



# 2022 ESG Sustainability Report

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### Important information:

This English version of the ESG 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

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## Important issues

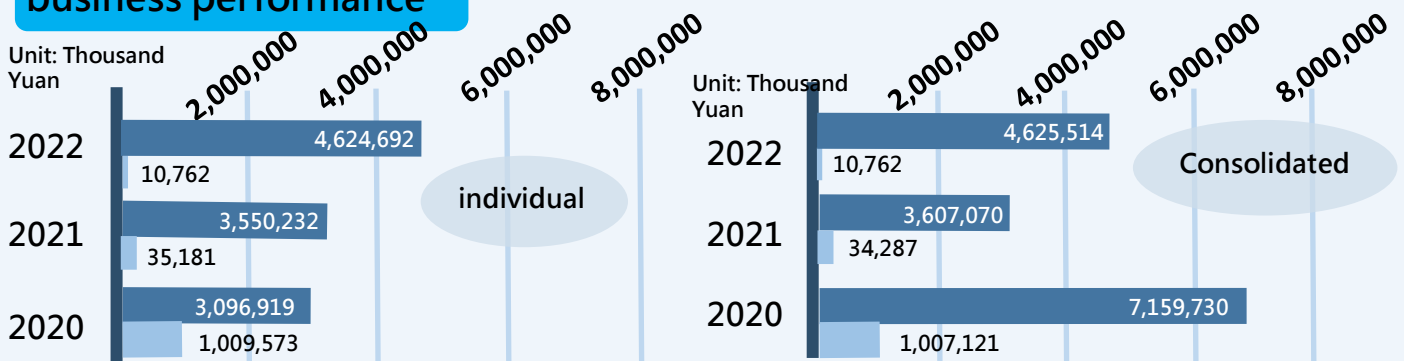
1 Health and Safety	6 Construction period progress
2 Construction quality	7 Salary
3 supply chain management	8 Employee Benefits
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5 Environmental protection (including pollution control)	10 energy management

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".

# 2022 Annual highlight performance

In 2022, Kung Sing has achieved a number of performance achievements. Now let's take a look at which ones!

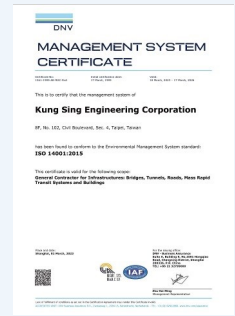
## business performance



Both individual and consolidated financials remain positive for 2022.

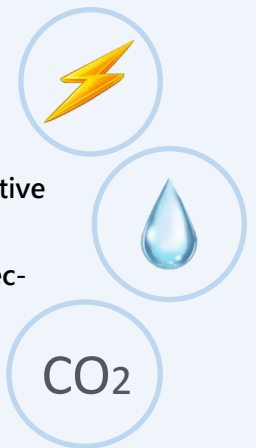
## Corporate Governance

- ✧ Pass the latest version of ISO 14001.
- ✧ In 2022, the construction progress of each construction site will exceed the expected progress.
- ✧ 100% of the new suppliers signed the "Occupational Safety and Environmental Protection Recognition" and "Environmental and Social Responsibility Recognition"



## Environmental protection

- ✧ Selected as one of the Top 100 Carbon Competitive Enterprises by Business Weekly.
- ✧ Ranked No. 2 among companies with the most carbon reduction within three years by Business Weekly.
- ✧ In 2022, the per capita water consumption of industrial and information engineering projects will be reduced by 25.2M<sup>3</sup> compared with 2021, with a reduction rate of 32.21%, and a decrease of 73.1M<sup>3</sup> compared with the base year (2018), with a cumulative reduction rate of 57.96%.
- ✧ C811Z Chaozhou Fangliao section civil engineering and general mechanical and electrical engineering won the "Sustainable Warrior" award from the Railway Bureau of the Ministry of Communications.
- ✧ There will be no environmental protection complaints in 2022.



## Happy workplace and social integration

- ✧ There will be no human rights complaints in 2022.
- ✧ In 2022, the salary of employees (home country) will be adjusted by about 5.3%.
- ✧ In 2022, 3% of the 2021 surplus will be distributed as employee remuneration.
- ✧ Received the "Happy Enterprise" Silver Award from 1111 Job Bank.



## About this report

Kung Sing Engineering compiled the corporate social responsibility report for the first time in 2012. In 2014, it officially compiled the report according to the indicators set by the Global Sustainability Reporting Institute (GRI) reporting guidelines. Report. Upholding the spirit of honesty, pragmatism, openness and transparency, Gongxin will report the company's ESG (environmental, social, and governance) practices in 2022 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, 2022. 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 of the Sustainability Report Guide (please refer to the attachment).

### Writing principles

This report is written based on the GRI indicators of the Global Sustainability Reporting Association, the United Nations Sustainable Development Goals SDGs, SASB indicators, and the Code of Practice for Corporate Social Responsibility of Listed OTC Companies promulgated by the Taiwan Stock Exchange/OTC. The five concepts of "safety, quality, progress, cost, and environmental protection" are the company's operating principles. This is also the cornerstone of our sustainable development as a construction industry. Therefore, this report also uses these five operating principles Concept development, as the short, medium and long-term direction of fulfilling corporate social responsibility.

In order to make the company's sustainable development goals consistent with the company's operation direction, in 2022, the industry and information technology project will use "sustainable operation" (including five business concepts), "corporate governance" (including quality, progress, and cost concepts), and "environmental friendliness" ( environmental protection concept), "happy workplace and social integration" (including safety and quality concepts), this framework is used to prepare this report.

### Progress of the report

Compared with the 2021 report, the 2022 sustainability report will add TCFD climate-related financial disclosures and increase the disclosure of SASB indicators.

### reliability of the report

#### Internal review:

Review of ESG (environmental, social, governance) performance by the board of directors effectiveness and strategic goals. The various data are collected and counted by various departments based on the daily business processing and operation data, and then submitted to the report working group, corporate governance unit, and auditing unit for review.

## External review and verification passed by the company:

Financial data: Based on the annual financial report issued by Capital Partners Certified Public Accountants.

Quality verification: ISO 9001

Environmental verification: ISO14001

Society (Occupational Safety and Health): ISO45001, CNS45001

## Report issuance

Previous report: issued in June 2022.

This report: issued in June 2023.

## Feedback

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

Tel: (02)2751-4188 (Extension: 508)

Fax: (02)2721-8027

E-mail: k2089@kseco.com.tw

Official website: [www.kseco.com.tw](http://www.kseco.com.tw)

Official website QR Code:



## Kung Sing CSR website and report download

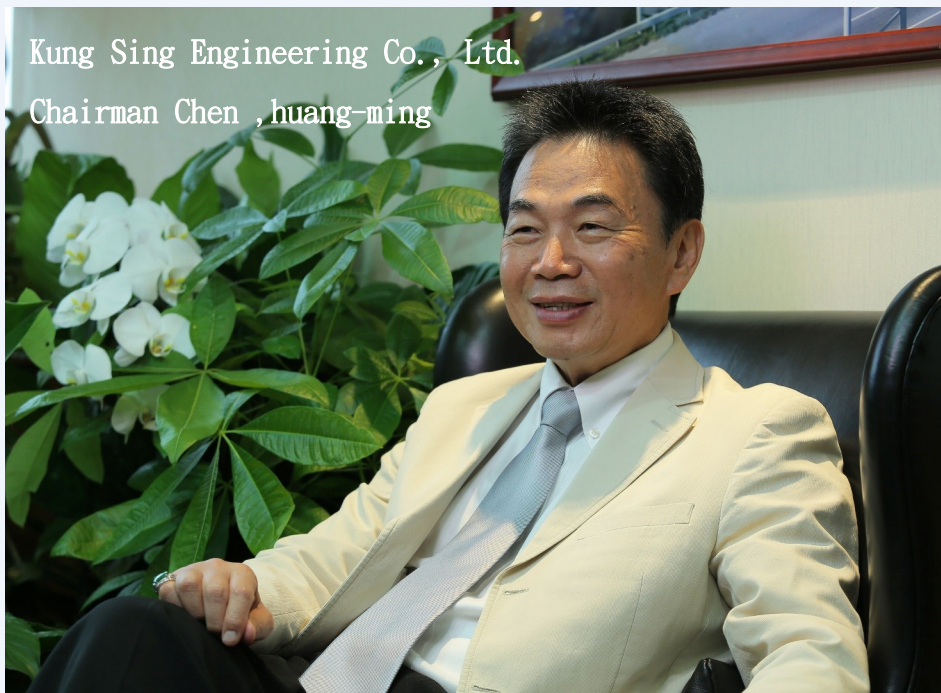
<http://www.kseco.com.tw/tc/responsibility.aspx?cid=27&cchk=A3450C32-ACF0-4D13-81C1-976EF7C59836>



# About Kung Sing Engineering

GRI 2-22

## Message from the chairman



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

"Sustainable development" has become the most frequently discussed topic in the world in recent years. While pursuing profitable growth and operational performance, companies still need to take into account the interests of all stakeholders.

We use the five major business concepts (safety, quality, progress, cost, environmental protection) developed by the core value of the enterprise - "integrity management" to achieve the goal of sustainable operation.

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, I have carried out caring and warming activities with the Federation of Industry in various places. From the North District "Caring and Warming Tour for Disadvantaged Institutions" in 2012.

At the beginning, I went to various parts of Taiwan to hold love trips year by year, taking care of vulnerable groups, elders and schoolchildren in remote villages. In 2022, I will go to New Taipei City Tamsui North Coast Community Long-term Care Organization and Xindian Chuangshi Qinghan Vegetative Nursing Home provide loving care and sponsorship, and love footprints are all over Taiwan every corner of the bay.

In addition, he has also donated touring scholarly trains and looms in Xiulin Township, Hualien County, adopted and trained the Xiulin Junior High School Choir in Hualien County, and donated Nutritious breakfast for aboriginal schoolchildren, one-day tour of Taipei (Flower Expo, Children's Paradise, Maokong Cable Car) for children from rural areas, etc. In my opinion, the key point of caring and sending warmth is not the amount of materials, but more importantly, it must be able to pass on the love continuously and eternally, and create a benign interaction and cycle with the society. This is also the value of the sustainable development of enterprises!



## 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.

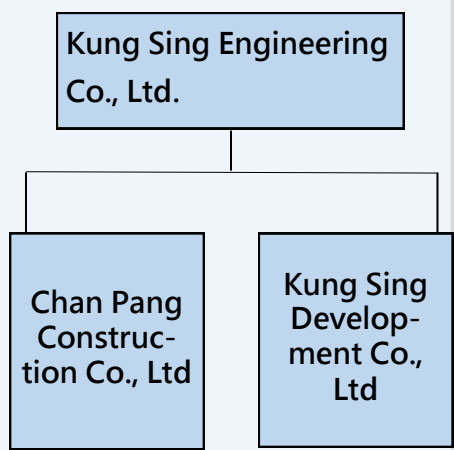
Kung Sing engineering has many excellent conditions such as rich construction experience, high-level construction technology, flexible capital scheduling ability, excellent construction quality, excellent construction engineering talents, professional project management and interface integration capabilities. 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\$4.92 billion
Date of establishment February 1, 1947	Turnover (2022) Operating income NT\$4,625,514 thousand
number of workers Home country: 176 people, foreign nationals: 345 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: <a href="http://www.kseco.com.tw">www.kseco.com.tw</a>

### Group Organization Chart

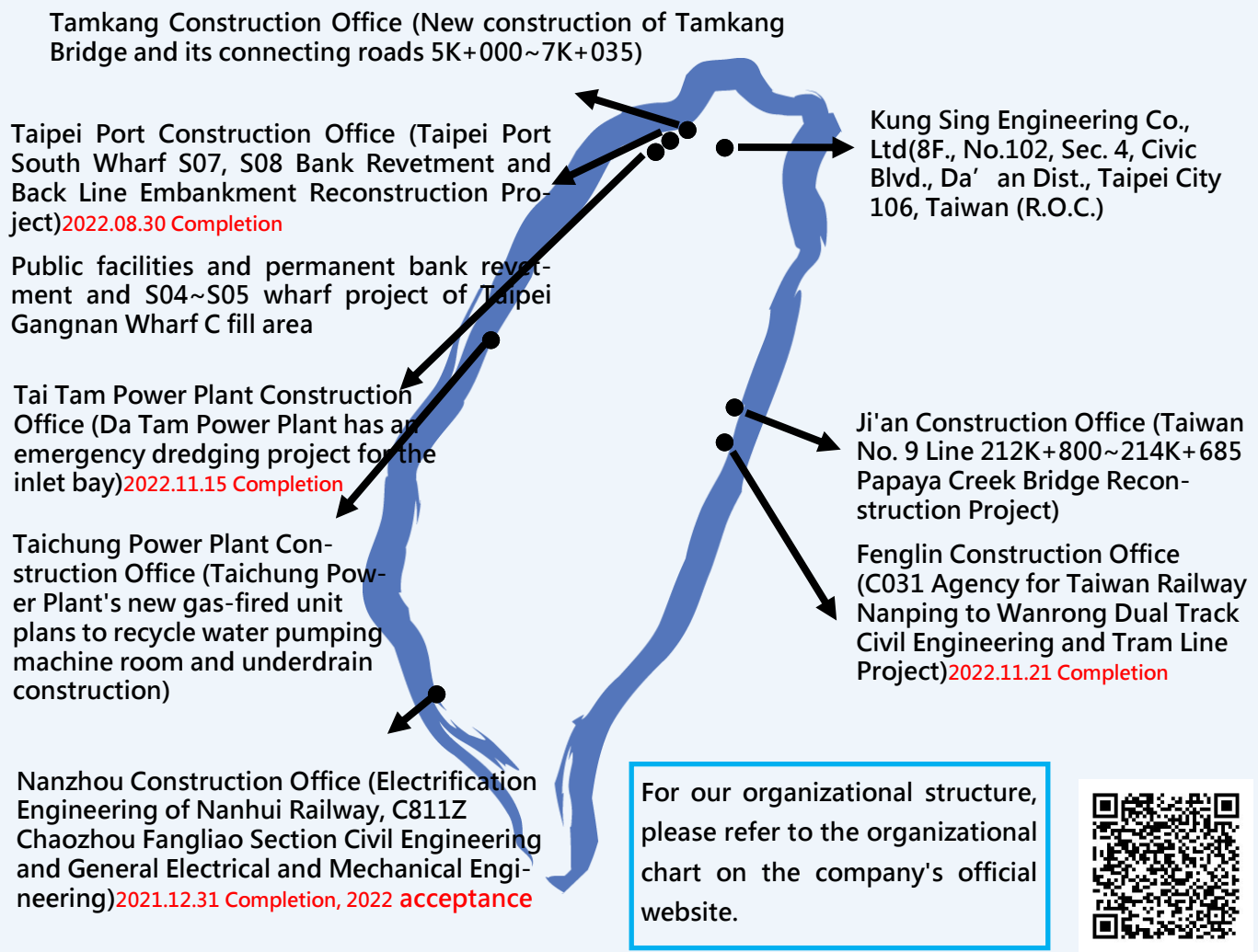


Operating locations are in Taiwan

**Business base**

GRI 2-1 · 2-6

**Kung Sing Engineering Corporation, construction sites and projects under construction**



**Management team** Please refer to the "Articles of Association" of the company for the power of appointment. (<https://www.kseco.com.tw/tc/regulations.aspx>)

Job title	Name	Job title	Name
Chairman	Chen ,huang-ming	Manager, Finance Dept	Huang, li-wang
General manager	Chiang,chi-ching	Public Works Senior manager	Jū gé, wěi-mín
Executive Deputy General Manager	Chan ming-t'ang	Accounting Supervisor	Wen, Shu Chiao
Director, Auditing Office	Liu, Te-chang	Legal Director of General Manager's Office	Li, kuei- chung
Administration Manager	Chu wei kuo	Deputy Director of Safety and Health Office	Chiang sung hui
Vice-manager, Business Development Dept	Yeh, Tsan-yu	Project manager and director of each construction site	

# Company history

**2017 year**  
 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.

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

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



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

**1993 year**  
 The stock is officially issued to the public.

**1996 year**  
 Passed ISO 9002 international quality management certification.

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

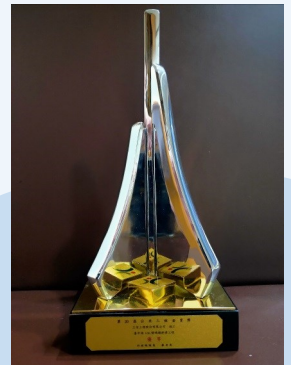
**Year 2008**  
 The C564A and C564C combined tender project won the 9th Public Project Gold Award and the 2nd Public Project Gold Safety Award.

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

**2012 year**  
 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.

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

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



**Year 2009**  
 Acquired Taiwan 3 lines 418k+60

0 Ligang Bridge Reconstruction Project  
 Obtained KCL211 standard Linluo

Zhutian Section Railway Elevated Project.

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

Awarded the benchmark enterprise for corporate social responsibility.

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

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

**2021 year**

The surplus was converted into capital, and the paid-in capital was changed to NT\$4,922,801,550.

C811Z Chaozhou Fangliao section of civil engineering and general mechanical and electrical engineering won the "Public Works Gold Award for Track Works".

**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.

**2022 year**

C811Z Chaozhou Fangliao section civil engineering and general mechanical and electrical engineering won the "Sustainable Warrior" award from the Railway Bureau of the Ministry of Communications.

The S07, S08 bank revetment and rear embankment land reclamation project of Taipei Gangnan Wharf won the "Public Works Gold Award for Water Conservancy Engineering".

Operating Sustainable

Corporate Governance

Environmental protection

Happy workplace and social integration

# 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.

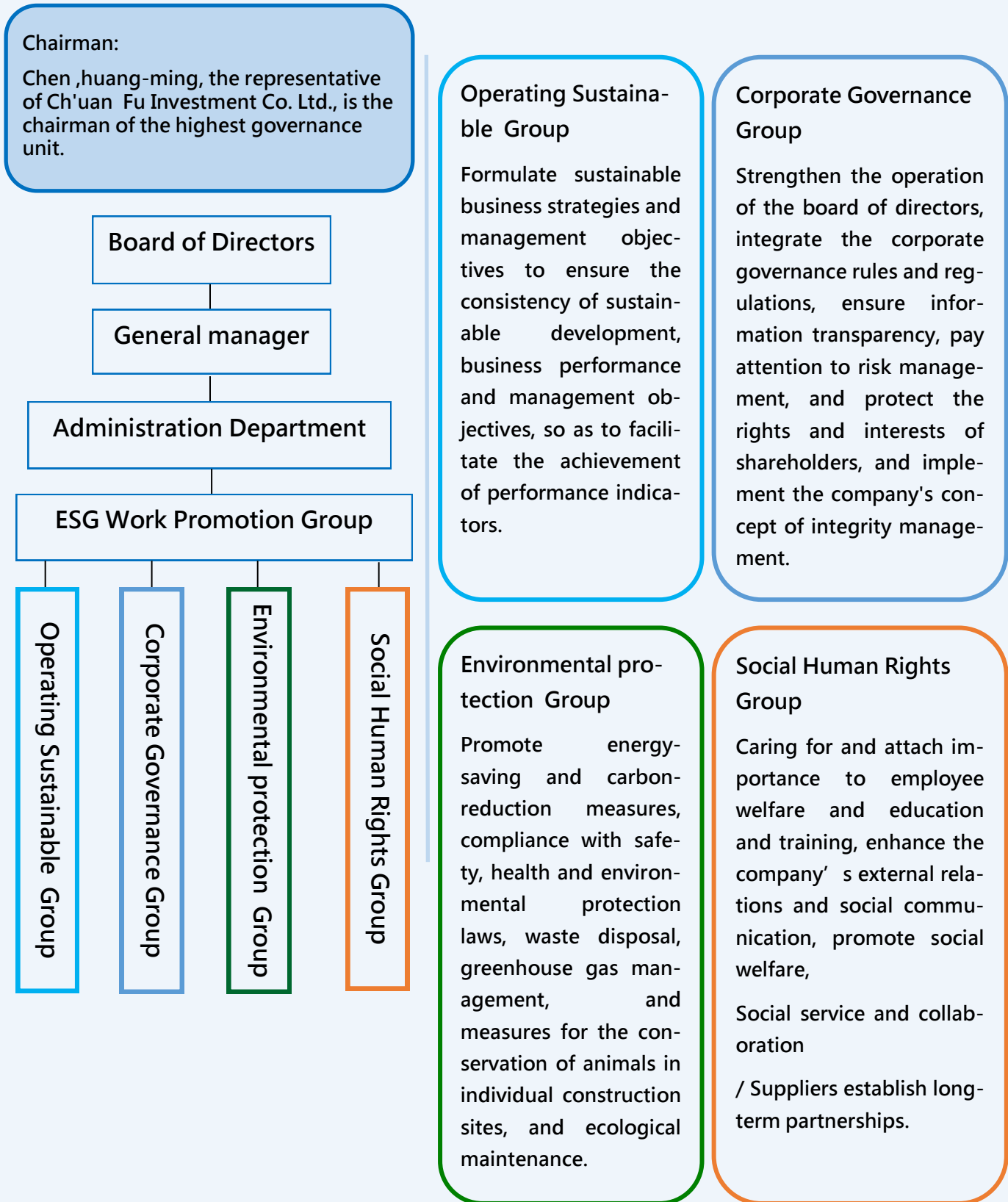
### Goal and vision

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

Based on the core of ESG (renewal), to promote the company's administrative management and the company under the leadership of ESG, the general manager is appointed to form an ESG leading unit work promotion team, which is responsible for assisting and organizing ESG-related work promotion, data collection and implementation. Department, the company's highest organizational management body report.



Operating Sustainable

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In 2014, KUNG SING established the CSR work promotion group, which was renamed as the ESG work promotion group in 2022. It is coordinated by the manager of the administration department and appointed as the editor-in-chief of the sustainability report. The basis for preparing the ESG report, and it is expected to establish a sustainability committee in the second half of 2023 to supervise the company's ESG-related operations and implementation.

The purpose of the sustainable development of the enterprise is to enhance the competitiveness of the enterprise. Therefore, our working group strives to combine the company's business philosophy, business policy with business performance and management goals, and hope to strengthen the achievement of various performance indicators.

At the beginning of each year, the management personnel of each group will feed back the information to the coordinator of the promotion group. The coordinator will evaluate and integrate the information and compile a sustainability report. In May each year, the board of directors will report on the operation of corporate social responsibility of the previous year, and the report will be completed before the end of June. The compilation and announcement are made in the public information observatory and the sustainable development section of the company's website.

### ESG 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.

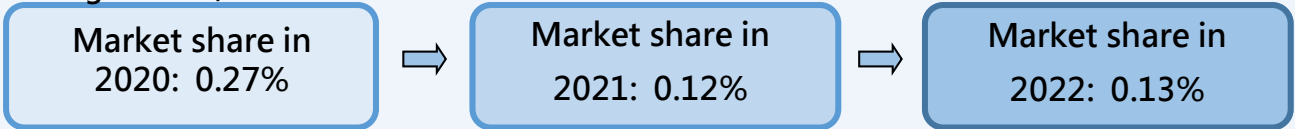
## Sustainable performance

### Sustainability Report

Won the 15th TCSA Taiwan Corporate Sustainability Award-Sustainability Report Award-silver medal in 2022.

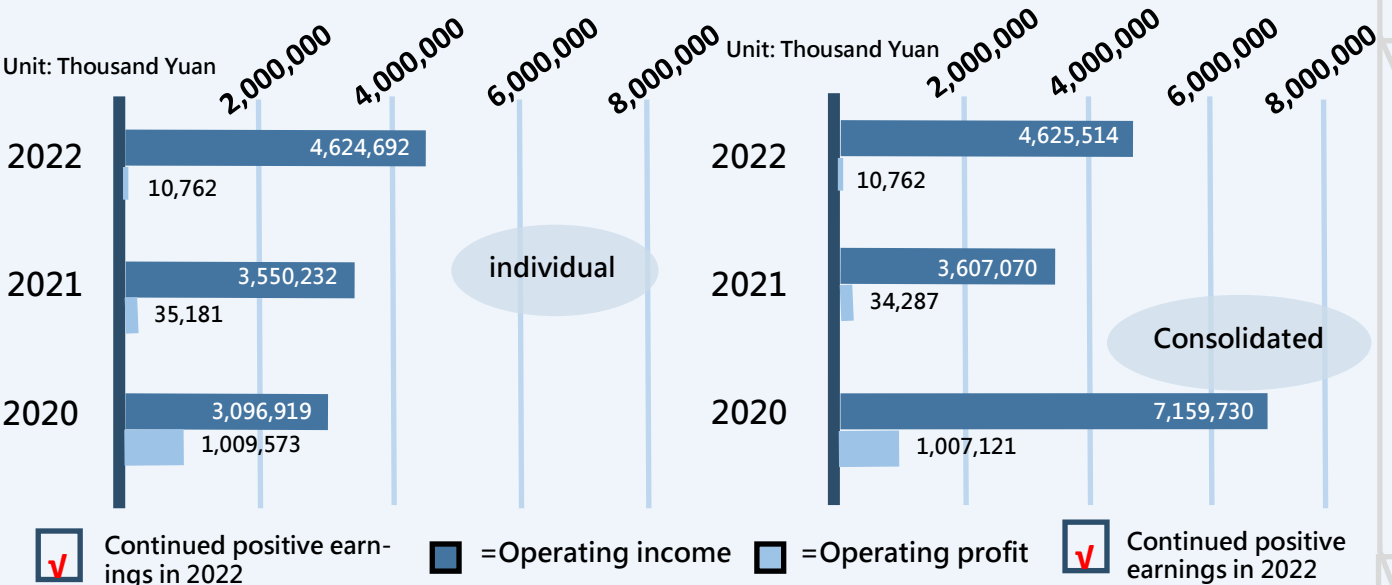
### Market share has increased year by year

The consolidated turnover in 2020 is higher than that in 2021 and 2022, mainly due to the company's recognition of revenue from the sale of land inventories, so the market share in 2020 is also higher. The market share in 2022 will increase slightly compared with 2021, due to higher operating income, the market share will increase.



### Profitability

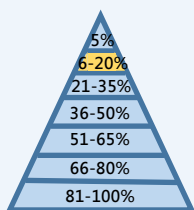
In 2022, Kung Sing Engineering's personal income and net profit will be NT\$10,762 (Thousand), and the group's consolidated net profit will be NT\$10,762(Thousand).



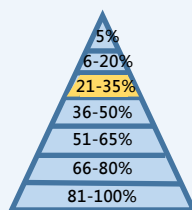
### Corporate governance performance

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.

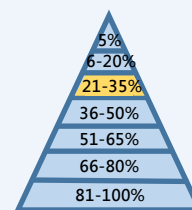
The percentage of results in all listed companies is as follows:



2020 year



2021 year



2022 year

For the implementation of corporate governance operations, please refer to pages P24~P53 of the "Corporate Governance" chapter of this report.

In recent years, all listed companies have been committed to improving corporate governance. Although the company's corporate governance evaluation score in 2022 is the same as 21-35% in 2021, the evaluation score has increased by 2.88 points compared with 2021. In 2023, we will establish a sustainability committee in the second half of the year, hoping to make further progress in sustainable development and achieve better results in corporate governance evaluation.

## Environmental protection performance

According to our current statistics, the largest amount of greenhouse gas emissions due to business operations is purchased electricity (using Taipower electricity), so the current

Mainly aiming at the reduction of electricity to reduce the amount of indirect greenhouse gas emissions, with 2018 as the base year, we hope to achieve the goal of an annual reduction of 2% from 2019, and a cumulative reduction of 10% after five years. Since the goal of cumulative carbon reduction of 30% has been achieved by 2019, the medium-term goal of 50% carbon reduction in 2030 has been revised, and it is hoped that after 2030, the long-range reduction target is expected to be no less than 3% per year.

Short term - 2% annual carbon reduction  
(Based on 2018)



Medium term - 10% carbon reduction after five years  
50% carbon reduction by 2030



Considering the characteristics of the construction industry and the difference in electricity consumption before, during, and after the project, it is expected that no less than 3% per year will be the remote reduction target, and net zero carbon emissions will be achieved by 2050.

In 2019, the mid-term target of carbon reduction of 10% and 30% has been reached.

Greenhouse Gas Emission Reduction Information					
project	Greenhouse Gas Emissions (CO2e) Scope 1 + Scope 2 (metric tons)	Cumulative carbon reduction (mt)	Carbon reduction rate % compared to the base year	short-term goals achieved	Mid-term goal achieved
2022 year	1,184.235	2,050.668	63.39	√	√
2021 year	751.643	2,483.260	76.76	√	√
2020 year	512.009	2,722.894	84.17	√	√
2019 year	1,886.299	1,348.604	41.69	√	√
2018(base year)	3,234.903				

For the actual operation and implementation of environmental friendly performance, please refer to pages P61-77 in the "Environmental Friendly" chapter of this report.



## 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.

project	Target	reach
short term(2019-2024 year)	1. Increase the ratio of employee compensation and benefits to >3%, and the employee turnover rate to <3%. 2.Established the "Quality and Occupational Safety and Health and Environmental Protection Performance Evaluation Rewards and Punishments" to give substantial rewards to winning construction sites.	The wages of domestic workers will be adjusted by 5.3% in 2022, If foreign workers are included, employee salaries and welfare expenses have not reached > 3%, and the turnover rate has reached < 3%. *Note 1
medium term(2025-2030 year)	1.Increase the number of employee education and training hours to an average of more than 6 hours per person per year. 2.Strengthen environmental safety and health, with the goal of "zero occupational hazards".	Education and training have not been achieved, and zero occupational accidents have not been achieved *Note2
long(After 2030)	1.Employee functions and career development, extending succession planning to mid- and low-level executives. 2.Continue to strengthen environmental safety and health, with the ultimate goal of "zero fines".	No (Pushing forward until 2030)

Note 1 :

Year project	Salary cost(Based on financial report data)	Welfare fee(Based on financial report data)	Salary change ratio % (compared to base year)	Welfare change ratio % (compared to base year)	Turnover ratio
2022	572	673	+1.42%	+0.60%	2.11%
2021	594	712	+5.32%	+6.43%	1.78%
2020	879	1,024	+55.85%	+53.06%	2.18%
2018 (base year)	564	669			1.08%

Note 2 :

Year project	Education Training average hours	Occupational Accidents (Number)	Achievement
2022	4.31	1	unaccomplished
2021	6.18	0	Completed
2020	5.41	0	Zero Occupational Disaster Achievement
2019	2.32	3	unaccomplished

For details on the operation of a happy workplace, please refer to pages P80~P89 of the chapter "Happy Workplace and Social Inclusion" in this report.

## 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:

**Short-term: (Performance achieved in 2019-2024)**

1. Professional participation in large-scale contracting Public works.
2. Added "Quality and Occupational Safety Health Environmental Performance Evaluation Award Penalties", further Improve engineering quality.
3. Add "Volunteer Leave",

**Mid-term: (2025)**

1. Guarantee the minimum amount of social investment budget, and establish a percentage of business benefits to achieve social services and social welfare.
2. Establish a mechanism to achieve the number of volunteer service hours each year.

**long-term:**

Complete high-quality public construction with five business concepts, uphold the spirit of "take it from the society and use it for the society", and increase the competitiveness and profitability of the company through ESG sustainable development.

For details on the implementation of social inclusion, please refer to pages P90~P101 of the chapter "Happy Workplace and Social Inclusion" in this report.

## Risks and Opportunities

GRI 201-2

In order to deal with various risks that may be faced in the operation process, Kung Sing Engineering has formulated the Risk Management Policies and Procedures, which have been approved by the Board of Directors after reviewing and verifying the relevant information.

The administrative department of the company is a part-time unit that promotes sustainable development. Analyse the company's governance, environmental and social risks through the materiality principle and report to the board of directors. Relevant information shall be submitted to the directors before the board meeting for review by the directors.

project	overall environment	market impact (Construction Industry)	Impact on Kung Sing	
			risk	Chance
(G) Governance	Changes in the global political and economic situation	<ol style="list-style-type: none"> <li>1. Price fluctuations</li> <li>2. Feeding problems</li> <li>3. Interest rate</li> <li>4. Exchange rate</li> </ol>	<ol style="list-style-type: none"> <li>1. Rising raw material prices</li> <li>2. Feeding interruption</li> <li>3. Interest rate changes</li> <li>4. Exchange rate changes</li> </ol>	<ol style="list-style-type: none"> <li>1. Improve the supplier management mechanism, develop new material sources, and avoid the monopoly of a few manufacturers.</li> <li>2. Improve the inventory management mechanism, through business information collection or market research, understand the market situation and respond in advance.</li> <li>3. Control the capital situation more effectively and maintain good banking relationship.</li> <li>4. Risk hedging strategy, with relevant hedging tools such as spot foreign exchange trading and forward exchange rates for exchange rate hedging operations.</li> </ol>
(E) Environmental	<ol style="list-style-type: none"> <li>1. Typhoons, floods, etc. end-climate events increase</li> <li>2. Average temperature rises</li> <li>3. Policies and Regulations</li> </ol>	<ol style="list-style-type: none"> <li>1. Duration, labor force</li> <li>2. Greening, green building, green building materials</li> <li>3. Carbon neutrality, net zero carbon emissions</li> </ol>	<ol style="list-style-type: none"> <li>1. The typhoon season affects the progress of the project.</li> <li>2. Increase the environmental cost of the greening zone.</li> <li>3. The cost of low carbon increases. If carbon neutrality and net zero carbon emissions cannot be achieved, it may be necessary to purchase carbon rights, resulting in an increase in operating costs.</li> </ol>	<ol style="list-style-type: none"> <li>1. Inventory climate change, change the work schedule, and improve operational resilience.</li> <li>2. The future trend of environmentally friendly building materials.</li> <li>3. Strengthen energy conservation and carbon reduction, achieve the goal of reducing electricity use and save electricity costs.</li> </ol>

project	overall environment	market impact (Construction Industry)	Impact on Kung Sing	
			risk	Chance
(S) Governance	1. The new crown epidemic affects personal safety 2. Talent diversity 3. Policies and regulations	1. It is difficult to introduce foreign workers and work from home. 2. Diverse backgrounds of employees 3. Basic salary adjustment	1. Operational risk, construction schedule risk. 2. The turnover rate has risen. 3. Personnel costs increase.	1. Working from home promotes a digital transformation model. 2. Diversified innovation and development to retain talents. 3. Actively improve operational performance and enhance profitability.

## Stakeholders negotiation

GRI 2-29 · 3-1 · 3-2

In order to achieve continuous and effective communication with stakeholders, Kung Sing Engineering will include individuals, groups or organizations that may affect the company or be affected by the company as stakeholders, and establish a variety of communication Channels and mechanisms ensure smooth communication channels, and are disclosed through this report and the stakeholder area on the company's website.

## Process for defining report content

GRI 2-29 · 3-1

### 1. Identify

6 kinds Stakeholders  
 Stakeholder Communication P24

16 Focus on topics  
 list of issues P21

**Identify stakeholders:**According to the characteristics of the industry, the stakeholders identified by the company are as follows:

Within the organization: employees (including governance hierarchy)

Outside the organization: shareholders, social groups, residents (local communities), suppliers/third-party manufacturers, owners (including government-related units)

**Collect topics of interest:**

We use active questionnaires and passive phone calls, faxes and letters from all walks of life to understand the level of interest 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.



## 2. Analysis sort

10 major concerns  
matrix diagram  
[P22](#)

### Analysis and ranking of issues of concern to stakeholders:

The members of the ESG work promotion team analyze the impact and degree of concern of each issue of concern, and sort them out. The company's internal experts provide opinions, analyze the significant impact on the company's economic, environmental and social issues, and decide on 10 major issues of concern. .

### Analysis of the UN Sustainable Development Goals (SDGs):

11 items  
SDGs  
Focus on the  
SDGs corresponding to the topics  
[P22-23](#)

Among the 17 SDGs, evaluate the relevance of each goal and the industry and information projects, and examine the impact of operations on the SDGs from the value chain, as well as the value and contribution that industry and information technology can create to the sustainable goal, and determine 11 corresponding the SDGs.



## 3. Review

10 major concerns and ESG  
Shocking Boundaries of Major Issues  
[P26-27](#)

### Contrast with major issues:

According to the selected 10 major concerns, the ESG work promotion group will carry out three major aspects: corporate governance, environmental and social classification, and define the impact boundary of major issues.



## 4. View

About this report [P5](#) -  
The refinement of the report

### Keep checking:

Review the response and actions of the previous issue of the report on major issues, and track and improve.

## Focus on topics

### List of 16 issues of concern

In 2022, we will use active surveys and passive telephone, fax and correspondence statistics to understand the level of interest 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.

#### 93 e-mail ,SMS & Phone

Through stakeholder calls and social networking site messages and e-mails, learn about the sustainable issues that stakeholders are concerned about. A total of 93 copies in 2022.

#### 1,380 official documents

Mainly for letters from owners, construction supervisors, relevant government units and community groups, suppliers/cooperators, etc., through the analysis and statistics of the letters, lists various issues of great concern and influence, as major issues of corporate sustainability .

#### 16 issues of concern

The members of the ESG work promotion group summarize the collected information statistics, and list 16 issues of concern to 6 stakeholders according to the degree of concern and influence.

1. Operating condition
2. Construction quality
3. interface coordination
4. Information disclosure
5. duration
6. Risk Management
7. supply chain management
8. Regulatory compliance

9. Environmental protection (including pollution control)
10. energy management

11. Health and Safety
12. Salary
13. Talent recruitment, development and human rights
14. Employee Benefits
15. Friends and neighbors
16. Social welfare

16 issues of concern

### List of 10 Major Concerns

The ESG work promotion team ranked the 16 issues of concern according to the level of concern, and the company's internal experts provided opinions, analyzed the significant impact on the company's economic, environmental and social issues, and decided on the following 10 major issues of concern.

#### 10 Big Questions Meaning for Kung Sing

GRI 3-2

NO.	major issues	Meaning for Kung Sing	NO.	major issues	Meaning for Kung Sing
1	Health and Safety	"Safety" is one of the company's five business philosophy.	6	construction period progress	"Construction period" is one of the company's five business philosophy.
2	Construction quality	"Quality" is one of the five business philosophy of the company.	7	Salary	Better-than-market remuneration packages help retain talent.
3	supply chain management	Only with good supply chain management can we improve the quality of the project and achieve sustainable development of the enterprise.	8	Employee Benefits	Better-than-market employee benefits help retain talent.
4	Operating condition	"Cost" is one of the company's five business philosophy.	9	Risk Management	Risk management and control can effectively prevent future events and achieve sustainable development.
5	Environmental protection (including pollution control)	"Environmental protection" is one of the company's five business philosophy.	10	energy management	Energy saving and carbon reduction will help reduce operating costs.

corporate governance

2、3、4、6、9

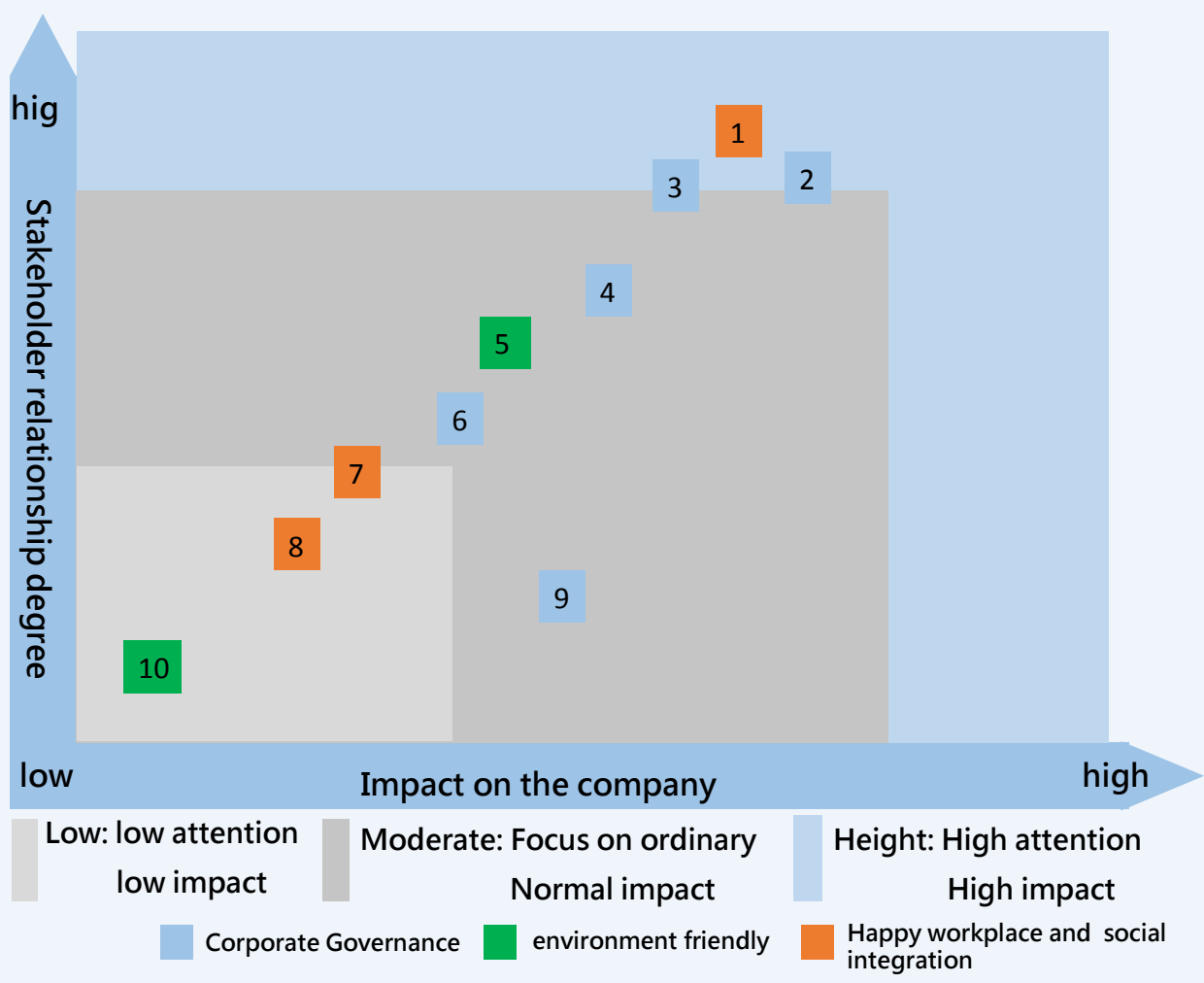
environment friendly

5、10

Happy workplace and social inclusion

1、7、8

## 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



## Major Issues Comparison Table

Stakeholder	Staff	shareholder	Social groups	Resident (local community)	supplier/ Third Party	Owners (including government concerned department)
Significance of Stakeholders to Industry and Information Technology	Employees are the foundation of the company. Competitive salaries and welfare systems must be provided to ensure a safe employment environment. Only then can the company develop sustainably	Regardless of institutional legal person, individual investors, potential investors and shareholders, are all objects of our attention.	In addition to creating profits, company operations must also undertake social responsibilities. What social groups value is also what we value, and take it from society, it is our mission to use it in society.	The progress of the project must have a more or less impact on the local residents, so what the local community residents are concerned about is also what we value.	Good supplier selection can ensure the safety and quality of the project, and can also reduce the cost of management in operation.	The company mainly undertakes public works, so the owners are mostly government units, so the relevant laws and policies of government units, often having a direct impact on the company
Major concern issue	1 4 7 8	4 6	2 8	5 6	1 3 6	1 2 5 6 9 10
Corresponding to GRI major themes	102-38 401 102-39 403 402 405 404 409 406 412 410	201	404 416	304 306 413	204 308 403 413	102 302 304 305 306 307 419
Corresponding to other Major themes			Construction quality	Construction period		Construction quality Construction period
Corresponding to SDGs	3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES	8 DECENT WORK AND ECONOMIC GROWTH	4 QUALITY EDUCATION 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES	15 LIFE ON LAND	3 GOOD HEALTH AND WELL-BEING 6 CLEAN WATER AND SANITATION 8 DECENT WORK AND ECONOMIC GROWTH	6 CLEAN WATER AND SANITATION 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 13 CLIMATE ACTION 14 LIFE BELOW WATER 15 LIFE ON LAND
Corresponding disclosure Chapter	Happyworkplace and social integration	Corporate Governance	Happyworkplace and social integration	Environmental protection Happyworkplace and social integration	Corporate Governance Happyworkplace and social integration	Corporate Governance Environmental protection Happyworkplace and social integration

\*Please refer to the Appendix GRI Index Items Comparison Table and SDGs Comparison Table (P98-P106) for detailed disclosure page numbers.

# Stakeholder communication

GRI 2-22 · 2-25 · 2-26 · 2-29

Operating Sustainable

Corporate Governance

Environmental protection

Happy workplace and social integration



Staff

Negotiation method and frequency		Focus on topics						
<ul style="list-style-type: none"> <li>● Sustainability Report (Annually)</li> <li>● Toolbox Meeting (Daily)</li> <li>● Employee Self-Assessment (Annually)</li> <li>● Labour-Management Coordination Meeting (Quarterly)</li> <li>● EIP Internal Communication Platform (Instant)</li> <li>● Report mailbox (instant)</li> <li>● Occupational Safety and Health Conference (quarterly)</li> <li>● Welfare Committee (quarterly)</li> </ul>		<table border="1"> <tr> <td>1</td> <td>7</td> <td>8</td> </tr> <tr> <td colspan="3">4</td> </tr> </table>	1	7	8	4		
1	7	8						
4								
Negotiation result	Our response (how to respond)	Corresponding chapter						
For employee feedback, make policy adjustments and corresponding measures. We have received a total of 129 comments through the above-mentioned negotiation method, most of which are suggestions on salary adjustment, talent cultivation and job shortage.	We follow the annual employee assessment method and the employee's position and grade. Handle salary adjustment with the salary promotion method. In terms of manpower cultivation, each unit is allowed to fill in the application form for education and training by itself, and more diverse courses are allowed for colleagues to choose their own courses. For the problem of job shortage, various recruitment channels are opened, such as recruitment to the campus of Chung Hwa University, 1111 recruitment. It is time to handle the re-recruitment of foreign workers one after another.	<ul style="list-style-type: none"> <li>● Labor rights and human rights</li> <li>● Employee care and benefits</li> <li>● Occupational Health and Safety</li> </ul>						



Shareholder

Negotiation method and frequency		Focus on topics		
<ul style="list-style-type: none"> <li>● Sustainability Report (Annually)</li> <li>● Company website mailbox, social networking site FB (instant)</li> <li>● Shareholders' Meeting (Annually)</li> <li>● Corporate briefing session (every year)</li> <li>● Report mailbox, speaker phone (instant)</li> <li>● Company annual report (every year)</li> </ul>		<table border="1"> <tr> <td>4</td> <td>6</td> </tr> </table>	4	6
4	6			
Negotiation result	Our response (how to respond)	Corresponding chapter		
Communicate with investors about the current operating conditions through the above methods, and collect feedback from investors at any time. In 2022, we received a total of 41 responses. Investors are most concerned about the operating conditions of Gongxin, stock prices, and the progress of the Danjiang Bridge project.	We respond to investors' questions in real time through telephone, email, and FB fans. We also regularly update information on the company's official website to facilitate investors' inquiries.	<ul style="list-style-type: none"> <li>● Operation of the Board of Directors and Operational Status</li> </ul>		



Social groups

Negotiation method and frequency		Focus on topics		
<ul style="list-style-type: none"> <li>● Sustainability Report (Annually)</li> <li>● Correspondence (immediate)</li> <li>● Telephone, Fax (instant)</li> <li>● Company website mailbox, social networking site FB (instant)</li> </ul>		<table border="1"> <tr> <td>2</td> <td>8</td> </tr> </table>	2	8
2	8			
Negotiation result	Our response (how to respond)	Corresponding chapter		
In 2022, a total of 76 letters were received from various societies, associations, foundations and other social groups, mainly in the handling of education and training courses for directors and corporate governance supervisors in various aspects, as well as general meetings of societies and associations, in order to improve the professionalism of personnel and improve the quality of projects.	We actively join various schools and associations, and actively arrange advanced courses for directors, at least 6 hours a year, and encourage employees to participate in various education and training, improve their professional learning, grow together with the company, and strive to improve the quality of engineering!	<ul style="list-style-type: none"> <li>● Employee care and benefits</li> <li>● Social Participation and Public Welfare Feedback</li> </ul>		



Resident (local community)

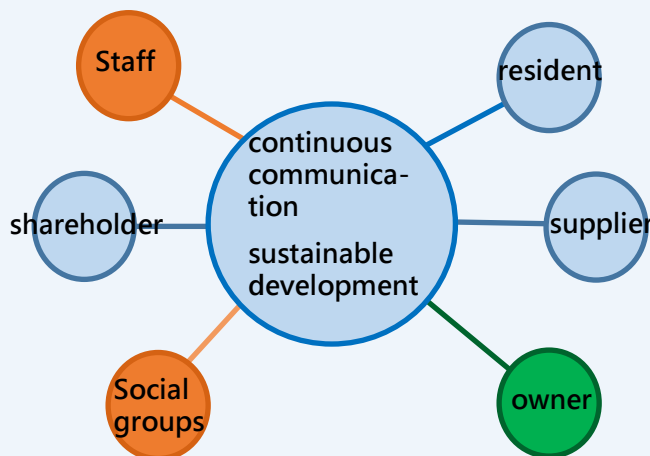
Negotiation method and frequency		Focus on topics		
<ul style="list-style-type: none"> <li>● Sustainability Report (Annually)</li> <li>● Company website mailbox, social networking site FB (instant)</li> <li>● Correspondence (immediate)</li> <li>● Company mailbox, telephone (instant)</li> </ul>		<table border="1"> <tr> <td>5</td> <td>6</td> </tr> </table>	5	6
5	6			
Negotiation result	Our response (how to respond)	Corresponding chapter		
In 2022, local residents in our work area communicated through the above-mentioned negotiation methods, and a total of 4 responses were obtained. The local residents were most concerned about the progress of the project and the environmental maintenance of the work area.	In addition to regularly disclosing the progress of each project on the company website, we respond promptly to public questions about the project on the company mailbox or FB social networking site. We also ask the site director to properly handle and track the response to the situation in the residential construction area.	<ul style="list-style-type: none"> <li>● Operation of the Board of Directors and Operational Status</li> <li>● pollution control</li> </ul>		



Negotiation method and frequency		Focus on topics			
<ul style="list-style-type: none"> <li>● Sustainability Report (Annually)</li> <li>● Company website mailbox, social networking site FB (instant)</li> <li>● Manufacturer evaluation (annual)</li> <li>● Meetings (quarterly/irregularly)</li> <li>● Supplier Management Procedures and Forms (Annually)</li> <li>● Correspondence (immediate)</li> </ul>		<table border="1"> <tr> <td>1</td> <td>3</td> <td>6</td> </tr> </table>	1	3	6
1	3	6			
Negotiation result	Our response (how to respond)	Corresponding chapter			
In 2022, communicate with suppliers/cooperators through the above methods. The main communication contents are mostly engineering coordination, safety and security meetings, contract changes, material adjustment, and payment-requisition pricing operations.	A coordination meeting will be held to solve problems such as the interface between the cooperating parties and the construction of the construction site. When there is a price adjustment, it will be adjusted according to the price adjustment index of the competent authority, and the contract modification and pricing will be handled according to the schedule.	<ul style="list-style-type: none"> <li>● Occupational Health and Safety</li> <li>● Operation of the Board of Directors and Operational Status</li> <li>● Supply chain management</li> </ul>			

Negotiation method and frequency		Focus on topics						
<ul style="list-style-type: none"> <li>● Sustainability Report (Annually)</li> <li>● Company website mailbox, social networking site FB (instant)</li> <li>● Correspondence (timely)</li> <li>● Meetings (irregular)</li> <li>● Phone, Email (Instant)</li> <li>● Announcement information, declaration information (immediate/regular/irregular)</li> </ul>		<table border="1"> <tr> <td>1</td> <td>2</td> <td>5</td> </tr> <tr> <td>6</td> <td>9</td> <td>10</td> </tr> </table>	1	2	5	6	9	10
1	2	5						
6	9	10						
Negotiation result	Our response (how to respond)	Corresponding chapter						
In 2022, communicate with the owners (including relevant government units) through the above methods, mainly in the form of correspondence and meetings, as well as online on-time declaration and announcement of materials, and the communication content is mostly safety and hygiene, project quality, environmental protection (including pollution prevention and control). ), construction period progress, risk management and energy management, while online reporting mainly focuses on corporate governance-related information and financial report-related information.	<p>In terms of safety and hygiene, in addition to the daily toolbox meeting on the construction site to ensure the safety of the personnel in the project, we also deploy special personnel to inspect the construction site safety and health measures every day. Troubleshoot and track issues. In terms of environmental protection measures, dust-proof nets are laid, the road surface is cleaned by sprinklers, and the car wash stations at the entrance and exit of the work area are set up to avoid road pollution.</p> <p>In recent years, due to the impact of the novel coronavirus disease (COVID-19), epidemic prevention measures have been strengthened, and epidemic prevention equipment and related education and publicity have been set up to maintain the health of employees.</p>	<ul style="list-style-type: none"> <li>● Operation of the Board of Directors and Operational Status</li> <li>● Energy management</li> <li>● pollution control</li> <li>● Occupational Health and Safety</li> </ul>						

We negotiate with stakeholders through various channels, respond to issues of concern to stakeholders, and propose corresponding strategies and actions. It is hoped that through continuous communication, we will be more complete in the development of ESG in all aspects.



Online communication channel: (click the link)  
[Company website investor contact window](#)  
[Contact window for each stakeholder](#)  
[Company social networking site \(FB\)](#)  
 You can also give us feedback through the online questionnaire in the corporate sustainability section of our website.

## Major issues hit boundaries

GRI 102-46 · 102-47 · 103-1

According to 10 major issues of concern, the ESG work promotion group will carry out three major aspects: corporate governance, environment and society classification, and define the impact boundary of major issues. ● Significant: This disclosure ○ Significant: Future Plans Revealed

(G) Major issues in governance								
issue	GRI index	within the organization	outside the organization					
		Staff	shareholder	society group	resident	supplier cooperating	Owner (including government unit)	
Construction quality	Corporate Governance - Board Operations and Operations – Construction quality (non-GRI) P39-40			●			●	●
supply chain management	Corporate Governance - supply chain management (GRI 204 · 308 · 414) P45-49						●	
Operating condition	Corporate Governance - Board Operations and Operations - Operations (GRI 201) P41-44	●	●					
construction period progress	Corporate Governance - Board Operations and Operations – Duration (non-GRI) P38		●		●		●	●
Risk Management	Corporate Governance - Risk Management (GRI 201-2) P49-56							●

(E) major environmental issues								
issue	GRI index	within the organization	outside the organization					
		Staff	shareholder	society group	resident	supplier cooperating	Owner (including government unit)	
Environmental protection (including pollution control)	Environment friendly - pollution control (GRI 306 、 307) P68-77					●	○	●
Energy management	Environmentally friendly - energy management (GRI 302 、 305) P64-67						○	●

(S) Major social issues								
issue	GRI index	within the organization	outside the organization					
		Staff	shareholder	society group	resident	supplier cooperating	Owner (including government unit)	
Health and Safety	Happy Workplace and Social Inclusion – Occupational Health and Safety (GRI 403) P90-94	●					●	●
Salary	Happy Workplace and Social Inclusion – Employee Care and Welfare (GRI 405) P89	●						
Employee Benefits	Happy Workplace and Social Inclusion – Employee Care and Welfare (GRI 401 、 402 、 404 、 405 、 406) P82-86	●						

## 2、Corporate Governance



### Topic of this chapter

Management policy	P29
Board of Directors	
Operation and	
Operation Status	P30
Supply chain	
management	P45
Risk Management	P49
Integrity, transparency	
and legal compliance	P58

### Important issues

- 2 Construction quality
- 3 Supply chain management
- 4 Operating condition
- 6 Construction period
- 9 Risk Management

### Highlights in this chapter

- ※ Pass the latest version of ISO 14001.
- ※ In 2022, the construction progress of each construction site will exceed the expected construction progress.
- ※ New suppliers sign "Occupational Safety and Environmental Protection Recognition", "Environmental and Social Responsibility Recognition" book" ratio of up to **100%**

# Management policy

## 3-3 major management topics

Major topics of corporate governance (in order of signifi-	Management purpose	Management methods and effective evaluation mechanism	2023 target (alternate year target)	Medium-term Goal
Construction quality (P39-40)	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"> <li>1. Establish a quality control system and allocate appropriate quality control personnel.</li> <li>2. Establish an internal control system and implement internal audits.</li> </ol>	The unqualified rate of construction inspection shall not exceed 1%.	50% of the construction site personnel have obtained the certificate of quality control personnel.
Supply chain management (P45-49)	Maintain mutual demand and mutual benefit in the supply chain and jointly create sustainable value	<ol style="list-style-type: none"> <li>1. Establish a management model for supplier information.</li> <li>2. Handle market surveys and manufacturers' credit investigations in accordance with regulations.</li> <li>3. Regularly evaluate third-party suppliers.</li> <li>4. Establish an internal control system, implement internal audit, and strictly audit the filing and management of supplier data</li> </ol>	Improve the manufacturer evaluation score above 90 points to 70%	Develop a green supply chain.
Operation status (P41-44)	To achieve sustainable operation and obtain long-term benefits, and create sustainable value for stakeholders.	<ol style="list-style-type: none"> <li>1. Actively develop case sources, and do a good job of cost control to ensure revenue and profit.</li> <li>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 op-</li> </ol>	Top 20% in corporate governance evaluation, 10% revenue growth.	Promoted to the top ten in the engineering contracting industry.
Construction period progress (P38)	Comply with the specifications and reduce the loss caused by the delay of the construction period.	<ol style="list-style-type: none"> <li>1. Make engineering network diagrams and control the construction schedule according to the network diagrams.</li> <li>2. Convene a progress meeting to report and review the construction progress regularly.</li> <li>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.</li> </ol>	Reach the network map progress target	More than 0.5% more than the network map progress target.
Risk management (P49-56)	Reduce industry, operation and other risks to avoid cost increase and other unfavorable factors.	<ol style="list-style-type: none"> <li>1. Establish a risk management mechanism.</li> <li>2. 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.</li> </ol>	The Sustainability Committee was established to strengthen the risk management of sustainable development.	Carry out carbon inventory planning for climate risks and opportunities.

short term goals 2023 year Medium-term Goal 2030 year Long-term goals 2050 year

- Ranked in the top 20% of the listed group in the corporate governance assessment
- 10% revenue growth

- Promoted to the top ten in the engineering contracting industry

- Become a sustainable enterprise according to the sustainable principle of the development of the business philosophy of Kung Sing

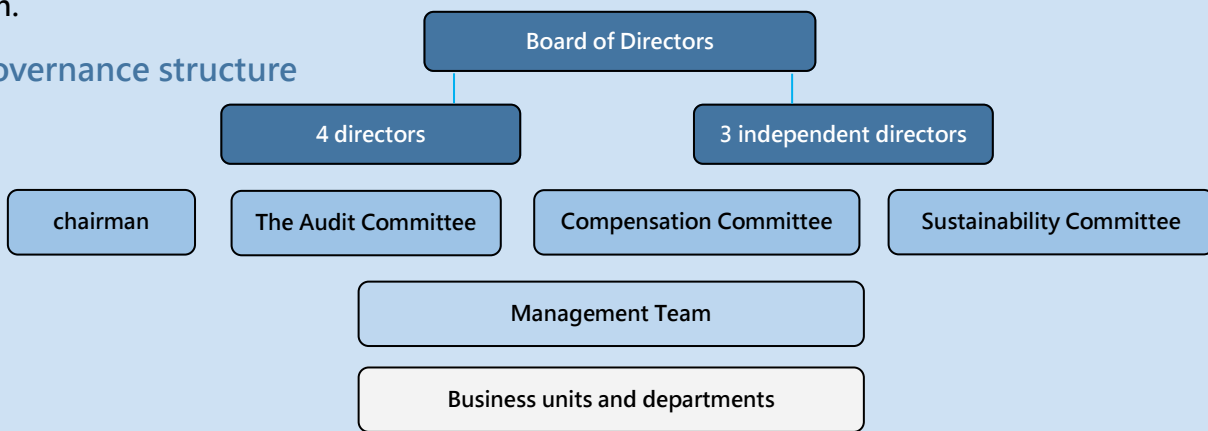
# Board of Directors Operation and Operation Status

GRI 2-9 · 2-10 · 2-11 · 2-12 · 2-13 · 2-17 · 201

Based on the concepts of integrity, transparency and responsibility, we have established a board of directors, formulated policies based on integrity, and established a good corporate governance risk control mechanism to create a sustainable business environment. Establish a corporate culture of integrity management and sound development. We usually handle recurring business in accordance with the spirit of the corporate governance code of practice for listed companies, and implement the concept of maintaining good corporate governance in our daily operations. In addition to reducing the possibility of corporate crisis, we also protect the rights and interests of investors and creditors. Long-term cultivation of excellent corporate physique and competitiveness, committed to the sustainable development of all aspects of ESG.

With the board of directors as the highest governance unit, Sung Sing Engineering has set up an audit committee and a remuneration committee, which are implemented in accordance with the "Rules of Procedure of the Board of Directors", "Organization Regulations of the Audit Committee" and "Organization Regulations of the Remuneration Committee". The company also conducts a performance evaluation of the board of directors at the end of each year. All directors self-evaluate their grasp of the company's goals and tasks, directors' awareness of responsibilities, participation in company operations, internal relationship management and communication, directors' professional and continuous education, and internal Actual implementation of controls, etc. The 2021 Board Performance Evaluation is Excellent. Please refer to the company's website for the relevant implementation.

## Governance structure



## Board of Directors

GRI 2-10 · 2-17



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 consists of seven directors with different professional backgrounds, three of which are independent directors. The directors have diverse academic and industrial experiences, which are of great help to the company's short-, medium- and long-term development.

The number of directors who do not have the status of managers on the board of directors accounts for more than half of all directors. A total of six board meetings will be held in 2022, with an average attendance rate of 97.37%. Directors will continue to study for six hours a year, and 100% will be achieved by 2022 (for details, please refer to the company Annual report P40, annual report link: <https://www.kseco.com.tw/EN/about1.aspx?cid=90&cchk=5922BF8D-18A0-4A56-A050-F7FA9BF45DBB>)

Continued from previous page

Director seats without company manager status

> 1/2

Six board meetings will be held in 2022, and the average attendance rate of all directors

97.37%

In 2022, directors will continue to study for 6 hours, training.

100%

### Head of Corporate Governance and Board of Directors:

Responsible for the arrangement of the board meeting schedule and agenda. When we provide various proposals and report materials to the board members, we will review the content of the report in advance and provide sufficient information. Planning for directors' training, information provision during or outside board meetings, and regular and irregular information reports to directors, etc. Regarding the operation of the board of directors and issues related to corporate governance, the corporate governance supervisors can properly assume their due responsibilities.

Corporate Governance Executive Training Information and Corporate Governance Operation Information: <https://www.kseco.com.tw/upload/17/2022122811175441205.pdf>

### Operation of the Board of Directors in 2022

GRI 2-15 · 2-16

In 2022, the board of directors held 6 meetings [A], and the attendance of directors is as follows:

2 meetings will be held from January to June 2022, and 4 meetings will be held from July to December.

job title	gender	Name	Actual attendance (B)	Delegated to attend	Actual attendance rate (%) 【B/A】	Remark
Chairman of the board	Man ♂	Ch'uan Fu Representative: Chen ,huang-ming	5	0	83.33%	
Director	Man ♂	Ch'uan Fu Representative: Chiang,chi-ching	6	0	100%	
Director	woman ♀	Ju hsiang Representative: Li, shu-hsü	6	0	100%	
Director	Man ♂	Ju hsiang Representative: P'an,kuan-ju	6	0	100%	

Continued from previous page

job title	gender	Name	Actual attendance (B)	Delegated to attend	Actual attendance rate (%) 【B/A】	Remark
Independent director	Man ♂	Chen, chin- yueh	6	0	100%	Renew
Independent director	Man ♂	Tu,yi- yang	6	0	100%	Renew
Independent director	Man ♂	Ts'ai,lien-shêng	2	0	100%	2022.06.30 Resignation

Other matters: There will be a total of 6 meetings in 2022, with a total of 29 topics, and there are no major events that affect the company's operations.

1.If the operation of the board of directors falls under any of the following circumstances, the date of the board of directors, the period, the content of the proposals, the opinions of all independent directors and the company's handling of the opinions of the independent directors shall be stated:

- (1)Matters listed in Article 14-3 of the Securities and Exchange Act: Please refer to our website - Board of Directors Operations and Resolutions (<https://www.kseco.com.tw/tc/finance2.aspx>)  
(2)Except for the above-mentioned matters, other resolutions of the board of directors meeting with objections or reservations of independent directors and records or written statements: None.

2.Execution of directors' recusal of interest proposals:

- 2022.03.29 Proposal six of the First Board of Directors of the 27th Session in 2022  
2022.03.29 Proposal seven of the First Board of Directors of the 27th Session in 2022  
2022.12.27 Proposal five of the sixth Board of Directors of the 27th Session in 2022  
Please refer to the company's website for the implementation of the above resolutions - Board of Directors Operation and Resolutions (<https://www.kseco.com.tw/tc/finance2.aspx>)

3.OTC listed companies should disclose the evaluation cycle and period, evaluation scope, method and evaluation content of the board of directors' self (or peers) evaluation, please refer to P33 "Execution of Board Evaluation" .

4.Evaluation of the goals and implementation of the current year and the most recent year to strengthen the functions of the board of directors:

The company formulated the Code of Practice for Corporate Governance in September 2014, the board of directors passed the sixth revision on December 28, 2021, and the board of directors passed the eighth revision on December 27, 2022. In 2022, 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-evaluation of directors and performance evaluation of the board of directors as the basis for performance evaluation of the board of directors, and conduct review and improvement. All directors and independent directors in 2022 will be completed. 6 hours of refresher hours to strengthen board functions. For information on corporate governance operations, please refer to the information disclosure on the company's official website : <https://www.kseco.com.tw/upload/17/2022122811175441205.pdf>

## Implementation of the Board of Directors Evaluation in 2022

GRI 2-18

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, 2022-December 31, 2022



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 functioning well, but individual directors can be further strengthened in the evaluation of corporate risk management and the professional development of directors' training courses.

Improvement plan:

- (1) Strengthen individual directors' assessment of the company's risk management and potential risks.
- (2) Improve the professional development of individual directors' training courses.

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 evaluation items of "directors' attendance at the shareholders' meeting" of the degree of participation in the company's operations and the "continuous professional development plan for director training" of the selection and continuous training of directors need to be strengthened.

Improvement plan:

- (1) Invite directors/independent directors to cooperate in attending the shareholders' meeting.
- (2) Directors will be arranged to participate in continuous professional development.

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 functioning well. However, the "accurate assessment and supervision of various risks existing or potential in the company" of the participation in the company's operations and the decision-making quality of the functional committee "the information provided by the company to the committee is complete, timely, and of a certain quality, so that the audit committee can perform smoothly. Its responsibilities..." 2 items, and need to be further strengthened.

Improvement plan:

- (1) Strengthen the timeliness of providing information related to functional committee meetings.
- (2) Strengthen the supervision and assessment of various potential risks of the company by the functional committee.

## Diversification of the Board of Directors

GRI 2-17

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.

Achievement of the overall capability and diversity of the board of directors :

Diversity project Director Name	gender	Country of Citizenship	age			Management	leadership decision	Industry knowledge					Financial Accounting	crisis management	international view market view
			4150	5160	7180			construction industry	communication network	textile	Development and construction	Biotechnology Medical			
Chen , huang -ming	Men	ROC			●	●	●	●				●		●	●
Chiang ,chi- ching	Men	ROC		●		●	●	●				●	●	●	●
Li, shu- hsü	wo man	ROC		●		●	●	●				●		●	●
P'an, kuan-ju	Men	ROC	●			●	●	●				●			●
Ts'ai, li en- shêng 2022.06.30 Resignation	Men	ROC			●	●	●	●		●		●	●	●	●
Tu, yi- yang	Men	ROC		●		●	●	●				●	●	●	●
Chen, chin- yueh	Men	ROC		●		●	●	●	●			●	●	●	●
Diversity target estimated seats						4	4	4					4	4	4
Achievement (seats)						7	5	7					5	5	7
Achievement rate						100%	100%	100%					100%	100%	100%

## Functional Committee

### Compensation Committee

In 2022, the Remuneration Committee held two meetings [A], and the attendance status is as follows:  
There will be one meeting from January to June in 2022, and one meeting from July to December.

job title	gender	Name	Actual attendance (B)	Delegated to attend	Actual attendance rate (%) 【B/A】	Remark
Independent director	Man ♂	Chen, chin- yueh	2	0	100%	Renew
Independent director	Man ♂	Tu, yi- yang	2	0	100%	Renew
Independent director	Man ♂	Ts'ai, lien- shêng	1	0	100%	2022.06.30 Resignation
member	Man ♂	Chiang, jung -ch'ing	1	0	100%	2022.09.30 new appointment

something else:

1. In 2022, there is no case that the Board of Directors does not adopt or amend the recommendations of the Compensation Committee.
2. In 2022, there are no cases where members of the Salary and Compensation Committee have objections or reservations and have records or written statements.

## Salary policy (The link between compensation and sustainable performance)

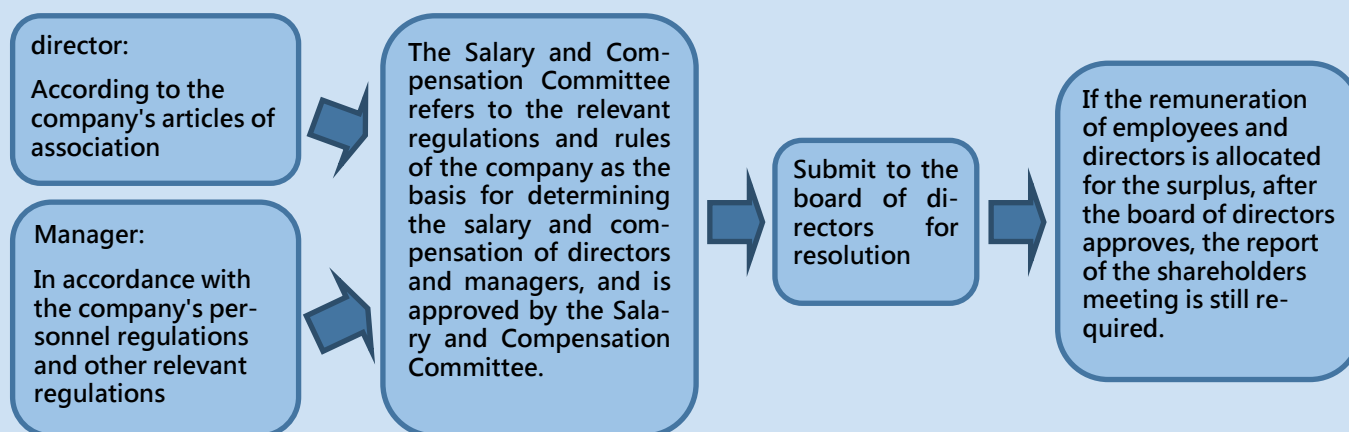
GRI 2-19 · 2-20

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 procedure for setting remuneration is based on the Company's "Performance Evaluation Method of the Board of Directors and Functional Committees" and the Company's personnel assessment related methods as the basis for the evaluation of directors and managers. The environmental performance, future risks of the industry and the development trend of operation, and also refer to the individual's performance achievement rate, investment time, responsibilities and contribution to the company's performance, and give reasonable remuneration. The Remuneration Committee and the Board of Directors review and review the remuneration system at any time in accordance with the actual operating conditions and relevant laws and regulations, so as to balance 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

GRI 102-25

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 2022, the Audit Committee held 5 meetings [A]. The attendance and annual work priorities are as follows:

There will be 2 meetings from January to June 2022, and 3 meetings from July to December 2022.

job title	gender	name	Actual attendance (B)	Delegated to attend	Actual attendance rate (%) 【B/A】	Remark
Independent director	man ♂	Chen, chin- yueh	5	0	100%	Renew
Independent director	man ♂	Tu,yi- yang	5	0	100%	Renew
Independent director	man ♂	Ts'ai,lien-shêng	2	0	100%	2022.06.30 Resignation

something else:

1. In 2022, matters that have not been approved by the Audit Committee and have been approved by more than two-thirds of all directors: none.

2. In 2022, the implementation situation of independent directors' withdrawal of interest-related proposals (should state the name of independent directors, the content of the proposal, the reasons for the withdrawal of interests, and the circumstances of participating in voting): 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
3/29	The financial report is approved by the Audit Committee, submitted to the Board of Directors for approval and the report is completed. To assess the effectiveness of the internal control system, pass the	The independent director/audit committee has no opinion.
5/11	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.
8/11	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.
11/10	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.

In addition, before the audit committee meeting on August 11, 2022, accountants and independent directors will hold separate symposiums to discuss revenue status, status of various projects, current litigation status, and self-compiled financial reports. In this symposium, the independent directors had no objection, and the communication was good.

4. Communication between independent directors and the internal audit supervisor:

Communication dates in 2022: In addition to each board meeting (a total of 5 meetings in 2022), interviews will be held on the following dates.

On 12/27, the audit conducted a separate interview with the independent directors, the contents of which are as follows:

(1) Integrating the audit report business for the first to fourth quarters (January to December) of 2022.

(2) Report to the independent director that the 2022 annual audit business has been completed in accordance with the annual audit plan, and submit the 2023 annual audit plan for review by the board of directors in accordance with the provisions of the internal control system processing guidelines.

(3) At present, the self-assessment of various departments in 2022 has begun. The entire work schedule is expected to be completed by the end of February 2023, and the internal control statement will be issued in March.

Execution situation: The independent director has no objection, and the audit continues to be carried out in accordance with the norms.

## 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.

Main Duties of the Audit Office	Execution matters
<ul style="list-style-type: none"> <li>◆Check and evaluate the company's budget, finance, business, operating performance, various management systems and internal control systems.</li> <li>◆Promptly provide suggestions for improvement at the management level 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.</li> <li>◆Assist the management to fulfill its responsibilities.</li> </ul>	<ul style="list-style-type: none"> <li>◆Annual audits are carried out in accordance with the regulations of the competent authority and the annual audit plan.</li> <li>◆Issuing an audit report and continuously tracking the improvement situation.</li> <li>◆Audit each department and subsidiary's annual internal control self-assessment.</li> <li>◆Promotion, formulation, addition and implementation of the company's internal control and internal audit systems.</li> <li>◆Communicate with independent directors and report to the Audit Committee and the Board of Directors.</li> <li>◆Assist the management to fulfill its responsibilities.</li> </ul>

### Review of Sustainability Report

Under the financial management system in the internal control system, the company has established "financial and non-financial information management operations" to incorporate the sustainability report into internal audit and management, except for internal verification of the correctness of the content after the report is compiled In addition, the annual inspection report is declared at the Public Information Observatory and the implementation of the disclosure on the company website.

### Prevent insider trading

In order to establish a good internal information processing and disclosure mechanism of the Group, avoid improper leakage of information, ensure the consistency and correctness of information published to the outside world, and strengthen the prevention of insider transactions, the "Management System for Prevention of Insider Transactions" has been formulated for compliance.

### Executive focus and management performance

Executive focus	Estimated number of times in 2022	Actual numbers in 2022	reach ✓; unaccomplished ✗	Reason not reached
Shareholding change notification (every month)	12 次	12 次	✓	NA
Education and training (education and training to prevent insider trading at least once a year)	1 次	1 次	✓	NA

## Pay tax

Industry and Information Engineering has always paid taxes honestly to the State Administration of Taxation and the Tax Collection Office, and related matters related to taxation are handled and managed by the Finance Department. The total amount of tax paid in 2022 is NT\$16,911,885 (including various taxes, business tax, and business tax), accounting for 0.37% of revenue. There is little risk to the company in terms of taxation.

category	illustrate	Amount (NTD/ Yuan)
business tax	January-December 2022	5,278,377
Profitable Enterprise Income Tax	2022 tax payable	1,389,097
Various taxes	2022 Stamp Duty, License Tax, House Tax, Motor Fuel Tax, Land Value Tax	10,244,411
total		16,911,885
2022 revenue		4,625,514,006
% of revenue		0.37%

GRI 207

## Construction period progress

major concerns 6 Non-GRI indicators correspond to SDGs:



### Achievement of important goals



There are seven projects under construction in 2022. The progress of each project is as follows:

project name	2022 target progress	Actual progress in 2022	reach ✓; unaccomplished ✗	Reasons and measures not achieved
Tamjiang Bridge and its connecting road 5K+000~7K+035 new construction	37.11%	37.12%	✓	NA
S07, S08 Revetment and Rear Line Embankment Construction Project of Taipei Port South Wharf	100.00%	100.00%	✓	NA
Emergency dredging works for existing inlet bays of Tai Tam Power Plant	100.00%	100.00%	✓	NA
Taichung Power Plant's new gas-fired unit plans to recycle water pumping machine room and underdrain construction	19.83%	19.84%	✓	NA
Public facilities and permanent revetment and S04~S05 wharf project of Taipei Gangnan Wharf reclamation area	0.45%	3.50%	✓	NA
Reconstruction Project of Papaya Creek Bridge 212K+800~214K+685 on Line 9 of Taiwan	45.33%	46.24%	✓	NA
C031 Acting for Taiwan Railway Nanping to Wanrong Double Track Civil Engineering and Tram Line Project	100.00%	100.00%	✓	NA

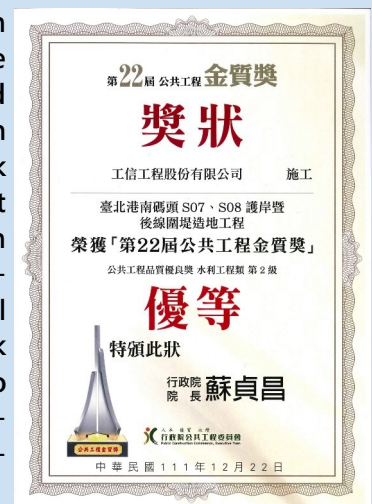
### Executive focus and management performance



Executive focus	Projected number of meetings in 2022	Actual number of meetings in 2022	reach ✓; unaccomplished ✗	Reason not reached	Action plan not reached
Monthly review meeting on progress of construction in progress	12 frequency	12 frequency	✓	NA	NA
Auditing room listing and tracking matters	100%	100%	✓	NA	NA

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.

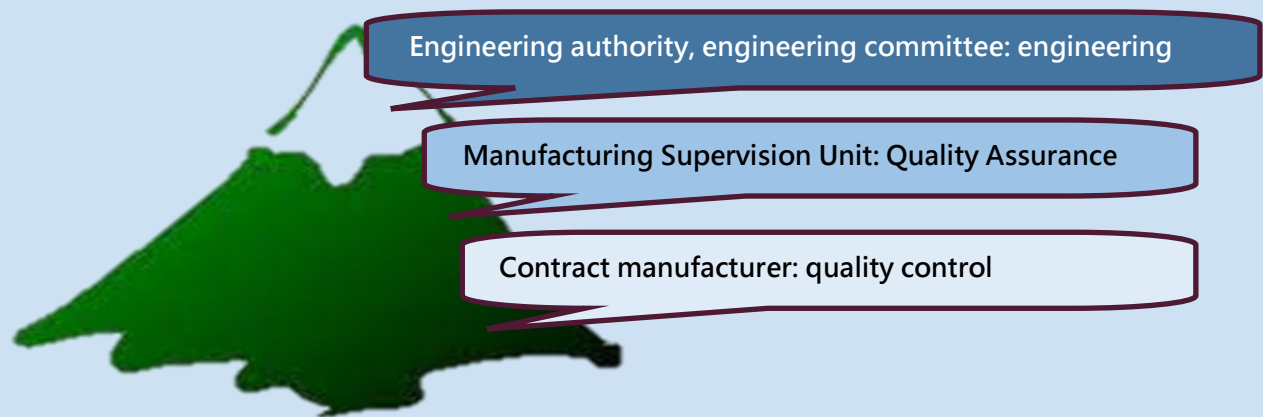




# Construction quality

major concerns 2 Non-GRI indicators correspond to SDGs:

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



## Achievement of important goals

There are a total of seven projects under construction in 2021. According to the requirements of the project contract, the situation of setting up quality control personnel is as follows:

project name	2022 target number	Actual headcount in 2022	reach ✓; unaccomplished ✗	Reasons and measures not achieved
Tamjiang Bridge and its connecting road 5K+000~7K+035 new construction	5	5	✓	NA
S07, S08 Revetment and Rear Line Embankment Construction Project of Taipei Port South Wharf	2	2	✓	NA
Emergency dredging works for existing inlet bays of Tai Tam Power Plant	2	2	✓	NA
Taichung Power Plant's new gas-fired unit plans to recycle water pumping machine room and underdrain construction	3	3	✓	NA
Public facilities and permanent revetment and S04~S05 wharf project of Taipei Gangnan Wharf reclamation area	2	2	✓	NA
Reconstruction Project of Papaya Creek Bridge 212K+800~214K+685 on Line 9 of Taiwan	3	3	✓	NA
C031 Acting for Taiwan Railway Nanping to Wanrong Double Track Civil Engineering and Tram Line Project	2	2	✓	NA

## Executive focus and management performance

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

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

Execution of controls in accordance with self-inspection procedures

Unqualified construction

Material/Equipment Sub-standard

After the unqualified construction occurs, it needs to be improved, and after filling out the relevant form, repeat the inspection until the improvement is qualified.

After the unqualified material/equipment occurs, immediately return the material and fill in the relevant form, and repeat the inspection until the incoming material is qualified.



Education Training

In 2022, the education and training of 3 quality control personnel will be completed.

The site where the trainee is located	number of people	During class	Get a license ✓; not licensed ✗	Reasons and measures for not obtaining a license
Tamjiang Bridge and its connecting road 5K+000~7K+035 new construction	1	2022.6.11-2022.6.28	✓	NA
Public facilities and permanent revetment and S04~S05 wharf project of Taipei Gangnan Wharf reclamation area	1	2022.9.17-2022.10.02	✓	NA
C031 Acting for Taiwan Railway Nanping to Wanrong Double Track Civil Engineering and Tram Line Project	1	2022.8.06-2022.8.21	✓	NA

The quality of the project will be affirmed in 2022

With the cooperation and efforts of the company's engineering team and cooperators, the company's construction quality will be affirmed in 2022!

獲獎工程	獎項	照片
S07, S08 Revetment and Rear Line Embankment Construction Project of Taipei Port South Wharf	The 22nd Public Works Gold Award of the Public Works Committee - Excellent in Water Conservancy Engineering	
	Ministry of Communications Public Engineering Excellence Award	
C811Z Chaozhou Fangliao Section Civil Engineering and General Electrical and Mechanical Engineering(2021.12.31 Completion, 2022 acceptance)	Engineering Excellence Award of Chinese Society of Engineers	



- CNS 45001 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

矯正預防措施統計表

項次	施作工項	不合格情形之主要項目	改善結果
1	方塊回收	現有A填區臨時圍堤 TAOK+526~586段發生方塊崩塌現象。	1. 將落海之方塊回收 2. 確認方塊海側塊石回收作業區域深度並確實控管回收位置及深度，避免發生覆土不足情事發生。 3. 新設護岸未完成前，護岸前緣3m內基礎必須保留，以防波浪淘刷。
2	地工織物(濾布)	地工織物(濾布)未依規範施作， 搭接施工未達100cm以上	1. 將地工織物(濾布)重新鋪設，並確認長度達100cm以上。 2. 現場工程師應於施作時確實督導作業人員依規定施作。
3	方塊吊排	新設B填區臨時護岸方塊吊排偏離法線(縱向邊緣)超過契約規定正負許可差±10cm。	1. 將方塊吊排，重新進行水下調整，確認法線控制線無誤後，重新進行方塊吊排，至符合規範要求。 2. 確認水下平整度正確無誤後在進行後續作業，方塊吊排時使用經總機照準並指揮施工人員，依法線方向進行吊放避免位置偏差超過規範值要求。
4	造地填築區	加速造地填築區於新設B填區臨時護岸旁回填土有局部下陷情事(詳附件)。	1. 派員將下陷區域以挖土機挖開，經開挖察看後並無回填土洩空情事，研判為海浪過大沖刷表面回填土造成凹洞。 2. 派員重新鋪設地工織物(濾布)及進行土方回填。
5	污濁防止膜	污濁防止膜設置長度不足，未將浚挖區域與周圍水域隔離。	1. 已補足污濁防止膜，將浚挖區與相鄰海水區域隔離避免污染周圍海域。 2. 施工所將定時巡查如發現有破損、遺失等情事發生時，立即修復。





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 consolidated turnover in 2021 is lower than that in 2020, mainly due to the recognition of revenue from the sale of land inventories by subsidiaries in 2020, so the market share in 2020 is also higher.



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

In 2023, the government will continue to promote forward-looking infrastructure construction in order to activate economic innovation and growth momentum, and promote "six core strategic industries" on the basis of "five plus two" industrial innovations, and build Taiwan into an advanced semiconductor manufacturing process, Asian high-end manufacturing, green Energy development and high-tech research and development centers, and the construction of a complete supply chain have made Taiwan a key player in the global economy. And actively strive to join the regional economic integration, negotiate and sign bilateral economic and trade agreements; continue to promote the "New Southbound Policy", explore potential markets, and guide the industrial layout to expand global business opportunities.

A total of NT\$597.2 billion is budgeted for government public construction plans in 2023, an increase of NT\$137.6 billion compared to the same basic budget of NT\$459.6 billion in 2022. Among them, the three sub-categories of "transportation and construction", "environmental resources" and "urban and regional development", which belong to the scope of contracting by the construction industry, have a total of NT\$254.2 billion, and the most important category of transportation construction has NT\$162.7 billion Yuan.

In 2023, we will still focus on public works such as roads, rail transportation, bridges, tunnels and ports as the main tracking 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

## 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 subsidy from the government in 2022: None.

GRI 201-4

## Financial Information

In 2022, our individual revenue will be NT\$4.625 billion and the consolidated group revenue will be NT\$4.626 billion. The main project income is: the new construction of Tamjiang Bridge and its connecting road 5K+000~7K+035, Public facilities and permanent revetment and S04~S05 wharf project of Taipei Gangnan Wharf reclamation area, Taipei Gangnan Wharf S07, S08 revetment and rear line embankment construction, C031 agency Taiwan Railway Nanping-Wangrong double-track civil engineering and tram line project, the emergency dredging project of the existing inlet bay of the Taichung Power Plant, the planned circulating water pumping machine room and the underdrain construction of the Taichung Power Plant's new gas generating unit, and the 212K+800 Taichung Line 9 ~214K+685 Papaya Creek Bridge Reconstruction Project.

Our main expenses are engineering costs and labor expenses. (For details of financial information, please refer to the quarterly financial reports published by the Company on a regular basis).

### Achievement of important goals



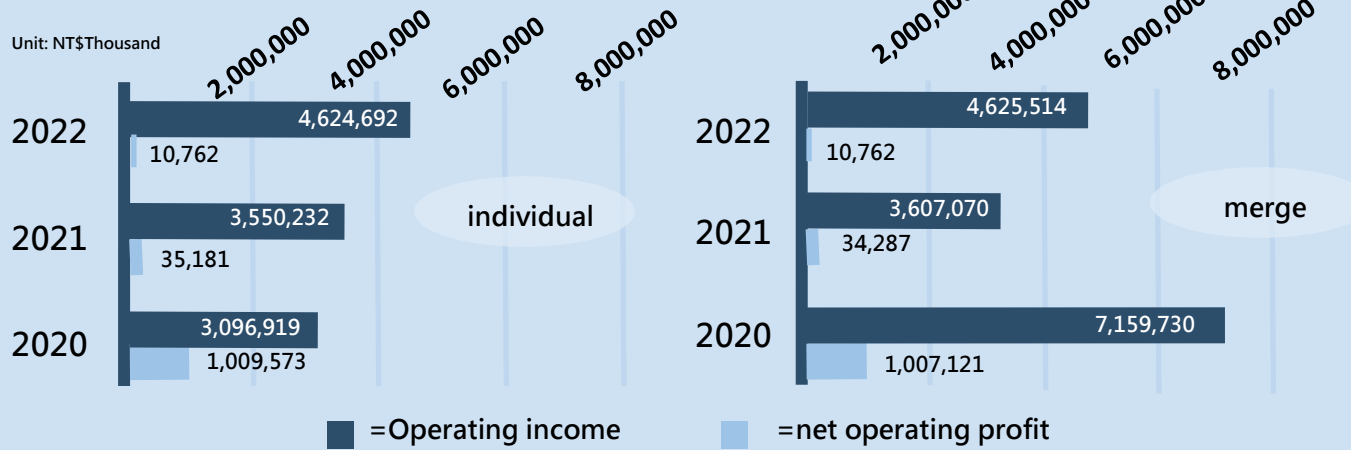
As of 2022.12.31, the total transaction price of outstanding performance obligations is NT\$15,077,210 (thousands)



Company website financial report announcement information

Operational goals	2022 goals	Actual profit in 2022	reach ✓; unaccomplished ✗	Reason not reached	Action plan not reached
Operating net profit (individual financial report)	maintain positive profits	10,762(thousand )	✓	NA	NA
Operating Net Profit (Consolidated Financial Statements)	maintain positive profits	10,762(thousand )	✓	NA	NA

### Revenue and profitability



### Executive focus and management performance

Executive focus	Projected number of meetings in 2022	Actual number of meetings in 2022	reach ✓; unaccomplished ✗	Reason not reached	Action plan not reached
Monthly review meeting on cost control of construction in progress	12 frequency	12 frequency	✓	NA	NA
Auditing room listing and tracking matters	100%	100%	✓	NA	NA

Report the market conditions of bulk materials (steel bars, steel plates, copper, etc.) weekly, report bulk material control tables every month, and hold monthly control meetings on the implementation of each site project and cost control to master costs.

The various management and control forms are indeed filled out, tracked by the audit office, and audit operations are carried out on a regular basis.

## 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, cooperating with financial planning, and under the premise of the company's sustainable operation and stable development, and the maximum protection of shareholders' rights and interests. In 2022, considering that the surplus is too small, and a number of major public projects are being carried out one after another, there is a strong demand for funds, so it is not planned to distribute cash dividends and stock dividends.

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	2020	2021	2022(Note)
Dividend distribution	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.	0 (Considering that the surplus is too small, it is planned not to distribute dividends to shareholders)	0 (Considering that the surplus is too small, it is planned not to distribute dividends to shareholders)
Remuneration of employees and directors	NT\$ 25,529,178 NT\$ 21,274,315 All paid in cash	NT\$ 2,484,857 NT\$ 1,242,428 All paid in cash	NT\$ 3,042,725 paid in cash NT\$ 0

\*Note: The case will be reported at the general meeting of shareholders on June 27, 2023.

# Supply chain management

major concerns

1  
3  
6

Corresponding



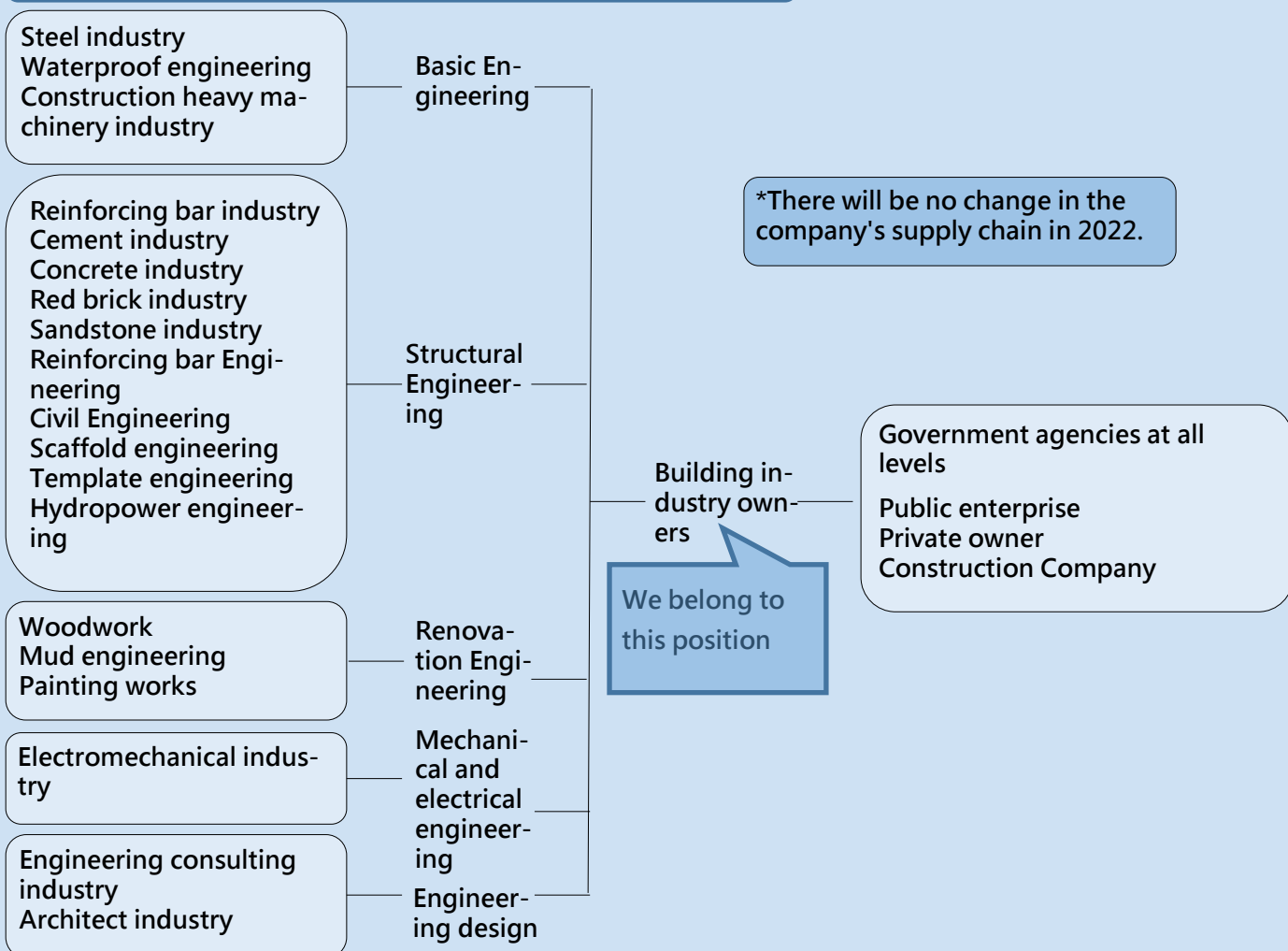
GRI 2-6 · 204 · 308 · 407 · 414

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.

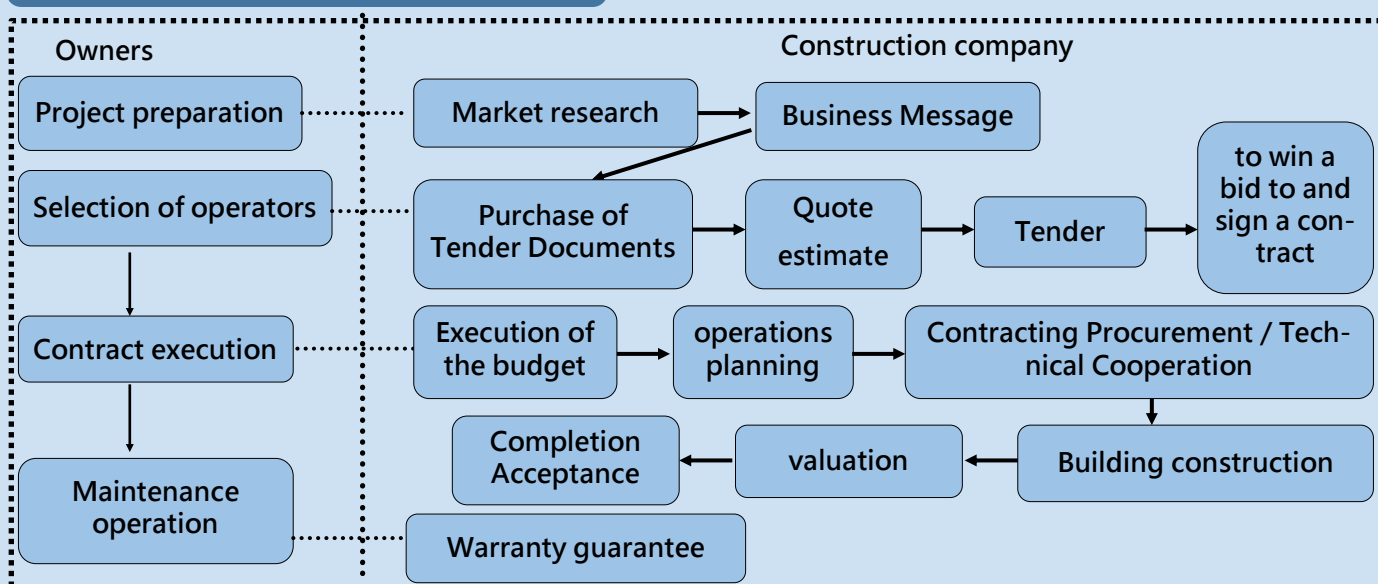
## The supply chain of the construction industry



GRI 2-6



## Supply chain operation process



Operating Sustainable

Corporate Governance

Environmental protection

Happy workplace and social integration

## 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/Partner Management

Corresponding SDGs:



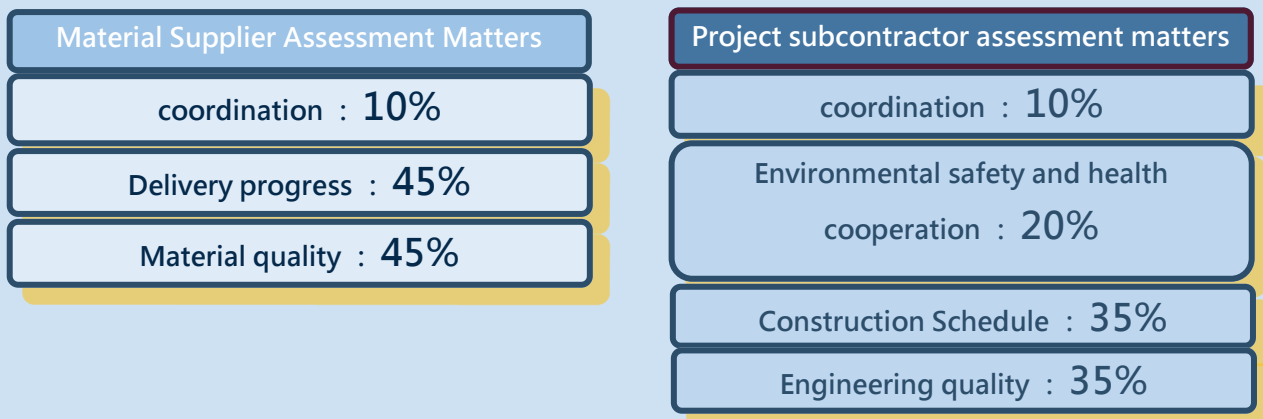
GRI 204 · 308 · 414

### Achievement of important goals

Target	2022 goals	Actual achievement in	reach ✓ ; unaccomplished ✗	Reason not reached	Action plan not reached
Adopt domestic manufacturer ratio	90%	97.5%	✓	NA	NA
Qualification rate of supplier/partner evaluation (above 60 points)	100%	100%	✓	NA	NA
Supplier/partner evaluation score of 90 or more	70%	55%	✗	This year, as the project entered the mid-term stage, suppliers/partners increased significantly, and about 94% of the evaluation scores were above 80 points.	Strengthen the coordination of various assessment items for manufacturers who have reached 80 points in the assessment, so as to improve their performance.
Sign Occupational Safety and Environmental Protection Receipt with New Supplier/Partner	100%	100%	✓	NA	NA
Environmental and Social Responsibility Letters Signed by Environmental New Suppliers/Partners	100%	100%	✓	NA	NA
Comply with the company's integrity management poli-	100%	100%	✓	NA	NA

In the management of material suppliers, in addition to conducting market research and supplier credit investigation in accordance with the specifications, the purchasing unit shall log in the "Supplier Supplier Registration Card" for reference. And it is strictly stipulated that if the price of the same goods or services is higher than that of other manufacturers, delayed delivery or completion, poor quality of delivery, or other things that are enough to damage the company's rights and interests, the long-term cooperative relationship will be cancelled, and other qualified suppliers will be found. . In the management of subcontractors, market surveys, manufacturers' credit investigations, etc. are conducted in accordance with regulations to obtain information, and they are qualified in accordance with the company's regulations in conjunction with relevant units. Subcontractors who have awarded contracts for a certain amount or more will be registered in the "Project Subcontractor Registration Card" and "Project Subcontractor List", and will be assessed according to the company's regulations, and unqualified subcontractors will be eliminated.

We regularly evaluate third-party manufacturers, and we have set up "Material Supplier Evaluation Data Sheet" and "Engineering Subcontractor Evaluation Data Sheet". The assessment items are as follows:



Scoring based on the above percentages, in 2022, the company has no third parties whose scores are below 60 points to be eliminated, but only three third parties whose evaluation scores are 60-69 points, and all aspects need to be further strengthened.

In 2022, the company's supply chain will have no negative impact on the environment and society.

# 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 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 information 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 form with detailed text and checkboxes.

Environment and Social Responsibility Statement form with detailed text and checkboxes.

Environment and Social Responsibility Statement form with detailed text and checkboxes.

Integrity Management Policy form with detailed text and checkboxes.

● 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.

● Environment 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: The company's contracting partners should cooperate with the company's integrity management policy.

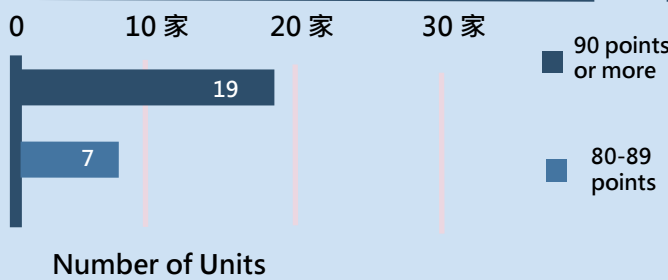


## Evaluation results of material suppliers and engineering subcontractors

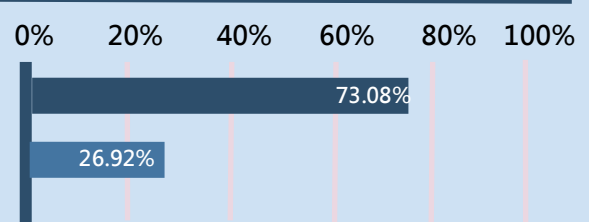
We conduct annual manufacturer evaluation at the end of each year. In 2022, a total of 120 material suppliers and engineering subcontractors will be evaluated (65 in 2021). Compared with 2021, there will be an increase of 55 third-party manufacturers in 2022. The main reason is that some projects have entered the middle stage, the work area has increased, and the construction sites in Huadong and Taichung areas have been introduced to local third-party manufacturers, so the number of third-party suppliers has increased significantly.

In 2022, there will be 3 engineering subcontractors whose assessment scores fall between 60 and 69 points. This year, the cooperation degree of the engineering subcontractors with lower assessment scores will be more strictly examined in all aspects, and the improvement will be strengthened to protect the overall performance. Construction quality.

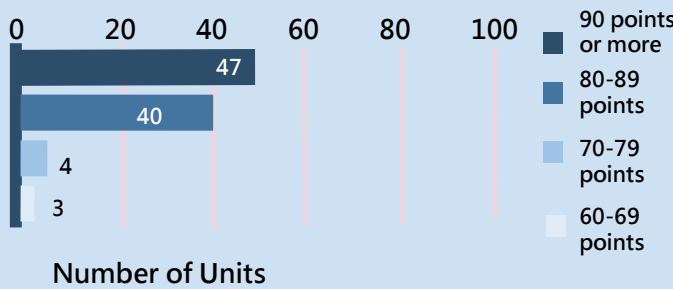
Distribution of material supplier evaluation results



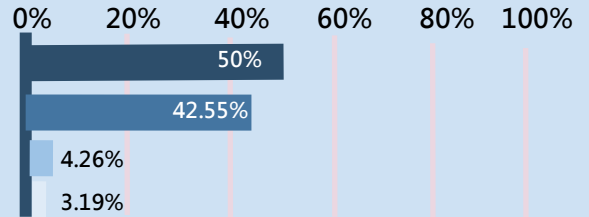
Material supplier evaluation score ratio



Project subcontractor assessment items



Project subcontractor evaluation performance

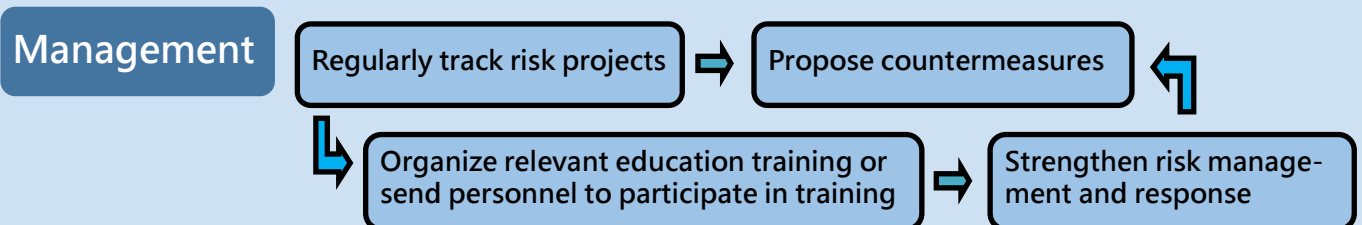


## Risk management

major concerns 9 Corresponding SDGs:     GRI 201-2

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!

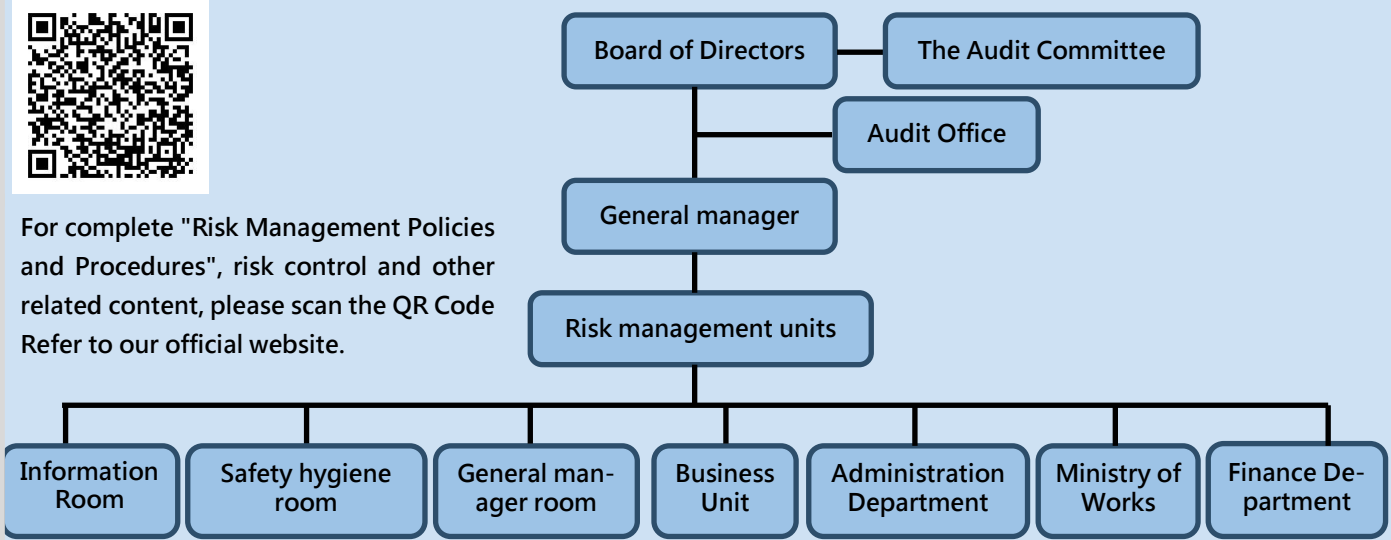
We have formulated the "Risk Management Policies and Procedures" to establish an overall risk management system. Our board of directors, audit committee, general manager, audit office, and risk management units jointly promote the implementation.



# 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.

## Financial Impact of TCFD Climate



GRI 201-2

The ESG work promotion team composed of senior executives from various departments of the company identified 4 physical risks, 5 transformation risks and 7 opportunities, and then distinguished short, medium and long-term time frames, as well as the possibility of occurrence and the degree of financial impact. There are three levels of low, medium and high. When bidding for a project, the risk factors of the location of the project will also be considered.

Risk type	Project	Time limit	Likelihood of occurrence	degree of financial impact	Impact on the company
Entity risk	Operation interruption or loss caused by extreme weather events (such as typhoon/flood and drought)	short term	Low	Low	Low
	water shortage	Long term	Low	Low	Low
	Mandatory water saving efficiency, recycling and other standard requirements	Long term	middle	middle	middle
	Global Warming Causes Increased Water and Electricity Consumption, Worker Heat Injury	Long term	middle	middle	middle
Transformation risk	Total greenhouse gas control and carbon tax, carbon fee	short term	high	high	high
	Increased regulations related to renewable energy	short term	high	high	high
	Uncertainty in the development of energy saving and carbon reduction construction technology	medium and long term	middle	middle	middle
	Increased use of renewable energy equipment	medium and long term	high	Low	Low
	Environmental Assessment Commitments and Voluntary Agreements	short, medium and long term	middle	Low	Low

Opportunity type	項目	時間範圍	發生可能性程度	財務影響程度	對公司衝擊程度
Resources and Energy	Reduce paper usage	short term	Low	Low	Low
	Energy-saving buildings used in construction	medium and long term	middle	middle	middle
	Use low-carbon energy	Long term	Low	Low	Low
Market	Increased public sector incentives	medium and long term	high	Low	middle
	Become a green supply chain, gain exposure and probability of winning bids	medium and long term	middle	high	high
Reputation/ Resilience	Enhance corporate reputation	medium and long term	high	high	high
	Improving climate adaptation and emergency response capabilities	medium and long term	middle	middle	middle



The ESG work promotion team composed of senior executives from various departments of the company discusses coping strategies based on the types of risks and opportunities identified.

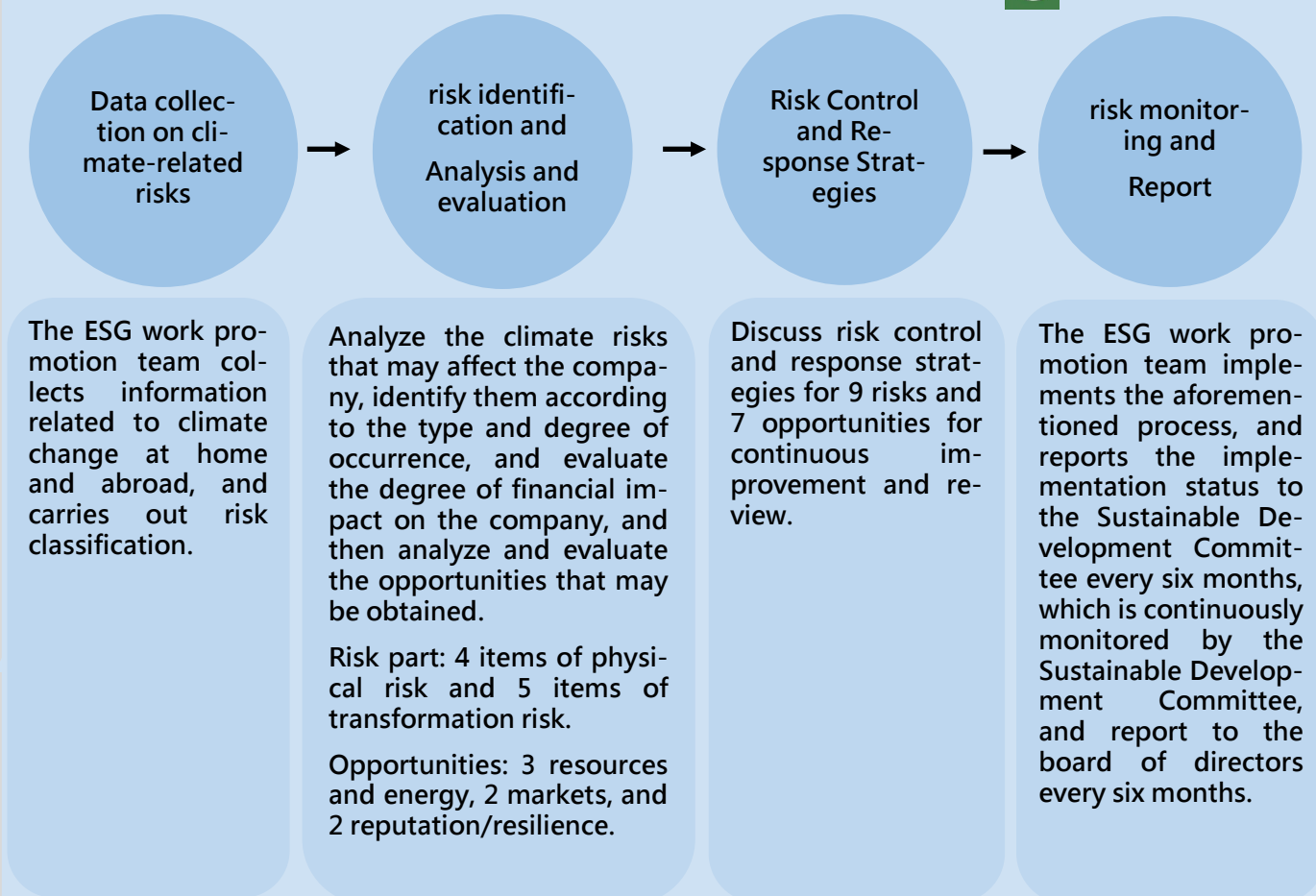
Risk type	Project	Risk Statement/ potential financial impact	Coping strategy
Entity risk	Operation interruption or loss caused by extreme weather events (such as typhoon/flood and drought)	1.Affect employees' work (Wei Health, Security, Absence). 2.affect the progress of the project. 3.Property values fall.	Draw up contingency plans for typhoon and flood prevention and other emergency disasters (possible situations and handling measures).  Set up an emergency disaster response team for typhoon prevention and flood control (organization and bookkeeping of various task personnel and arrangement of day and night shift schedules).  Establish a disaster notification and emergency response process for typhoon prevention and flood prevention (emergency disaster and accident notification telephones and windows of each unit)  Regularly conduct drills and training for emergency disaster response such as typhoon prevention and flood prevention.
	water shortage	Operating costs increased.	Set up rainwater collection and recycling facilities on the roofs of offices and dormitories.  Set up groundwater collection and recovery facilities for excavation and dewatering operations on the construction site.
	Mandatory water saving efficiency, recycling and other standard requirements	Operating costs increased.	Set up shower facilities with water-saving motors, spray faucets and shower heads.  The rainwater and groundwater are collected and filtered for reuse.  Waste water collection and recycling facilities for bathrooms and washing equipment are filtered for reuse.
	Global Warming Causes Increased Water and Electricity Consumption, Worker Heat Injury	Operating costs increased.	Use energy-saving LED light bulbs and energy-saving air-conditioning equipment.  The sprinkler system is installed on the roof of the office and dormitory, and the indoor air conditioner is equipped with an electric fan to reduce the indoor temperature.  Solar energy storage equipment is used for the lighting of the outdoor passageway on the construction site.  Set up sunshade rest stations at the construction site, provide workers with drinking water and salt tablets, and set up necessary emergency treatment equipment and medicines for heat treatment such as heat-stroke.

Risk type	Project	Risk Statement/ potential financial impact	Coping strategy
Transformation risk	Total greenhouse gas control and carbon tax, carbon fee	The government has proposed a draft amendment to the Greenhouse Gas Reduction and Management Act in 2022. It is expected to achieve the goal of net zero emissions in 2050, and to develop a carbon trading market and carbon fees.	Formulate short-, medium-, and long-term energy-saving and carbon-reduction strategies. It is estimated that in the short term (within 1-3 years), half of official vehicles will be replaced by gasoline-electric hybrid vehicles; in the medium term (3-10 years), all official vehicles will be replaced by gasoline-electric vehicles; 10-25 years) Replace all official vehicles with electric vehicles to achieve the goal of energy saving and carbon reduction.  The company's short-, medium-, and long-term energy-saving and carbon-reduction strategies are included in the subcontracting contract, requiring manufacturers' vehicles and equipment entering and leaving the construction site to comply with the company's energy-saving and carbon-reducing strategies.
	Increased regulations related to renewable energy	Operating costs increased.	The application for the temporary power contract capacity of the construction site is lower than the 800kW (瓩) stipulated in the regulations. If there is any shortage, the application method of zoning shall be adopted; the construction site shall adopt solar power storage equipment as much as possible, such as: warning lights, street lighting, etc.; : Air-conditioning and refrigeration; the machinery and equipment used by the company and subcontractors all use power-saving products.
	Uncertainty in the development of energy saving and carbon reduction construction technology	1. Increased operating costs. 2. Capital expenditure increases.	Use mature energy-saving and carbon-reducing construction technologies, such as replacing temporary RC construction access roads with steel trestles.  Use furnace stone powder to replace a certain proportion of cement in the proportion of concrete.  The cement mortar of the construction masonry project is changed to "ready-mixed mortar"
	Increased use of renewable energy equipment	Increased capital spending.	Use solar energy storage equipment, such as: warning lights, street lighting, etc.
	Environmental Assessment Commitments and Voluntary Agreements	Operating costs increased.	"Environmental Assessment Commitment" is the promise of the owner or builder in the construction industry. The company is the contractor or the contractor must cooperate with the contract requirements to achieve the promise of the above-mentioned owner or builder. The relevant fees must be included in the contract amount of both parties.

Risk type	Project	Risk Statement/ potential financial impact	Coping strategy
Resources and Energy	reduce paper usage	1. Electronic documents, change and enhance the management model, and strengthen information security. 2. Reduced operating costs.	Electronic management, establish an electronic cultural management center, convert original written materials such as contract documents, construction drawings, sending and receiving documents, signatures, inspection and inspection reports into electronic files for construction site personnel and related personnel to use IPAD and other equipment to read online Take, check and check, sign, sign for receipt, sign for, meet and store.
	Energy-saving buildings used in construction	Operating costs are reduced.	Introduce relevant building materials and equipment for energy-saving buildings into building development projects.
	use low-carbon energy	Operating costs are reduced.	Collect, analyze and summarize the carbon energy of various materials and equipment in the construction process through carbon inventory, and then select low-carbon energy materials and equipment.
Market	Increased public sector incentives	Operating costs are reduced.	The construction site and various departments are required to actively participate in various awards and competitions in the public sector.
	Become a green supply chain, gain exposure and probability of winning bids	Revenue increased.	The processes from procurement, construction, safety and sanitation management, and environmental protection are in line with greening. When purchasing, select environmentally friendly raw material suppliers to supply environmentally friendly and energy-saving materials. During the construction process, choose construction equipment and components that are energy-saving, detachable, reusable, long-lived, and recyclable. In terms of safety and health management, avoid or reduce the harm to the human body to the greatest extent, such as: reduce the harm to the human body caused by radiation, noise, abnormal high and low temperature, abnormal air pressure, and harmful solid gas and liquid chemicals. In terms of environmental protection, avoid or reduce environmental pollution to the greatest extent, such as reducing air and water pollution caused by construction
Reputation/ Resilience	Enhance corporate reputation	Revenue increased.	Actively participate in various green supply chain certifications and ISO certifications.
	Improving climate adaptation and emergency response capabilities	1. Lower operating costs Low. 2. Capex minus few.	In view of the impact of various climate anomalies and changing forms on the operation of the project construction process, the impact is classified and classified through risk analysis, and emergency response measures are taken according to the impact situation to reduce losses.

For other TCFD matrix diagrams, strategies and other related content, please refer to our company's TCFD report (click to download)

## Climate risk assessment, identification and management process



## Executive focus and management performance

Executive focus	Estimated number of times in 2022	Actual numbers in 2022	reach ✓; unaccomplished ✗	Reason not reached	Action plan not reached	
Self-checklist for disaster prevention during flood season	According to the typhoon warning or special report of heavy rain issued by the Central Meteorological Bureau, or the owner's request.	13 frequency	✓	NA	NA	
Disaster prevention drill	At least once a year at each site	Each site is different, at least once	✓	NA	NA	
Greenhouse Gas Emission Statistics	once a month	12 frequency	✓	NA	NA	
Information System Upgrade (Public Works System)	1 frequency	1 frequency	✓	NA	NA	
Carbon Inventory Operation (Danjiang Bridge)	Daily record of the mileage or construction hours of the equipment	365 frequency	365 frequency	✓	NA	NA
	Daily record of the number of materials entering the site and the number of use	365 frequency	365 frequency	✓	NA	NA
	Daily record of attendance data of construction workers	365 frequency	365 frequency	✓	NA	NA
	Record the electricity and water consumption of office, dormitory and other	12 frequency	12 frequency	✓	NA	NA



## 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 Coumns
7	construction	A Study on the Shipping and Offshore Hoisting Methods of Steel Bridge Sements
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
12	construction	Research on the formwork of the tower column of the Danjiang Bridge (modeling module)
13	construction	Application and Research of Double Arch Retaining Support

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 GRI 2-25 · 2-26 · 2-27 · 205 · 206

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 GRI 2-25 · 2-26 · 205 · 206

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.
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Education training and contract norms	<p>In order to implement the integrity management, we publicize the company's integrity management policy during the education and training of new personnel. Before cooperating with third-party manufacturers, all assessments including the integrity of the third-party suppliers are firstly evaluated, and the company's integrity management policy is included in the contract when signing the contract, and relevant regulations on integrity are formulated.</p> <p>On November 10, 2022, the integrity management education training was held. The participants included directors/independent directors and company managers. The class lasted for a total of 2 hours. There were 13 people attending this class. The course handouts are published on the EIP of the company's intranet for all employees to download and refer to, so as to achieve the purpose of education and publicity for all employees.</p>
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Set up reporting channels	<p>We have established the "Reporting Measures for Cases of Illegal and Immoral or Dishonest Behavior" and have reporting channels. There is also a contact window for various stakeholders' concerns in the stakeholder area, and a designated person is designated to be responsible. For information on business integrity, please refer to pages P48-50 of the company's annual report, and the investor zone on the company's website - company rules.</p> <p>(Investor zone on our website - QR Code for company regulations)</p> <div style="text-align: right;">  </div>
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anti-corruption	The company has established "risk assessment and preventive measures for dishonest behavior", and conducts self-assessment work for each unit every year. In 2022, the Company and its subsidiaries will conduct 100% corruption risk assessment, and no corruption incident has occurred.
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Anticompetitive, Antitrust and Monopolistic Conduct	<p>The company supports antitrust conduct and complies with antitrust laws.</p> <p>In 2022, the Company has not been involved in any litigation related to anti-competitive behavior and anti-trust and monopoly regulations.</p>
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## Implement information disclosure

In terms of information disclosure, we follow the principles of real-time, openness and transparency, so that investors can immediately grasp the company's information. In addition to explaining the operating status and financial figures at the annual shareholders' meeting, the issues approved by the board of directors are also published on the company's website. In addition to setting up an "Investor Zone" on the company's website to disclose financial and business information such as revenue and major information, there is also a contact window, so that investors can contact our spokesperson by telephone, fax, or email. Get in touch to solve investor problems and needs instantly. At the same time, the public information observatory will regularly and irregularly disclose information in accordance with the norms.

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

In the 8th Corporate Governance Evaluation in 2021, the Securities and Exchange Commission announced that the company's score was 88.39 points, and its score was **21-35%** of all evaluated listed companies.

In the 9th Corporate Governance Evaluation in 2022, the Securities and Exchange Commission announced that the company's score was 91.27 points, and its score was **21-35%** of all evaluated listed companies.

In 2022, the score of the ninth evaluation has improved compared with the previous two years, but the grades are still the same as last year. The main reason is that various listed companies pay more and more attention to improving the evaluation results of corporate governance. We are also actively evaluating the evaluation indicators that have not yet been scored to strengthen corporate governance.

Priority matters and measures to be strengthened in 2023:

Plan to assist shareholders' meetings with video, and plan to establish non-statutory functional committees.

## Regulatory compliance

GRI 102-16

Our general manager's office has dedicated legal personnel to provide legal advice and assistance for each department, and the company and employees of each department are required to abide by the relevant laws and regulations in business. We send staff to receive education and training on the latest laws and regulations every year, obtain the amendments to the latest laws and regulations related to business in real time, and update the company's internal operating standards to ensure compliance with the laws.

### 2022 Negative Message or Incident Response

In 2022, there will be no negative news in the industry and information technology, only the violation of environmental protection and labor safety regulations will be punished, which are disclosed as follows:

	Various regulations	Violations in 2022	Violation of legal provisions	Penalty Amount (NTD)	Our Response (Management Measures)
(G) Governance	Company law related statutes	0	NA	0	NA
	Securities Exchange Act (eg insider trading)	0	NA	0	NA
	Information reporting procedures	0	NA	0	NA
(E) Environmental friendly	Violation of Environmental Regulations - Air Pollution Law	2	Violation of Article 62, Paragraph 1, Subparagraph 4 of the Air Pollution Act, Article 78-1, Paragraph 7 of the Water Conservancy Act, and Article 28, Paragraph 4 of the River Management Act	70,000	Strengthen inspections of material stacking, clean the vehicle paths in the work area immediately, and pay attention to timely evacuation of material facilities during typhoon seasons
(S) society	Human rights and employee rights	0	NA	0	NA
	Occupational Safety and Health Act	Tamkang-1 (us and subcontractors)	Article 27, Item 1 of the Occupational Safety and Health Law, Article 19 of the Standards for Building Safety Facilities, and Article 153 of the Rules for Occupational Safety and Health Facilities.	540,000	Strengthen the safety education and training of construction personnel on the construction site. In addition to the company's employees, the safety and health work of the joint venture is also carefully supervised to avoid hazards.
		Papaya Creek-1(us and subcontractors)		420,000	
Taichung Power Plant-1 (us and subcontractors)		360,000			

# 3、Environmental protection



## Topic of this chapter

Management policy	P61
Regulatory compliance	P63
Energy management	P64
Water resource management	P67
Pollution prevention	P68

## Important issues

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

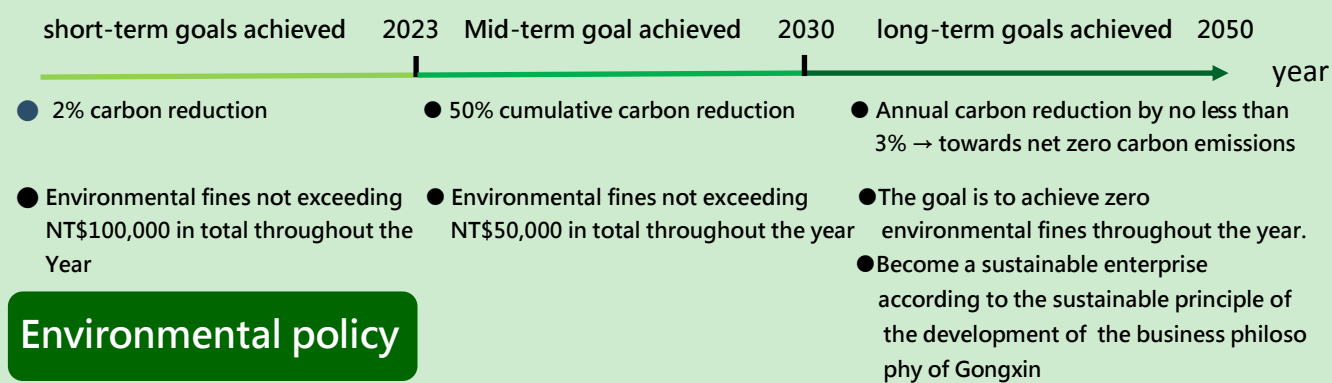
## Highlights in this chapter

- ※ Elected as one of the Top 100 Carbon Competitive Enterprises by Business Weekly.
- ※ Elected by Business Weekly as the second most carbon-reduced company within three years.
- ※ In 2022, the per capita water consumption of industrial and information engineering projects will be reduced by **25.2M<sup>3</sup>** compared with 2021, with a reduction rate of **32.21%**, and compared with the base year (2018), it will be reduced by **73.1M<sup>3</sup>**, with a cumulative reduction rate of **57.96%**.
- ※ C811Z Chaozhou Fangliao section civil engineering and general mechanical and electrical engineering won the "Sustainable Warrior" award from the Railway Bureau of the Ministry of Communications.
- ※ There will be no environmental protection complaints in 2022.

# Management policy

## 3-3 Major Theme Management

Major topics of Environmental protection (in order of importance)	Management purpose	Management methods and effective evaluation mechanism	2023 target (alternate year target)	Medium-term Goal
Environmental protection (including pollution prevention and control), (P68-77)	Friendly environment to avoid environmental damage caused by project construction.	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 improve construction efficiency and quality.	Environmental fines totaling no more than NT\$100,000 throughout the year.	Environmental fines totaling no more than NT\$50,000 throughout the year.
Energy Management (P64-67)	Achieve energy saving and carbon reduction, protect the earth, and effectively save the company's expenses.	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 complies with laws and regulations.	Carbon reduction rate reduced by 40% compared with the base year	Cumulative carbon reduction of 50%.



### 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

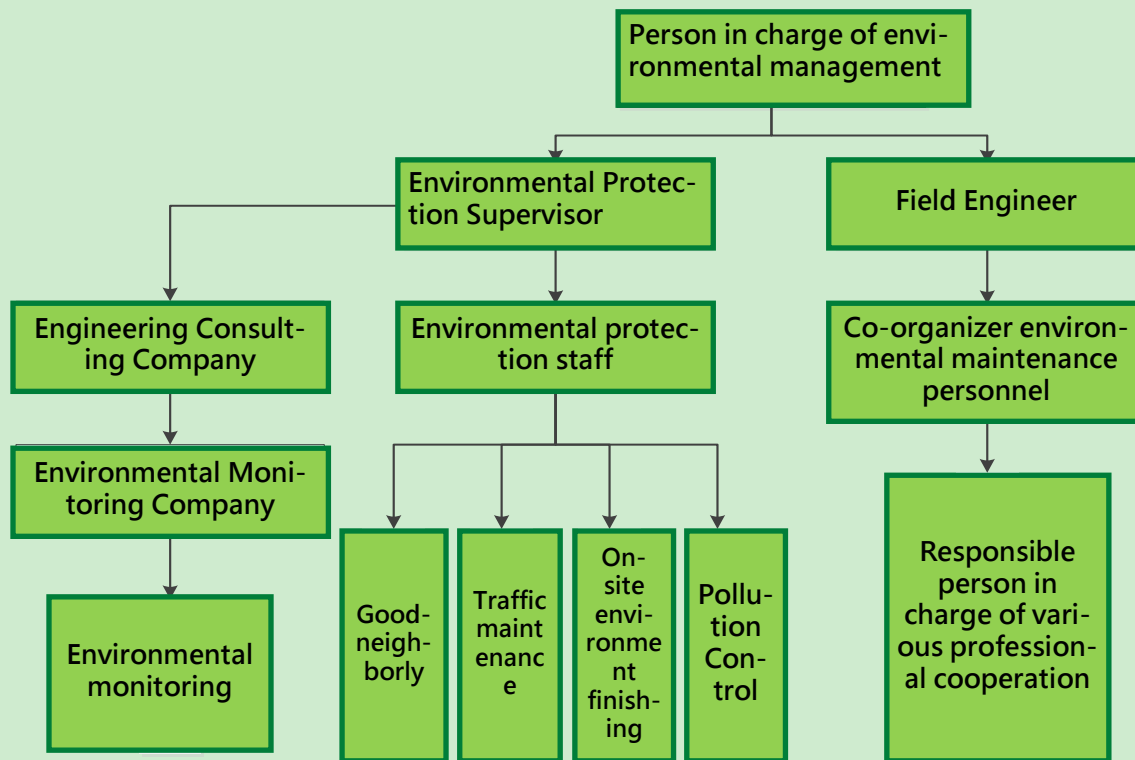
It can be a spontaneous and introspective action.

**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".

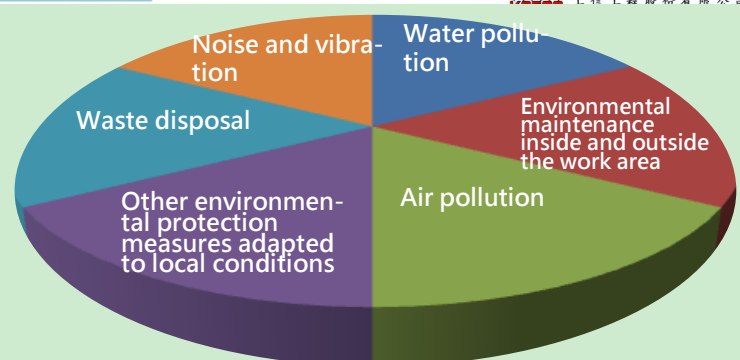
2020/09/24

6S construction environment management

SEIRI, SEITON, SEISO, SEIKETSU, SHITSUKU, Security

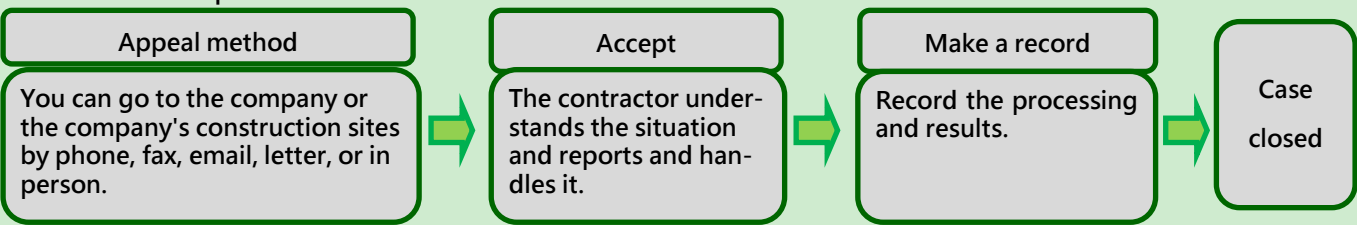
2019/09/12

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 2022.



# 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.

2022 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	2

Nearly three years	2020	2021	2022
The total number of violations of environmental protection laws	5	0	0
Total number of violations of the Air Pollution Act	0	1	1
The total number of violations of the Water Conservancy Law	0	0	1
Subtotal	5	1	2
total fine	36,000	20,000	70,000

We have been making continuous efforts in environmental protection. In addition to using low-noise equipment to carry out work and laying related equipment to improve road pollution, the construction site has also strengthened cleaning to maintain a clean environment, and sprinkled water, covered dust nets, etc. The measures to prevent air pollution are effective, and the fines in 2021 will be lower than in 2020. However, in 2022, due to the material piled up in the work area and the driving path not being cleaned immediately, and 4 hours after the land warning of Typhoon Xuan Nuo was issued Failure to immediately evacuate the material facilities from the river area was punished by the New Taipei City Environmental Protection Bureau and Water Conservancy Bureau.

### Reason for the penalty

### Improvements

2022

The Danjiang Bridge construction site violated Article 62, Paragraph 1, Paragraph 4 of the Air Pollution Law, Article 78-1, Paragraph 7 of the Water Conservancy Law, and Article 28, Paragraph 4 of the River Management Measures. The reasons for the penalty are as follows:

Material stacking: The dust-proof net covered by the earthwork was not properly covered, resulting in the exposure of part of the soil surface. Driving route: The access road on the construction site is muddy after rain and has not been cleared immediately.

Four hours after Yu Xuanlannuo issued an onshore typhoon warning, he did not evacuate the material facilities from the river area.

Urge the on-site security personnel to inspect the coverage of the dust-proof net in the work area every day, check whether the prevention and control measures for the driving paths are properly set up, clean the driving paths in time to avoid pollution, and check the disposal of waste in the work area, so as to follow the norms. The car washing equipment at the entrance and exit of the construction site is indeed set up. During the typhoon season, special attention should be paid to materials issued by land warnings to immediately evacuate river areas, and daily inspections and records of material stacking are also carried out in normal times.

Executive focus	2022 target	Actually achieved in 2022	reach ✓; unaccomplished ✗
Environmental penalty amount	Less than NT\$100,000	NT\$70,000	✓

In 2022, with the joint efforts of us and our suppliers/partners, there will be no major impact on the environment, nor will there be huge fines due to violations of environmental protection.

# Energy management major concerns 10 Corresponding SDGs:



GRI 302

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.

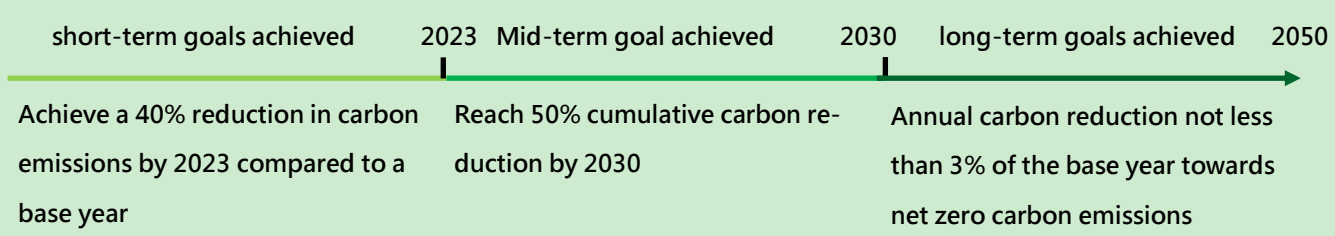
## Energy Management Organization and Policy

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

We take 2018 as the base year. Since 2018, we have set a single site energy saving target for energy conservation management and control, and expanded it to all construction sites that have been contracted for two years. Water reduction to reduce the amount of indirect greenhouse gas emissions.





# 2022 Action Plan for Energy Conservation and Carbon Reduction

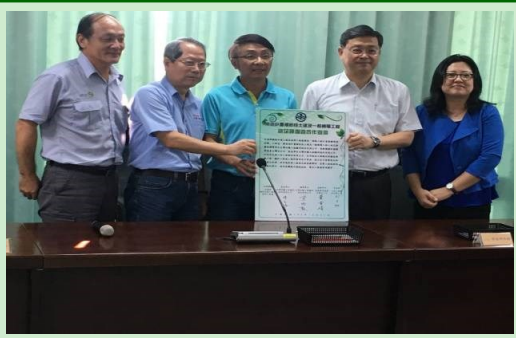
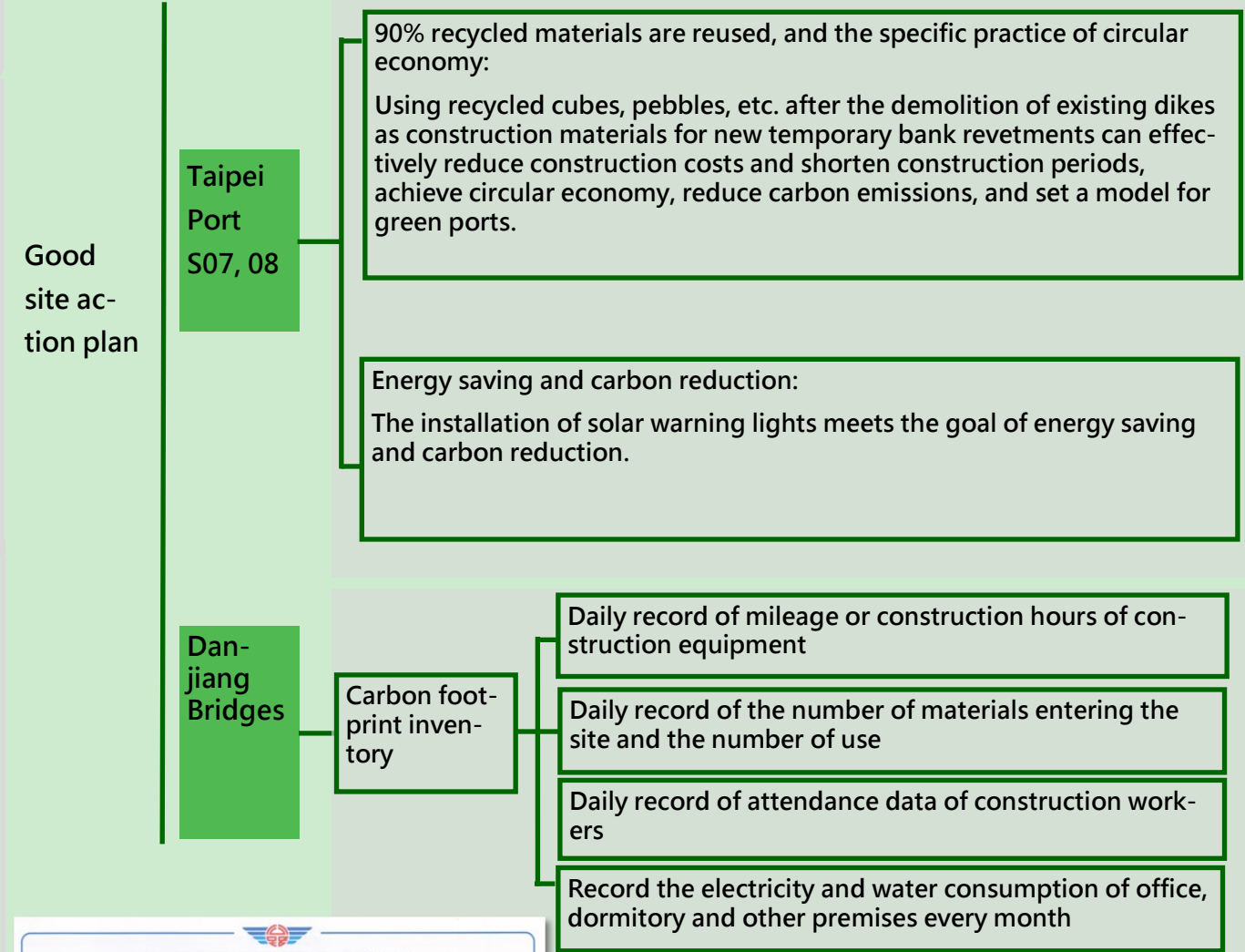
GRI 301-3  
302-4, 302-5

Implementation area: Headquarters and contracted construction sites (including: Danjiang Bridge, Taipei Port (S07, 08 completed in 2022, C landfill and S04, 05 under construction), Nanzhou (under acceptance in 2022), Fenglin (2022 completion), Ji'an, Taichung Power Plant, Datan Power Plant (2022 completion), except Nanzhou, a total of seven projects under construction.

## 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.



## Status of Achievement of Important Targets - Greenhouse Gas Emissions

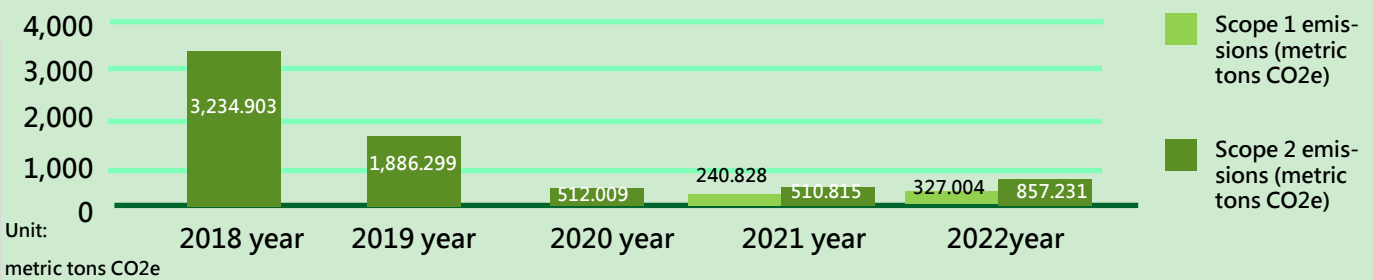
GRI 305

The company's main energy use is purchased electricity, diesel and gasoline. Greenhouse gas emissions can be divided into direct emissions (Scope 1) and indirect energy emissions from purchased electricity (Scope 2). There is no internal energy.

The scope of greenhouse gas emission statistics includes the electricity used by the head office and each contracted construction site (Scope 2), and will be added to the statistics of self-owned public works vehicles, diesel and gasoline (Scope 1) of self-owned machinery in 2021. Currently, only one contracted construction site has complete data on Category 3, so Category 3 will not be disclosed for the time being.

In 2022, the company has no ozone-destroying substances (ODS), nitrogen oxides (NOx), sulfur oxides (SOx), and other major gas emissions.

Year / Region	Category 1 (gasoline, diesel)		Category 2 (Taipower Electric Power)		Category 1 + Category 2
	total usage (liter)	Greenhouse gas emissions (metric tons CO2e)	Total electricity consumption (kWh)	Greenhouse gas emissions (metric tons CO2e)	emission of greenhouse gases (metric tons CO2e)
2022	140,826.45	327.004	1,694,980	857.231	1,184.235
2021	93,083.52	240.828	1,017,559	510.815	751.643
2020	(not counted)	(not counted)	1,019,938	512.009	512.009
2019	(not counted)	(not counted)	3,705.891	1,886.299	1,886.299
2018 (base year)	(not counted)	(not counted)	6,069,237	3,234.903	3,234.903
Remark	The above data comes from the statistics of the company's fuel bill and Taipower's electricity bill. Greenhouse gas calculation method: Before 2021: Calculate the carbon emission coefficient announced by the Energy Bureau of the Ministry of Economic Affairs. 2022: Add up the carbon emission figures revealed on Taipower's electricity bills and refueling receipts. *All statistics are only for the parent company, excluding subsidiaries. All GHG units are converted from kilograms to metric tons (1 metric ton = 1000 kg)				



Executive focus	2022 target rate (Note 1)	2022 Actual achievement rate	reach ✓; unaccomplished ✗
Base year Carbon reduction rate	35%	63.39%	✓

Note 1: The target for 2022 is set at 35%. Since the original medium-term target of cumulative reduction of 30% was achieved last year, this year the goal is achieved by reducing greenhouse gas emissions by 35% compared to the base year. And revise the goal of accumulative carbon reduction of 50% by 2030.

Greenhouse Gas Emission Reduction Information			
Project/Year	Greenhouse Gas Emissions (CO2e) Scope 1 + Scope 2 (metric tons)	Cumulative carbon reduction (mt)	Carbon reduction rate % compared to the base year
2022	1,184.235 <sup>(Note 2)</sup>	2,050.668	63.39
2021	751.643	2,483.260	76.76
2020	512.009	2,722.894	84.17
2019	1,886.299	1,348.604	41.69
2018 (base year)	3,234.903	-	-

Note 2: Both scopes 1 and 2 in 2022 will increase compared with last year, mainly because the Danjiang Bridge and Papayaxi Bridge and other projects have entered the mid-term stage of the project, the increase in foreign labor, the use of machinery and electricity in the project have greatly increased, resulting in an increase in greenhouse gas emissions.

## Greenhouse Gas Emission Intensity

Greenhouse Gas Emission Intensity

$$= \frac{\text{total greenhouse gas emissions}}{\text{Annual turnover}}$$

\*In 2022, as some projects have entered the mid-term stage, the consumption of electricity and machinery will increase significantly, so energy emissions will increase compared with last year, but due to the increase in employees (including foreign workers), the emission intensity will decrease compared with last year.

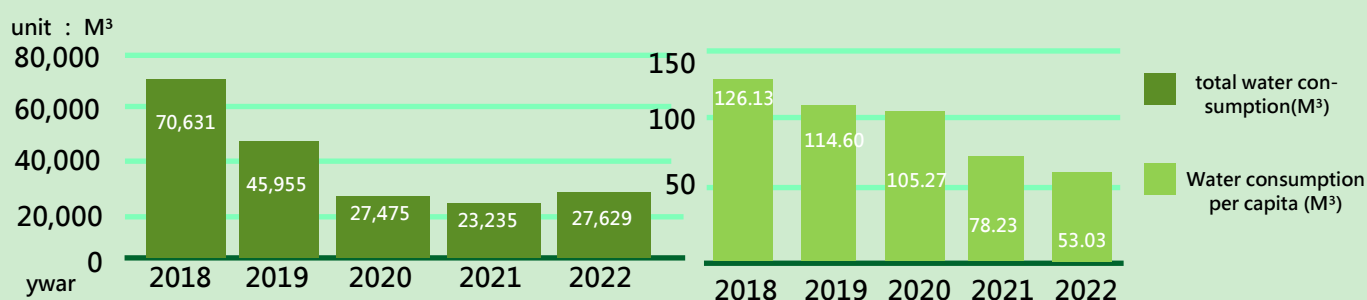
Energy emission intensity (metric tons CO <sub>2</sub> e/person)					
Project/ Year	2018	2019	2020	2021	2022
total energy emissions (metric tons CO <sub>2</sub> e)	3,234.903	1,886.299	512.009	751.643	1,184.235
number of workers	560	401	261	297	521
Greenhouse Gas Emission Intensity (metric tons CO <sub>2</sub> e / person)	5.78	4.70	1.96	2.53	2.27
Greenhouse gas emission intensity (metric tons CO <sub>2</sub> e/turnover)	0.85	0.45	0.17	0.21	0.26

## Water resource management

GRI 303

Water resource management is a topic that we attach great importance to. In recent years, the construction site will pump water from the sedimentation tank for construction site sprinkling and achieve recycling and reuse. All the water used by the company comes from the waterworks, and the used water is discharged to the general sewage sewer, and the discharge volume is equal to the water consumption. The scope of statistics includes the head office and each contracted construction site, but does not include subsidiaries.

Water consumption over the years (M <sup>3</sup> )					
Project/ Year	2018	2019	2020	2021	2022
Total water consumption (M <sup>3</sup> )	70,631	45,955	27,475	23,235	27,629
Annual increase rate of water use (%)	/	-34.94%	-40.21%	-15.43%	18.91%
Number of employees (person)	560	401	261	297	521
Water intensity (M <sup>3</sup> /person)	126.13	114.60	105.27	78.23	53.03
Water Intensity (metric tons/turnover)	18.53	10.93	8.87	6.54	5.97
Remark	Since the statistical scope has been extended to all construction sites since 2018, 2018 is used as the base year, and the annual increase in water consumption in that year is not counted.				



In 2022, the total water consumption will be 27,629M<sup>3</sup>, which is an increase compared to the previous year, but due to the increase in the number of employees (including foreign workers) by 224, the water consumption has increased. However, in terms of water intensity, the per capita water consumption has decreased by 25.2M<sup>3</sup> compared to 2021, The per capita water consumption reduction rate exceeded expectations!

Total Water Consumption Reduction Information						
Project/ Year	Total water consumption (M <sup>3</sup> )	Cumulative reduction (M <sup>3</sup> )	Decrease rate % of the current year compared with the base year	Per capita water consumption (water intensity M <sup>3</sup> /person)	Cumulative reduction of per capita water consumption (M <sup>3</sup> )	Per capita water consumption reduction percentage compared with the base year
2022	27,629	43,002	60.88	53.03	73.10	57.96
2021	23,235	47,396	67.10	78.23	47.90	37.98
2020	27,475	43,156	61.10	105.27	20.86	16.54
2019	45,955	24,676	34.94	114.60	11.53	9.14
2018 (base year)	70,631	/	/	126.13	/	/

# Pollution prevention - major concerns

5

Corresponding SDGs:



GRI 304、306

In 2022, we will spend a total of NT\$3,726,990 in environmental protection expenses, including environmental monitoring, pollution control equipment, waste removal and disposal expenses, etc.

At each construction site, we will fill in the environmental protection construction site inspection record form every day, and carry out inspections on noise, vibration, air pollution, water pollution, and environmental maintenance inside and outside the construction site, so as to do a good job in self-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

### Executive focus and management performance

In terms of environmental monitoring, each of our construction sites is checked with an independent checklist, and a construction checklist is presented to the construction supervision unit and sent to the owner for inspection.

施工自主檢查表

流水序號: \_\_\_\_\_

工程名稱: 臺北港南碼頭C棧橋公共設施及水處理廠S04-S05碼頭工程

分類工程名稱: 碼頭工程

檢查日期: 111年12月27日

檢查項目: 水質、噪音、振動

檢查結果:  檢查合格  檢查不合格

檢查項目	檢核內容、規範之檢查標準 (規定/規格)	實際檢查情形 (檢核結果)	檢查結果	備註
空氣品質	離外圍牆、住宅區、公共設施、辦公室等一、五公尺	吳子豪	0	
噪音振動	工廠附設廠區受體點施工、運轉、車輛行駛點、共3處。	吳子豪	0	劉
管理噪音振動	工廠圍界外、共4處。	吳子豪	0	明
水質	液體取砂樣及顯微鏡2次，每點分3次量測，分別於上午7:00、中午、晚上11點各取樣一次。	吳子豪	0	本
安全衛生	檢視可能之危害(墜落、物體飛落、溺水)	個人防護裝備穿戴	0	劉明忠 13/7

監工主任(工地負責人): 吳子豪 現場工程師簽名: 劉明忠 13/7

臺灣港務股份有限公司基隆港務分公司

施工檢核單

編號: I-EI-0018

文件編號: E-02-014

契約編號: AIE000061

工程名稱: 臺北港南碼頭C棧橋公共設施及水處理廠S04-S05碼頭工程

承包所: 工信工程股份有限公司

送審日期: 111年12月27日

說明與依據

一、工作項目: 111年10月環境監測

( ) 檢 驗 (空氣品質、噪音振動、管理噪音振動)

( ) 檢 測 (位置/結構部位: 詳圖則)

( ) 審 認 (數量: 空氣品質、噪音振動-1次/月(第2次)

( ) 審 查 (管理噪音振動-2次/月(第3次、第4次)

( ) 其 他 (水質水質-1次/季(第1次)

四、圖說/規範: 特別條款17.1

五、備註:

送審單位: 工信工程股份有限公司

品管人員: 蘇子豪 18/12/27 工地主任: 吳信程 18/12/27

品管人員簽名: 蘇子豪 吳信程

監造單位: 宇泰工程顧問有限公司

文件編號: 審查意見及結果

符合契約規範  部分改善後重送

施工執業紀錄表  不同意，退回改善後重送

檢可，送業主存查

檢可，送業主備查

監造現場人員: 謝其年 監造主任: 曾智弘 11.12.27

備註:

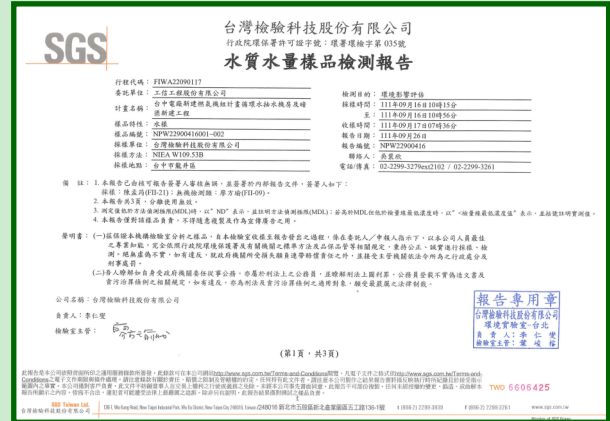
本表由品管人員檢核及檢核表或檢核資料填寫一式三份送監造單位備查，一聯□業主存查，一聯□品管人員備查，一聯□承包所備查。

## Environmental Monitoring-Water Pollution Prevention and Control

We have different pollution prevention actions according to construction site sewage and domestic wastewater, and have monitoring projects for water quality. In 2022, we have not been punished for water pollution.



Water quality monitoring



Water quality test report



Water quality monitoring

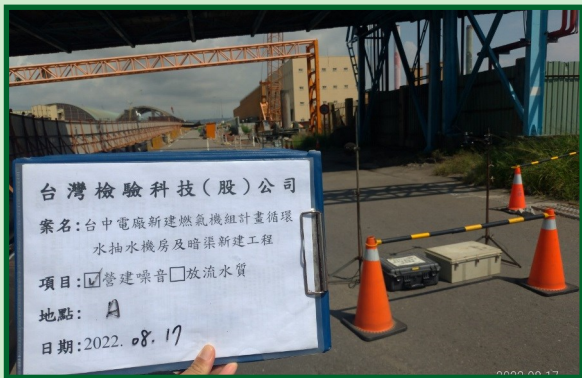


Adopt a qualified testing organization

Runoff ditches, grit chambers, fences and anti-overflow seats shall be set up on the perimeter of the construction site according to the approved plan to prevent the outflow of sewage in the construction area.



### Environmental Monitoring - Construction Noise and Vibration Monitoring



The equipment used in the work area adopts low noise and low emission standards.

### Environmental Monitoring - Air Pollution Control

According to the different needs of each project, we implement different air pollution control measures. In addition to the basic work area vehicle path washing and watering, the laying of dust nets, and the setting of car wash stations, we also conduct air quality monitoring.



Washing and spraying water on the vehicle path in the work area



Work area car wash settings



Dust net laying



Air quality monitoring adopts professional and qualified manufacturers



Exhaust detection mark

## Waste pollution control



A staff lounge is set up in the work area for rest and dining. Garbage can be effectively and centrally disposed of to avoid random disposal.



Garbage storage equipment and garbage sorting at the construction site



The waste is handed over to a government-approved and licensed waste removal agency for removal and processing.



Set up makeshift toilets and clean them regularly.



The cleanliness, orderliness and hygiene of the construction site shall comply with regulations, and regular disinfection shall be carried out to ensure environmental hygiene.

## Ecological Conservation - Terrestrial



GRI 304-1 · 304-2

Our engineering activities focus on environmental protection and ecological conservation, and have no adverse impact on biodiversity.

For construction sites with conservation animals and plants, we regularly conduct conservation publicity or education training.



Ecological protection control measures:

- (1) Regularly carry out conservation publicity for construction workers, including the "National Park Law", "Forest Law", "Wild Animal Conservation Law" and other relevant laws and regulations, as well as various conservation measures and mitigation measures formulated in this project.
- (2) Strengthen the life management of construction personnel and reduce human interference to the environment.
  - A. Set up fences, control points, or set up camera monitoring to strengthen the control of construction workers.
  - B. Restrict relevant construction personnel from entering the surrounding forests when it is not necessary, and set up signs on the construction route and around the construction area to persuade them to reduce the chance of vegetation being trampled or climbed.
  - C. It is forbidden for construction personnel to bring or keep pets such as cats and dogs in the construction area to prevent pets from causing damage to wild animals.
  - D. Activities related to hunting and harassment of animals are strictly prohibited.

## Taichung Power Plant's newly-built gas-fired unit planning circulating water pumping machine room and new construction of culverts

Due to the seasonal breeding season of little terns in the Taichung Power Plant work area, we suspended construction during the breeding period and set up notice boards to avoid impacts on local organisms caused by engineering operations.



## C031 Acting for Taiwan Railway Nanping to Wanrong Double Track Civil Engineering and Tram Line Project

C031 Standard Environmental Monitoring Scope: The double-track project between Fenglin Tunnel and Wanlixi Bridge and within 500 meters of the surrounding area, a total of 7 rare and rare second-level conservation species have been found, and there are also third-level conservation species that should be conserved 3 Species: Taiwan macaque, white-nosed heart, red-tailed shrike. The seven precious and rare secondary conservation species are as follows:



Among the seven second-class conservation species, Aconitum is widely distributed in various environments in the work area; Ring-necked Pheasant is a resident bird; Kestrel and Red-tailed Shrike are winter migratory birds, and the resident bird Black-winged kite prefers to live in the open environment. The remaining species are found in secondary forest environments and their edges. We have mastered their activity areas, carried out environmental monitoring, ensured the quality of the environment, and done a good job of "conservation and publicity" to avoid any impact on the ecological environment.


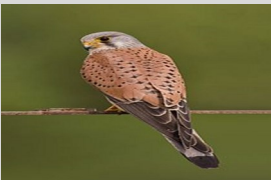





## Tamjiang Bridge and its connecting road 5K+000~7K+035 new construction

As the project passes through coastal forests and windbreak forests, construction fences need to be set up to avoid project interference. In the disturbance area of the project, planting on bare ground shall be strengthened after construction, and suitable tree species shall be used to avoid disturbance to animals living along the line caused by transportation of machinery and equipment and personnel activities during construction.

Impact mitigation and protection countermeasures of conservation animals in the project area:

conservation animals	icon	Impact and Conservation Strategies
osprey		The investigation found that it was hovering on the east coast of Taipei Port, because it is a winter migratory bird of prey that mainly eats fish, and it is mainly active in the waters. The scope of influence should be avoided to avoid the impact of the construction on the surrounding ecology of the base.
Kestrel		The investigation found that the individuals living on the mounds on the east side of Taiwan Line 15 for the winter are species that are more suitable for human disturbance. The conservation measures are to strengthen construction management, set up construction fences, determine the scope of influence, and avoid construction affecting the grass around the base. habitat ecology.
red-tailed shrike		The red-tailed shrike is a species adapted to human disturbance, and the impact of the planned route on it is still slight. Conservation countermeasures are to strengthen construction management, set up construction fences, determine the scope of influence, and prevent construction from affecting the surrounding ecology of the base.

To avoid the disturbance to the animals living along the line caused by the transportation of machinery and equipment and personnel activities during the construction period, we implement ecological conservation education and training for construction personnel. The education and training content includes relevant laws and regulations on wildlife conservation, basic ecological knowledge and local natural resources and encounters with wild animals. treatment methods, etc., in order to implement ecological protection measures.

In this case, the ecological protection methods and supervision of wild animals and plants inhabiting and growing in the construction area have clear and specific normative requirements. The key points are as follows:

	Management priorities and action plans
1	The construction area is adjacent to the Huaziwei Nature Reserve and the Taipei Port North Embankment Wetland. As necessary, a fixed entry and exit route for construction vehicles will be established to limit the entry and exit of construction vehicles and the range of activities of construction personnel to reduce the impact of noise and vibration; set up fences as necessary to restrict construction The entry and exit of machinery, equipment and personnel reduces the impact and interferes with the mangrove breeding grounds.
2	After construction, the project disturbance area shall be planted with suitable tree species according to the contract.
3	The construction of the project should use low-noise equipment, avoid construction at night or use low-light pollution lamps, so as not to interfere with nocturnal biological activities.
4	Strictly control the entry of construction personnel into the beach, affecting the breeding of plover birds.
5	Implement ecological conservation education and training for construction personnel to implement ecological conservation measures.
6	For various wildlife and plant protection measures, formulate standard procedures for stopping and resuming work.
7	If the abnormal phenomenon is found, the construction of the project within a radius of 250 meters will be suspended, and the construction will continue after confirming that the suspension standard has not been reached or the resumption standard has been reached.

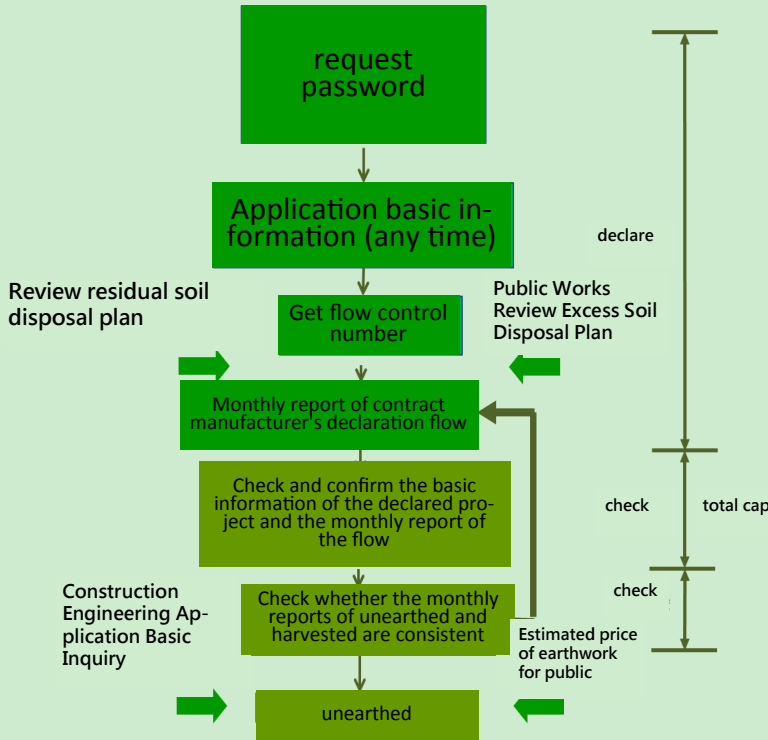
# waste management

GRI 306

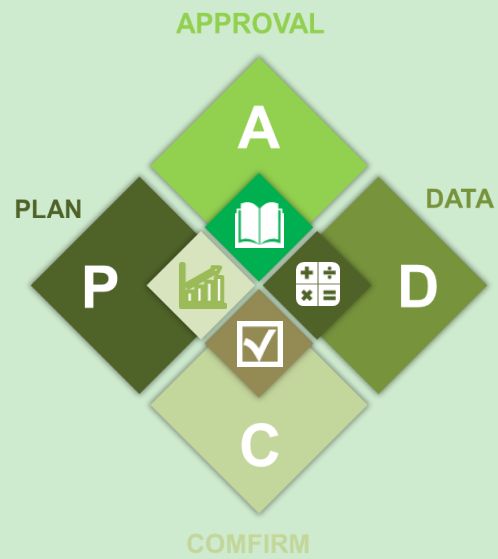
Every project in the construction industry will inevitably generate construction waste, so it is necessary to comply with the Waste Disposal Law and the relevant regulations of the Environmental Protection Agency. In 2022, there will be no significant impacts due to waste.

The source management operation method of waste mining divides the sources into two categories: employee domestic waste and business waste. Through employee education and training, domestic waste improves employee behavior standards to effectively promote reduction and classification management, and business waste can be separated and reused. Reusable and non-reusable, reusable will be used in the project, non-reusable will be transported and discarded by professional manufacturers according to specifications.

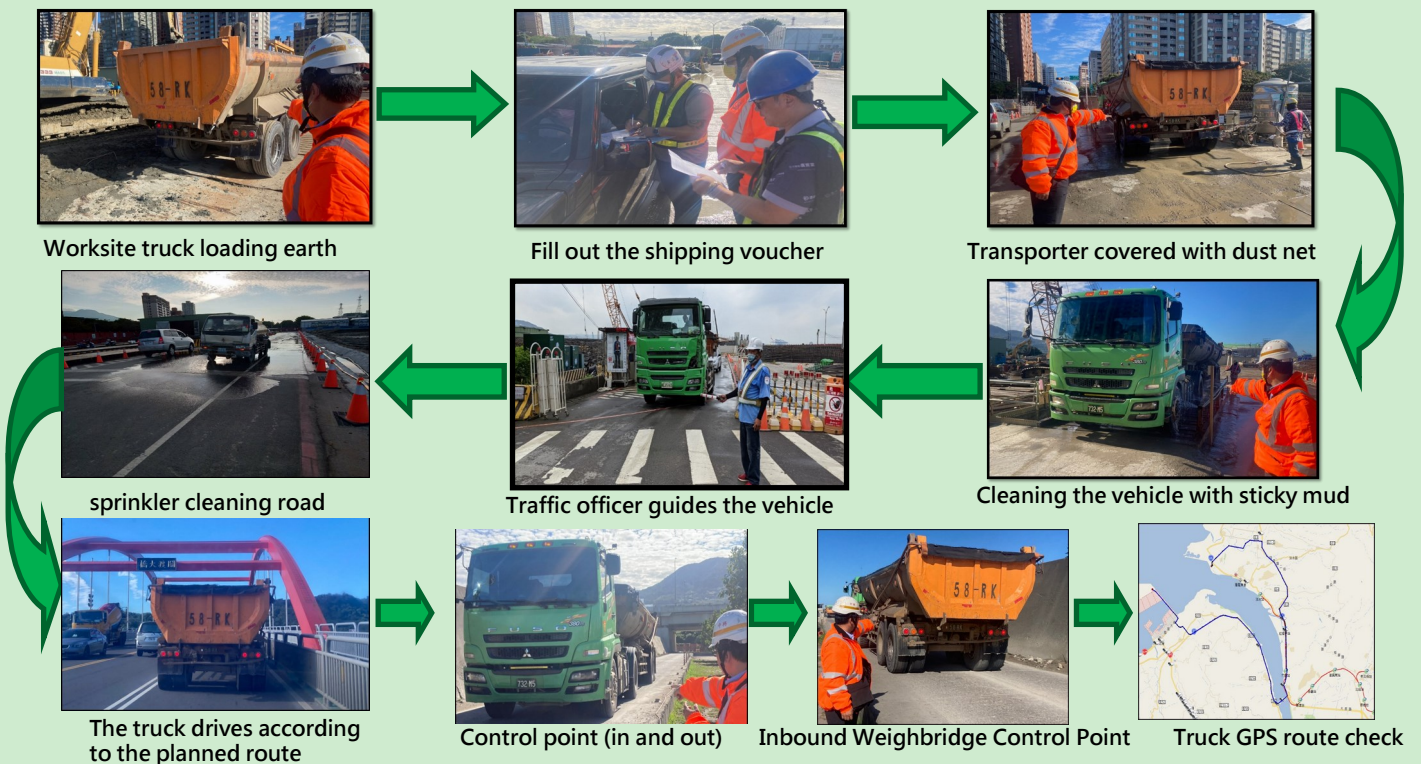
## Remaining earthwork Control process



## Preparation before construction



## Abandoned earthwork loading



## Quantity of earthmoving shipments in 2022

We use daily and monthly reports for transportation statistics, and fill in the handling record form and obtain handling certification documents, so that there is a complete set of records for the handling of the remaining earthwork.

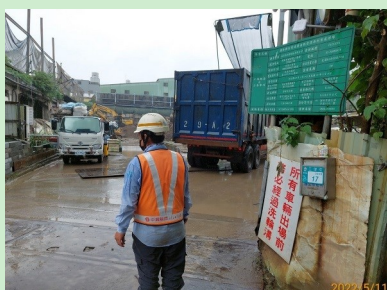
In 2022, the total volume of statistical transportation is 59,688M<sup>3</sup> (approximately equal to 107,438 metric tons)

Project	Quantity of earthworks delivered in 2022 (M <sup>3</sup> )	Quantity of earthworks delivered in 2021 (M <sup>3</sup> )	Number of increase compared with the previous year (M <sup>3</sup> )
Earthwork disposal	59,688	47,344	+12,344

## Construction waste

The total amount of construction waste in 2022 will be 700M<sup>3</sup>.(approximately equal to 1,449 metric tons)

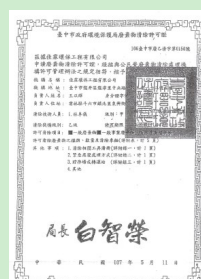
Project	Amount of construction waste in 2022 (M <sup>3</sup> )	Amount of construction waste in 2021(M <sup>3</sup> )	Number of increase compared with the previous year (M <sup>3</sup> )
Construction waste	700	0	+700



## General household waste

The company is in the construction industry, and general domestic waste is mainly generated from offices and staff dormitories. Due to the different needs of personnel in the early, middle and late stages of each project, if there is a new construction, the number of employees will increase relatively, and the amount of domestic waste will also increase accordingly.

Disposal methods and quantities of domestic waste in 2022 are disclosed as follows: Each construction site will set up sub-cars and entrust qualified clearing agencies to clear and transport them.



Area	Quantity of domestic waste in 2022 (metric tons)	Number of employees in 2022 (including foreign workers)	Per Capita Metric Tons/Year
The head office and the construction sites of each contracted project	913.41	521	1.75


## Waste Reduction Target

waste intensity			
Area	Total waste (earthwork + construction waste + domestic waste) metric tons	Turnover (thousand yuan)	waste intensity
2022	109,800.41	4,624,692	23.74

For waste reduction, we use 2022 as the base year, and expect to reduce the intensity by 2% per year as the reduction target, and reach a 10% reduction by 2030 (mid-term), and then set the long-term goal of 3% annual reduction after the mid-term.

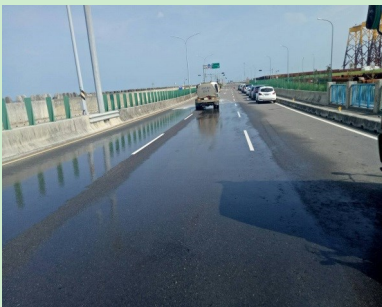
## Recognition for Environmental Sustainability in 2022

Our continuous efforts in environmental protection and energy saving and carbon reduction have achieved certain results in 2022, and have also been affirmed by all walks of life!

Award range	Awards	photo
Kung Sing company	Business Week - Top 100 Carbon Competitive Enterprises  Business Weekly - No. 2 among companies with the most carbon reduction in 3 years	
C811Z Chaozhou Fangliao section civil engineering and general mechanical and electrical engineering (completed in 2022, under acceptance)	The Southern Engineering Department of the Railway Bureau of the Ministry of Communications-Permanent Warrior Trophy	

## Other environmental protection measures

In addition to the aforementioned pollution control measures, we attach great importance to the environmental maintenance of the work area. In addition to general cleaning work, we also carry out road maintenance and cleaning around the work area.



road adoption

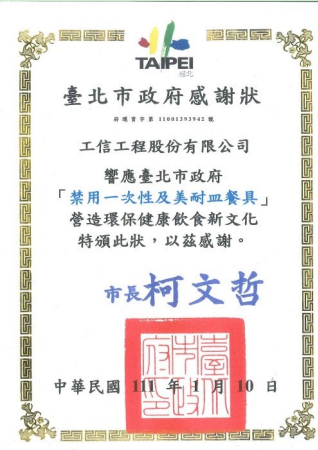


weed removal



Picking up garbage in the work area

In 2021, we responded to the "Prohibition of Disposable and Melamine Tableware" initiated by the Taipei City Government to create a new culture of environmentally friendly and healthy eating. The company has always advocated to bring their own water cups, environmentally friendly tableware and use environmentally friendly bags, and provide employees with drinking water, microwave ovens, steamers and other equipment to encourage employees to bring their own meals.



# 4 、 Happy workplace and social integration



## Topic of this chapter

Management policy	P79
Labor Rights and Human Rights	P80
Employee care and welfare	P82
Occupational health and safety	P90
Social participation and charity feedback	P95

## Important issues

- 1 Health and Safety
- 7 Salary
- 8 Employee Benefits

## Highlights in this chapter

- ※ In 2022, there will be no human rights complaints.
- ※ In 2022, the salary of employees (home country) will be adjusted by about 5.3%.
- ※ In 2022, the employee compensation of 3% of the 2021 surplus will be paid.
- ※ In 2022, won the "Happy Enterprise" award from 1111 Job Bank.
- ※ The emergency dredging project of the existing inlet bay of Datan Power Plant was awarded the Excellent Industrial Safety Management Performance by the North Construction Department of Taiwan Power Company.

# Management policy

## 3-3 Major Theme Management

Major topics of Happy workplace and social integration (in order of significance)	Management purpose	Management methods and effective evaluation mechanism	2023 target (alternate year target)	Medium-term Goal
Health and Safety (P90-94)	<ol style="list-style-type: none"> <li>1. Provide employees with a healthy and safe working environment.</li> <li>2. Achieve the goal of zero accidents and zero disasters.</li> </ol>	<ol style="list-style-type: none"> <li>1. Establish a strict environmental safety and health management system and internal control and internal audit systems.</li> <li>2. Regular labor safety meetings, daily toolbox meetings, pre-construction education and training, pre-construction inspections, and entry control are held.</li> <li>3. Purchasing, erecting, and wearing appropriate safety equipment according to different projects.</li> </ol>	Zero Occupational Accidents  Labor safety and health fines are less than NT\$100,000 per construction site	Zero Occupational Accidents  Labor safety and health fines are less than NT\$50,000 per construction site
Salary (P89)	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.	Salary increase > 3%	Salary increase > 3%
Employee Benefits (P82-86)	Effectively retain outstanding talents to enhance the company's human capital and competitiveness, and create a happy workplace.	<ol style="list-style-type: none"> <li>1. Provide employees with improved education and training plans and mechanisms, encourage colleagues to continue to study, and actively obtain professional skills licenses.</li> <li>2. Regularly review the applicability of various welfare measures.</li> </ol>	Employee benefit expense > 3%	Improve talent cultivation Perfect succession system Spend.

short-term goals achieved      2022 year      Mid-term goal achieved      2030 year      long-term goals achieved      2050

- Increase the ratio of employee compensation and benefits to > 3%, and the employee turnover rate to < 3%.
- Zero job disasters.
- Improve the talent training system.
- Improve the succession system.
- Zero job disasters.
- Become a sustainable enterprise according to the sustainable principle of the development of the business philosophy of Gongxin.

year project	Salary cost (Based on financial report data)	Welfare fee (Based on financial report data)	Salary change ratio% (compared to base year)	Changes in benefits-ratio%(with the base year compared)	Turnover rate %
2022	572	673	+1.42%	+0.60%	2.11%
2021	594	712	+5.32%	+6.43%	1.78%
2020	879	1,024	+55.85%	+53.06%	2.18%
2019	656	781	+16.31%	+16.74%	1.60%
2018 (base year)	564	669			1.08%

year project	Education Training average hours	Occupational Accidents (Number)	Achievement
2022	4.31	1	unaccomplished
2021	6.18	0	education trainer Average 6 hours, zero Occupational Disaster
2020	5.41	0	Zero Occupational Disaster Achievement
2019	2.32	3	unaccomplished

# Labor Rights and Human

major concerns : None

Corresponding  
SDGs:



GRI 2-30 · 402 · 406 · 408 · 409 · 411 · 412 · 415 · 418

As of December 31, 2022, a total of 176 employees of our nationality have become employees in accordance with formal employment procedures. They will be insured and guaranteed on the day of employment, regardless of job acquisition, promotion, and salary increase. System, education and training rights, etc., are not divided into gender, age, race, religious belief, political orientation, as long as the ability meets and achieves performance, everyone enjoys equal opportunities.) or appeal channels and self-assessment at the end of the year to make recommendations. In terms of foreign workers, as of December 31, 2022, there are a total of 345 foreign workers. The management of foreign workers is carried out in accordance with relevant government regulations.

Core labor rights and human rights of industrial and information engineering:

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.

Corporate Governance Zone-  
Company Regulations



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).



## Diversity of employees

In 2022, won the "Excellent Award for Indigenous Institutions with Outstanding Indigenous Peoples" issued by the Council of Indigenous Peoples.

2022		2022	
Education	number of people	age	number of people
PhD	2	20-30	19
master	29	31-40	25
bachelor	67	41-50	38
College	49	51-60	67
high school (vocational)	27	61-65	21
High school (vocational) and below	2	65 and above	6
total	176	total	176



GRI 410、412、418

## 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.

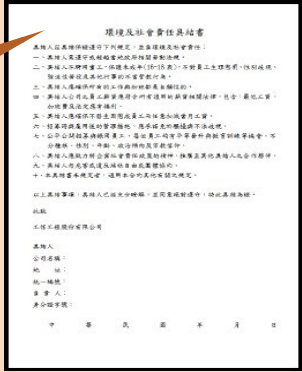
For human rights policy content and human rights policy risk management, please refer to our company website:



Human rights policy risk management



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



## 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.

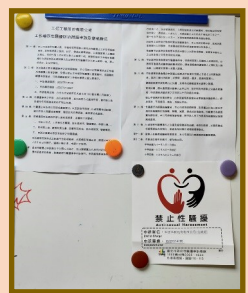
In order to protect the rights and interests of employees and avoid the occurrence of illegal and unreasonable situations, the company has set up employee suggestion mailboxes and "employee grievance handling system" to provide employees with a channel for suggestions to strengthen labor-employment cooperation. 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 2022

Sexual harassment complaints	Employee rights appeal case
0	0

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



# Employee care and welfare major concerns : 8 Corresponding SDGs: GRI 401-2 · 404 · 410

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, 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, our Welfare Committee has formulated the "Management Measures for Cultural and Recreational Groups and Clubs" to encourage employees to participate in club activities. Larger construction sites also have activity areas and audio-visual lounges for employees to engage in audio-visual entertainment and other leisure activities during their breaks. In the future, we will also combine the interests of employees to establish more diversified clubs (there are already established badminton clubs and billiard clubs), so as to enrich club activities and enhance communication among colleagues, making communication more harmonious and active.



Relaxing leisure audio-visual area



stress relief wall

## Domestic and foreign employee travel

In order to enable employees to relax and rest from their intense work, our employee welfare committee holds at least one meeting every year to discuss the committee's financial status, estimated and actual expenditures such as annual festivals and birthdays, and to discuss employee travel plans.

The Welfare Committee's tourist destinations are all open, transparent and most suitable for employees' needs by "voting". All employees vote on the EIP intranet system to select the three tourist spots that everyone wants to go to, and then the Welfare Committee will vote. We will select excellent travel agencies to arrange different times, The ladder provides colleagues to choose, and the Welfare Committee provides travel subsidies to implement real benefits.



The picture shows the group photo of the members who will leave in 2022.

From 2020, due to the impact of the new coronavirus disease (COVID-19), in order to protect the health and safety of employees, the company and the travel agency discussed the cancellation of part of the overseas travel part of the original plan, and restarted it after the epidemic is over. The fever continues to spread, and the epidemic situation abroad is be-

coming more and more severe, so foreign travel has been suspended after discussion at the meeting. By April 2022, due to the approaching of the domestic epidemic situation, in view of the fact that the work trip has not been processed due to the emotional impact of the epidemic for two years, the Welfare Committee is actively planning domestic tourism-the three-day tour of the Penghu Fireworks Festival, but due to the domestic epidemic situation in May, the extension big, can only pause. In August 2022, the domestic epidemic situation has cooled down, and tourism in various parts of the country is also open. The Welfare Committee is actively planning again, and will handle 2 levels in September-"Penghu Sunshine and Beach Tour", allowing colleagues to spend a joyful three-day and two-night vacation.

## Birthday

The Welfare Committee counts employees who have birthdays in each month, and selects a day to celebrate their birthdays in that month. This is not only a part of employee benefits, but also a moment for employees to relax a little after their busy work, so that birthday stars can feel full of blessings and hearts.



## 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":

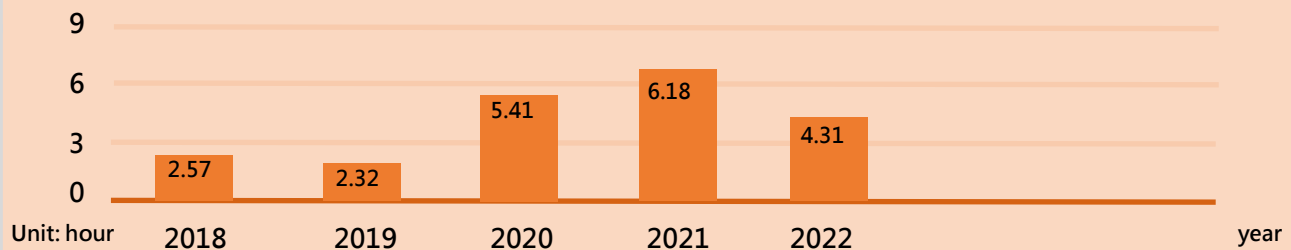
Since July 2005, the new system of labor pensions has been implemented. According to the law, the company requires employees to voluntarily circle the "old and new" system (regardless of whether employees choose the new system or the old system, the seniority before June 2005 will be retained and applied 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.

The training and development of our employees has always been listed as one of the important policies of the company's operation. There is no distinction between men and women. The ultimate goal is to create core values and improve corporate performance. Internal vocational training and external training are used to innovate thinking and pursue excellence, so as to increase investment in employee education and training, and strengthen the training of required talents, so that the work of enterprises and employees themselves can be practically and effectively combined to improve employees. quality, cultivate leadership integration ability, and enrich professional skills.

2018-2021 Education and Training Statistics

project year	external training		Internal training	
	number of people	hours	number of people	hours
2022	198	1894	176	352
2021	179	1,834	173	2
2020	55	1409.5	170	2
2019	54	928	220	2
2018	60	1,333.5	543	105.5

Project / year	2018	2019	2020	2021	2022
Total hours of external training +	1,439	930	1,411.5	1,836	2246
Number of employees (including	560	401	261	297	521
Average hours of education and	2.57	2.32	5.41	6.18	4.31
Annual growth rate of average train-	-43.27%	-9.73%	+133.19%	+14.23%	-30.26%



Achievement of important goals

Target	2022 goals	Actual 2022	reach ↓; unaccomplished X	Reason not reached	Action plan not reached
The average number of training hours per person/year is more than 6 hours	6 Hour	4.31 Hour	X	Affected by the epidemic, the number of infected people will increase in 2022, so most of the external training physical courses will be canceled, or the registration of trainees will be canceled due to the epidemic.	Encourage colleagues to find relevant online courses if the physical courses are not available.

We encourage employees to actively participate in training. Most of the external training courses are courses related to employee functional development, as well as certificate courses, including professional courses that require regular return training and inspection. Internal training courses are general general courses or corporate governance practice education training and education promotion.

project	Number of people	Total number of employees in the country	%
Percentage of employees receiving regular performance and career development reviews in 2022	129	176	73.30%

### Education and training - actual implementation

In 2021, our efforts in education and training will cover everything from senior executives to general staff, from external training to internal education and training. We hope everyone can improve themselves and build a high-performance team.

#### Internal training



Prevention of insider trading and education and training on integrity management



New employee education and training  
2022年3月14日 09:03:32  
西濱公路  
大潭區  
觀音區  
桃園市

#### Outside training



Occupational Safety Card Education and Training - Domestic Employees



lifeboat training



Occupational Safety Card Education and Training - Foreign Workers  
2022年4月3日 11:31:12



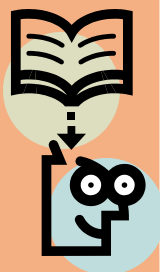
Stock education and training



Quality control personnel training



Labor law education and training  
2022/7/7  
23°50'52.212"N 121°36'3.425"E



## 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 In the enrichment of professional skills, the improvement of our own functions and career development, we have always adopted an open and free approach in external education and training, and encouraged colleagues to apply more to enhance and strengthen their professional fields.

Internal education and training focus on breaking rigid thinking, enhancing creativity and building consensus among teams to create high-performance teams. In addition, general general education courses for employees to relax their minds, minds and spirits are also arranged to relieve pressure and create a rich and healthy environment for colleagues. Life.

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

In 2022, the number of infected people in the company will increase. Our education and training, both internal and external, will be affected more than in 2021. Some external training courses will be canceled due to wireless teaching, or due to the severity of the epidemic, or due to student Due to the cancellation of registration due to the epidemic, the average number of training hours for personnel is also lower than that of the previous year.

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


planning

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

Current form



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.

Award range	Awards	photo
Kung Sing company	1111 Job Bank - Happy Enterprise - Silver Award	

# Manpower distribution and salary

major concerns : 7 Corresponding SDGs:



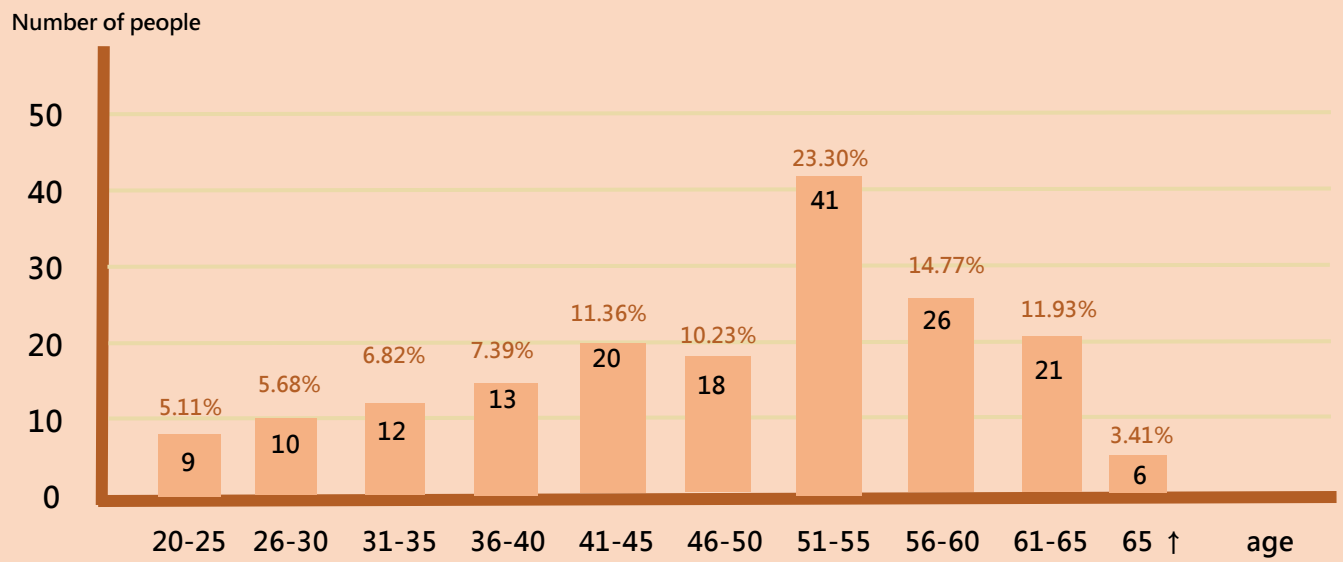
GRI 2-7、2-8、2-21、401-1、401-3、405-2

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. (This item is calculated on the basis of domestic employees in Taiwan.)

## Number of domestic employees and average age in 2022

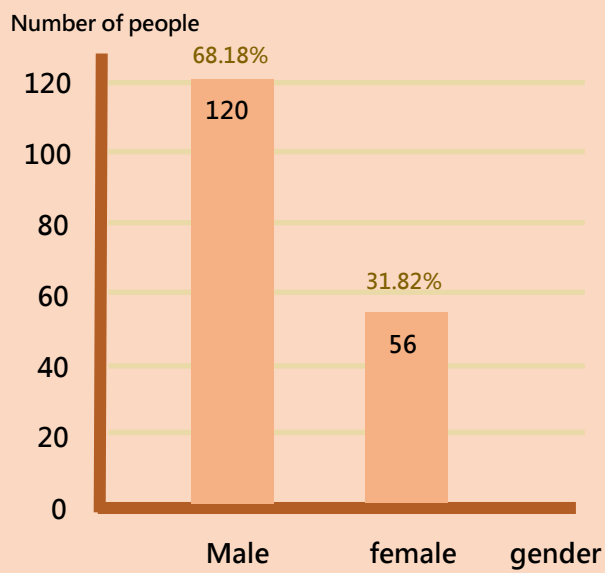
year		2020	2021	2022
number of workers	Manager	8	8	8
	General staff	157	161	168
	total	165	169	176
Average age (years)		49.06	49.33	49.01

## The number and percentage of domestic employees by age in 2022

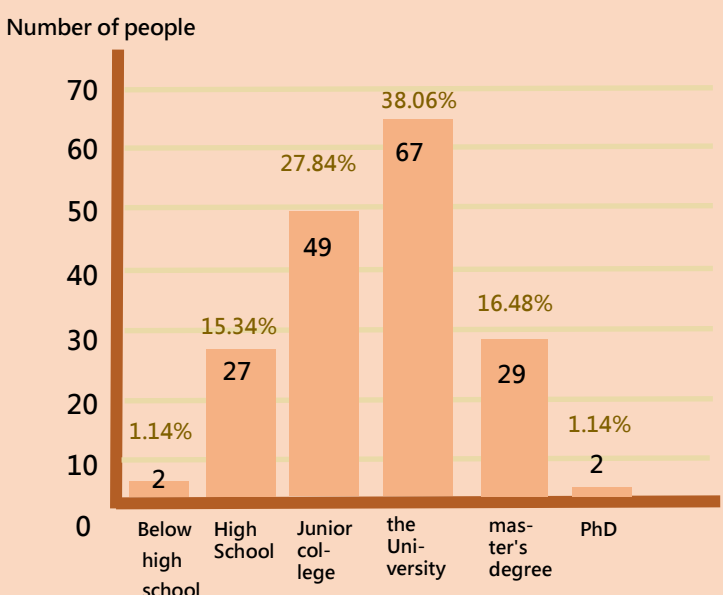


In fiscal 2022, the number of our domestic employees will increase by 7 compared with 2021, and the number of domestic employees will not change significantly.

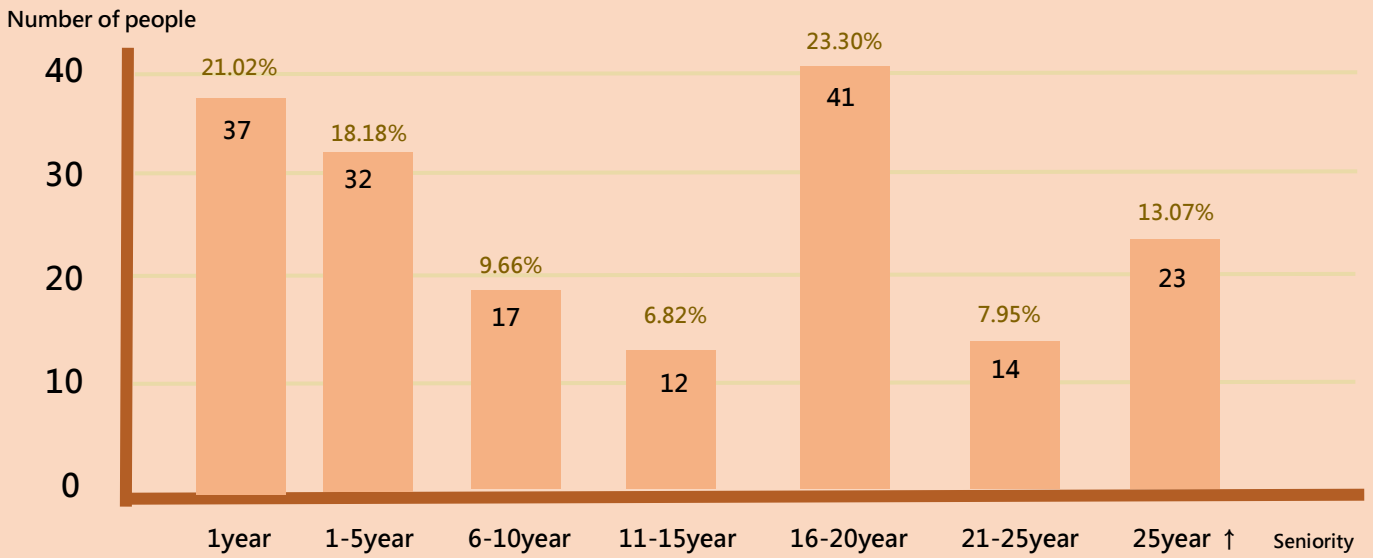
## The number and percentage of domestic employees by gender in 2022



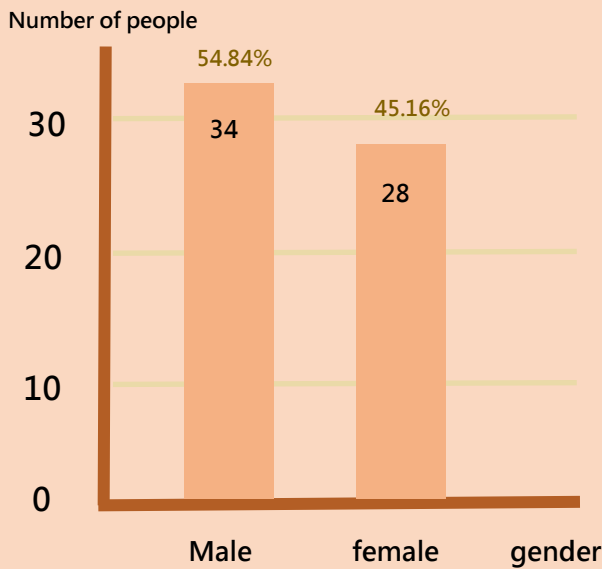
## The number and percentage of national employees' academic qualifications in 2022



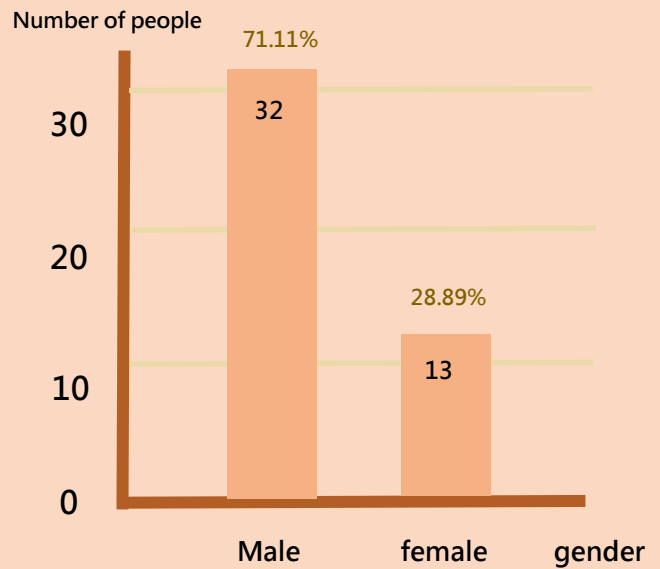
### Number and percentage of domestic employees' seniority distribution in 2022



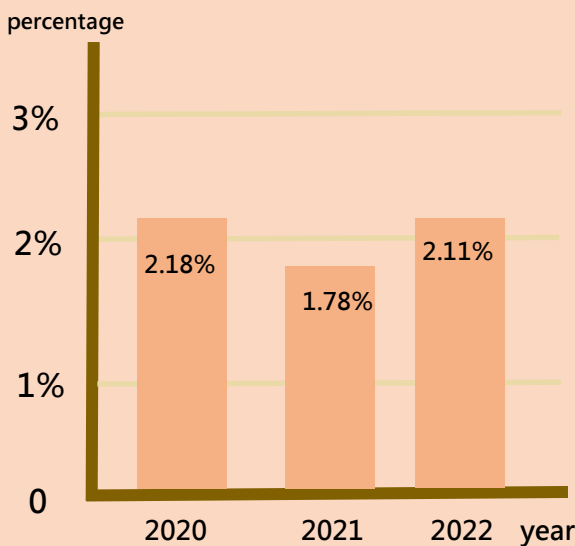
### Number of new hires and male-to-male ratio of domestic employees in 2022



### The number of domestic employees leaving and the ratio of men to women in 2022



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



### 2020-2022 Parental Leave Application Rate and Reinstatement Rate

	2020-2021 year	male	Female	total
Number of people who can apply for parental leave		3	2	5
Actual number of applicants for parental leave		2	2	4
Estimated number of reinstatements		2	2	4
Actual number of reinstatements		1	2	3
Parental leave application rate		66.67%	100.00%	80.00%
Parental leave reinstatement rate		50.00%	100.00%	75.00%
Parental leave retention rate		0.00%	100.00%	66.67%

Talent retention measures: We take strengthening employee benefits and increasing salaries as the main measures to retain talents. In 2022, the overall salary increase will be about 5.3%.



In 2022, 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
12	1	NA	5.60	NA
11	1	NA	3.31	NA
10	1	NA	4.30	NA
9	1	NA	3.14	NA
8	1	0.97	2.86	2.78
7	1	0.98	2.25	2.21
6	1	0.95	1.93	1.84
5	1	1.00	1.55	1.55
4	1	1.00	1.14	1.14
3	NA	NA	NA	1.00
2	NA	NA	NA	NA
1	1	NA	1.10	NA

Salary

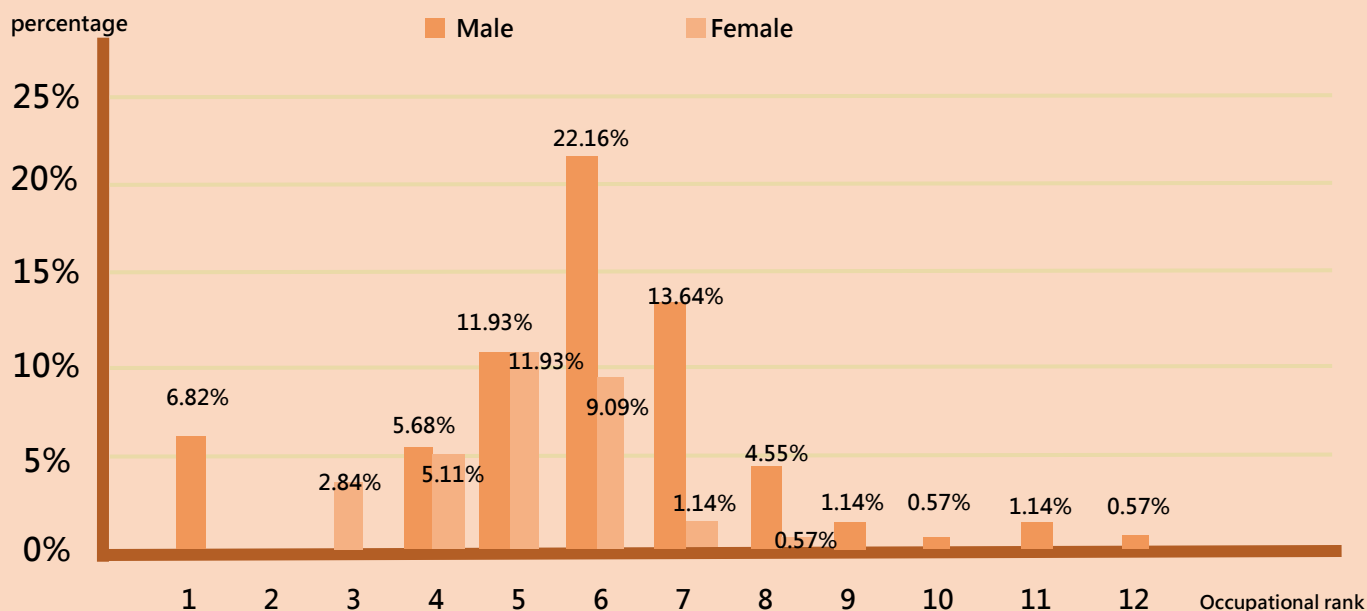
Occupational rank	Male	Female
12	1	NA
11	1	NA
10	1	NA
9	1	NA
8	1	0.86
7	1	0.79
6	1	0.90
5	1	0.90
4	1	0.87
3	NA	NA
2	NA	NA
1	1	NA

\*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 1: The ratio is shown based on the base salary of males1, and NA means that there are no people at this level. In addition, the local minimum wage in 2022 is Taiwan’s basic wage, with NT\$25,250 per month as the calculation standard, and the basic salary of full-time employees in the country is higher than the local minimum wage.

Note 2: The company takes Taiwan as its main operating base, and the ratio of the highest personal annual income to the median annual income of all employees in Taiwan in 2022 is 10.58 times.

Percentage by grade and gender in 2022 (seventh grade and above belong to the management level, all of them are nationals)



# Occupational health and safety major concerns :

1 Corresponding SDGs:     **GRI 403-2**

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:

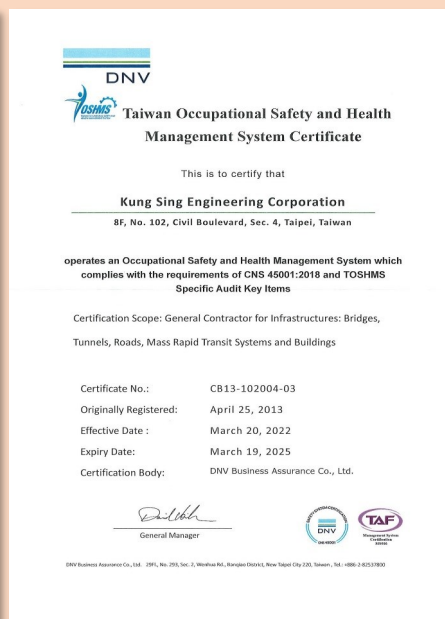
1. Respect life, recognize the value of life, and give priority to safety.
2. The support and commitment of management and the provision of appropriate resources.
3. The safety and health work is continuously improved to achieve achievements that are superior to laws and regulations.
4. Comprehensive 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.



ISO 45001



CNS 45001



ISO 14001

# Our Occupational Safety and Health Act in 2022-Safety

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



We prevent and mitigate related occupational safety and health impacts through various types of conferences and educational training.

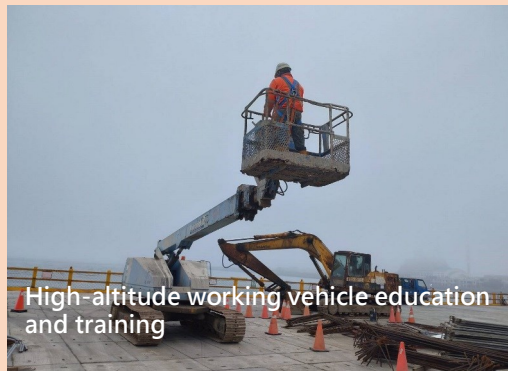
Work safety education and training for all work items



Cooperate with the education and training of personnel entering the site



Lifeboat use education and training



High-altitude working vehicle education and training



Monitor education and training

Safety precautions and labeling of hazardous chemicals



PPE is indeed worn 2022 06 23



Safety belt double hook suspension protection 2022 06 23

**KSECO** 台中電廠新建燃氣機組計畫  
循環水抽水機房及暗渠新建工程

工務工程

**液壓油 SDS**

**警告-警告**  
危害警告訊息-吞食可能有害,造成眼睛刺激,如果吞食並進入呼吸道可能有有害,對水生生物有害,危害防範措施-勿讓小孩接觸,操作時穿的護衣物,嚴禁煙火,不慎吞食不得催吐,避免排放在環境中,其他危害:無訊息。

1. 化學品與廠商資料  
化學品名稱(其他名稱): LONG-ONE HYDRO 32, 46, 68 (液壓循環油)  
建議用途及限制使用: 用於液壓循環之潤滑。  
製造者、輸入者或供應者: 長冠油行  
住址: 嘉義市上海路 72 號  
電話號碼: 05-236-0068 傳真號碼: 05-286-9033  
緊急聯絡電話/傳真: 05-236-0068

**labeling of hazardous chemicals**

# Our Occupational Safety and Health Actions in 2022-Hygiene



GRI 403-6

Pollution prevention



Sprinkle water to clean the road surface outside even



Dust net laying



Weed removal



Dengue Fever Control

Work area environment and sanitation management



car wash setup



Health Education Bulletin



Work area cleanup



Work area cleaning



Smoking area and trash can setting



Education Training



GRI 403-6

# Our Occupational Safety and Health Actions in 2022-Health Inspection and Epidemic Prevention

We care and attach great importance to the health of our employees. We conduct regular employee health checks every year, and provide 1,500~12,000 yuan per person per year (depending on rank) for health check-up fees. We will find health check-up medical institutions near the head office and various construction sites to cooperate, such as For construction sites with relatively inconvenient transportation, we will coordinate with the cooperating health examination institutes to go directly to the construction site to help employees carry out health examinations, continuously monitor the health of employees, and conduct health-related lectures.

health examination



From June 2022, the head office and each construction site will conduct health checks for employees, which will be undertaken by Boren Hospital.

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.

### 工地防疫措施

- 進入工地實名制登記
- 進入工地人員量測體溫
- 額溫超過37度禁止進入工地
- 進入工地需噴酒精確實消毒
- 在室內空間需全程配戴口罩
- 落實勤洗手
- 用餐採梅花座
- 會議改採視訊方式進行
- 人與人間保持安全距離
- 工地定期消毒



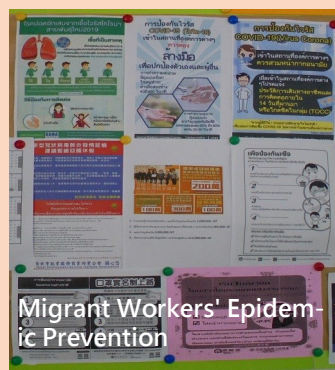
measure body temperature

In May 2021, the domestic epidemic heats up and enters a three-level alert stage. We have raised the alert level in response to the Central Epidemic Epidemic Command Center and followed the "Guidelines for Continuous Operation of Enterprises in Response to Severe and Special Infectious Pneumonia (COVID-19) Epidemics". For operational requirements, formulate "Home Office Management Measures" and "Guidelines for Prevention of Migrant Workers in Response to Severe and Special Infectious Pneumonia."In 2022, we will continue to carry out epidemic prevention measures and various response mechanisms.

Strengthen epidemic prevention measures



Strengthen the promotion of frequent hand washing



Migrant Workers' Epidemic Prevention

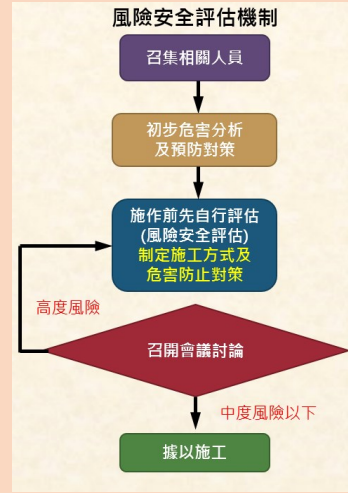
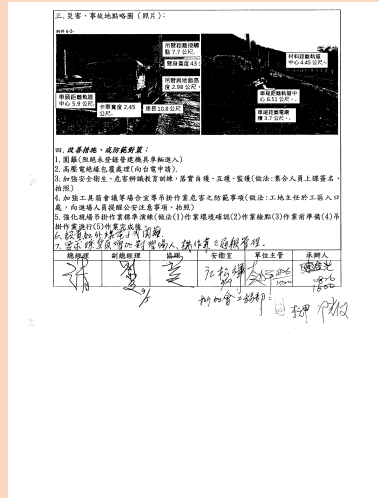
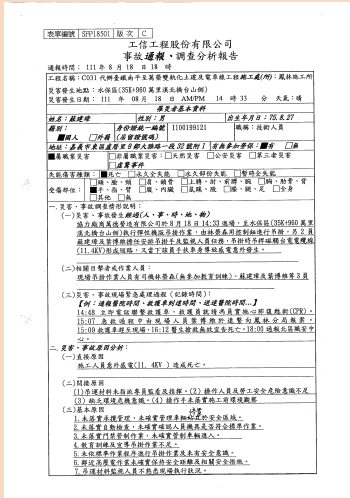


Isolation room settings

## Hazard identification, risk assessment and accident investigation

GRI 403-2

We conduct hazard identification and risk assessment through the inspection records of professional engineering personnel. In the event of an accident, the accident occurrence department will conduct an investigation, follow the "Accident Notification and Investigation Management Procedures" operating regulations, and fill in the "Accident Notification, Investigation and Analysis Report". Send it to the security room.



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

GRI 403--9、403-10

We did not have any occupational injuries in 2022.

All construction sites (seven construction sites in , Taipei Port(1),(2), Fenglin, Ji'an, Taichung Port, Tamjiang Bridge and Taitan) and the head office	Occupational injuries	damage type	Injury rate (%)	Absence rate (%)
2022 year	1	die	0	0
2021 year	0	0	0	0
2020 year	0	0	0	0

In 2020, we strengthened the management of occupational safety and health and the safety education and training of personnel. Therefore, in 2020 and 2021, the personnel have perfect safety and health knowledge when they leave work, and there have been no occupational accidents for two consecutive years. However, there was an occupational accident death in 2022, which was mainly caused by accidental electrocution of construction workers. In the future, we will especially strengthen the improvement measures and preventive countermeasures listed in this incident, and implement self-protection, mutual protection and supervision of construction workers.

Our workers with high incidence and high risk of occupational-related diseases, such as welding workers, may suffer from pneumoconiosis, manganese poisoning and eye diseases caused by arc light.

The company lists health and safety related issues as:

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

Award range	Awards	photo
Emergency dredging works for existing inlet bays of Tai Tam Power Plant	Northern Construction Department of Taiwan Power Company - excellent industrial safety management performance	

## 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 (P45), 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 Engineering	Taichung Power Plant's new gas-fired unit plans to recycle water pumping machine room and underdrain construction	<p>Key points of this project: Soil and water conservation works, connecting bridge around the port, pumping machine room (mainly divided into upper and lower structures), cooling circulating water underdrain engineering (including water inlet underdrain, leveling tower, staggered section and outlet underdrain), cable culvert Engineering, cleaning and restoration work, supply and installation of hydraulic machinery and equipment, supply and installation of overhead crane equipment for pumping machine rooms, agency fees for fire-fighting equipment and technician visas, seabed dredging, etc.</p> <p>Contribution after completion:</p> <ol style="list-style-type: none"> <li>1. Replace coal-fired power generation and reduce air pollution.</li> <li>2. Energy saving and carbon reduction.</li> </ol>
Harbor Engineering	Public facilities and permanent revetment and S04~S05 wharf project of Taipei Gangnan Wharf reclamation area	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.
Harbor Engineering	Continuous dredging project of existing inlet bay of Tai Tan Power Plant	<p>Engineering Content:</p> <p>Cooperate with engineering, water dredging and remote transportation and other construction cooperation matters.</p> <p>contribute:</p> <p>Datan Power Plant currently has 6 gas recirculation generator sets. In order to meet the long-term power demand in the northern region, it is planned to build 3 more gas recirculation generator sets. The main purpose of this project is to maintain the water intake operation of Datan Power Plant and to cooperate with the #8 on-line operator. The emergency dredging and dredging works of the existing inlet bay will be transferred to the schedule.</p>

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 2022, we will participate in a total of 21 student associations. To help the associations run smoothly, we have invested a total of 353,600 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 Association of the Republic of China	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 disposal business trade association	
The Republic of China Construction Management Association	
Taiwan Electrical Engineering Industry Association	
Taiwan Refrigeration and Air-Conditioning Engineering Industry Association	
Taiwan Water Pipe Engineering Industry Association	

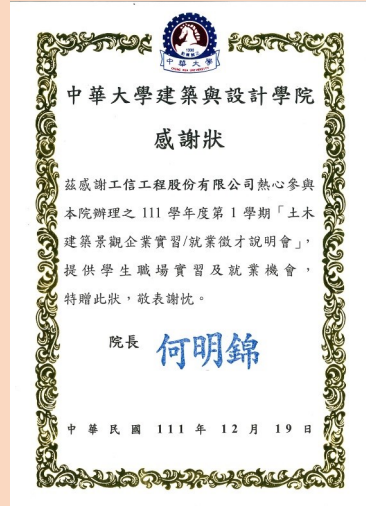
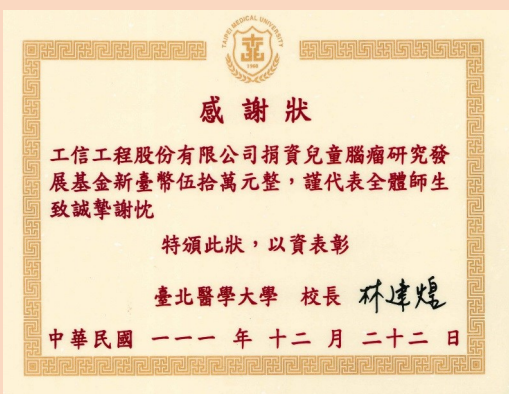


Society name	Director
Marine and Underwater Technology Association of the Republic of China	
Chinese Value Management Society	
New Taipei City Civil Engineers Association	
Chinese Paving Engineering Society	
Chinese Society of Engineers	
The Geotechnical Society of the Republic of China	
Taiwan Civil 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 Republic of China	Chu wei kuo (Chairman)
Taiwan Engineering Law Society	Li kwei chung (Director)

**Educational contribution**

With the engineering major, we assist colleges and universities to conduct engineering field visits and academic exchange activities. For industry-university cooperation or providing internship places for students, we will also provide opportunities according to the actual needs of the construction site.

In addition to the above actions, we also conduct educational donation actions, hoping to contribute to the development of academic research.



Provide internship opportunities

# Social Assistance



We promote the program to help disadvantaged groups every year. In 2022, we will participate in the "Send Love to Africa - Collection of Used Clothes, School Bags and Used Shoes". Since 2014, our company has participated in this activity and has given away more than 640 pairs of shoes, except for used shoes. In addition, in recent years, it has also increased the collection of used school bags and old clothes, hoping to spread love and send love to Africa.

**2022** 如果用舊書包、舊鞋、舊衣，能夠拯救或改變別人的命運。你願意嗎？

**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**

**支持舊鞋、救命！我們希望能讓孩子們臉上再次綻放笑容**

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，嚴重時甚至影響性命。當人們無鞋可穿，問題便更顯嚴重。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！

以舊鞋為啟門磚 關懷世界的需要

請欲捐贈者將下列物資交給各工地行政，工地並於 7/4(一) 下班前送至總公司給行政部彥萍，逾時不收，敬請大家多多響應與配合！

【注意事項】

- 【童鞋】：十二歲以下童鞋最迫切需要。
- 【鞋類】：商品質耐用之男鞋、女鞋(平底包鞋為主，無破洞、前損、裂痕、脫皮、氧化等狀況)。
- 【舊衣】：以夏季衣物為主(衣服褲子大小小孩皆可，內衣褲、襪子不收)
- 【書包】：單葉書包，以及其他可放入 A4 尺寸之各式包(環際袋、不織布、硬殼包、拉桿包不收)。



Recruiting used shoes, clothes, and school bags

Propaganda production



Organize and pack



Packing and sealing



In 2022, we will personally drive the collected materials to the warehouse in Bethlehem.

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



Our 2022 program to help the disadvantaged groups, please scan the QR Code

## Supporting local agricultural development and caring for small farmers

GRI 203 · 413

In the past, pineapple custard apples were mainly exported. In early 2022, due to the impact of China's ban on the import of Taiwan custard apples, we could only expand domestic sales. In response to the initiative of the competent authority, the company subscribed 270 boxes of pineapple custard apples (6 kg per box) to reward employees, and took actions to support small farmers.

The company is committed to sustainable development, regardless of business governance, environmental protection and giving back to the society, we all aim at sustainable development.



## Charity feedback

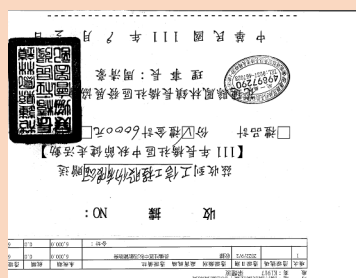
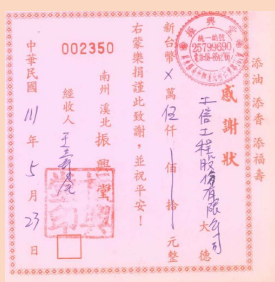
GRI 203 · 413

As always, in 2022, the industry and information project will adhere to the spirit of "take from the society and use it for the society", give back to the neighbors and the society, and maintain a good relationship with the neighbors.

### Friendship and Neighborhood - Giving Back to the Village (1)

In 2022, we will participate in and support the following activities:

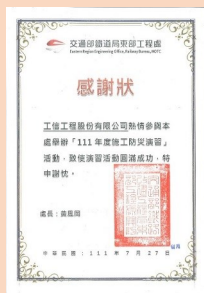
1. Sponsor Nanzhou Zhenxingtang to give to temples.
2. Sponsored the Mid-Autumn Festival Walk in Fenglin Changqiao Community.



### Friendship and Neighborhood - Site and Resource Assistance

In 2022, we will assist in the following activities:

1. Assist the North District Occupational Safety and Health Promotion Association of the construction industry, conduct project observation, and provide experience sharing on construction safety and health management measures and construction methods.
2. Participated in the "111 Annual Construction Disaster Prevention Drill" organized by the Eastern Engineering Department of the Railway Bureau of the Ministry of Communications.
3. Assisted the Accounting and Accounting Office of the Executive Yuan in conducting statistical surveys, and was awarded as an excellent manufacturer for cooperation in employee salary surveys.
4. Enthusiastically sponsored and provided 100 warning lights to Ji'an Branch.



### Volunteer Leave Settings

We have planned the setting of "Volunteer Leave", revised the company's "Work Rules" to provide leave provisions, and added "Volunteer Leave" to meet actual needs.

For participating in public welfare activities organized by social service, public welfare and charitable groups registered by the government, the service target must be public welfare-oriented, and 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", each person is limited to 16 hours per year, and the leave should be completed before the end of each year. Although no employees took volunteer leave in 2021, we actively encourage employees to participate in social services and charitable activities.

### Support the development of domestic art and culture

<p>Photography Competition</p>		<p>2022 Completion on Documentary</p>	
	<p>「內湖捷運之美」攝影比賽簡章</p> <p>宗旨：內湖捷運即將開幕，本次藉由攝影比賽，激發攝影愛好者，透過鏡頭，展現都會捷運之美。</p> <p>主辦單位：台北捷運股份有限公司</p> <p>協辦單位：台北攝影學會</p> <p>參賽對象：對外攝影之一般民眾踴躍參加。</p> <p>攝影主題：「內湖捷運」相關設施、建築、車站、文藝站、內湖站、大園公園站、麟洲站、東環站、南港軟體園站、南港展覽館站、內湖轉運站及綠園道轉運站等。範圍以內湖捷運站上蓋對交通的影響及現代都會之樣貌，再展現以攝影藝術感攝影、展現捷運之美。</p> <p>作品規格：</p> <p>一、參賽作品拍攝主題：以「內湖捷運之美」為核心，稿件內容可視個人自行訂定，並附上作品名稱及說明（字數以 200 字以內為限）。</p> <p>二、照片數位檔輸出格式：數位檔輸出在單張品質 300 萬畫素以上，檔案至少 1 MB 以上之影像檔(含附加檔 J28 說明)；影片 600 秒內，不得超過 10 分鐘(含音訊檔)。</p> <p>攝影器材不限(含附件)，參賽作品不得添加濾鏡、不得經過修飾、疊加特效且數位檔加蓋數位印圖章，參賽作品最多可附送沖印、實體交卷或數位檔。</p>		

project	Awards	Certificate or Medal
<p>(E) environmental protection</p>	<ol style="list-style-type: none"> <li>1. Business Weekly - Top 100 Carbon Competitive Enterprises</li> <li>2. Business Weekly - No. 2 among companies with the most carbon reduction in 3 years</li> <li>3. The Southern Engineering Department of the Railway Bureau of the Ministry of Communications - The Trophy of Perpetual Warrior</li> </ol>	
<p>(S) society</p>	<ol style="list-style-type: none"> <li>1. The northern construction department of Taiwan Power Company - excellent industrial safety management performance (the emergency dredging project of the inlet bay of Datun Power Plant)</li> <li>2. 1111 Job Bank - Happy Enterprise - Silver Award</li> <li>3. Certificate of Appreciation from Chunghua University</li> <li>4. Certificate of Indigenous Peoples Committee</li> <li>5. Certificate of Appreciation from Taipei Medical University</li> <li>6. Certificate of Appreciation from North District Occupational Safety and Health Promotion Association of Construction Industry</li> <li>7. Certificate of Appreciation from the Eastern Engineering Office of the Railway Bureau of the Ministry of Communications</li> </ol>	
<p>(G) Governance</p>	<ol style="list-style-type: none"> <li>1. 2022 TCSA Taiwan Corporate Sustainability Report Award - Silver Award</li> <li>2. The 22nd Public Works Gold Medal Award for water conservancy engineering, excellent</li> <li>3. Excellent Engineering Award of the Ministry of Communications - Excellent (Taipei Port S07.08 bid)</li> <li>4. Engineering Excellence Award of Chinese Society of Engineers (C811Z standard)</li> </ol>	

# Appendix GRI Content Index

Kung Sing Engineering has referred to the GRI Guidelines to report the information quoted in the GRI Content Index for the period from January 1, 2022 to December 31, 2022.

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 1 Basics: Only introduces the purpose and system of GRI reporting, setting key concepts, requirements and principles that all organizations must abide by					
GRI 2: General Disclosure 2021					
Organization and Reporting Practices					
2-1	Organization Details	V	Sustainable Operation-About Kung Sing	<a href="#">P7-P9</a>	
2-2	Entities Included in Organizational Sustainability Reports	V	Sustainable Operation-About Kung Sing	<a href="#">P7</a>	Taking Kung Sing as the main body
2-3	Coverage period, frequency and contact person	V	Sustainability - About this report	<a href="#">P5</a>	
2-4	Information Reorganization	V	Sustainability - About this report	<a href="#">P5</a>	No reprogramming
2-5	External Assurance/Assurance	V	Sustainability - About this report	<a href="#">P5</a>	
Activities and Workers					
2-6	Activities, value chains and other business relationships	V	Sustainable Operation-About Kung Sing Corporate Governance - Supply Chain Management	<a href="#">P9-P10</a> · <a href="#">P45-P49</a>	
2-7	staff	V	Happy Workplace and Social Integration- Employee Care and Welfare	<a href="#">P87-90</a>	
2-8	non-employee worker	V	Happy Workplace and Social Integration- Employee Care and Welfare	<a href="#">P87-90</a>	
Governance					
2-9	Governance Structure and Composition	V	Corporate Governance - Board Operations and Operations	<a href="#">P30-36</a>	
2-10	Nomination and Selection of the Highest Governance Unit	V	Corporate Governance - Board Operations and Operations	<a href="#">P30</a>	
2-11	chairman of the highest governing body	V	Corporate Governance - Board Operations and Operations	<a href="#">P30</a>	
2-12	The role of the highest governance body in overseeing impact management	V	Sustainable Operation-Sustainable Development Strategy and Performance Sustainable operation-stakeholder negotiation Corporate Governance - Board Operations and Operations Corporate Governance - Risk Management	<a href="#">P13</a> <a href="#">P24-P25</a> <a href="#">P30</a> <a href="#">P50</a>	
2-13	Head of Shock Management	V	Sustainable Operation-Sustainable Development Strategy and Performance Corporate Governance - Board Operations and Operations	<a href="#">P13</a> <a href="#">P30</a>	
2-14	The role of the highest governance body in sustainable reporting	V	Sustainable Operation-Sustainable Development Strategy and Performance	<a href="#">P13</a>	
2-15	conflict of interest	V	Corporate Governance - Board Operations and Operations	<a href="#">P32</a> · <a href="#">P35</a>	

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
2-16	Communicate key milestones	V	Corporate Governance - Board Operations and Operations	<a href="#">P32</a>	
2-17	Crowd Intelligence of the Supreme Governance Unit	V	Corporate Governance - Board Operations and Operations	<a href="#">P30</a> · <a href="#">P34</a>	
2-18	Performance Evaluation of the Highest Governance Unit	V	Corporate Governance - Board Operations and Operations	<a href="#">P33</a>	
2-19	salary policy	V	Corporate Governance - Board Operations and Operations	<a href="#">P35</a>	
2-20	Salary Decision Process	V	Board of Directors Governance - Board of Directors Operation and Operating Status	<a href="#">P35</a>	
2-21	Annual Total Compensation Ratio	V	Happy Workplace and Social Integration-Employee Care and Welfare	<a href="#">P89</a>	
Strategy, Policy and Practice					
2-22	Statement of Sustainability Strategy	V	Sustainable Operation - Chairman's Message	<a href="#">P7</a>	
2-23	policy commitment	V	Sustainable Operation-Sustainable Development Strategy and Performance	<a href="#">P14</a>	
2-24	Incorporate policy commitments	V	Sustainable Operation-Sustainable Development Strategy and Performance Corporate Governance - Major Topic Management Environmental friendliness - major theme management Happy Workplace and Social Integration - Major Theme Management	<a href="#">P14</a> <a href="#">P29</a> <a href="#">P61</a> <a href="#">P79</a>	
2-25	Procedures for Remediating Negative Shocks	V	Sustainable operation-stakeholder negotiation Corporate Governance-Integrity, Transparency and Law	<a href="#">P24</a> <a href="#">P58</a>	
2-26	Mechanisms for seeking advice and raising concerns	V	Sustainable operation-stakeholder negotiation Corporate Governance-Integrity, Transparency and Law Compliance	<a href="#">P24</a> <a href="#">P58</a>	
2-27	Compliance	V	Corporate Governance-Integrity, Transparency and Law Compliance	<a href="#">P58</a>	
2-28	Membership of public associations	V	Happy workplace and social integration - social participation and public welfare feedback	<a href="#">P96</a>	
Stakeholder negotiation					
2-29	Stakeholder negotiation policy	V	Sustainable operation-stakeholder negotiation	<a href="#">P19</a>	
2-30	group agreement	V	Happy Workplace and Social Inclusion - Labor Rights and Human Rights	<a href="#">P80</a>	No group agreement signed

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
<b>GRI 3: Material themes 2021</b>					
3-1	Process for Determining Material Themes	V	Sustainable operation-stakeholder negotiation	<a href="#">P19</a>	
3-2	List of Major Topics	V	Sustainable operation-stakeholder negotiation	<a href="#">P21</a>	
economic performance					
<b>GRI 3: Material themes</b>					
3-3	Major Theme Management	V	Corporate Governance - Major Topic Management Happy Workplace and Social Integration - Major Theme Management	<a href="#">P29</a> <a href="#">P79</a>	
<b>GRI 201 : Economic Performance 2016</b>					
201-1	Direct economic value generated and distributed.	V	Corporate Governance - Board Operations and Operations	<a href="#">P41-44</a>	
201-2	Financial implications and other risks and opportunities for the organization' s activities due to climate change.	V	Corporate Governance - Risk Management	<a href="#">P52-56</a>	
201-3	Defined benefit plan obligations and other retirement plans	V	Happy Workplace and Social Integration-Employee Care and Welfare	<a href="#">P82</a>	
201-4	Financial assistance received from government.	V	Corporate Governance - Board Operations and Operations	<a href="#">P42</a>	No financial assistance from the government
market status					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	<a href="#">P79</a>	
<b>GRI 202: Market Presence 2016</b>					
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	V	Happy Workplace and Social Integration-Employee Care and Welfare	<a href="#">P87</a>	
202-2	Proportion of senior management hired from the local community	V	Happy Workplace and Social Integration-Employee Care and Welfare	<a href="#">P87</a>	
indirect economic shock					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	<a href="#">P79</a>	
<b>GRI 203: Indirect economic shock 2016</b>					
203-1	Development and impact of infrastructure investment and support services	V	Happy workplace and social integration - social participation and public welfare feedback	<a href="#">P95-96</a>	
203-2	Significant indirect economic shock	V	Happy workplace and social integration - social participation and public welfare feedback	<a href="#">P97-100</a>	



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
Procurement Practices					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Corporate Governance - Major Topic Management	<a href="#">P29</a>	
<b>GRI 204 : purchase practice 2016</b>					
204-1	Proportion of spending on local suppliers	V	Corporate Governance - Supply Chain Management	<a href="#">P46</a>	
Anti-corruption					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Corporate Governance - Major Topic Management	<a href="#">P29</a>	
<b>GRI 205 : Anti-Corruption 2016</b>					
205-1	Operations assessed for risks related to corruption	V	Corporate Governance- Integrity Management and Legal Compliance	<a href="#">P58</a>	
205-2	Communication and training about anti-corruption policies and procedures	V	Corporate Governance- Integrity Management and Legal Compliance	<a href="#">P58</a>	
205-3	Confirmed incidents of corruption and actions taken	V	Corporate Governance- Integrity Management and Legal Compliance	<a href="#">P58</a>	
Anticompetitive					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Corporate Governance - Major Topic Management	<a href="#">P29</a>	
<b>GRI 206 : Anti-Competitive Behavior 2016</b>					
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	V	Corporate Governance- Integrity Management and	<a href="#">P58</a>	
Pay taxes					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Corporate Governance - Major Topic Management	<a href="#">P29</a>	
<b>GRI 207 : Anti-Competitive Behavior 2018</b>					
207-1	Tax method	V	Corporate Governance - Board Operations and Operations	<a href="#">P37</a>	
207-2	Tax governance and control and risk management	V	Corporate Governance - Board Operations and Operations	<a href="#">P37</a>	
207-3	Involvement and management of tax-related stakeholders	V	Corporate Governance - Board Operations and Operations	<a href="#">P37</a>	
207-4	Multi-country report	V	Corporate Governance - Board Operations and Operations	<a href="#">P37</a>	

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
<b>Materials</b>					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Environmental friendliness - major theme management	<a href="#">P61</a>	
<b>GRI 301: Materials 2016</b>					
301-1	Weight or volume of material used	X			The company is not manufacturing
301-2	Renewable materials used	X			The company is not manufacturing
301-3	Recycled products and their packaging materials	V	Environmental friendliness - energy management	<a href="#">P64-65</a>	
<b>Energy</b>					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Environmental friendliness - major theme management	<a href="#">P67</a>	
<b>GRI 302: Energy 2016</b>					
302-1	Energy consumption within the organization	V	Environmental friendliness - energy management	<a href="#">P66-67</a>	
302-2	Energy consumption outside the organization	V	Environmental friendliness - energy management	<a href="#">P66-67</a>	
302-3	Energy intensity	V	Environmental friendliness - energy management	<a href="#">P66-67</a>	
302-4	Reduce energy consumption	V	Environmental friendliness - energy management	<a href="#">P65-66</a>	
302-5	Reduce energy demand for products and services	V	Environmental friendliness - energy management	<a href="#">P65</a>	
<b>Water and runoff</b>					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Environmental friendliness - major theme management	<a href="#">P67</a>	
<b>GRI 303: Water and Effluent 2018</b>					
303-1	Interactions of shared water resources	V	Environmental friendliness - water resource management	<a href="#">P67</a>	
303-2	Management of drainage-related shocks	V	Environmental friendliness - water resource management	<a href="#">P67</a>	
303-3	water intake	V	Environmental friendliness - water resource management	<a href="#">P67</a>	
303-4	Displacement	V	Environmental friendliness - water resource management	<a href="#">P67</a>	
303-5	Water Consumption	V	Environmental friendliness - water resource management	<a href="#">P67</a>	

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
<b>Biodiversity</b>					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Environmental friendliness - major theme management	<a href="#">P61</a>	
<b>GRI 304: Biodiversity 2016</b>					
304-1	The operating sites owned, leased, and managed by the organization or their adjacent areas are located in environmental protection areas or other areas of high biodiversity value	V	Environmental friendliness - pollution prevention	<a href="#">P71-74</a>	
304-2	Significant impacts of activities, products and services on biodiversity	V	Environmental friendliness - pollution prevention	<a href="#">P71-74</a>	
304-3	protected or restored habitat	V	Environmental friendliness - pollution prevention	<a href="#">P71-74</a>	
304-4	Among the habitats affected by operations, the species that have been included in the IUCN Red List and the National Conservation List	V	Environmental friendliness - pollution prevention	<a href="#">P71-74</a>	
<b>Emission</b>					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Environmental friendliness - major theme management	<a href="#">P61</a>	
<b>GRI 305: Emissions 2016</b>					
305-1	Direct (Scope 1) Greenhouse Gas Emissions	V	Environmental friendliness - energy management	<a href="#">P66</a>	
305-2	Energy Indirect (Scope 2) Greenhouse Gas Emissions	V	Environmental friendliness - energy management	<a href="#">P66</a>	
305-3	Other indirect (scope 3) greenhouse gas emissions	V	Environmental friendliness - energy management	<a href="#">P66</a>	Not yet counted
305-4	Greenhouse gas emission intensity	V	Environmental friendliness - energy management	<a href="#">P67</a>	
305-5	Greenhouse Gas Emission Reduction	V	Environmental friendliness - energy management	<a href="#">P65-66</a>	
305-6	Emissions of Ozone Depleting Substances (ODS)	V	Environmental friendliness - energy management	<a href="#">P66</a>	none
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	V	Environmental friendliness - energy management	<a href="#">P66</a>	none
<b>Waste disposal</b>					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Environmental friendliness - major theme management	<a href="#">P67</a>	
<b>GRI 306 : waste disposal 2016</b>					
306-1	Waste generation and significant waste-related impacts	V	Environmental friendliness - pollution prevention	<a href="#">P75-77</a>	
306-2	Management of significant impacts related to waste	V	Environmental friendliness - pollution prevention	<a href="#">P75-77</a>	

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
306-3	waste generation	V	Environmental friendliness - pollution prevention	<a href="#">P75-77</a>	
306-4	Disposal and transfer of waste	V	Environmental friendliness - pollution prevention	<a href="#">P75-77</a>	
306-5	Direct disposal of waste	V	Environmental friendliness - pollution prevention	<a href="#">P75-77</a>	
Compliance with regulations related to environmental protection					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Environmental friendliness - major theme management	<a href="#">P61</a>	
<b>GRI 307 : Regulatory compliance with respect to environmental protection 2016</b>					
307-1	Violation of environmental regulations	V	Environmentally Friendly - Regulatory Compliance	<a href="#">P63</a>	
Supplier Environmental Assessment					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Environmentally Friendly - Regulatory Compliance	<a href="#">P61</a>	
<b>GRI 308: Supplier Environmental Assessment 2016</b>					
308-1	Use environmental criteria to screen new suppliers	V	Corporate Governance - Supply Chain Management	<a href="#">P48</a>	
308-2	Negative impact of the supply chain on the environment, and actions taken	V	Environmentally Friendly - Regulatory Compliance	<a href="#">P63</a>	
Employment Relations					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	<a href="#">P79</a>	
<b>GRI 401: Employment Relations 2016</b>					
401-1	New and departing employees	V	Happy Workplace and Social Integration-Employee Care and Welfare	<a href="#">P88</a>	
401-2	Benefits offered to full-time employees (not including temporary or part-time employees)	V	Happy Workplace and Social Integration-Employee Care and Welfare	<a href="#">P82-86</a>	
401-3	parental leave	V	Happy Workplace and Social Integration-Employee Care and Welfare	<a href="#">P88</a>	
Labour Relations					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	<a href="#">P79</a>	
<b>GRI 402: Labor/Management Relations 2016</b>					
402-1	Minimum notice period for operational changes	V	Happy Workplace and Social Inclusion - Labor Rights and Human Rights	<a href="#">P80</a>	

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

Index number	Narrate	Reveal the situation	Corresponding chapter	page number	Note
occupational safety and health					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	<a href="#">P79</a>	
<b>GRI 403: Occupational Safety and Health 2018</b>					
403-1	Occupational Safety and Health Management System	V	Happy Workplace and Social Inclusion - Occupational Health and Safety	<a href="#">P90</a>	
403-2	Hazard identification, risk assessment and accident investigation	V	Happy Workplace and Social Inclusion - Occupational Health and Safety	<a href="#">P94</a>	
403-3	Occupational Health Services	V	Happy Workplace and Social Inclusion - Occupational Health and Safety	<a href="#">P93</a>	
403-4	Worker participation, consultation and communication on occupational safety and health	V	Happy Workplace and Social Inclusion - Occupational Health and Safety	<a href="#">P90-93</a>	
403-5	Worker Training on Occupational Safety and Health	V	Happy Workplace and Social Inclusion - Occupational Health and Safety	<a href="#">P90-93</a>	
403-6	worker health promotion	V	Happy Workplace and Social Inclusion - Occupational Health and Safety	<a href="#">P93</a>	
403-7	Prevention and mitigation of occupational safety and health impacts directly linked to business relationships	V	Happy Workplace and Social Inclusion - Occupational Health and Safety	<a href="#">P91</a>	
403-8	Workers covered by the occupational safety and health management system	V	Happy Workplace and Social Inclusion - Occupational Health and Safety	<a href="#">P90</a>	
403-9	occupational injury	V	Happy Workplace and Social Inclusion - Occupational Health and Safety	<a href="#">P94</a>	
403-10	occupational disease	V	Happy Workplace and Social Inclusion - Occupational Health and Safety	<a href="#">P94</a>	
training and education					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	<a href="#">P79</a>	
<b>GRI 404 : training and education 2016</b>					
404-1	Average hours of training per employee per year	V	Happy Workplace and Social Integration- Employee Care and Welfare	<a href="#">P84</a>	
404-2	Upgrading staff functions and transition assistance programs	V	Happy Workplace and Social Integration- Employee Care and Welfare	<a href="#">P84-86</a>	
404-3	Percentage of employees receiving regular performance and career development reviews	V	Happy Workplace and Social Integration- Employee Care and Welfare	<a href="#">P84</a>	
Employee Diversity and Equal Opportunity					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Happy Workplace and Social Integration- Employee Care and Welfare	<a href="#">P79</a>	
<b>GRI 405: Employee Diversity and Equal Opportunity 2016</b>					

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
405-1	Diversity of Governance Units and Employees	V	Corporate Governance - Board Operations and Operations Happy workplace and social integration - labor rights and human rights, employee care and welfare	<a href="#">P34</a> <a href="#">P81</a>	
405-2	Ratio of base salary plus pay for women to men	V	Employee Care and Benefits	<a href="#">P89</a>	
non-discrimination					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	<a href="#">P79</a>	
<b>GRI 406: Non-Discrimination 2016</b>					
406-1	Incidents of Discrimination and Corrective Actions Taken	V	Happy Workplace and Social Inclusion - Labor Rights and Human Rights	<a href="#">P80</a>	no such case
Freedom of Association and Group Consultation					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Corporate Governance - Major Topic Management	<a href="#">P29</a>	
<b>407: Freedom of Association and Group Consultation 2016</b>					
407-1	Operations or suppliers that may face risks to freedom of association and group bargaining	V	Corporate Governance - Supply Chain Management	<a href="#">P48</a>	no such case
Child labor					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	<a href="#">P79</a>	
<b>GRI 408 : child labor 2016</b>					
408-1	Significant risks of child labor in operations and suppliers	V	Happy Workplace and Social Inclusion - Labor Rights and Human Rights	<a href="#">P80</a>	no such case
Forced or compulsory labor					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	<a href="#">P79</a>	
<b>GRI 409: Forced or Compulsory Labor 2016</b>					
409-1	Operations and suppliers with significant risk of incidents of forced or compulsory labor	V	Happy Workplace and Social Inclusion - Labor Rights	<a href="#">P80</a>	no such case

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Index number	Narrate	Reveal the situation	Corresponding chapter	page number	Note
Security practice					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	<a href="#">P79</a>	
<b>GRI 410: Security practice</b>					
410-1	Security personnel receive training on human rights policies or procedures	V	Happy Workplace and Social Inclusion - Labor Rights and Human Rights	<a href="#">P81</a>	
Aboriginal rights					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	<a href="#">P79</a>	
<b>GRI 411 : Aboriginal rights 2016</b>					
411-1	Incidents Involving Violations of Indigenous Rights	V	Happy Workplace and Social Inclusion - Labor Rights and Human Rights	<a href="#">P81</a>	no such case
human rights assessment					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	<a href="#">P79</a>	
<b>GRI 412 : human rights assessment 2016</b>					
412-1	Operations subject to human rights inspections or human rights impact assessments	V	Happy Workplace and Social Inclusion - Labor Rights and Human Rights	<a href="#">P81</a>	no such case
412-2	Employee Training on Human Rights Policies or Procedures	V	Happy Workplace and Social Inclusion - Labor Rights and Human Rights	<a href="#">P81</a>	
412-3	Important investment agreements and contracts that contain human rights clauses or have undergone human rights review	V	Happy Workplace and Social Inclusion - Labor Rights and Human Rights	<a href="#">P81</a>	
local community					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	<a href="#">P79</a>	
<b>GRI 413:local community 2016</b>					
413-1	Operations through local community communication, impact assessment and development planning	V	Happy workplace and social integration - social participation and public welfare feedback	<a href="#">P99-100</a>	
413-2	Operations with significant actual or potential negative impacts on local communities	V	Happy workplace and social integration - social participation and public welfare feedback	<a href="#">P99-100</a>	no negative events
Supplier Social Assessment					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Corporate Governance - Major Topic	<a href="#">P29</a>	

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
<b>GRI 414: Supplier Social Assessment 2016</b>					
414-1	New suppliers screened using social criteria	V	Corporate Governance - Supply Chain Management	<a href="#">P48</a>	
414-2	Negative social impacts in the supply chain and actions taken	V	Corporate Governance - Supply Chain Management	<a href="#">P48</a>	no such case
public policy					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	<a href="#">P79</a>	
<b>GRI 415: Public Policy 2016</b>					
415-1	political contribution	V	Happy Workplace and Social Inclusion - Labor Rights and Human Rights	<a href="#">P80</a>	no such case
Customer Health and Safety					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Corporate Governance - Major Topic Management	<a href="#">P29</a>	
<b>GRI 416: Customer Health and Safety 2016</b>					
416-1	Assess the impact of product and service categories on health and safety	V	Corporate Governance - Board Operation and Operating Status - Construction	<a href="#">P39</a>	The company is a construction industry, not a manufacturing industry
416-2	Incidents of violation of health and safety regulations concerning products and services	V	Corporate Governance- Integrity, Transparency and Law Compliance	<a href="#">P59</a>	The company is a construction industry, not a man-
Marketing and Labeling					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Corporate Governance - Major Topic Management	<a href="#">P29</a>	
<b>GRI 417: Marketing and Labeling 2016</b>					
417-1	Product and service information and labeling requirements	Δ			The company is a construction industry, not a man-
417-2	Incidents of non-compliance with product and service information and labeling regulations	Δ			The company is a construction industry, not a man-
417-3	Incidents of non-compliance with marketing communications regulations	Δ			The company is a construction industry, not a man-









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Index number	Narrate	Reveal the situation	Corresponding chapter	page number	Note
Customer privacy					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	<a href="#">P79</a>	
<b>GRI 418 : Customer privacy 2016</b>					
418-1	Substantiated complaints of violation of customer privacy or loss of customer data	V	Happy Workplace and Social Inclusion - Labor Rights	<a href="#">P81</a>	no such case
Socioeconomic Regulatory Compliance					
<b>GRI 3: Material themes 2021</b>					
3-3	Major Theme Management	V	Corporate Governance - Major Topic Management	<a href="#">P29</a>	
<b>GRI 419 : Socioeconomic Regulatory Compliance 2016</b>					
419-1	Violation of laws and regulations in the social and economic fields	V	Corporate Governance- Integrity, Transparency and	<a href="#">P59</a>	

# Appendix SDGs comparison table

SDGs goals and detailed targets	What we do	page number
 <p><b>Goal 1 End poverty: eliminate all forms of poverty everywhere.</b></p> <hr/> <p><b>Detailed objectives:</b></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>Support local agricultural development and care for small farmers;</p> <p>Buy Atemoya to help small farmers and support local agriculture.</p>	<p><a href="#">P98-99</a></p>
 <p><b>Goal 3 Health and well-being: to ensure and promote healthy life and well-being for all age</b></p> <hr/> <p><b>Detailed objectives:</b></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><a href="#">P90</a></p> <p><a href="#">P68-71</a></p>
 <p><b>Goal 4 High-quality education: to ensure that there is no class, fair and high-quality education, and to promote life-long learning.</b></p> <hr/> <p><b>Detailed objectives:</b></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><a href="#">P84-86</a></p>

SDGs goals and detailed targets	What we do	page number
 <p><b>Goal 5 Gender Equality: Achieve gender equality and empower women.</b></p> <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><a href="#">P81</a></p>
 <p><b>Goal 6 Water purification and sanitation: to ensure that all people have access to water, sanitation and sustainable management.</b></p> <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><a href="#">P69</a></p> <p><a href="#">P67</a></p>
 <p><b>Goal 8 Appropriate work and economic growth: Promote inclusive and sustainable economic growth, so that everyone has a good job.</b></p> <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><a href="#">P57</a></p> <p><a href="#">P80-81</a></p> <p><a href="#">P80</a></p> <p><a href="#">P90-94</a></p>

SDGs goals and detailed targets	What we do	page number
 <p><b>Goal 9 Industry, Innovation and Infrastructure:</b> Build resilient infrastructure, promote inclusive and sustainable industries, and accelerate innovation.</p> <hr/> <p><b>Itemized goals:</b></p> <p>9.1 Develop high-quality, reliable, sustainable and resilient infrastructure, including regional and cross-border infrastructure, to support economic development and human well-being, with a focus on providing affordable and equitable access for all.</p>	<p>Establish a construction quality control system, and formulate a quality plan based on the scale and nature of the project, including management responsibilities, construction essentials, quality management standards, material and construction inspection procedures, self-checklists, control of non-conforming products, corrective and preventive measures, Internal quality audit and document record management system.</p> <p>The implementation of quality control is the most important part of ensuring construction quality. We promise to complete the independent inspection of various construction quality and cooperate to complete various quality inspections.</p>	<p><a href="#">P39-40</a></p>
 <p><b>Goal 10 Reduce inequality:</b> reduce inequality within and between countries.</p> <hr/> <p><b>Detailed objectives:</b></p> <p>10.2 By 2030, promote social, economic and political integration, regardless of age, gender, physical or mental disability, race, ethnicity, motherland, religion, economic or other status.</p> <p>10.3 Ensure equal opportunities and reduce inequality, including laws, policies and practices that eliminate discrimination, and promote appropriate legislation, policies and actions.</p>	<p>We formulate human rights policies to 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, to prevent any violations and violations of human rights. Reveal to treat and respect all colleagues with fairness and fairness.</p>	<p><a href="#">P80-81</a></p>
 <p><b>Goal 13 Climate Action:</b> Complete mitigation and adaptation actions to respond to climate change and its impact.</p> <hr/> <p><b>Detailed objectives:</b></p> <p>13.2 Implementation of the greenhouse gas phase control objectives.</p>	<p>Based on the TCFD framework, we identified 4 entity risks, 5 transformation risks, and 7 opportunities, and then differentiated short, medium, and long-term time frames, as well as the possibility of occurrence and the degree of financial impact, and prepared a report.</p> <p>We reduce the amount of greenhouse gases by reducing the amount of direct and indirect emissions.</p>	<p><a href="#">P52-56</a></p> <p><a href="#">P66-67</a></p>
 <p><b>Goal 14: Conserve marine ecology:</b> Conserve and sustainably use marine ecosystems to ensure biodiversity and prevent degradation of the marine environment.</p> <hr/> <p><b>Detailed objectives:</b></p> <p>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><a href="#">P73</a></p>

SDGs goals and detailed targets	What we do	page number
<div data-bbox="119 197 231 309"> </div> <p data-bbox="239 197 662 358">Goal 15: Conserve terrestrial ecology: Conserve and sustainably use terrestrial ecosystems, ensure biodiversity and prevent land degradation.</p> <hr/> <p data-bbox="119 414 383 448">Detailed objectives:</p> <p data-bbox="119 470 654 683">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 data-bbox="678 197 1316 280">For different projects, we have different ecological protection measures</p> <p data-bbox="678 302 1316 515">, 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 data-bbox="678 537 1316 918">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 data-bbox="1337 197 1471 235"><a href="#">P71-74</a></p>

# Appendix SASB Content Index

## SASB Major Theme Management Guidelines

Sector : Infrastructure

Industry : Engineering & Construction Services

Theme	The code	Index	Content	Page number
Environmental impact of planned development	IF-EN-160a.1	Number of incidents of non-compliance with environmental permits, standards and regulations	A total of 2 violations of environmental protection laws and regulations, with a total fine of NT\$70,000 (reason: violation of Air Pollution Law and Water Conservancy Law)  Ways to improve: Please refer to this report Environmentally Friendly - Regulatory Compliance.	<a href="#">P63</a>
	IF-EN-160a.2	Discuss the process of assessing and managing environmental risks associated with project design, siting and construction	In terms of risk management, we regularly propose business contract evaluation and risk analysis in the strategic risk, and we will also consider various risk factors when bidding for projects.  Please refer to Corporate Governance-Risk Management-Risk Management Mechanism, Main Risk Control Mechanism and Climate Risk Assessment, Identification and Management Process.	<a href="#">P49-</a> <a href="#">P51</a> <a href="#">P52-</a> <a href="#">P56</a>
Structural Integrity and Safety	F-EN-250a.1	Rework costs related to defects and security	No rework costs associated with defects and security.	NA
	F-EN-250a.2	Total monetary damages due to legal proceedings related to defects and safety-related incidents	10 violations of Article 27, Paragraph 1 of the Occupational Safety and Health Act, Article 19 of the Construction Safety Facilities Standard, and Article 153 of the Occupational Safety and Health Facilities Regulations, with a total fine of NT\$1,390,000.  Improvement measures: Strengthen the safety education and training of construction personnel on the construction site. In addition to the company's employees, the safety and health work of the third party is also carefully supervised to avoid hazards.	<a href="#">P59</a>
Labor Health and Safety	IF-EN-320a.1	(1) Total Recordable Incident Rate (TRIR) and (2) fatality rates for (a) staff and (b) contractors	In 2022, there will be a total of 1 occupational accident fatality.  For statistics on the occupational accident rate, please refer to the report - Happy Workplace and Social Integration - Occupational Health and Safety - Number of Occupational Injuries (Taiwan Region), Types of Injuries, and Occupational Injury Rates.	<a href="#">P94</a>

Theme	The code	Index	Content	Page number
Life Cycle Impacts of Buildings and Infrastructure	IF-EN-410a.1	(1) Number of closed programs certified to third-party multi-attribute sustainability standards and (2) number of active programs seeking such certification	Since our company undertakes public works, we cooperate with the implementation of relevant certifications in accordance with the owner's requirements.  For example: Green Building and Carbon Inventory Certification of Danjiang Bridge Project.	<a href="#">P65</a>
	IF-EN-410a.2	Discuss the process of incorporating energy and water efficiency considerations in the operational phase into program planning and design	Taipei Port S07.08 project 90% recycled materials reuse, concrete practice of circular economy:  Using recycled cubes, pebbles, etc. after the demolition of existing dikes as construction materials for new temporary bank revetments can effectively reduce construction costs and shorten construction periods, achieve circular economy, reduce carbon emissions, and set a model for green ports.  Solar warning lights were installed on the construction site, meeting the goal of energy saving and carbon reduction.  The construction site draws water from the sedimentation tank for construction site sprinkling and achieves recycling and reuse.	<a href="#">P65</a>  <a href="#">P67</a>
Climate Impact of Business Portfolio	IF-EN-410b.1	(1) backlog for hydrocarbon-related programs and (2) renewable energy programs	There is no related project backlog.	NA
	IF-EN-410b.2	Backlog of canceled hydrocarbon-related projects	There is no related project backlog.	NA
	IF-EN-410b.3	Backlog of non-energy projects related to climate change mitigation	There is no related project backlog.	NA
商業倫理	IF-EN-510a.1	(1) Number of projects in progress and (2) Number of projects to be promoted in the bottom 20 countries in Transparency International's Corruption Perceptions Index	There are no active and pending projects located in these countries.	NA
	IF-EN-510a.2	Total pecuniary damages resulting from legal proceedings related to (1) bribery or corruption and (2) anti-competitive conduct	Amount loss caused by no relevant legal procedures.	NA
	IF-EN-510a.3	Describe policies and measures to prevent (1) bribery and corruption and (2) anti-competitive behavior in the project bidding process	The company has established "Risk Assessment and Preventive Measures for Dishonest Behaviors" to regularly evaluate each unit to prevent dishonest behaviors from occurring, and when contracting and negotiating, the procurement and contracting committee will review the qualifications of the cooperating parties. When signing the contract, the cooperating parties must sign to abide by the company "Integrity Management Policy".	<a href="#">P48</a> <a href="#">P58</a>

Theme	The code	Index	Content	Page number
Active projects quantity	IF-EN-000.A	Building and infrastructure projects under development for which an entity is actively providing services as at the end of the reporting period, including but not limited to the design and construction phases. Projects in progress do not include projects entrusted during the reporting period.	As of the end of the report, there are a total of 4 projects under construction. 1. Danjiang Bridge and its connecting roads 5K+000~7K+035 new projects. 2. The newly-built gas-fired unit of Taichung Power Plant plans to build the circulating water pumping machine room and the new construction of the culvert. 3. Public facilities and permanent revetment and S04~S05 wharf project of Taipei Gangnan Wharf reclamation area. 4. Papaya Creek Bridge Reconstruction Project of 212K+800~214K+685 of Taiwan Line 9.	<a href="#">P10</a>
Commissioned projects quantity	IF-EN-000.B	Projects that were completed and considered ready for use during the reporting period. The scope of entrusted projects only includes projects for which the unit provides construction services.	During the reporting period, a total of 3 cases were completed. 1. S07, S08 embankment revetment and rear embankment land reclamation project of Taipei Port South Wharf. 2. Datan Power Plant has an emergency dredging project for the inlet bay. 3. C031 Acting as an agent for Taiwan Railway Nanping-Wanrong dual-track civil engineering and tram line project.	<a href="#">P10</a>
Backlog	IF-EN-000.C	The value of unfinished projects as of the end of the reporting period (contractually anticipated but not yet recognized future revenue) can also be defined by the entity itself, consistent with its current disclosed order backlog. Backlog can also be referred to as backlog revenue or unfulfilled contractual obligations. The scope of disclosure is limited to buildings and infrastructure plans where an entity provides engineering, construction, architecture, design, installation, planning, consulting, repair and/or maintenance services or other similar services.	As of December 31, 2022, the total transaction price of the Group's unfulfilled performance obligations is NT\$15,077,210 thousand, which will be gradually recognized with the completion of construction projects such as bridges and connected roads, railway civil works, electromechanical, ports, etc. These projects are expected to be completed successively from 2023 to 2027.	<a href="#">P43</a>





Kung Sing Engineer Corporation  
Sustainability Report

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