 23,800 yuan per month as the calculation standard. The basic salary of full-time employees in the country is higher than the local minimum wage.

The total salary expenditure in 2020 is NT\$9,185,400, which is a decrease of NT\$2,353,200 compared to NT\$11,538,600 in 2019. However, the number of employees in 2020 will decrease by 50 compared with 2019. Salary expenditures have increased in terms of average salary.

Percentage by grade and gender in 2020 (seventh grade and above belong to the management level, all of them are nationals)



Occupational health and safety

Our five business philosophy "safety, quality, progress, environmental protection, cost", safety and quality, in the practice of corporate social responsibility policies, is to achieve zero accidents in engineering construction, and ensure the safety of all employees; improve quality management and increase customers Satisfaction.

In order to implement safety and health management and based on the recognition of "life cannot be repeated, safety cannot be discounted", and uphold the promise of "prevention of injury and disease, continuous improvement and compliance with laws and regulations", we are committed to the establishment of a safety and health management system (establishment Safety and Health Committee, worker representative: Jiang Songhui), implementation and maintenance. To this end, we promise to:

1. Respect life, recognize the value of life, and give priority to safety.
2. The support and commitment of management and the provision of appropriate resources.
3. The safety and health work is continuously improved to achieve achievements that are superior to laws and regulations.
4. Comprehensive safety and health prevention strategies.
5. Implement full participation and achieve the goal of "Everyone is safe and healthy".

Occupational Safety and Health System

We passed the "ISO 14001" international environmental management system certification in 1999, CNS 15506 and OHSAS 18001 certificates in 2013, and ISO45001 and CNS45001 occupational safety and health management systems in 2019. Take further steps in the management of environmental protection and occupational safety and health. In addition to complying with the owner's environmental, safety and health specifications, the team members conduct toolbox meetings, fill in construction logs, independent checklists every morning, and hold regular review meetings. The review items include work progress, difficulties encountered, and lack of quality. , Security and health deficiency, work distribution, cross-border coordination, cooperation of various manufacturers, and improvement plans, etc., to ensure that problems can be found and dealt with immediately, so as to avoid delays in work progress.

Security Policy	CNS15506 and Taiwan Occupational Safety and Health Management System Certification	ISO45001 Occupational Safety and Health Management System
 <p>工信工程股份有限公司 安衛政策</p> <p>本公司為落實安全衛生管理政策「生命不能重來，安全不容有失」之理念，並秉持「預防事故發生，持續改善與健全法規」之承諾，致力於安全衛生管理系統之建立、實施及維護。</p> <p>為此，我們承諾做到：</p> <ol style="list-style-type: none"> (1) 尊重生命，體恤生命的價值，安全優先。 (2) 掌握作業的風險，承擔，提供適當資源。 (3) 安全預防工作應予徹底，達到健全法規之要求。 (4) 健全安全衛生管理系統。 (5) 落實企業參與，達到「人人管安全，管安全」。 <p>工信工程股份有限公司 總經理 江啟濤</p>	 <p>Taiwan Occupational Safety and Health Management System Certificate</p> <p>Kung Sing Engineering Corporation</p> <p>4F, No. 131, Civil Boulevard, Sec. 4, Taichung, Taiwan, R.O.C.</p> <p>has been found to conform to occupational safety and health management system standard CNS 15506 (2013)</p> <p>Certificate No.: C221 102004 02 Initially Registered: April 25, 2013 Valid until: March 30, 2018 Valid until: March 31, 2021 Certification Index: OHSAS 18001, Bureau Veritas S.A. 001</p>	 <p>MANAGEMENT SYSTEM CERTIFICATE</p> <p>Kung Sing Engineering Corporation</p> <p>8F, No. 102, Chit Bohm Road, Sec. 4, Taichung, Taiwan, R.O.C.</p> <p>has been found to conform to the management system standard ISO 45001:2018</p> <p>The certificate is valid for the following scope: General Contractor for Infrastructures: Bridges, Tunnels, Roads, Mass Rapid Transit Systems and Buildings.</p>
<p>Safety and health policy approved by the general manager</p>	<p>CNS15506</p>	<p>CNS45001</p>



This project is the new construction of Taichung Port No.

Our Occupational Safety and Health Act in 2020-Safety

Safety and health agreement organization meeting, toolbox meeting (hazard notification)



Work safety education and training for all work items



Maritime education and training



Aerial work education and training



Thermal hazard education and training



Safety advocacy for electrified railway construction

Safety protection measures



Installation of safety mother cable post for preventing falling of steel structure



Safety protection for workplaces with a height difference of two meters



Observation personnel set up along the railway



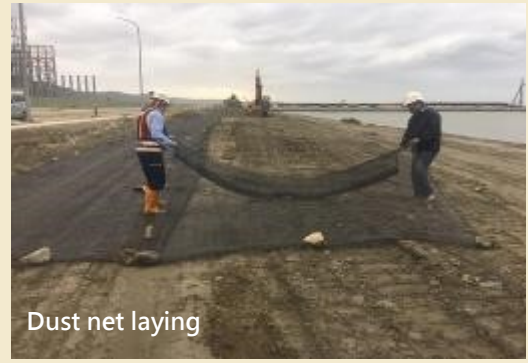
Steel temporary bridge safety railing setting

Our Occupational Safety and Health Actions in 2020-Hygiene

Pollution prevention



Sprinkle water to clean the road surface outside even.



Dust net laying



Weed removal



Dengue Fever Control

2020/06/17

Work area environment and sanitation management



Environmental disinfection



Health Education Bulletin



Drain cleaning

2020/12/09



Work area cleaning

2020/12/09



Smoking area setting



Car wash station settings



Education Training

Our Occupational Safety and Health Actions in 2020-Health Inspection and Epidemic Prevention

We care about and value the health of employees. We conduct regular employee health checks every year (the 2020 health check will be completed in September), and allocate 1,500 to 12,000 yuan per person per year (different depending on the rank) for the health check, and continuously monitor the health of employees and handle them. Health-related lectures.

health examination



This is a cooperative health inspection institution directly to the construction site (our construction site) to conduct employee health inspections. At the head office and some construction sites, employees directly go to the health check-up institution for inspections.

Anti-epidemic propaganda and actual actions

The new type of coronavirus disease (COVID-19) is raging around the world. Although the extent of my country's domestic impact in 2020 is relatively milder than that of foreign countries, it all depends on the achievements of the National People's Community in the difficult times and the national epidemic prevention.

We also initiated epidemic prevention measures at the beginning of 2020 and established an "office contingency plan". Based on the five principles of setting up a contingency team, replacing supporting manpower, replacing office space, data backup, and working from home, we plan for group offices and backup offices, etc. Contingency measures to cope with the spread of the epidemic, all units can continue to operate.



Epidemic prevention promotion

2020/04/18

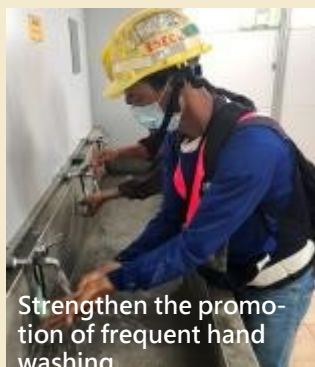


Anti-epidemic material settings

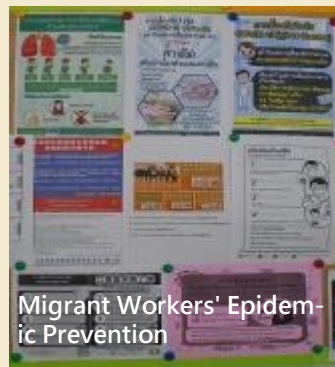


Daily temperature measurement

Strengthen epidemic prevention measures



Strengthen the promotion of frequent hand washing



Migrant Workers' Epidemic Prevention



Isolation room settings

Our Occupational Safety and Health Actions in 2020-Education

We care about the physical and mental health of our employees. We support and encourage employees to pay more attention to spiritual health in addition to functional and work safety education and training. Only by participating in relevant lectures and courses can we be healthy, safe and happy in the workplace!



Occupational injury (Taiwan) number, type of injury and work injury rate:

We did not have any occupational injuries in 2020.

All construction sites (Nanzhou, Nanao, Hanben, Fenglin, Linkou Coal Bunker, Taichung Port, Tamkang Bridge and Taipei Port) and the head office	Occupational injuries	Injury type	Work injury rate (%)	Absenteeism rate (%)
2020	0	0	0	0
2019	3	Death (1 person)	0.187	1.455
		Temporary total disability (2 people)	5.6	0.46
2018	1	Permanent partial disability	0.84	121.15

Compared with 2019 and 2018, we have strengthened the management of occupational safety and health and the safety and health education and training of personnel in 2020. We will conduct toolbox meetings and pre-work education before work every day, and regularly conduct education and training for various on-site operations. , Such as: high-altitude operations, marine operations, emergency response and typhoon and flood prevention drills, thermal hazard education and training, various types of operation supervisor education and training (formwork support, soil retaining support, open-air excavation, etc.) He has perfect security knowledge at all times, and no occupational accidents have occurred.

For our workers with high incidence and high risk of occupational diseases, such as tunnel workers, possible diseases are hearing problems caused by noise and pneumoconiosis caused by dust.

The company lists health and safety related issues as:

1. Occupational Safety and Health Committee.
2. Organizational meetings of occupational safety and health agreements.



Social participation and charity feedback

The construction industry itself is a highly socially involved business. We mainly undertake public projects. The completion of a public project, especially transportation construction, can not only balance regional development, activate the economy of remote areas, but also channel and avoid population. Excessive concentration, unbalanced industrial and economic development. In addition, the construction industry can also promote the development of related industries, because the supply chain has a great correlation effect, as we mentioned earlier in the chapter on corporate governance-supply chain management (P38), which belong to the basic engineering, structural engineering, and structural engineering of the construction industry. Decoration engineering, electrical and mechanical engineering, and engineering design are respectively associated with the steel industry, steel bar industry, cement industry, steel bar industry, cement industry, electrical and mechanical industry, engineering consultants, and architects. The vigorous promotion of public works can help them. The development of upstream and downstream industries stimulated the economy and promoted the recovery of all industries.

Professional participation in public construction

category	project name	Contribution to the public
Civil and construction	Linkou Power Plant Renewal and Expansion Plan Tubular Coal Bunker System Turn-key Project	<p>After the coal bunker is completed, the coal used by Linkou Power Plant will be changed from open storage to warehouse storage. The advantages are as follows:</p> <ol style="list-style-type: none"> 1. Reduce air pollution caused by the escape of coal dust. 2. Reduce daytime sun exposure and effectively reduce the spontaneous combustion of coal caused by excessive coal temperature. 3. Reduce the predicament of storing large amounts of water in the open air to reduce the flying of coal dust. 4. Avoid water waste and wastewater treatment problems. 5. Thoroughly solve the problem of open coal yard.
Railway engineering	Taitung Chaozhou Section of the Taiwan Railway Nanhui Railway Electrification Engineering Construction Design Drawing, C811Z Chaozhou Fangliao Section Civil Engineering and General Electrical and Mechanical Engineering	<ol style="list-style-type: none"> 1. Faster railways: Increase the speed of trains, with the vision of 90 minutes from Kaohsiung to Taitung, and alleviate the problem of insufficient highway capacity. 2. Unification of power: achieve the goal of simplification of vehicle types and increase the flexibility of train scheduling. 3. Energy saving and carbon reduction: reduce exhaust gas emissions, improve the air quality in tunnels, stations and cars, in line with sustainable green public transportation. 4. Promoting Eastern Tourism: Improve the service efficiency of stations, coordinate with the distribution of recreational bases and the integration of transportation equipment, and establish a recreational system connecting public transportation and the two railways.
Harbor Engineering	New construction of pier 106 of Taichung Port (completed on April 18, 2020)	Cooperate with the country's policy task of developing offshore wind power, and meet the operational needs of agencies, and provide a more economical and more practical successful innovation model for domestic offshore wind power terminals (high load).
tunnel Engineering	New construction of Gufeng Tunnel on Suhua Highway on Taijiu Line (Completed on April 24, 2020)	In addition to providing a long-term safe and reliable communication road between the eastern people and the northern region, it can also greatly shorten the travel time between Yilan Suao and Hualien Xiulin. By then, people in the west will have more choices of transportation methods, from Yilan to Hualien and Sightseeing in Taitung and other areas, enjoy the peculiar landscape of the east, and the leisurely life style, so as to promote the development of the tourism industry in the east.
	New construction of Guanyin Tunnel on Suhua Highway on Taijiu Line (Completed on February 21, 2020)	

category	project name	Contribution to the public
Bridge engineering	New construction of Tamkang Bridge and its connecting roads 5K+000~7K+035	<p>1. The main span of the Tamkang Bridge is 450 meters. It is currently the largest single-tower asymmetric cable-stayed bridge in the world. It can reflect the vastness of the Tamsui Estuary and the magnificence of natural scenery and provide it to the "Danhai" under construction. Used by the "Jinggui" Bali extension line.</p> <p>2. A bicycle lane is set on the bridge and connected in series with the Wuzaiwei bicycle lane, allowing cyclists and pedestrians to go on the bridge, becoming the first bridge in Taiwan with light rail, road, and bicycle lanes.</p> <p>3. After the completion of the Tamkang Bridge, Bali and Tamsui drive can save nearly half an hour, increase traffic convenience and reduce traffic jams.</p> <p>4. Provide the public with a brand-new viewing terrace.</p>
Railway engineering	C031 Agency for Taiwan Railway Nanping to Wanrong dual-track civil engineering and tram line project	Complete the electrification and dual-track of Taitung, Hualien, increase the passenger load factor, reduce air pollution, and promote the development of local tourism.
Harbor Engineering	Taipei Gangnan Wharf S07, S08 Bank Revetment and Back Line Embankment Reconstruction Project	In line with the national policy task of developing offshore wind power, green energy has a relatively low impact on the environment and is of great help to environmental protection.

Professional participation in societies, associations, and associations

With a background in engineering, we have been actively participating in professional academic association organizations. In 2020, we will participate in a total of 21 student associations. To help the associations run smoothly, we have invested a total of 183,600 yuan in advertising fees, membership fees and sponsorship fees.

Society name	Director
Taiwan Comprehensive Construction Industry Association	Chen ,huang-ming (Honorary Chairman),
National Federation of Construction Engineering Industry	Chiang,chi-ching (Executive Director)
China Civil and Hydraulic Engineering Society	
Taiwan Institute of Concrete	Chiang,chi-ching (Director)
Taipei City builds a surplus earth and stone resource dis-	
The Republic of China Construction Management Associa-	
Taiwan Electrical Engineering Industry Association	
Taiwan Refrigeration and Air-Conditioning Engineering	
Taiwan Water Pipe Engineering Industry Association	

Society name	Director
Marine and Underwater Technology Association of the Re-	
Chinese Value Management Society	
New Taipei City Civil Engineers Association	
Chinese Paving Engineering Society	
Chinese Society of Engineers	
The Geotechnical Society of the Republic of China	
Taiwan Civil Engineers Association	
Taipei Civil Engineers Association	
Taiwan Rail Engineering Society	
Republic of China Tunnel Association	
Republic of China Road Association	
Republic of China Arbitration Association	Chen ,huang-ming (Director)
Employment Service Professionals Association of the Re-	Chu wei kuo (Chairman)
Taiwan Engineering Law Society	Li kwei chung (Director)

Educational contribution

We specialize in engineering to assist universities and colleges in engineering field visits and academic exchange activities. For industry-university cooperation or providing internship places for students, we will also provide opportunities in accordance with the actual needs of the construction site.

In May 2020, assisted the Hohai Engineering Department of National Ocean University in handling visits of teachers and students and academic exchange activities.

In November 2020, I assisted the Department of Civil Engineering of National Central University to conduct visits to the main bridge section of the Tamkang Bridge, assisted professors and teachers to guide students on the spot, and gave on-site briefings so that students could also better understand the engineering situation.



Social Assistance

We promote the program to help disadvantaged groups every year. In 2020, we will participate in the "Send Love to Africa-Collection of Used Clothes, Used School Bags and Used Shoes". Since 2014, our company has participated in this activity and has successively sent more than 550 pairs of shoes, except for used shoes. In addition, since 2019, we will increase the collection of used school bags and used clothes, hoping to spread love and send love to Africa.



2020 用舊書包、舊鞋、舊衣服，能夠拯救或改變別人的命運。你願意嗎？

2020 工信工程幫助弱勢族群計畫- 送愛到非洲，書包、舊鞋和舊衣募集計畫

請你手中的舊書包及舊鞋，在這個畢業季傳送愛與祝福

在東非，超過百萬人口住在深受「沙蚤」威脅的區域，沙蚤寄生於人，導致皮膚紅腫潰爛，嚴重時甚至影響生命。當人們脫鞋可穿，脫鞋後更顯嚴重。沙蚤並非無藥可醫，但只要人的雙腳與土地直接接觸，就容易反覆遭受感染。只要一雙合腳的鞋子，便能遠離沙蚤危害，請幫助他們，讓他們的生活變美好！(本次活動收舊書包、舊鞋和舊衣服，冬季的請不要送)

請收舊書包、舊衣服和鞋子，請不要的書包、舊衣服和舊鞋(無須嚴重破爛，不要高跟鞋、拖鞋、靴類、雨鞋、布鞋等)，於 9/15 前交給各工地行政，並於 9/18 前送至維多利亞行政部郵箱，感謝各位踴躍熱心，送愛到非洲。

Propaganda production



Recruiting used shoes, clothes, and school bags



Organize and pack



Packing and sealing



The volunteers here have worked hard!



"Send Love to Africa, Old Shoes and Old Fate Project" campaign website:
<http://www.step30.org/>



Our 2020 program to help the disadvantaged groups, please scan the QR Code

Charity feedback

As always, the Industry and Information Engineering project in 2020 will adhere to the spirit of "taken from society and used in society", to give back to the neighborhood and society, and has always maintained a good relationship with the neighborhood. In 2020, no neighborhood complaints were reported.

Good-neighborly neighbors-giving back to the hometown

In 2020, the charity activities we participated in and supported are as follows:

1. The "Gengzi Year Chongyang Respect for the Elderly" event of the Spirit Temple Charity Merit, with actual sponsorship, cares for the elders and serves the village.
2. Sponsor the Pingtung Temple and Nanzhou Zhenxingtang to hold a birthday banquet.



Venue and resource assistance, site visits by foreign units

In 2020, assist the national army in combat readiness mission training, provide venues and resources.

We wholeheartedly welcome visits from foreign units and we will conduct project briefings on site



Volunteer leave setting

In November 2020, we planned the setting of "volunteer leave", and announced on the company intranet on November 30 to revise the company's "work rules" to provide for leave regulations, adding "volunteer leave" to meet actual needs.

For public welfare activities organized by social service, public welfare, and charity organizations registered by the government, the service target must be mainly public welfare-oriented. The service hours can be accumulated according to the service certificate issued by the public welfare organization, and every eight hours can be exchanged for one day. Volunteer leave is limited to 16 hours per person per year, and it must be taken before the end of each year.

Appendix GRI Standards Index Item Comparison Table

Corporate sustainability report compares GRI's disclosure status

Disclosure status: V Full disclosure, O Partial disclosure, △ Not applicable, X Not disclosed

Index number	Narrate	Reveal the situation	Corresponding chapter	page number	Note
1 · GRI 100 General disclosure					
GRI 102 : General disclosure					
1. Organization Overview					
102-1	Name of the organization	V	Company Profile	P9	
102-2	Activities, brands, products, and services	V	Company Profile	P9-10	
102-3	Location of headquarters	V	Company Profile	P10	
102-4	Location of operations	V	Company Profile	P10	
102-5	Ownership and legal form	V	Company Profile	P9	
102-6	Markets served	V	Company Profile	P9 · 38	
102-7	Scale of the organization	V	Company Profile	P9-10	
102-8	Information on employees and other workers	V	Company Profile	P9-10	
102-9	Supply chain	V	Supply chain management	P42-45	
102-10	Significant change to the organization and supply chain	V	Supply chain management	P43-45	None
102-11	Precautionary principle approach	V	Risk management	P45-49	
102-12	External initiatives	V	Social participation and charity feedback	P85-87	
102-13	Memberships of associations	V	Social participation and charity feedback	P86-87	
2. Strategy					
102-14	Statement from senior decision-maker	V	Message from the chairman	P7-8	
102-15	Key impacts, risks, and opportunities	V	Risk management	P45-49	
3. Ethics and integrity					
102-16	Values, principles, standards and norms of behavior	V	Integrity, transparency and legal compliance	P50	
102-17	Mechanisms for advice and concerns about ethics	V	Operating Sustainable · Corporate Governance · Environmental protection · Happy workplace and social integration	P15-19 · 23 · 48 · 65	
4. Governance					
102-18	Governance structure	V	Board of Directors Operation and Operation Status	P8 · 24	
102-19	Delegating authority	V	CSR · Board of Directors Operation and Operation Status	P11 · P24	
102-20	Executive-level responsibility for economic, environmental, and social topics	V	CSR · Board of Directors Operation and Operation Status	P11 · 24 · 26	

Disclosure status: V Full disclosure, O Partial disclosure, △ Not applicable, X Not disclosed

Index number	Narrate	Reveal the situation	Corresponding chapter	page number	Note
102-21	Consulting stakeholders on economic, environmental and social topics	V	Stakeholder negotiation	P18-24	
102-22	Composition of the highest governance body and its committees.	V	Board of Directors Operation and Operation Status	P27	
102-23	Chair of the highest governance body	V	Board of Directors Operation and Operation Status	P28	
102-24	Nominating and selecting the highest governance body	V	Board of Directors Operation and Operation Status	P27	
102-25	Conflicts of interest	V	Board of Directors Operation and Operation Status	P32	
102-26	Roles of highest governance body in setting purpose values, and strategy	V	Board of Directors Operation and Operation Status	P27-28	
102-27	Collective knowledge of highest governance body	V	Board of Directors Operation and Operation Status	P31	
102-28	Evaluating the highest governance body's performance	V	Board of Directors Operation and Operation Status	P29	
102-29	Identifying and managing of economic, environmental and social impacts	V	Risk management	P46-47	
102-30	Effectiveness of risk management processes	V	Risk management	P45	
102-31	Review of economic, environmental and social Topics	V	Corporate Governance、Environmental protection、Happy workplace and social integration	P26、P52、P69	
102-32	Highest governance body's role in sustainability reporting	V	CSR organization and operation	P13	
102-33	Communicating critical concerns	V	Stakeholder negotiation	P23-24	
102-34	Nature and total number of critical concerns	V	Stakeholder negotiation	P19-21	
102-35	Remuneration policies	V	Salary policy	P32	
102-36	Process for determining remuneration	V	Salary policy	P32	
102-37	Stakeholders involvement in remuneration	V	Stakeholder negotiation	P19-21	
102-38	Annual total compensation ratio	V	Happy workplace and social integration	P75	
102-39	Percentage increase in annual total compensation	O	Happy workplace and social integration	P64、75	
5. Stakeholder Engagement					
102-40	A list of stakeholder groups	V	Stakeholder negotiation	P19	
102-41	Collective bargaining agreements	X			NA
102-42	Identifying and selecting stakeholders	V	Stakeholder negotiation	P15	
102-43	Approach to stakeholder engagement	V	Stakeholder negotiation	P22-24	
102-44	Key topics and concerns raised	V	Stakeholder negotiation	P19-24	
6. Reporting Practice					
102-45	Entities included in the consolidated financial statements	V	Corporate Governance	P15、P40	
102-46	Defining report content and topic Boundaries	V	Stakeholder negotiation	P19-21	

Disclosure status: V Full disclosure, O Partial disclosure, Δ Not applicable, X Not disclosed

Index number	Narrate	Reveal the situation	Corresponding chapter	page number	Note
102-47	List all material topics	V	Stakeholder negotiation	P19	
102-48	Restatement of information	V	About this report	P5-6	None
102-49	Changes in reporting	V	About this report	P5-6	None
102-50	Reporting period	V	About this report	P5-6	
102-51	Date of most recent report	V	About this report	P5-6	
102-52	Reporting cycle	V	About this report	P5-6	
102-53	Contact point for questions regarding the report	V	About this report	P5-6	
102-54	Claims of reporting in accordance with the GRI Standards	V	About this report	P5-6	
102-55	GRI content index	V	Appendix	P90-97	
102-56	External assurance	X			None
GRI 103 : Management					
103-1	Explanation of the material topic and its Boundary	V	Stakeholder negotiation	P20-21	
2、GRI 200 Specific standard disclosure					
GRI 201 : Economic Performance					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	Corporate Governance	P26	
201-1	Direct economic value generated and distributed.	V	Corporate Governance、Happy workplace and social integration	P41、85-86	
201-2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	V	Corporate Governance	P48	
201-3	Defined benefit plan obligations and other retirement plans	V	Happy workplace and social integration	P72-75	
201-4	Financial assistance received from government.	X			None
GRI 202: Market Presence					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	Corporate Governance、Happy workplace and social integration	P26、69	
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	V	Happy workplace and social integration	P79	
202-2	Proportion of senior management hired from the local community	V	Happy workplace and social integration	P79	
GRI 203: Indirect economic shock					
103-2 103-3	The management approach & its components Evaluation of the management approach	X			None
203-1	Development and impact of infrastructure investment and support services	X			None
203-2	Significant indirect economic shock	X			None
GRI 204 : purchase practice					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	Corporate Governance	P26、P43	
204-1	Proportion of spending on local suppliers	V	Corporate Governance	P43	

Disclosure status: V Full disclosure, O Partial disclosure, Δ Not applicable, X Not disclosed

Index number	Narrate	Reveal the situation	Corresponding chapter	page number	Note
GRI 205 : Anti-Corruption					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	Corporate Governance	P26	
205-1	Operations assessed for risks related to corruption	V	Integrity, transparency and	P50	
205-2	Communication and training about anti-corruption policies and procedures	V	Integrity, transparency and legal compliance	P50	
205-3	Confirmed incidents of corruption and actions taken	V	Integrity, transparency and legal compliance	P50	
GRI 206 : Anti-Competitive Behavior					
103-2 103-3	The management approach & its components Evaluation of the management approach	X			None
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	X			None
3 、 GRI 300 Specific standard disclosure					
GRI 301 : materials					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	Environmental protection	P52	
301-1	Weight or volume of materials used	X	Environmental protection		
301-2	Renewable materials used	V	Environmental protection	P62	
301-3	Recycled products and packaging materials	X	Environmental protection		NA
GRI 302 : Energy					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	Environmental protection	P52	
302-1	Energy consumption within the organization.	V	Environmental protection	P57-58	
302-2	Energy consumption outside of the organization.	V	Environmental protection	P57-58	
302-3	Energy intensity	V	Environmental protection	P57-58	
302-4	Reduction of energy consumption	V	Environmental protection	P57-59	
302-5	Reductions in energy requirements of products and services	V	Environmental protection	P57-59	
GRI 303 : Water					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	Environmental protection	P52	
303-1	Water withdrawal by source	V	Environmental protection	P60	
303-2	Water sources that are significantly affected by water intake	V	Environmental protection	P60	
303-3	Recycled and reused water	V	Environmental protection	P60	
GRI 304 : Biodiversity					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	Environmental protection	P52	

Disclosure status: V Full disclosure, O Partial disclosure, Δ Not applicable, X Not disclosed

Index number	Narrate	Reveal the situation	Corresponding chapter	page number	Note
304-1	Operation bases owned, leased, and managed by the organization or its neighboring areas are located in environmental protection zones or other areas with high biodiversity value	V	Environmental protection	P63-65	
304-2	Activities, products and services have a significant impact on biodiversity	V	Environmental protection	P63-65	
304-3	Protected or restored habitat	V	Environmental protection	P63-65	
304-4	Among the habitats affected by operations, species that have been included in the IUCN Red List and the National Protected List	V	Environmental protection	P63-65	
GRI 305 : Emissions					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	Environmental protection	P52	
305-1	Direct (Scope 1) greenhouse gas (GHG) emissions	V	Environmental protection	P57-58	
305-2	Energy indirect (Scope 2) greenhouse gas (GHG) emissions	V	Environmental protection	P57-58	
305-3	Other indirect (Scope 3) greenhouse gas (GHG) emissions	V	Environmental protection	P57-58	
305-4	Greenhouse gas (GHG) emissions intensity	V	Environmental protection	P57-58	
305-5	Reduction of greenhouse gas (GHG) emissions	V	Environmental protection	P57-58	
305-6	Emissions of ozone-depleting substances (ODS)	X			None
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	X			None
GRI 306 : Effluents and Waste					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	Environmental protection	P52	
306-1	Water discharge by quality and destination	V	Environmental protection	P60	
306-2	Waste by type and disposal method	V	Environmental protection	P66	
306-3	Significant spills	V	Environmental protection		None
306-4	Transport of hazardous waste	V	Environmental protection	P66	
306-5	Water bodies affected by discharge water and/or (surface) runoff	V	Environmental protection		None
GRI 307 : Environmental Compliance					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	Environmental protection	P52	
307-1	Non-compliance with environmental law and regulations	V	Environmental protection	P54	
GRI 308 : Supplier Environment Assessment					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	Corporate Governance	P26 · 43	
308-1	New suppliers that were screened using environmental criteria	V	Supply chain management	P33-44	
308-2	Negative environmental impacts in the supply chain and actions taken	V	Supply chain management		None

Disclosure status: V Full disclosure, O Partial disclosure, Δ Not applicable, X Not disclosed

Index number	Narrate	Reveal the situation	Corresponding chapter	page number	Note
GRI400 Specific standard disclosure					
GRI 401 : Employment					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	Happy workplace and social integration	P69	
401-1	New employee hires and employee turnover	V	Happy workplace and social integration	P78	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	V	Happy workplace and social integration	P72-76	
401-3	Parental leave	V	Happy workplace and social integration	P78	
GRI 402 : Labor / Management Relations					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	Happy workplace and social integration	P69	
402-1	Minimum notice periods regarding operational changes	V	Happy workplace and social integration	P70	
GRI 403 : Occupational Health and Safety					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	Happy workplace and social integration	P65	
403-1	Occupational health and safety management system	V	Happy workplace and social integration	P76	
403-2	Hazard identification, risk assessment, and incident investigation	V	Happy workplace and social integration	P84	
403-3	Occupational health services	V	Happy workplace and social integration	P84	
403-4	Worker participation, consultation, and communication on occupational health and safety	V	Happy workplace and social integration		NA
GRI 404 : Training and Education					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	Happy workplace and social integration	P69	
404-1	Average hours of training per year per employee	V	Happy workplace and social integration	P74	
404-2	Programs for upgrading employee skills and transaction assistance programs	V	Happy workplace and social integration	P74-76	
404-3	Percentage of employees receiving regular performance and career development reviews	V	Happy workplace and social integration	P74-76	
GRI 405: Diversity and Equal Opportunity					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	Happy workplace and social integration	P69	
405-1	Diversity of governance bodies and employees	V	Corporate Governance · Happy workplace and social integration	P31 · 70	
405-2	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	V	Happy workplace and social integration	P79	
GRI 406: Non-Discrimination					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	Happy workplace and social integration	P69-70	




Disclosure status: V Full disclosure, O Partial disclosure, Δ Not applicable, X Not disclosed




Index number	Narrate	Reveal the situation	Corresponding chapter	page number	Note
406-1	Incidents of discrimination and corrective actions taken	V	Happy workplace and social integration		None
407: Freedom of Association and Collective Bargain					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	Happy workplace and social integration	P69	
407-1	Operations and suppliers which the right to freedom of association and collective bargaining may be at risk	V	Happy workplace and social integration		None
GRI 408 : Child Labor					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	Happy workplace and social integration	P70-71	
408-1	Operations and suppliers at significant risk for incidents of child labor	V			None
GRI 409: Compulsory Labor					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	None	P70-71	
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	V	None		None
GRI 410: Security practice					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	Happy workplace and social integration	P69-71	
410-1	Security personnel receive training in human rights policies or procedures	V	Happy workplace and social integration	P74	
GRI 411: Indigenous rights					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	Happy workplace and social integration	P70	
411-1	Incidents involving violations of the rights of indigenous peoples	V	Happy workplace and social integration		None
GRI 412 : Human Rights Assessments					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	Happy workplace and social integration	P69	
412-1	Operations that have been subject to human rights reviews or impact assessments	V	Happy workplace and social integration		None
412-2	Employee training on human rights policies or procedures	V	Happy workplace and social integration	P70-71、74-76	
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	V	Corporate Governance、Happy workplace and social integration	P44、71	
GRI 413:Local community					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	Happy workplace and social integration	P69	
413-1	Operational activities through local community communication, impact assessment and development plan	V	Happy workplace and social integration	P85-86	
413-2	Operational activities that have a significant actual or potential negative impact on the local community	V	Happy workplace and social integration		None



Disclosure status: V Full disclosure, O Partial disclosure, △ Not applicable, X Not disclosed

Index number	Narrate	Reveal the situation	Corresponding chapter	page number	Note
GRI 414 : Supplier Social Assessment					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	Corporate Governance · Happy workplace and so-	P26 · P69	
414-1	New suppliers that were screened using social cri-	V	Supply chain management	P43	
414-2	Negative social impacts in the supply chain and actions taken	V	Corporate Governance		None
GRI 415: Public policy					
103-2 103-3	The management approach & its components Evaluation of the management approach	X			
415-1	Political contributions	X			None
GRI 416: Customer Health and Safety					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	Happy workplace and so- cial integration	P69	Company non- manufacturing
416-1	Assessment of the health and safety impacts prod- ucts and service categories	V	Happy workplace and so- cial integration	P36 · 60- 62 · 80- 82	Company non- manufacturing industry
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	V	Environmental protection	P54	Company non- manufacturing
GRI 417 : Marketing and Labeling					
103-2 103-3	The management approach & its components Evaluation of the management approach	△			Company non- manufacturing
417-1	Requirement of product and service information and labeling	△			Company non- manufacturing industry
417-2	Incidents of non-compliance concerning product and service information and labeling	△			Company non- manufacturing industry
417-3	Incidents o f non-compliance concerning market- ing communications	△			Company non- manufacturing industry
GRI 418 : Customer Privacy					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	Happy workplace and so- cial integration	P69-P70	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	V	Happy workplace and so- cial integration	P70-71	None
GRI 419 : Socioeconomic Compliance					
103-2 103-3	The management approach & its components Evaluation of the management approach	V	Corporate Governance	P26	
419-1	Non-compliance with laws and regulations in so- cial economic area	V	Corporate Governance	P50	None

Appendix SDGs comparison table

SDGs goals and detailed targets	What we do	page number
 <p>Goal 1 End poverty: eliminate all forms of poverty everywhere.</p> <hr/> <p>Detailed objectives:</p> <p>1.5 By 2030, let the poor and the disadvantaged Ethnic groups build resilience to reduce their exposure to climate extremes and other socio-economic and environmental shocks and disasters and their risks and vulnerabilities.</p>	<p>Participate in "Step30 Used Shoes to Save Life" and donate used clothes and shoes to backward countries in Africa to protect them from sand fleas.</p> <p>*Sand fleas are common parasites on dry and warm sand in tropical or subtropical regions. In Africa, Uganda, Tanzania, Kenya and other countries, barefoot locals are common victims, because there are no shoes to wear, many People are infected with the parasite-sand fleas, which can cause ulceration of the feet and even life threatening.</p>	<p>P88</p>
 <p>Goal 3 Health and well-being: to ensure and promote healthy life and well-being for all age</p> <hr/> <p>Detailed objectives:</p> <p>3.6 By 2020, the number of casualties caused by traffic accidents in the world will be reduced by half.</p> <p>3.9 By 2030, substantially reduce the number of deaths and diseases caused by dangerous chemicals, air pollution, water pollution, soil pollution and other pollution.</p>	<p>We have perfect delivery and maintenance measures in the course of the project. We also have different measures to prevent traffic accidents for different projects. For example, in the Nanzhou Railway Project, we have set up watchmen along the railway to avoid accidents.</p> <p>In terms of pollution prevention and control, we implement environmental monitoring to avoid all kinds of pollution such as air, water, and noise.</p>	<p>P81</p> <p>P59-62</p>
 <p>Goal 4 High-quality education: to ensure that there is no class, fair and high-quality education, and to promote life-long learning.</p> <hr/> <p>Detailed objectives:</p> <p>4.5 By 2030, eliminate gender inequality in education, and ensure that disadvantaged groups have equal opportunities to receive education of all classes and vocational training, including the physically and mentally disabled, indigenous people and disadvantaged children.</p>	<p>Our vocational training and education training, regardless of gender, have the same right to education, and encourage all colleagues to study for life.</p> <p>The total training hours in 2020 is 1411.5 hours/170 people (total domestic employees, including 5 non-part-time employee directors) regardless of gender = average hours 8.30 hours/person. (The average hours in 2019 is 4.33 hours/person)</p> <p>The number of school hours in 2020 is an increase of 3.97% compared to 2019.</p>	<p>P74</p>

SDGs goals and detailed targets	What we do	page number
 <p>Goal 5 Gender Equality: Achieve gender equality and empower women.</p> <hr/> <p>Detailed objectives:</p> <p>5.1 Eliminate all forms of discrimination against women everywhere.</p> <p>5.C Adopt and strengthen sound policies and enforceable legislation to promote gender equality and increase the power of women from all walks of life.</p>	<p>We have a "Human Rights Policy" to protect the basic human rights of all colleagues, recognize and support the "United Nations Universal Declaration of Human Rights," "United Nations Global Covenants," and "International Labor Conventions" and other international human rights conventions, to prevent any violations and violations of human rights , It is clearly revealed that all colleagues are treated with fairness and fairness and respect.</p>	<p>P71</p>
 <p>Goal 6 Water purification and sanitation: to ensure that all people have access to water, sanitation and sustainable management.</p> <hr/> <p>Detailed objectives:</p> <p>6.5 By 2030, comprehensively implement integrated water resources management, including cross-border cooperation.</p>	<p>We conduct water quality and water area monitoring to ensure that the water is not polluted.</p> <p>Implement environmental protection policies for water management and water reduction.</p>	<p>P60</p> <p>P58</p>
 <p>Goal 8 Appropriate work and economic growth: Promote inclusive and sustainable economic growth, so that everyone has a good job.</p> <hr/> <p>Detailed objectives:</p> <p>8.2 Increase economic productivity through diversification, technological upgrading and innovation, including focusing on high value-added and labor-intensive industries.</p> <p>8.5 By 2030, all men and women, including young people and the physically and mentally disabled, will be able to achieve full and productive employment and suitable work, and achieve equal pay for equal work.</p> <p>8.7 Take immediate and effective measures to eliminate forced labor, end modern slavery and human trafficking, ensure the prohibition and elimination of the worst forms of child labor, including the recruitment and use of child soldiers, and end all forms of child labor by 2025.</p> <p>8.8 Protect the rights and interests of workers and promote the safety of the working environment, including migrant workers, especially women and workers who perform dangerous jobs.</p>	<p>We continue to improve engineering technology in order to achieve the goal of sustainable development of the enterprise.</p> <p>We diversify employment, provide fair labor-employment relations and sufficient job opportunities.</p> <p>We prohibit child labor and prohibit forced labor.</p> <p>We ensure the safety of the labor working environment and spare no effort in occupational safety and health measures.</p>	<p>P50</p> <p>P70</p> <p>P70</p> <p>P80-84</p>

SDGs goals and detailed targets	What we do	page number
 <p>Goal 14: Conserve marine ecology: Conserve and sustainably use marine ecosystems to ensure biodiversity and prevent degradation of the marine environment.</p> <hr/> <p>Detailed objectives: 14.2 Manage and protect marine and coastal ecology in a sustainable manner.</p>	<p>During our dredging and filling operations, a fouling prevention film is installed to avoid contamination.</p> <p>Regularly monitor the water quality of the water area.</p> <p>The decompression zone of the wharf adopts water-passing and porous design to create a diverse ecological environment.</p> <p>A green construction method that uses disturbance reduction to reduce seabed disturbances.</p>	<p>P64</p>
 <p>Goal 15: Conserve terrestrial ecology: Conserve and sustainably use terrestrial ecosystems, ensure biodiversity and prevent land degradation.</p> <hr/> <p>Detailed objectives: 15.5 Take urgent and major actions to reduce the destruction of natural habitats, end the loss of biodiversity, and protect and prevent the extinction of endangered species by 2020.</p>	<p>For different projects, we have different ecological protection measures</p> <p>, For example, the new construction of Guanyin Tunnel on Suhua Highway on Taiwan 9th Line has a lot of conservation animals in the work area, so the conservation measures for conservation animals are specially formulated.</p> <p>C031 Standard Environmental Monitoring Scope: Within 500 meters of the dual-track project between Fenglin Tunnel and Wanlix Bridge and the surrounding area, 7 species of rare and rare second-level conservation species were discovered, and the third-level conservation category that should be conserved 3 Kind. We also promote and avoid affecting the conservation animals in the area due to the progress of the project.</p>	<p>P63</p> <p>P65</p>



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