

2024 KUNG SING ENGINEERING CORPORATION



SUSTAINABILITY REPORT



Su-hua
Guan-yin tunnel



Dan Jiang Bridge



Linkou Expansion Plan
Tubular Coal Bunker System

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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

Annual highlight performance	P4
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Important issues

1	Health and Safety	6	Environmental protection (including pollution control)
2	Construction quality	7	Risk Management
3	Construction period progress	8	Salary
4	supply chain management	9	Energy management
5	Operating status	10	Employee Benefits

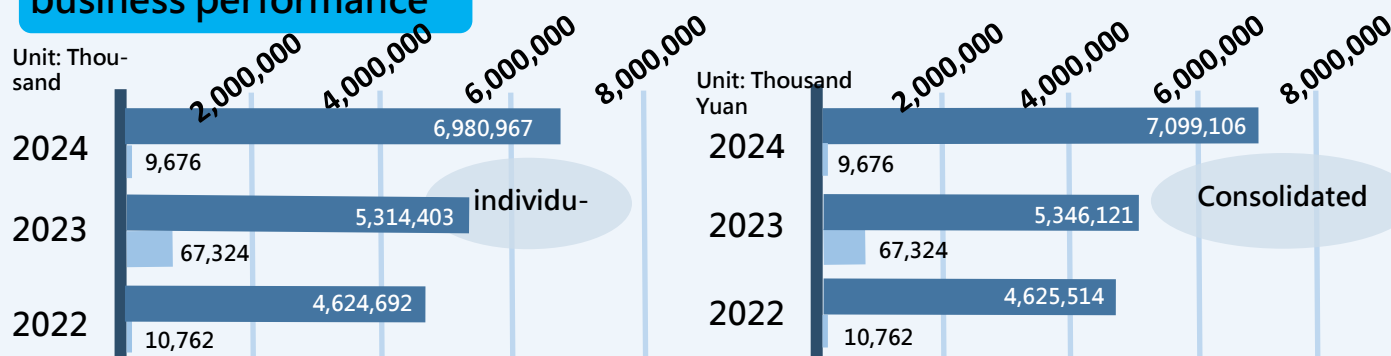
The triple surplus of ESG (environmental, social, governance) enables companies to develop sustainably. Therefore, the chapter on sustainable management includes all the major issues that we have summarized, but in this chapter, the major issues 1-15 are only A brief description of the general direction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

2024 Annual highlight performance

In 2024, 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 2024.

Corporate Governance

- ※ Won the "Gold Award" of TCSA's 17th Sustainability Report in 2024.
- ※ Won the 2024 Happy Enterprise "Silver Award" from 1111 Human Resources Bank.
- ※ 100% of the new suppliers signed the "Occupational Safety and Environmental Protection Recognition" and "Environmental and Social Responsibility Recognition".



Environmental protection

- ※ The company's carbon reduction commitment, calculated by the "Corporate Carbon Reduction Thermometer" (TRIPs), is in line with the Paris Agreement's goal of not exceeding 1.5°C in global warming by the end of this century. It has been certified by World Magazine and awarded the seal.

- ※ In 2024, the per capita water consumption of the KUNG SING project will be reduced by 73.03 M³ compared to the base year (2018), with a cumulative reduction rate of 57.90%.

- ※ In 2024, the greenhouse gas emissions of the Industrial and Information Engineering Group will be reduced by 1,154.863 metric tons compared to the base year (2018), with a cumulative reduction rate of 35.7%. The greenhouse gas emission density will be reduced by 64.71% compared to the base year.

- ※ The Chairman of the Board of Directors has signed the Company's Environmental Policy.



Happy workplace and social integration

- ※ There will be no human rights complaints in 2024.
- ※ In 2024, employee compensation of 4.46% of the 2023 profit will be paid.
- ※ Won the "Happy Enterprise" Silver Award from 1111 Job Bank.
- ※ In 2024, the salary adjustment for domestic employees will be approximately 3.2%. If foreign employees are included, the overall salary increase will be approximately 2.38%, and the welfare expenditure increase will be approximately 4.37%.



About this report

Industry Information Engineering compiled its corporate social responsibility report for the first time in 2012. In 2014, it officially prepared the report in accordance with the indicators set by the Global Sustainability Reporting Institute (GRI) reporting guidelines. Since then, this report has been compiled annually as a non-financial report of the company. Report. In August 2023, Industry Information Technology established a sustainable development committee to manage and supervise sustainable development, and the ESG work promotion group is the responsible unit for promoting implementation and preparing sustainability reports.

range

The content of this report includes the activities of Industry and Information Engineering Co., Ltd. from January 1 to December 31, 2024. Because some of the content discloses information in the past 3-5 years, there is a restatement of the information in the previous report. . In addition, if the content includes enterprises related to industry and information engineering, an explanation will be added to the report. The report is divided into four major themes: sustainable management, corporate governance, environmental friendliness, and happy workplace and social inclusion. The content of each article is designed to correspond to the GRI indicators of the sustainability reporting guide (please refer to the attachment).

Industrial Information Engineering takes the five major concepts of "safety, quality, progress, cost, and environmental protection" as 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 major operating concepts.

The concept is developed as the short, medium and long-term direction for fulfilling corporate social responsibility. In order to align the enterprise's sustainable development goals with the company's operating direction, in 2024 the Industrial Information Engineering Group will adopt "sustainable management" (including five major 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 report is compiled under this framework.

Writing principles

This report is written with reference to the Global Sustainability Reporting Institute's GRI indicators, the United Nations' Sustainable Development Goals (SDGs), SASB indicators, the TCFD structure, and the Corporate Social Responsibility Code of Practice for Listed Overseas Companies issued by the Taiwan Stock Exchange/Securities counter trading center.

Improvements to the report and reorganization of information

In 2024, the Sustainable Development Committee will provide supervision and specify the ESG Work Promotion Group as the responsible unit for the sustainability report.

In order to ensure the accuracy of the information disclosed, this report has reviewed and revised the occupational injury rate in the previous two years. (For details, please see P99)

reliability of the report

Internal review:

Various data are collected and compiled by various departments based on daily business processing and operating data, and then submitted to the ESG work promotion group, corporate governance unit, and audit unit for review, and then submitted to the Sustainability Development Committee for review and approved by the highest governance unit. -Board resolution passed.

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 August 2024.

This report: issued in August 2025.

Feedback

If you have any questions or suggestions about the content of the report, please feel free to contact us (ESG Work Promotion Group Editorial Group).

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Official website QR Code:



Kung Sing ESG 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 Pan, ying-jiuan

"Sustainable development" has become the most frequently discussed topic in the world in recent years. While pursuing profit growth and operational performance, companies must also take into account the rights and interests of all stakeholders.

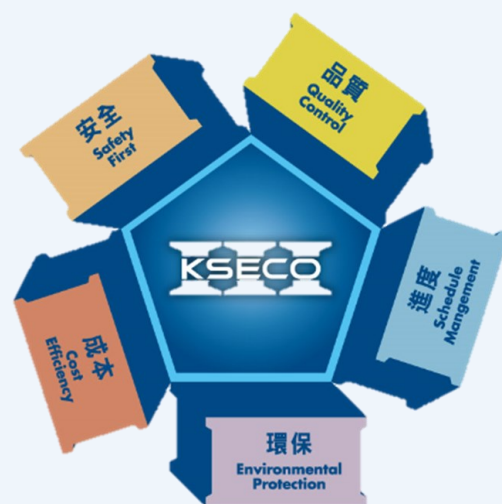
We use the five business concepts (safety, quality, progress, cost, and environmental protection) developed from the core value of the company "Integrity Management" to achieve the goal of sustainable management.

KUNG SING is a company with sufficient resilience, so it can cope with various pressures and has the ability to turn crises into opportunities. Companies with resilience can also respond quickly to external shocks and reduce the impact on the company itself, thus demonstrating superior development capabilities.

Public works are the country's infrastructure and have been continuously transforming in recent years. In addition to digital construction, sustainable public works are also being promoted. Under the influence of climate change, the risks caused by climate issues to enterprises are gradually being taken seriously by everyone. At this time, it is particularly important to have sufficient resilience. Only with resilience can we respond to various risks and reduce the impact on enterprises. Turning risks into opportunities is the direction of our efforts. The Industrial Information Technology team pursues innovation in construction methods and actively learns new knowledge, and achieves the goal of sustainable management with a stable and innovative management attitude!

The most fundamental social responsibility of an enterprise is to improve its core business. The company's business strategy is to develop public works. Public works are a business that seeks welfare for the public, promotes social progress and economic development.

In order to achieve sustainable development, the company has always insisted on carefully selecting engineering bids, striving for stable revenue and profits, and constantly seeking innovation and change, mastering advanced technology and methods, strengthening its own professional capabilities, expanding diversified corporate values, demonstrating the company's overall strength and continuous driving force, and thus consolidating employee cohesion and shareholder recognition.



Company Profile

Kung Sing Engineering Co., Ltd. was founded in Shanghai in 1941 by the late founder Mr. Lu Ergong. 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.

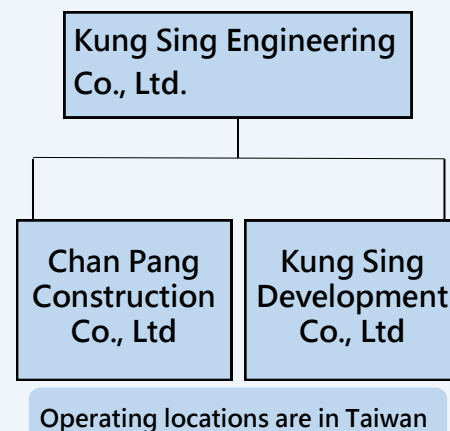
Kung Sing engineering has many excellent conditions such as rich construction experience, high-level construction technology, flexible capital scheduling ability, excellent construction quality, excellent construction engineering talents, professional project management and interface integration capabilities. 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 (2024) Operating income NT\$7,099,106 thousand
number of workers Home country: 320 people, foreign nationals: 540 people	Affiliated company 2 (see the organization chart on the right)
Main business MRT, tunnels, buildings, bridges, airports, roads and maritime engineering.	Business scope Too many items, please refer to our company website: www.kseco.com.tw

Group Organization Chart



Note: On December 13, 2024, the board of directors agreed to dissolve Chan Pang Construction Co., Ltd and returned the share capital of NT\$588,062,000 in December of the same year.

Business base

GRI 2-1 · 2-6

Kung Sing Engineering Corporation, construction sites and projects under construction

Tamkang Construction Office (New construction of Tamkang Bridge and its connecting roads 5K+000~7K+035)

New Taipei Construction Office (Y19 (exclusive) ~ Y20 (inclusive) civil engineering and water and electricity environmental control section standard project of the northern ring section of the ring line)

Public facilities and permanent bank revetment and S04~S05 wharf project of Taipei Gangnan Wharf C fill area

Taichung Power Plant Construction Office (Taichung Power Plant's new gas-fired unit plans to recycle water pumping machine room and underdrain construction)

Kaohsiung MRT Construction Office 1 (Kaohsiung Metropolitan MRT System Metro Line (Yellow Line) YC03 Civil Engineering, Facility Mechanical and Electrical and Track Turnkey Project)
Kaohsiung MRT Construction Office 2 (Kaohsiung Metropolitan MRT System Metro Line (Yellow Line) YC02 Civil Engineering, Facility Mechanical and Electrical and Track Turnkey Project)

Qianzhen Construction Station (Dredging Project of Qianzhen Fishing Port Area)

Kung Sing Engineering Co., Ltd(8F., No.102, Sec. 4, Civic Blvd., Da'an Dist., Taipei City 106, Taiwan (R.O.C.))

Ji'an Construction Office (Taiwan No. 9 Line 212K+800~214K+685 Papaya Creek Bridge Reconstruction Project)

Ruisui Construction Works (Huadong area railway double-track electrification plan CB02 bid restored to Ruisui civil engineering and track engineering)

Taitung Construction Station (Air Force H007 Project)

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



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	Pan,ying-juan	Manager, Finance Dept	Huang, li-wang
General manager	Ting ch'êng-chih	Works Department Manager	Li, yuan-jia
Executive Deputy General Manager	Chan ming-t'ang	manager, Business Development Dept	Gau, meng-yu
Deputy General Manager	Liu, Yung-ching	Accounting Supervisor	Wen, Shu Chiao
Deputy General Manager	Chen, yau-wei	Legal Director of General Manager's Office	Li, kuei- chung
Deputy General Manager	Luo, huai-ching	Deputy Director of Safety and Health Office	Chiang sung hui
Administration Manager	Chu wei kuo	Project manager and director of each construction site	
Director, Auditing Office	Hou, ji-shian		

Company history

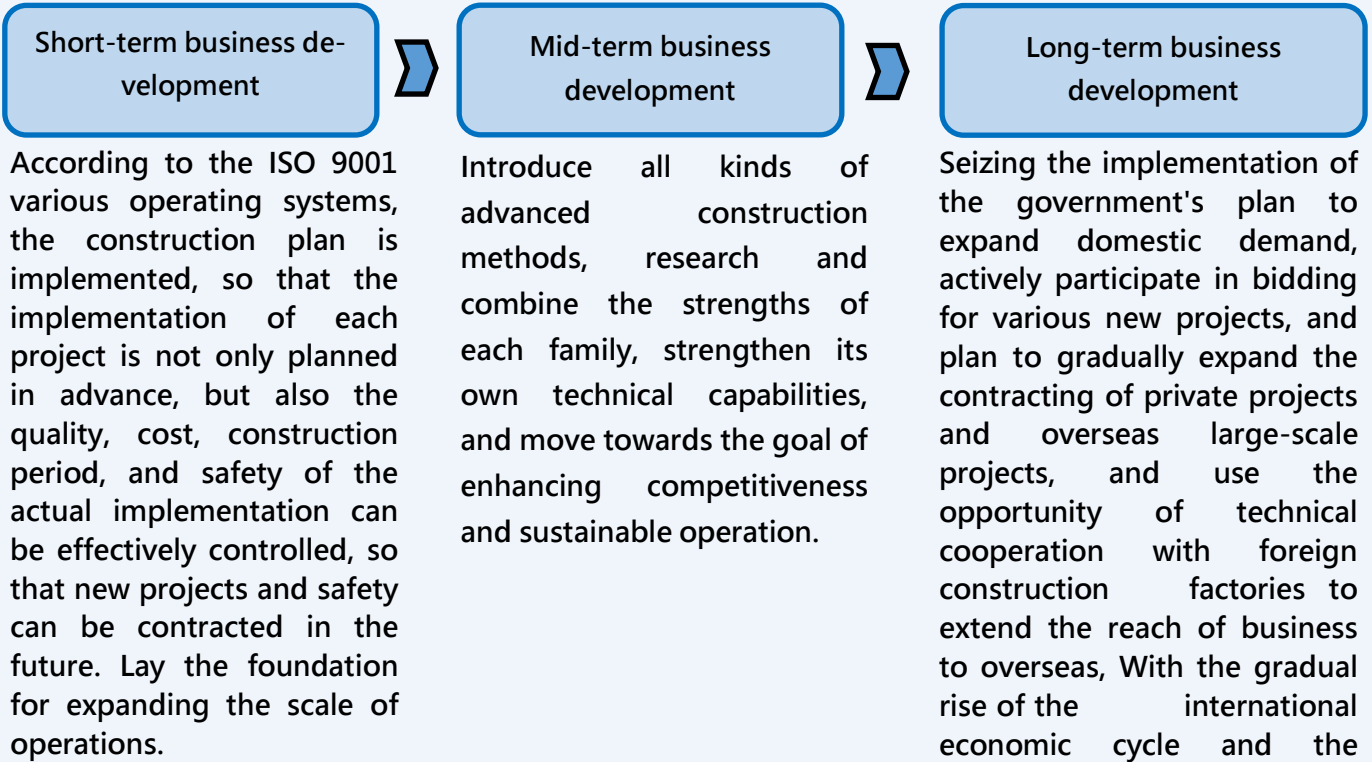


Sustainable development strategy and performance

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.



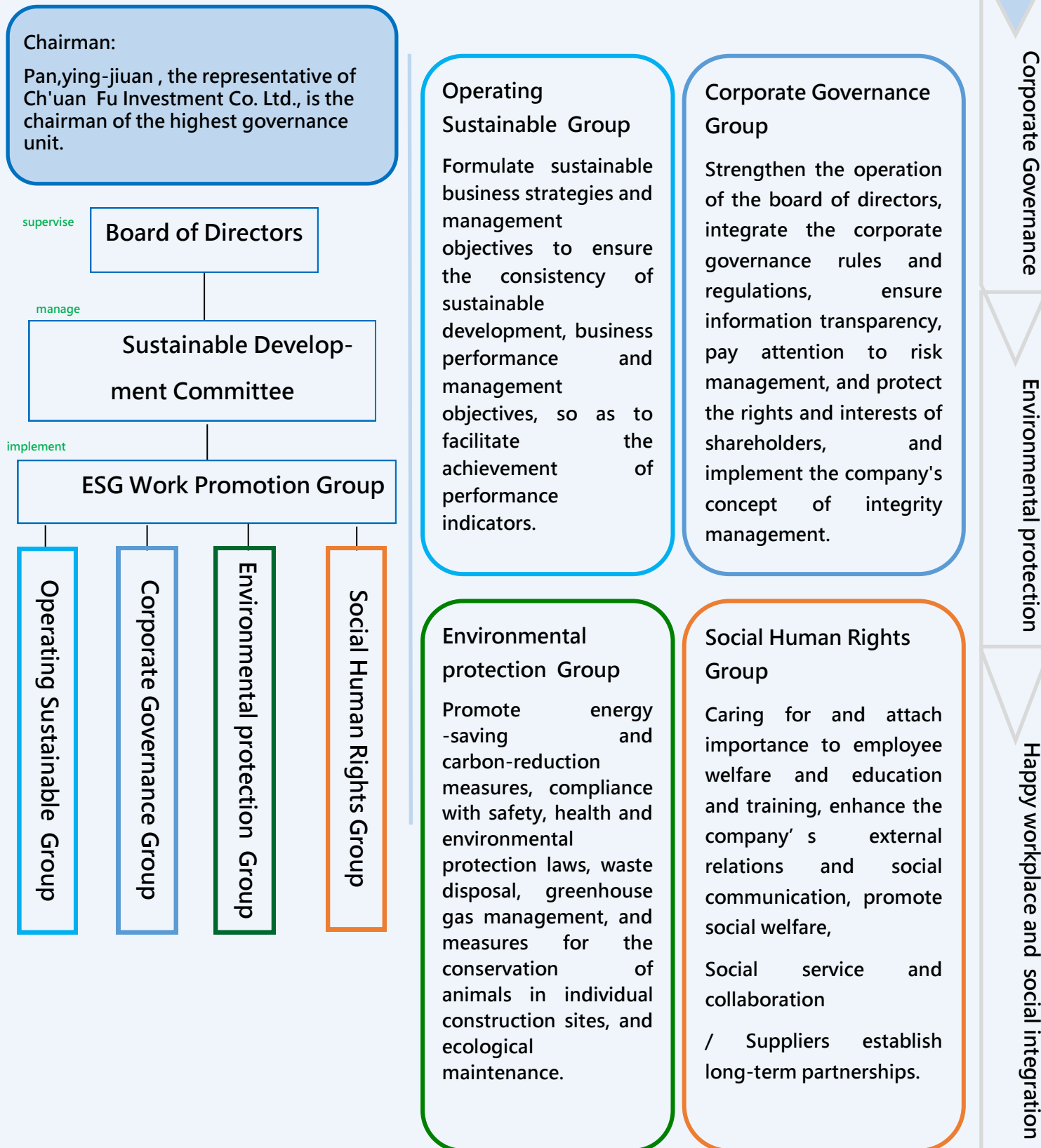
Goal and vision

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.



KUNG SING established a CSR work promotion group in 2014 and changed its name to the ESG work promotion group in 2022. In August 2023, a sustainable development committee was established, and the ESG work promotion group served as the editor group for the sustainability report and was the responsible unit for the report. , based on the importance of issues of concern to stakeholders, list major issues as the basis for preparing the ESG report.

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 managers of each group will feedback the data to the coordinator of the promotion team. The coordinator will evaluate and integrate the data and compile a sustainability report. The sustainable development operation and implementation of the previous year will be reported to the board of directors in May every year. The report will be completed in early August. The book will be compiled and submitted to the board of directors for resolution and approval, and it will be announced on the public information observatory and the sustainable development area of the company website before the end of August.

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 2024 17th TCSA Taiwan Business Sustainability Award-Sustainability Report Award-Gold Award.

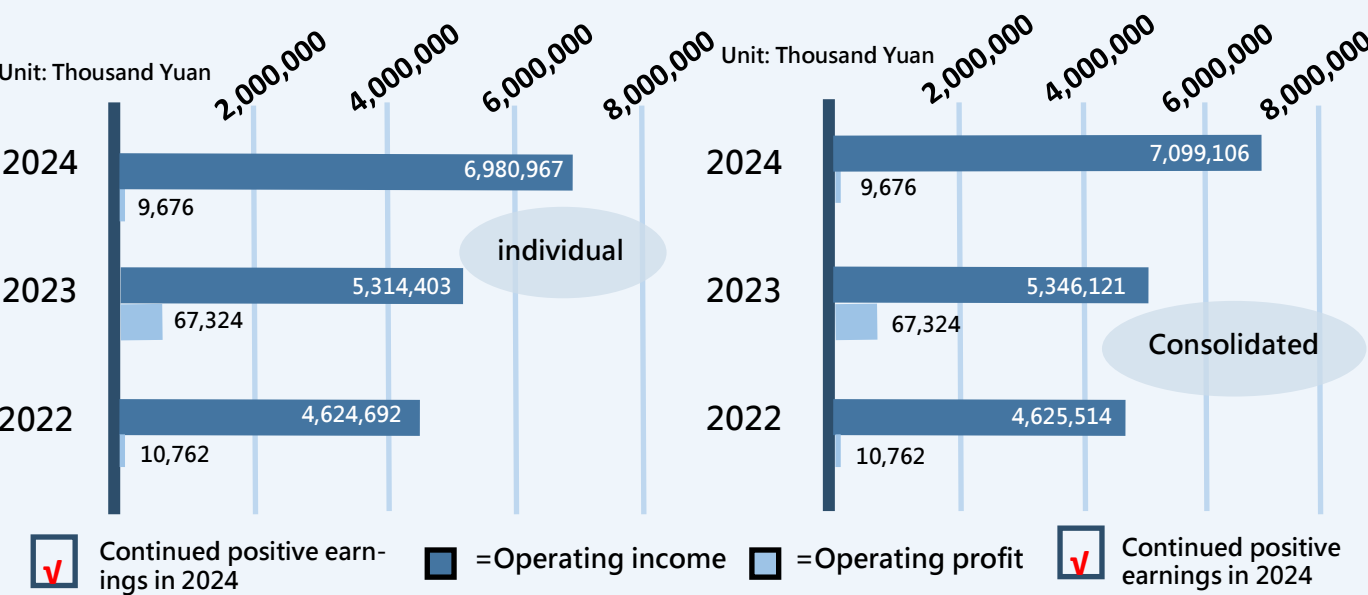
Market share in the past three years

The consolidated turnover in 2024 will be higher than that in 2022 and 2023, mainly because there are more projects contracted and some projects have entered their peak period, so the market share in 2024 will also be higher.



Profitability

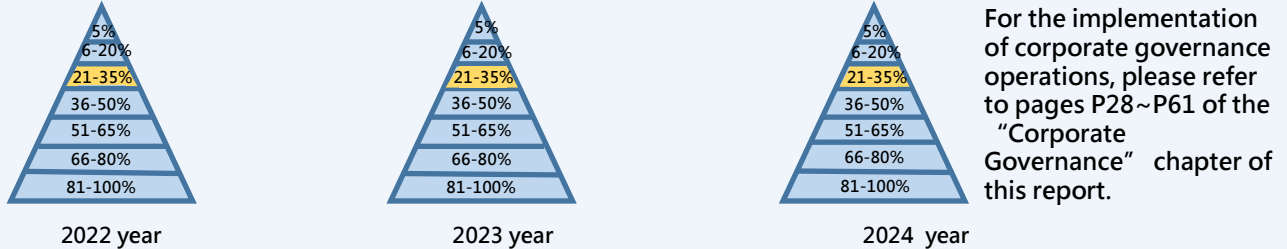
In 2024, Kung Sing Engineering's personal income and net profit will be NT\$9,676 (Thousand), and the group's consolidated net profit will be NT\$9,676(Thousand) .



Corporate governance performance

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

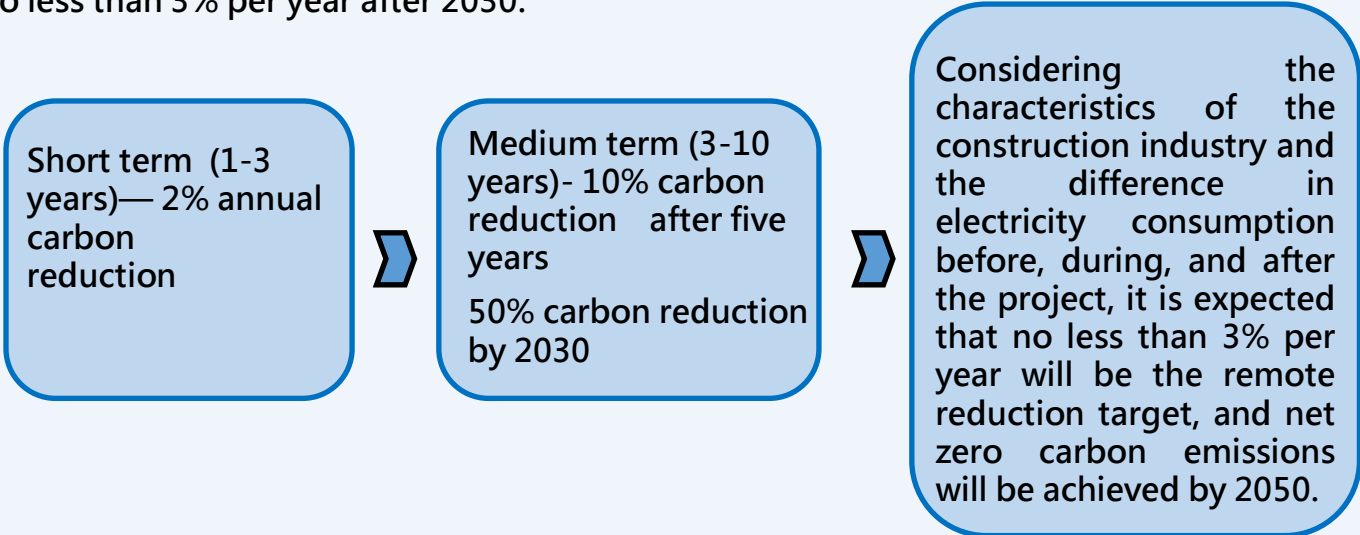
The percentage of results in all listed companies is as follows:



In recent years, all listed companies have been committed to improving corporate governance. Although the company's 2024 corporate governance evaluation results are still at 21-35% as in 2023, the evaluation score is slightly lower by 0.49 points compared to 2023. The main reason is that the evaluation indicators have been revised, resulting in the failure to score indicators that could have been scored in previous years. We will strengthen the newly added indicators, regularly conduct employee satisfaction surveys, employee career training, personal data protection policies and implementation, etc.

Environmental protection performance

We have currently calculated that the largest source of greenhouse gas emissions from operating activities is purchased electricity (using Taipower), so we are currently focusing on reducing electricity to reduce the amount of indirect greenhouse gas emissions. Taking 2018 as the base year, we hope to achieve a 2% annual reduction from 2019, with a mid-term goal of 50% carbon reduction by 2030, and a long-term reduction target of no less than 3% per year after 2030.



Energy emission intensity and per capita emissions					
project	2020	2021	2022	2023	2024
Total energy emissions (metric tons CO2e)	512.009	751.643	1,184.235	1,460.035	2,080.040
Number of employees	261	297	521	616	860
Average emissions per person (metric tons CO2e/person)	1.96	2.53	2.27	2.37	2.42
Greenhouse gas emission intensity (metric tons CO2e/turnover)	0.17	0.21	0.26	0.27	0.30
Note	Emissions in 2018: 3,234.903 metric tons CO2e, greenhouse gas emission density: 0.85				

Execution focus	Target rate for 2024 (Note 1)	Actual achievement rate in 2024	Achieved ✓; Not achieved ✗ (Note 1)
Emissions reduction ratio compared to the base year	40%	35.70%	✗
Reduction rate of greenhouse gas emission intensity compared with the base year	40%	64.71%	✓

Note 1 : According to the next-year target set in last year's report, the carbon reduction rate in 2024 should be reduced by 40% compared to the base year. Although this was not achieved this year due to the increase in contracted projects, personnel and machinery and equipment, it was still reduced by 64.71% compared to the base year when calculated based on greenhouse gas emission density.

For the actual operation and implementation of environmental friendly performance, please refer to pages P62-81 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(1-3 years)	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.	Achieve *Note 1
medium term(3-10 years)	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 met the standards, and work-related accidents have not reached *Note2
long(After 10 years) ~2050	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".	(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
2024	602	716	+6.74%	+7.03%	1.74%
2023	588	686	+14.26%	+2.54%	1.60%
2022	572	673	+1.42%	+0.60%	2.11%
2018 (base year)	564	669			1.08%

Note 2 :

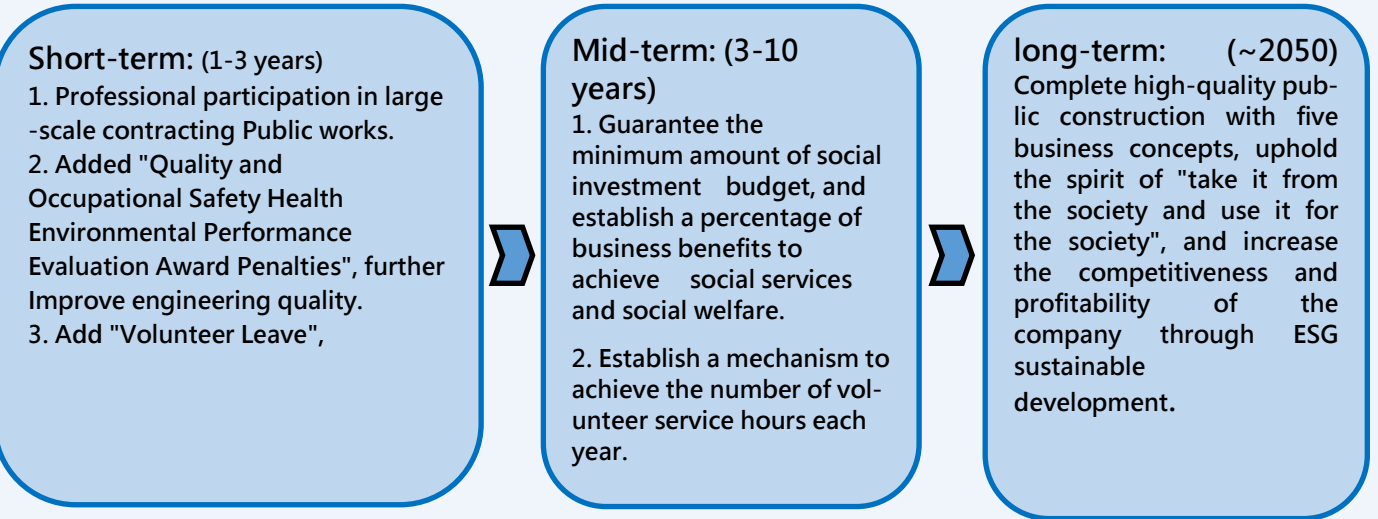
Year project	Education Training average hours	Occupational Accidents (Number)	Achievement
2024	5.18	1	unaccomplished
2023	5.28	1	unaccomplished
2022	4.31	1	unaccomplished
2021	6.18	0	Completed

For details on the operation of a happy workplace, please refer to pages P82~P105 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:



For details on the implementation of social inclusion, please refer to pages P106~P113 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 environ- ment	market impact (Construction Industry)	Impact on Kung Sing	
			risk	Chance
(G) Gov- ernanc e	Changes in the global political and economic situation	1. Price fluctuations 2. Feeding problems 3. Interest rate 4. Exchange rate	1. Rising raw material prices 2. Feeding interruption 3. Interest rate changes 4. Exchange rate changes	1. Improve the supplier management mechanism, develop new material sources, and avoid the monopoly of a few manufacturers. 2. Improve the inventory management mechanism, through business information collection or market research, understand the market situation and respond in advance. 3. Control the capital situation more effectively and maintain good banking relationship. 4. Risk hedging strategy, with relevant hedging tools such as spot foreign exchange trading and forward exchange rates for exchange rate hedging operations.
(E) Envi- ronme ntal	1. Typhoons, floods, etc. and -climate events increase 2. Average temperature rises 3. Policies and Regulations	1. Duration, labor force 2. Greening, green building, green build- ing materials 3. Carbon neutrality, net zero carbon emissions	1. The typhoon season affects the progress of the project. 2. Increase the environmental cost of the greening zone. 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.	1. Inventory climate change, change the work schedule, and improve operational resilience. 2. The future trend of environmentally friendly building materials. 3. Strengthen energy conservation and carbon reduction, achieve the goal of reducing electricity use and save electricity costs.

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](#)

11 items
SDGs

Focus on the
SDGs corresponding to the topics

[P22-23](#)



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):

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 2024, 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.

296 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 296 copies in 2024

11,407 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

16 issues of concern

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

List of 10 Major Concerns

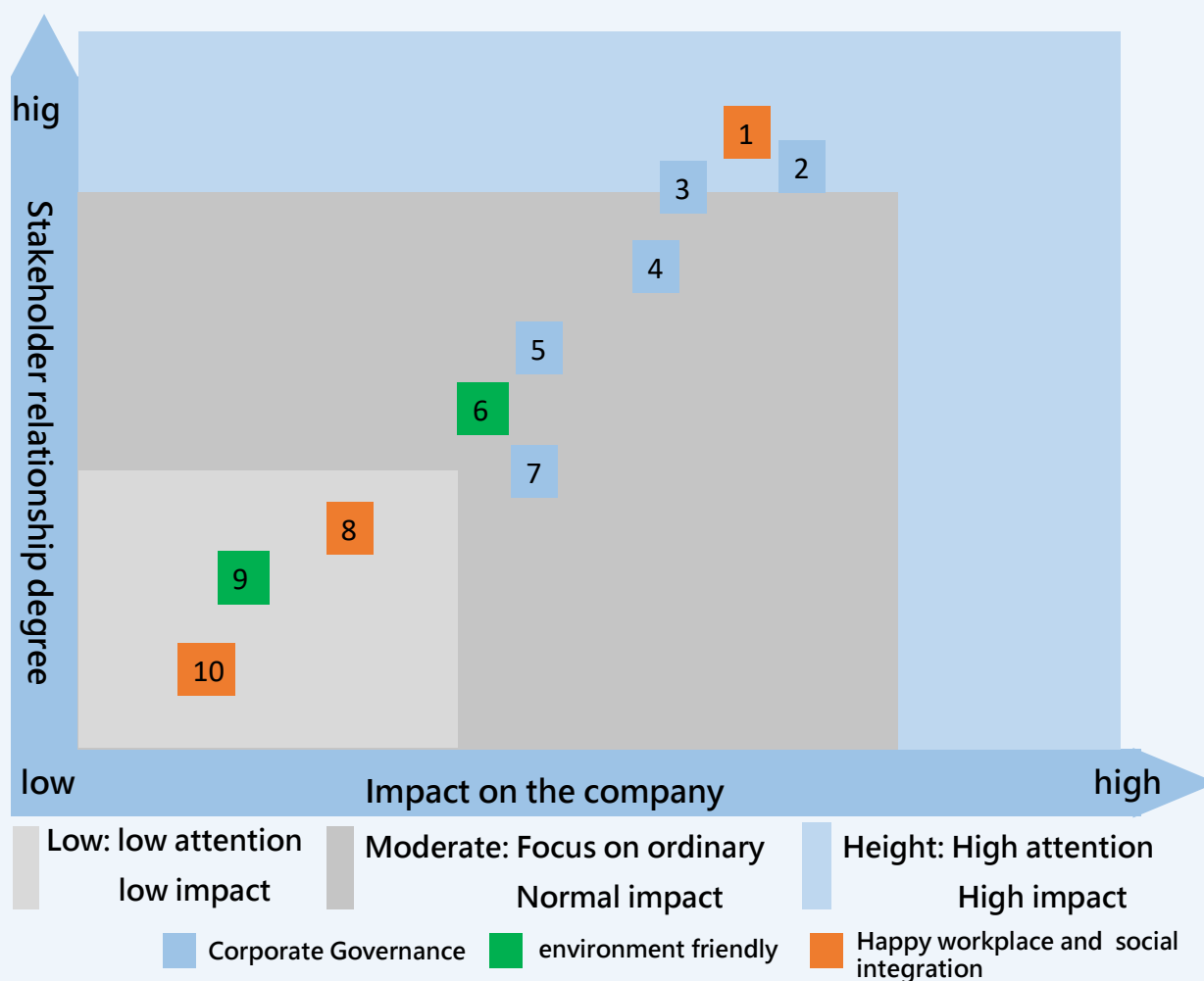
The ESG work promotion team ranked the 16 issues of concern according to the level of concern, and the company's internal experts provided opinions, analyzed the significant impact on the company's economic, environmental and social issues, and decided on the following 10 major issues of concern.

10 Big Questions Meaning for Kung Sing

GRI 3-2

major ranking	major issues	shock event	Significance to KUNG SING
1	Safety and health	Occupational hazards and work stoppages	"Safety" is one of the five core business philosophies of our company.
2	Construction quality	Impact on subsequent bidding projects	"Quality" is one of the five core business concepts of our company.
3	Construction schedule	Impact on contract performance and pricing	"Construction period" is one of the five major management concepts of our company.
4	supply chain management	Human rights violations, environmental safety and health violations	Only with good supply chain management can we improve project quality and achieve sustainable development of the enterprise.
5	operating status	Operating performance fell short of expectations and impact on investors	"Cost" is one of the five major management concepts of our company.
6	Environmental protection (including pollution prevention)	Pollution prevention is not effectively implemented	"Environmental protection" is one of the five core business philosophies of our company.
7	Risk management	Poor risk management impacts operational development	Risk management and control can effectively prevent problems before they occur and achieve sustainable development.
8	Salary	It is difficult to recruit and retain talents if the standard is below the market standard	Salaries and benefits that are better than the market will help retain talent.
9	Energy management	Carbon reduction targets not met	Energy conservation and carbon reduction help reduce operating costs.
10	Employee benefits	It is difficult to recruit and retain talents if the standard is below the market standard	Employee benefits that are better than the market help retain talent.

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






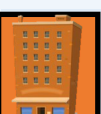


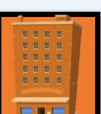

Major Issues Comparison Table

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 5 8 10	3 5	2	3 6	1 3 4	1 2 3 6 7 9
Corresponding to GRI major themes	2-7 2-19 401 402 403 404 405 406 409 410 412	201	2-24 2-28	304 306 413	204 308 403 413	2-27 302 304 305 306 307 403 419
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	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

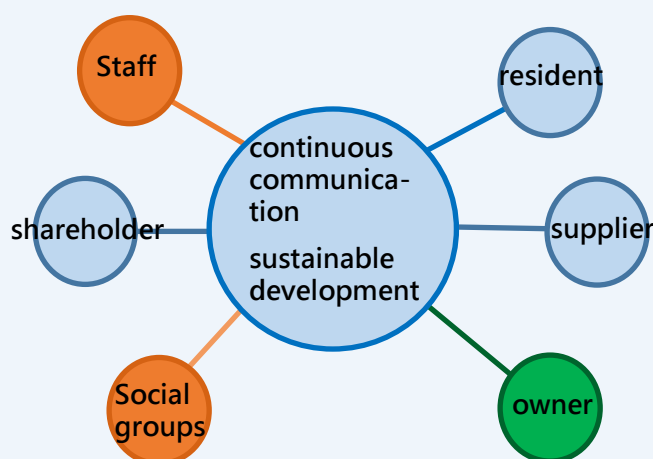
GRI 2-22 · 2-25 · 2-26 · 2-29

 KSECO	Negotiation method and frequency		Focus on topics
	<ul style="list-style-type: none"> ● Sustainability Report (Annually) ● Toolbox Meeting (Daily) ● Employee Self-Assessment (Annually) ● Labour-Management Coordination Meeting (Quarterly) ● EIP Internal Communication Platform (Instant) ● Report mailbox (instant) ● Occupational Safety and Health Conference (quarterly) ● Welfare Committee (quarterly) 		<div>1</div> <div>5</div> <div>8</div> <div>10</div>
	Negotiation result	Our response (how to respond)	Corresponding chapter
 Staff	In 2024, we received a total of 203 feedbacks from employees through the above negotiation method, most of which were feedback on self-expectations, education and training, and manpower shortages.		<ul style="list-style-type: none"> ● Labor rights and human rights ● Employee care and benefits ● Occupational Health and Safety
	In terms of education and training, each unit is allowed to fill out an education and training application form on its own, and there is a training mechanism for employee functions, and individual communication with the proposed personnel is conducted to reach a consensus. In terms of manpower shortage, the company actively recruits talents, in addition to continuing to recruit talents in the job bank, and expanding the number of campus recruitment sessions.		
 Shareholder	Negotiation method and frequency		Focus on topics
	<ul style="list-style-type: none"> ● Sustainability Report (Annually) ● Company website mailbox, social networking site FB (instant) ● Shareholders' Meeting (Annually) ● Corporate briefing session (every year) ● Report mailbox, speaker phone (instant) ● Company annual report (every year) 		<div>3</div> <div>5</div>
	Negotiation result	Our response (how to respond)	Corresponding chapter
 Social groups	Negotiation method and frequency		Focus on topics
	<ul style="list-style-type: none"> ● Sustainability Report (Annually) ● Correspondence (immediate) ● Telephone, Fax (instant) ● Company website mailbox, social networking site FB (instant) 		Maintaining amity and good neighborliness - non-major concerns
	Negotiation result	Our response (how to respond)	Corresponding chapter
 Resident (local community)	Negotiation method and frequency		Focus on topics
	<ul style="list-style-type: none"> ● Sustainability Report (Annually) ● Company website mailbox, social networking site FB (instant) ● Correspondence (immediate) ● Company mailbox, telephone (instant) 		<div>3</div> <div>6</div>
	Negotiation result	Our response (how to respond)	Corresponding chapter
 Shareholder	We communicate with investors about the current operating status through the above methods and collect feedback from investors at any time. In 2024, we received a total of 33 responses. Investors are most concerned about the operating status of Gongxin, project progress, pricing progress and the company's future development.		<ul style="list-style-type: none"> ● Operation of the Board of Directors and Operational Status
	We respond to investors' questions via phone, email, and Facebook page. We also regularly update project progress, operating conditions, etc. on the company's official website for investors' inquiries.		
 Social groups	In 2024, a total of 79 letters were received from social groups such as schools, associations and foundations, mainly in organizing various aspects of education and training courses for directors and corporate governance managers, as well as general meetings of schools and associations, supporting public welfare undertakings, and inviting participation in sustainability-related awards.		<ul style="list-style-type: none"> ● Social Participation and Public Welfare Feedback
	We actively join various schools and associations, and arrange training courses for directors, at least 6 hours per year, 12 hours for new directors, and at least 12 hours for corporate governance managers. In terms of supporting public welfare and participating in awards, we hold regular ESG work promotion group meetings for review and response.		
 Resident (local community)	In 2024, we communicated with local residents in our construction area through the above negotiation method and received 3 responses. Local residents were more concerned about the progress of the project, the environmental maintenance near the construction area, the management of construction or foreign migrant workers, and the noise situation.		<ul style="list-style-type: none"> ● Operation of the Board of Directors and Operational Status ● pollution control ● Social Participation and Charity Feedback
	In addition to regularly disclosing the progress of each project on our company website, we also respond to questions about the project from the public in our company mailbox or on Facebook social networking sites as quickly as possible. We also ask the site manager to handle and follow up on residents' responses to the work area and maintain good communication with local residents.		

Supplier/Partner	Negotiation method and frequency		Focus on topics		
	<ul style="list-style-type: none"> ● Sustainability Report (Annually) ● Company website mailbox, social networking site FB (instant) ● Manufacturer evaluation (annual) ● Meetings (quarterly/irregularly) ● Supplier Management Procedures and Forms (Annually) ● Correspondence (immediate) 		1	3	4
	Negotiation result	Our response (how to respond)	Corresponding chapter		
	In 2024, 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"> ● Occupational Health and Safety ● Operation of the Board of Directors and Operational Status ● Supply chain management 		

Owners (including government-related units)	Negotiation method and frequency		Focus on topics		
	<ul style="list-style-type: none"> ● Sustainability Report (Annually) ● Company website mailbox, social networking site FB (instant) ● Correspondence (timely) ● Meetings (irregular) ● Phone, Email (Instant) ● Announcement information, declaration information (immediate/regular/irregular) 		1	2	3
	Negotiation result	Our response (how to respond)	Corresponding chapter		
	In 2024, 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"> ● Operation of the Board of Directors and Operational Status ● Energy management ● pollution control ● Occupational Health and Safety 		

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) P41-42			●		●	●
construction period progress	Corporate Governance - Board Operations and Operations – Duration (non-GRI) P40		●		●	●	●
supply chain management	Corporate Governance - supply chain management (GRI 204 · 308 · 414) P47-51					●	
Operating condition	Corporate Governance - Board Operations and Operations - Operations (GRI 201) P43-46	●	●				
Risk Management	Corporate Governance - Risk Management (GRI 201-2) P51-58						●

(E) major environmental issues							
issue	GRI index	within the organization	outside the organization				
		Staff	shareholder	society group	resident	supplier cooperating	Owner (including government)
Environmental protection (including pollution control)	Environment friendly - pollution control (GRI 306 、 307) P72-81				●	○	●
Energy management	Environmentally friendly - energy management (GRI 302 、 305) P66-71					○	●

(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) P94-105	●				●	●
Salary	Happy Workplace and Social Inclusion – Employee Care and Welfare (GRI 405) P93	●					
Employee Benefits	Happy Workplace and Social Inclusion – Employee Care and Welfare (GRI 401 、 402 、 404 、 405 、 406) P86-90	●					

2、Corporate Governance

Topic of this chapter

Management policy	P29
Board of Directors	
Operation and	
Operation Status	P30
Supply chain	
management	P47
Risk Management	P51
Integrity, transparency	
and legal compliance	P60

Important issues

2	Construction quality
3	Construction period
4	Supply chain management
5	Operating condition
7	Risk Management

Highlights in this chapter

※Won the "Gold Award" of TCSA's 17th Sustainability Report in 2024.

※Won the 2024 Happy Enterprise "Silver Award" from 1111 Human Resources Bank.

※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 significance)	Management purpose	Management methods and effective evaluation mechanism	2025 target (alternate year target)	Medium-term Goal
Construction quality (P41-42)	Reduce the potential risks of the company's operations, avoid financial and goodwill losses, and protect the safety of users.	1. Establish a quality control system and allocate appropriate quality control personnel. 2. Establish an internal control system and implement internal audits.	Assign quality control personnel in accordance with contract specifications.	50% of the construction site personnel have obtained the certificate of quality control personnel.
Construction period progress (P40)	Comply with the specifications and reduce the loss caused by the delay of the construction period.	1. Make engineering network diagrams and control the construction schedule according to the network diagrams. 2. Convene a progress meeting to report and review the construction progress regularly. 3. According to the risk management and control assessment mechanism, conduct risk assessment and response to the controllable and force majeure factors that affect the construction period.	Reach the network map progress target	More than 0.5% more than the network map progress target.
Supply chain management (P47-51)	Maintain mutual demand and mutual benefit in the supply chain and jointly create sustainable value	1. Establish a management model for supplier information. 2. Handle market surveys and manufacturers' credit investigations in accordance with regulations. 3. Regularly evaluate third-party suppliers. 4. Establish an internal control system, implement internal audit, and strictly audit the filing and management of supplier data by various departments.	Improve the manufacturer evaluation score above 90 points to 70%	Develop a green supply chain.
Operation status (P43-46)	To achieve sustainable operation and obtain long-term benefits, and create sustainable value for stakeholders.	1. Actively develop case sources, and do a good job of cost control to ensure revenue and profit. 2. Establish an audit room under the board of directors to assist the board of directors and management to check and evaluate whether the internal control system is operating effectively.	Top 20% in corporate governance evaluation, 10% revenue growth.	Promoted to the top ten in the engineering contracting industry.
Risk management (P51-58)	Reduce industry, operation and other risks to avoid cost increase and other unfavorable factors.	1. Establish a risk management mechanism. 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.	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

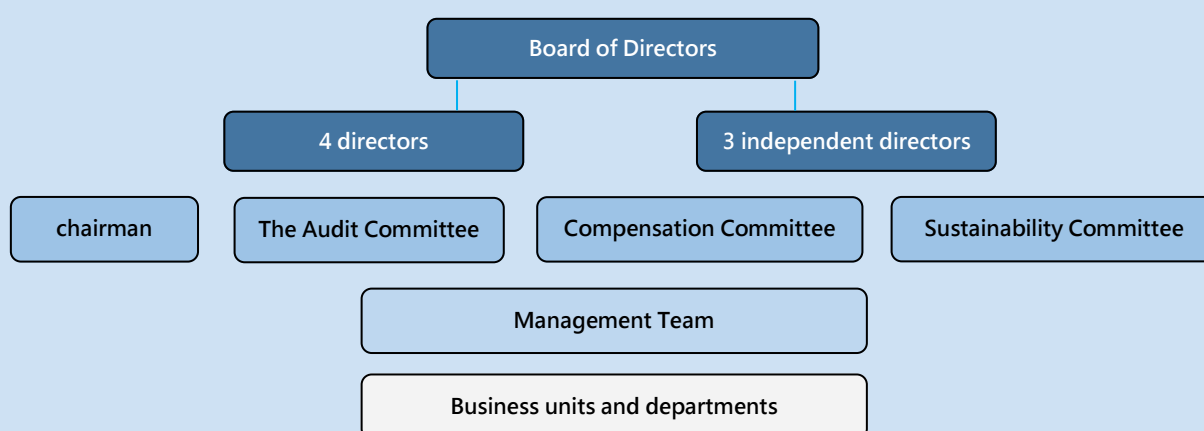
Board of Directors Operation and Operation Status

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.

KUNG SING Engineering has the board of directors as the highest governance unit, and has an audit committee, a salary and remuneration committee, and a sustainable development committee, which are governed by the "Board of Directors Rules of Procedure", "Audit Committee Organizational Rules", "Salary and Remuneration Committee Organizational Rules" and "Sustainable Development Committee" respectively. The provisions of the "Organizational Rules of the Continuing Development Committee" shall be implemented.

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 non-managerial directors on the board of directors accounts for more than half of all directors. In 2024, a total of seven board meetings were held, with an average attendance rate of 93.88%. Directors will receive six hours of continuous training each year (12 hours for First time directors), and 100% will be achieved in 2024 (For detailed training information, please refer to P65 of the company's annual report, 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

Seven board meetings will
be held in 2024, and the
average attendance rate of
all directors

93.88%

In 2024, directors will con-
tinue to study for 6 hours,
training.(12 hours of train-
ing for new
directors)

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/67/2025010809355899796.pdf>

Operation of the Board of Directors in 2024

GRI 2-15 · 2-16

The Board of Directors held 7 meetings in 2024 [A], and the attendance of directors was as follows:

There will be two meetings from January to June 2024, and five meetings from July to December.

job title	gender	Name	Actual at- tendance (B)	Delegated to attend	Actual at- tendance rate (%) 【B/A】	Remark
Chairman of the board	woman ♀	Ju hsiang Representative: Pan,ying-jiuan	4	0	80%	2024.06.25Elected
Director	Man ♂	Ch'uan Fu Repre- sentative: Chen ,huang-ming	7	0	100%	re-elected
Director	Man ♂	Ch'uan Fu Repre- sentative: Chiang,chi-ching	5	0	71%	re-elected
Director	Man ♂	Ju hsiang Representative: Ting ch'êng-chih	5	0	100%	2024.06.25Elected
Director	woman ♀	Ju hsiang Representative: Li, shu-hsü	2	0	100%	Dismissed on June 25, 2024
Director	Man ♂	Ju hsiang Representative: P'an,kuan-ju	2	0	100%	Dismissed on June 25, 2024

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	2	0	100%	Dismissed on June 25, 2024
Independent director	Man ♂	Tu,yi- yang	7	0	100%	re-elected
Independent director	Man ♂	Chiang jung ch'ing	7	0	100%	re-elected
Independent director	Man ♂	Jang liang-ming	5	0	100%	2024.06.25Elected

In 2024, there were 7 meetings in total, with a total of 41 agenda items, and 5 major agenda items related to the company's operations (marked after each proposal). Please refer to the company's website - Board of Directors Operations and Resolutions (<https://www.kseco.com.tw/tc/finance2.aspx>)

1.If the operation of the board of directors has any of the following circumstances, the date, period, content of the proposals, 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 (marked after each proposal) (<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:

2024.03.12 Proposal 4 of the First Meeting of the 27th Board of Directors in 2024

2024.03.12 Proposal 5 of the First Meeting of the 27th Board of Directors in 2024

2024.08.12 Proposal 3 of the third Meeting of the 28th Board of Directors in 2024

2024.11.11 Proposal 4 of the forth Meeting of the 28th Board of Directors in 2024

2024.12.31 Proposal 5 of the fifth Meeting of the 28th Board of Directors in 2024

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:

In 2024, the company held four remuneration committee meetings to strengthen performance evaluation and remuneration structure. At the end of each fiscal year, the company conducted self-evaluation of directors and performance evaluation of the board of directors as the basis for performance evaluation of the board of directors, and conducted review and improvement.

In 2024, all directors and independent directors completed at least 6 hours of training to strengthen the functions of the board of directors. For information on corporate governance operations, please refer to the company's official website information disclosure .

(<https://www.kseco.com.tw/upload/67/2025010809355899796.pdf>)

Implementation of the Board of Directors Evaluation in 2024

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: June 25, 2024 ~ December 31, 2024 (due to the re-election of directors at the 2024.06.25 shareholders' meeting)

Evaluation cycle (Note 1)	Evaluation period (Note 2)	Assessment scope(Note 3)	Assessment method (Note 4)	Assessment content(Note 5)
Executed once a year	January 25 to December 31, 2024	Performance evaluation of the Board of Directors, Remuneration Committee, Audit Committee, Sustainability Committee and individual directors	Use self-evaluation questionnaires for performance appraisal of the board of directors, remuneration committee, audit committee, and sustainable development committee. Individual directors conduct self-assessment questionnaires separately.	<p>1. The content of the board of directors' performance evaluation includes: the degree of participation in the company's operations (12 items), the quality of the board's decision-making (12 items), the composition and structure of the board of directors (7 items), the selection and continuous training of directors (7 items), internal control (7 items) 7 items).</p> <p>2. The self-evaluation contents of individual directors include: mastery of company goals and tasks (3 items), awareness of directors' responsibilities (3 items), degree of participation in company operations (8 items), internal relationship management and communication (3 items), directors' Professional and continuing education (3 items), internal control (3 items).</p> <p>3. The performance evaluation contents of the Remuneration Committee, Audit Committee and Sustainability Committee include: participation in company operations (4 items), awareness of functional committee responsibilities (5 items), improvement of committee decision-making quality (7 items), functional committee composition and members Selection (3 items), internal</p>

The evaluation results of the Board of Directors and functional committees in 2024 are all excellent: 4.85 points for the Board of Directors, 4.85 points for the Audit Committee, 4.87 points for the Compensation Committee, and 4.61 points for the Sustainability Committee (all out of 5 points). However, there are still some areas that need to be improved and optimized:

1. Individual directors:

- (1) Enhance the continuous professional development program of directors' training courses.
- (2) Increase the communication between accountants and directors.

2. Board of Directors:

- (1) Increase the attendance rate of directors at shareholders' meetings.
- (2) Enhance the continuous professional development program of directors' training courses.
- (3) Increase the communication between accountants and directors.

3. Functional Committees:

- (1) Audit Committee: Enhance the timeliness of providing financial information and strengthen the assessment of various potential risks of the company.
- (2) Remuneration Committee: Enhance the timeliness of providing information before meetings.
- (3) Sustainability Committee: Enhance the assessment and supervision of various existing or potential risks and opportunities of the company in ESG, and strengthen the regular assessment and follow-up of ESG goals.

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, professional skills and industry experience, etc. (For more information, please refer to P14-19 of the company's annual report)

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
			41-50	51-60	71-80			construction industry	communication network	Development and construction			
Pan,ying -jiuan	woman	ROC		●		●	●	●		●		●	●
Chen , huang-ming	Men	ROC			●	●	●	●	●	●	●	●	●
Chiang,chi-ching	Men	ROC		●		●	●	●		●		●	●
Ting ch'êng-chih	Men	ROC		●		●	●	●		●		●	●
Tu,yi-yang	Men	ROC		●		●	●		●		●	●	●
Jang liang-ming	Men	ROC		●		●	●		●	●	●	●	●
Chiang jung ch'ing	Men	ROC	●			●	●		●	●	●	●	●
Diversity target estimated seats						4	4	4	3	4	4	4	4
Achievement (seats)						7	7	4	4	6	4	7	7
Achievement rate						100%	100%	100%	100%	100%	100%	100%	100%

Functional Committee

Compensation Committee

The Compensation Committee held 4 meetings in 2024 [A], with attendance as follows: (1 meeting before the 6.25 election, 3 meetings after the election)

job title	gender	Name	Actual attendance (B)	Delegated to attend	Actual attendance rate (%) 【B/A】	Remark
Independent director	Man ♂	Chen, chin- yueh	1	0	100%	Dismissed on June 25, 2024
Independent director	Man ♂	Jang liang-ming	3	0	100%	2024.06.25Elected
Independent director	Man ♂	Tu,yi- yang	4	0	100%	re-elected
Independent director	Man ♂	Chiang, jung -ch'ing	4	0	100%	re-elected

something else:

1. In 2024, there is no case that the Board of Directors does not adopt or amend the recommendations of the Compensation Committee.
2. In 2024, there are no cases where members of the Salary and Compensation Committee have objections or reservations and have records or written statements.
3. For the 2024 Salary and Remuneration Committee proposals, please refer to the company' s website - Salary and Remuneration Committee Operations and Resolution Matters:

<https://www.kseco.com.tw/tc/finance2.aspx>

Salary policy (The link between compensation and sustainable performance)

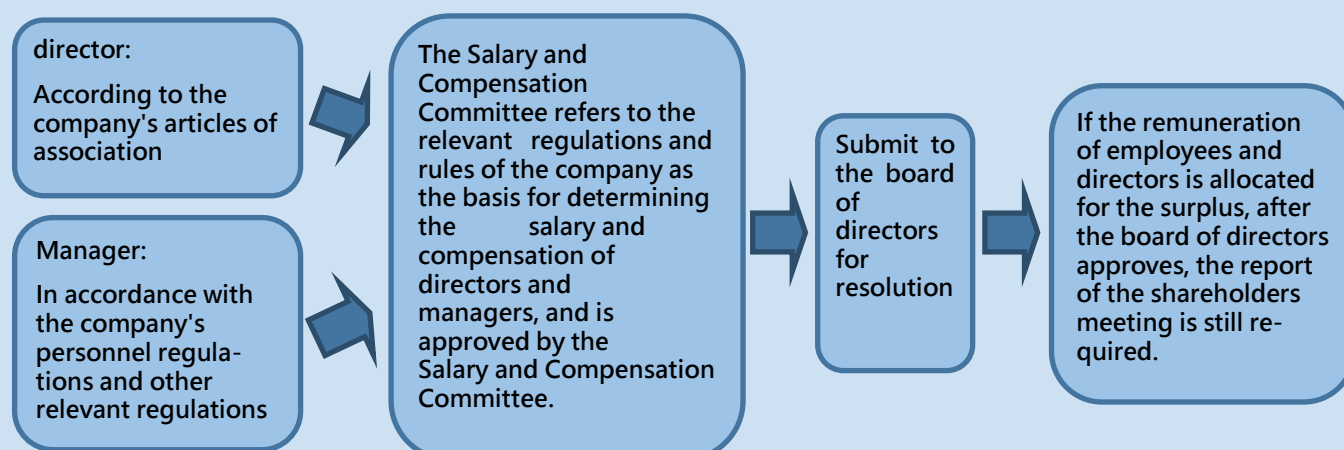
GRI 2-19 · 2-20

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%.
Article 16 of the Articles of Association, Personnel Management Rules	The salary of the general manager and deputy general manager shall be handled in accordance with the company's personnel management rules and salary verification methods. and reviewed by the Remuneration Committee. Bonuses for the general manager and deputy general manager: in accordance with Article 16 of the Company's Articles of Association: handled in accordance with Article 29 of the Company Law and subject to review by the Remuneration Committee. Performance target reviews (see next page) are linked to bonuses.
Others: The Compensation Committee shall refer to the Company's personnel regulations and other relevant provisions, and in accordance with Article 7, Paragraph 2 of the Compensation Committee's organizational charter regarding the principles of exercising authority, establish and regularly review the policies, systems, standards and structure of directors' and managers' remuneration. For detailed compensation of directors and managers in 2024, please refer to P26-33 of the Company's annual report.	



General manager performance target evaluation:

Indicator items	illustrate	Weight
Financial and strategic indicators	Revenue achievement rate, bid project achievement rate, market share, etc.	40%
Environmental indicators	Carbon reduction achievement rate	10%
social indicators	Employee turnover rate and education and training, etc.	25%
Governance indicators	Corporate governance evaluation, sustainable development and awards, conference participation	25%

Performance target evaluation of deputy general manager:

Indicator items	illustrate	Weight
Environmental indicators	Compliance with environmental protection laws, implementation of energy conservation and carbon reduction measures, etc.	30%
social indicators	Employee welfare improvement rate, promotion of community service and development, and promotion of occupational safety and health	40%
Governance indicators	Supply chain management and sustainable development promotion situation	30%

Current status of implementation: The performance targets of the company's general manager and deputy general manager are set with sustainable performance indicators, which are evaluated based on the above weights, and the results are linked to salary remuneration.

Interest avoidance

GRI 102-25

The company's rules of procedure for the board of directors, the organizational rules of the salary and remuneration committee, the organizational rules of the audit committee and the organizational rules of the sustainable development committee all have provisions on avoidance of interests. Directors/independent directors and members of various functional committees who have an interest in meeting matters for themselves or the legal persons they represent shall explain the important content of their interests at the current board meeting. If there is a risk of harming the interests of the company, they shall not participate. discussion and voting, and shall not act as an agent for other directors/members to exercise their voting rights.

In addition to the above, the company also has a code of integrity management and a code of ethical conduct, which have express provisions on the avoidance of interests by directors, managers, etc. Employees must also abide by the provisions of the employee code and ensure avoidance of interests.

Integrity Business Code	code of ethical conduct
<p>Article 19 (Interest to avoid): The company should develop policies to prevent conflicts of interest, according to identify, monitor and manage conflicts of interest that could lead to the risk of acts of bad faith, and to provide appropriate conduit for directors, supervisors, managers and other interested parties or attend the Board initiative to explain it with the company for potential conflicts of interest. Directors, supervisors, managers, and other interested parties to attend or to attend the Board, the Board motions listed, with its own legal entity or their representatives of all stakeholders, should explain an important part of its stake in when the Board meeting as harmful to the interests of the company at risk, not allowed to join the discussion and the vote, and the discussion and the vote should be avoided, and can not act for other directors to exercise their right to vote. Self-discipline among the directors should be had when mutual support. Directors, supervisors, managers, servants, to be appointed and substantive control are not allowed by his office or influence in the company as of, lends itself, spouse, parent, child or any other person to obtain improper benefits."</p>	<p>Article 2 (To prevent conflicts of interest): Directors, supervisors, and managers should be based on objective and efficient approach to public service, and not rely on its position in the company as it and its own relatives spouse, parent, child, Second-degree relatives the attainable and other improper benefits. Affiliates person skilled in the preceding paragraph of this company is to provide loans to or guarantee transactions of major assets into (selling) stock exchanges of circumstances, the correlation of the Company should take the initiative to explain to the company with the company for potential conflicts of interest and according to the company after the nuclear determine permissions on the table on top of a first-order handling charge of nuclear decision, in order to prevent conflicts of interest."</p> <p>Article 3 (Avoid self interest): Companies should avoid the directors, supervisors, and managers have the following: 1. through the use of corporate property, information or by his position and have the opportunity to gain the diagram." 2. through the use of corporate property, information or by his position for personal gain." 3. with the company to compete." When a company has a profit opportunity, directors, supervisors, and managers have a responsibility to increase the legitimate interests of the company can get it."</p>

Sustainable Development Committee

The composition, responsibilities and operations of the Sustainable Development Committee:

1. The company's sustainable development committee consists of 3 members.

2. Responsibilities:

(1). Promote and strengthen corporate governance and integrity management systems.

(2). Promote and develop matters related to corporate sustainability.

(3). Supervise other sustainability-related work matters approved by the board of directors.

3. The Sustainable Development Committee held three meetings in 2024 [A], and the attendance of members was as follows: (1 meeting before the 6.25 election and 2 meetings after the election).

job title	Name	Actual attendance (B)	Number of delegated attendances	Actual attendance rate (%) (B / A)(Note)	Remark
convener	Chen, chin-yueh (Dismissed on June 25, 2024)	1	0	100%	Director of New Fuxing Microwave Communications Co., Ltd. Major: Corporate Governance
convener	Chiang jung ch'ing	3	0	100%	Yuan hsuan Construction Co., Ltd. Vice Chairman Major: Corporate Governance, Social Responsibility
member	Tu, yi- yang	3	0	100%	Li Yang Certified Public Accountants Accountant Major: IFRS sustainability standards, financial risks of climate change, etc.
member	Jang liang-ming (2024.06.25 Elected)	2	0	100%	Guopiao Venture Capital Consultant Professionals: Corporate governance - business performance, social responsibility - employee compensation and benefits, education and training.

Other matters that should be recorded: The company's Sustainable Development Committee was established by the board of directors on August 11, 2023. It is expected to hold at least two meetings each year (at least once each in the previous year and the next year).

The company's greenhouse gas inventory and verification schedule is as follows:

work items	Estimated completion time	Execution progress
Determine the establishment of full-time (part-time) units, full-time (part-time) personnel, number of full-time (part-time) personnel and their scope of duties of the parent company	End of December 2022	Already completed
Determine the establishment of full-time (part-time) units, full-time (part-time) personnel, number of full-time (part-time) personnel, and scope of responsibilities of the subsidiary.	End of March 2023	Already completed
Complete greenhouse gas inventory and verification schedule planning.	End of June 2023	Already completed
Trial inventory operation	From January 1, 2024 to December 31, 2025	1. The 2024 annual inventory data is expected to be completed by the end of April 2025. 2. The coaching team is expected to start the first phase of the audit by the end of April 2025. 3. Education and training are expected to be carried out in May 2025. 4. On-site audit plan.
Complete the inventory	115 years	Planning in progress
Complete verification work	117 years	Planning in progress

Operation of the Sustainable Development Committee in 2024: Please refer to the Company's 2024 Annual Report of Shareholders P73-P80.

Or the operation and resolutions of the Sustainable Development Committee on the Company's website:

<https://www.kseco.com.tw/tc/finance2.aspx>

The Audit Committee

The Audit Committee held 5 meetings in 2024 [A] (2 meetings before the 6.25 re-election and 3 meetings after the re-election). The attendance and annual work priorities are as follows:

job title	gender	name	Actual attendance (B)	Delegated to attend	Actual attendance rate (%) 【B/A】	Remark
Independent director	man ♂	Tu,yi- yang	5	0	100%	
Independent director	man ♂	Chen, chin- yueh	2	0	100%	(Dismissed on June 25, 2024)
Independent director	man ♂	Jang liang-ming	3	0	100%	(2024.06.25Elected)
Independent director	man ♂	Chiang jung - ch'ing	5	0	100%	

something else:

- In 2023, matters that have not been approved by the Audit Committee and have been approved by more than two-thirds of all directors: none.
- In 2023, 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.
- Communication between independent directors and internal audit supervisors and accountants:
 - Communication policy between independent directors and internal audit supervisors and accountants:
 - 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.
 - 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.
 - Communication between independent directors and accountants:

Communication date	content	Independent Director's Opinion
3/12	The financial report is approved by the Audit Committee and submitted to the Board of Directors for approval and completed. Evaluate the independence and suitability of the certified public accountant and pass the internal control system statement.	The independent director/audit committee has no opinion.
5/10	The financial report is approved by the Audit Committee and submitted to the Board of Directors for approval and completed	The independent director/audit committee has no opinion.
8/12	The financial report is approved by the Audit Committee and submitted to the Board of Directors for approval and completed	The independent director/audit committee has no opinion.
11/11	The financial report is approved by the Audit Committee and submitted to the Board of Directors for approval and completed	The independent director/audit committee has no opinion.

In addition, before the Audit Committee meeting on March 12, 2024, the accountant and the independent director held a separate meeting to discuss the revenue status, the status of each project, the current litigation status, the self-compiled financial report and the audit quality (AQI). The independent director had no objection in this meeting and the communication was good.

- Communication between independent directors and internal audit supervisor:
2024 communication date: In addition to each board meeting (a total of 7 meetings in 2024), interviews will be held on the following dates.

12/31 The auditor had a separate interview with the independent director, the content of which is as follows:

- Summarize the audit report business for the first to fourth quarters of 2024 (January to December).
- Report to the independent director that the 2024 audit business has been completed in accordance with the annual audit plan, and submit the 2024 audit plan in accordance with the internal control system processing standards for review by this board of directors.
- The self-assessment work of each department in 2024 has been started. The entire work schedule is expected to be completed by the end of February 2024, and the internal control statement will be issued in March.

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

Internal Control System

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

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

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

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 2024	Actual numbers in 2024	reach ✓ ; unaccomplished ✗	Reason not reached
Shareholding change notification (every month)	12 times	12 times	✓	NA
Education and training (education and training to prevent insider trading at least once a year)	1 times	1 times	✓	NA

Pay tax

Gongxin Engineering has always paid taxes to the National Taxation Bureau and the Tax Collection Office honestly. Tax-related matters are handled and managed by the Finance Department. The staff are familiar with the relevant laws and regulations and receive regular education and training to master new regulatory information. The company currently has no cross-border taxes, and domestic taxes are implemented in accordance with regulations.

The total tax amount paid in 2024 is NT\$221,357,000 (including various taxes, business taxes, and business income taxes), accounting for 3.17% of revenue. Taxation is not a big risk for the company.

category	illustrate	Amount (NT\$,000)
business tax	January-December 2024	158,554
Profitable Enterprise Income Tax	2024 tax payable	0
Project tax	Amount of tax paid in 2024	60,248
Various taxes	Stamp duty, license tax, etc.	2,555
total		221,357
2023 revenue		6,980,967
% of revenue		3.17%

GRI 207

Construction period progress

major concerns

6

Non-GRI indicators correspond to SDGs:



Achievement of important goals



In 2024, there are nine projects under construction in Industry and Information Technology, but three projects have only started construction near the end of the year and there is no progress in the pre-production stage. Therefore, the following table only lists the six projects under construction that have progress. The situation is as follows:

project name	2024 target progress	Actual progress in 2024	reach ✓; unaccomplished ✗	Reasons and measures not achieved
Tamjiang Bridge and its connecting road 5K+000~7K+035 new construction	77.20%	77.22%	✓	NA
Taichung Power Plant's new gas-fired unit plans to recycle water pumping machine room and underdrain construction	65.86%	67.23%	✓	NA
Public facilities and permanent reclamation and S04~S05 wharf project of Taipei Gangnan Wharf reclamation area	61.71%	67.42%	✓	NA
Reconstruction Project of Papaya Creek Bridge 212K+800~214K+685 on Line 9 of Taiwan	83.41%	83.62%	✓	NA
Air Force H007 Project	6.78%	12.50%	✓	NA
Dredging Project of Qianzhen Fishing Port Area	77.48%	93.72%	✓	NA
Huadong Area Railway Double-track Electrification Project CB02 from Guangfu to Ruisui Civil Engineering and Track Engineering	7.21%	3.74%	✗	Due to natural disasters affecting the progress of the project, the owner is in the process of extending the construction period.
Y19 (not included)~Y20 (included) civil engineering and hydropower environmental control section bidding project of the northern ring section of the circular line	2.02%	2.05%	✓	NA
Kaohsiung Metropolitan Area Mass Rapid Transit System Metropolitan Line (Yellow Line) YC03 standard civil engineering, facility electromechanical and track turnkey project	0.40%	0.88%	✓	NA
Kaohsiung Metropolitan Area Mass Rapid Transit System Metropolitan Line (Yellow Line) YC02 standard civil engineering, facility electromechanical and track turnkey project	0.13%	0.14%	✓	NA

Executive focus and management performance



Executive focus	Projected number of meetings in 2024	Actual number of meetings in 2024	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 large national infrastructure projects, the completion schedule of the project is one of the main concerns of the owners. The construction of public works has a huge impact on the general public. For example, the completion of a transportation project can not only facilitate people's lives, but also balance regional development, activate the local economy, relieve excessive concentration of population and industry, promote regional development potential, and narrow regional development gaps. Therefore, whether the project is completed on time and with quality is a key concern for owners and the general public. We have undertaken numerous major government construction projects and have won numerous awards from the government. All the projects we have undertaken have been completed on time and with high quality. We have achieved such a good result thanks to our more than 70 years of experience in construction projects. We draw construction network diagrams to arrange the progress schedule at the beginning of the project, and hold regular project progress meetings to control the construction period. If the project cannot be fully constructed due to force majeure or due to reasons that are not attributable to the contractor during the construction process, our company will follow the risk control mechanism, list the risk reasons and response measures, apply to the owner for a construction extension in accordance with regulations, revise the construction network diagram, and complete the project on time according to the extended 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:

Engineering authority, engineering committee: engineering

Manufacturing Supervision Unit: Quality Assurance

Contract manufacturer: quality control

Achievement of important goals

There are a total of nine projects under construction in 2024. According to the requirements of the project contract, the situation of setting up quality control personnel is as follows:

project name	2024 target number	Actual headcount in 2024	reach ✓ ; unaccomplished ✗	Reasons and measures not achieved
Tamjiang Bridge and its connecting road 5K+000~7K+035 new construction	5	5	✓	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
Air Force H007 Project	4	4	✓	NA
Dredging Project of Qianzhen Fishing Port Area	2	2	✓	NA
Y19 (exclusive) ~ Y20 (inclusive) civil engineering and water and electricity environmental control section standard project of the northern ring section of the ring line	9	6	✗	Phased, the target number must be reached by 2026
Huadong area railway double-track electrification plan CB02 bid restored to Ruisui civil engineering and track engineering	3	3	✓	NA
Kaohsiung Metropolitan Area Mass Rapid Transit System Metropolitan Line (Yellow Line) YC03 Standard Civil Engineering, Facility Electromechanical and Track Turnkey Project	5	5	✓	NA
Kaohsiung Metropolitan Area Mass Rapid Transit System Metropolitan Line (Yellow Line) YC02 Standard Civil Engineering, Facility Electromechanical and Track Turnkey Project	5	5	✓	NA

Executive focus and management performance

As a contractor, we must establish a construction quality control system to achieve the engineering quality goals stipulated in the contract, such as characteristics, specifications, cost, effectiveness, life cycle, etc., and formulate a quality plan based on the scale and nature of the project, including management responsibilities, construction essentials, quality management standards, materials and construction inspection procedures, self-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 fully carry out various self-inspections of construction quality and cooperate in completing various quality audits.

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 2024, the education and training of 8 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	2	2024.01.23-2024.04.25	✓	NA
Public facilities and permanent revetment and S04~S05 wharf project of Taipei Gangnan Wharf reclamation area	2	2024.04.22-2024.07.10	✓	NA
Huadong Area Railway Double-track Electrification Project CB02 from Guangfu to Ruisui Civil Engineering and Track Engineering	1	2024.04.13-2024.05.18	✓	NA
Kaohsiung Metropolitan Area Mass Rapid Transit System Metropolitan Line (Yellow Line) YC03 standard civil engineering, facility electro-	1	2024.11.16-2024.11.30	✓	NA
Dredging Project of Qianzhen Fishing Port Area	2	2024.03.13-2024.06.17	✓	NA

Project quality management measures in 2024

Fill in the construction log in accordance with regulations every day and hold construction review meetings every month.



2024 Kung Sing has Obtained Verification



·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

Operating status

major concerns 4 Corresponding SDGs:



GRI 201

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. Our main products are MRT projects, road projects, bridge projects, tunnel projects, etc. Our construction sites are located in 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 allow the company to have no restrictions on bidding areas and provide services throughout the province.

2. Market share in the past three years:

The combined turnover in 2024 is higher than that in 2022 and 2023, mainly because some of the projects undertaken have entered the peak period and new projects are under construction. Therefore, the market share in 2024 is also higher.



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

In 2025, the government will strengthen the resilience of economic growth, expand public construction investment, expand international cooperation and exchanges, accelerate cross-domain scientific and technological cooperation, enhance Taiwan's cultural strength, strengthen the development of outlying islands such as Hualien and Taitung, improve execution capabilities, and implement execution benefits to promote stable economic growth.

The 2025 government public construction plan has a total budget of NT\$648.3 billion, an increase of approximately NT\$59.7 billion compared to the 2024 budget of NT\$588.6 billion. Among them, the three subcategories of "transportation construction", "environmental resources" and "urban and regional development" that are within the scope of the construction industry have a total budget of NT\$344.6 billion, and the main transportation construction category has a budget of NT\$226.9 billion.

In 2025, we will still focus on public projects such as highways, rail transportation, bridges, tunnels and ports.

(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 2024: None.

GRI 201-4

Financial Information

In 2024, the individual revenue of Industrial Information Engineering was NT\$6.981 billion, and the group's consolidated revenue was NT\$7.099 billion. The main project income is: the new construction of Danjiang Bridge and its connecting roads 5K+000~7K+035, Taipei Gangnan Wharf reclamation area public facilities and permanent bank protection cum S04~S05 pier project, Taichung Power Plant's new gas unit plan, circulating water pumping room, Huadong Area Railway Double-track Electrification Project CB02 from Guangfu to Ruisui Civil Engineering and Track Engineering, culvert new project, and Taichung Line 9 212K+800~214K+685 Papaya Creek Bridge Reconstruction Project and Qianzhen Fishing Port Dredging 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 2024.12.31, the total transaction price of outstanding performance obligations is NT\$74,571,532 (thousands)

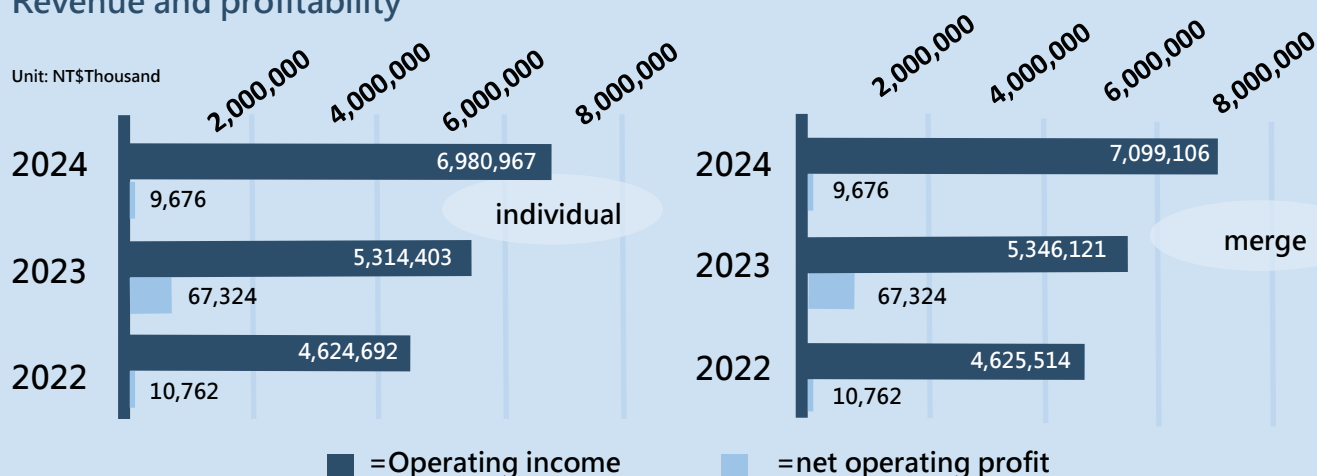


Company website financial report announcement information

Operational goals	2024 goals	Growth rate in 2024	reach ✓ ; unaccomplished ✗	Reason not reached	Action plan not reached
Operating net profit (individual financial report)	Revenue growth of 10%	+31.36%	✓	NA	NA
Operating Net Profit (Consolidated Financial Statements)	Revenue growth of 10%	+32.79%	✓	NA	NA

Revenue and profitability

Unit: NT\$Thousand



Executive focus and management performance

Executive focus	Projected number of meetings in 2024	Actual number of meetings in 2024	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 based on the industry environment we are in, in line with financial planning, and on the premise of the company's sustainable operation and stable development, and the maximum protection of shareholders' interests. In 2024, due to the small surplus and the urgent need for funds under the ongoing construction of many major public projects, it is planned not 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	2022	2023	2024(Note)
Dividend distribution	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)	0 (Considering that the surplus is too small, it is planned not to distribute dividends to shareholders)
employees	NT\$ 3,042,725	NT\$ 3,282,267	NT\$ 1,089,870
directors	NT\$ 0	NT\$ 0	NT\$ 0

*Note: The case will be reported at the general meeting of shareholders on June 26, 2025.

Supply chain management

major concerns

1
3

6

Corresponding



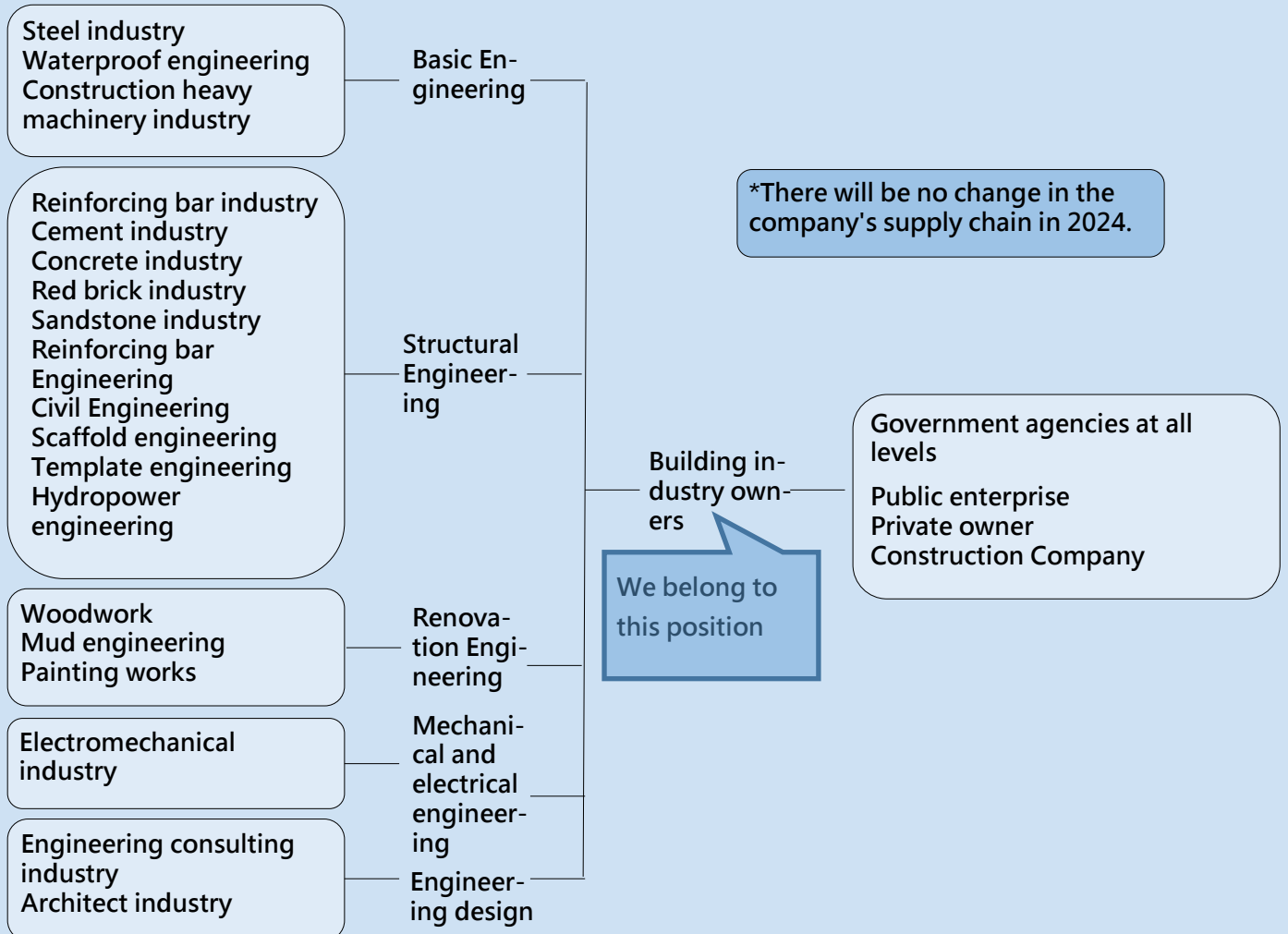
GRI 2-6、204、
308、407、414

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.

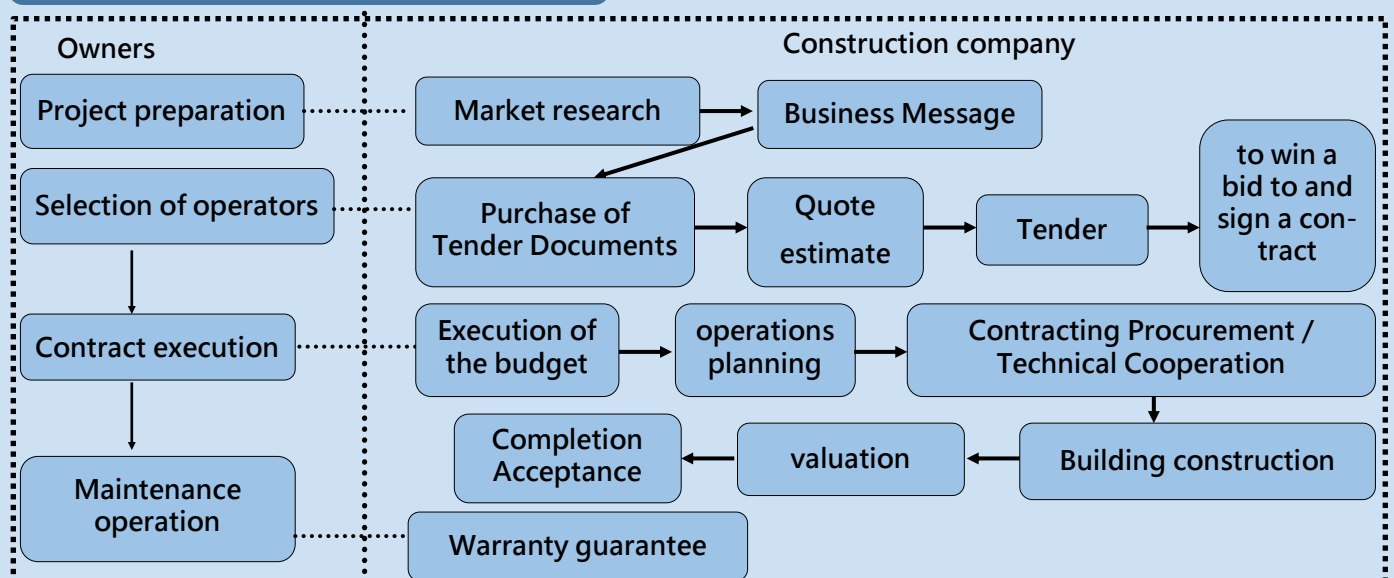
The supply chain of the construction industry



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	2024 goals	Actual achievement in 2024	reach ✓ ; unaccomplished ✗	Reason not reached	Action plan not reached
Adopt domestic manufacturer ratio	90%	98.7%	✓	NA	NA
Qualification rate of supplier/partner evaluation (above 60 points)	100%	100%	✓	NA	NA
Supplier/partner evaluation score of 90 or more	70%	69.9%	✗	This is an improvement compared to last year' s achievement rate of 68.7%, but some manufacturers still lack ideal coordination and quality.	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(S)	100%	100%	✓	NA	NA
Environmental and Social Responsibility Letters Signed by Environmental New Suppliers/Partners(E 、	100%	100%	✓	NA	NA
Comply with the company's integrity management policy ratio(G)	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:

Material Supplier Assessment Matters	Project subcontractor assessment matters
coordination : 10%	coordination : 10%
Delivery progress : 45%	Environmental safety and health cooperation : 20%
Material quality : 45%	Construction Schedule : 35%
	Engineering quality : 35%

According to the above percentages, in 2024, all of our suppliers scored above 60 points, and there is no need to eliminate them; however, three suppliers scored between 60 and 69 points, and they need to improve their coordination and project quality.

In 2024, the company's supply chain will have no negative impact on the environment and society.

Supplier/subcontractor labor human rights and practice evaluation

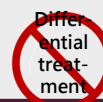
When evaluating and reviewing new suppliers/subcontractors, the industry and information engineering also attaches great importance to labor human rights, choosing ethical integrity, non-forced labor, good labor relations, and labor human rights material suppliers and project subcontracting Quotient.

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 various forms of forced labor shall not endanger the basic rights of labor.



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



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



4. Apply other revised human rights clauses and norms.



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

Recognition guarantee of subcontractor/cooperator:

職業安全及環境保護承諾書	環境及社會責任聲明書	誠信經營政策
<p>茲因本公司與貴公司訂立合作關係，為確保雙方在合作過程中，能共同遵守相關法律法規，並維護雙方之合法權益，特此簽署此承諾書。</p> <p>一、本公司承諾遵守以下規定：(一) 遵守國家及地方有關職業安全及環境保護之法律法規。(二) 遵守國際勞工組織之公約及建議書。(三) 遵守聯合國人權公約及相關國際人權標準。(四) 遵守國際貿易中心之道德規範。(五) 遵守國際透明化標準。(六) 遵守國際勞工組織之公約及建議書。(七) 遵守聯合國人權公約及相關國際人權標準。(八) 遵守國際貿易中心之道德規範。(九) 遵守國際透明化標準。</p> <p>二、本公司承諾遵守以下規定：(一) 遵守國家及地方有關職業安全及環境保護之法律法規。(二) 遵守國際勞工組織之公約及建議書。(三) 遵守聯合國人權公約及相關國際人權標準。(四) 遵守國際貿易中心之道德規範。(五) 遵守國際透明化標準。(六) 遵守國際勞工組織之公約及建議書。(七) 遵守聯合國人權公約及相關國際人權標準。(八) 遵守國際貿易中心之道德規範。(九) 遵守國際透明化標準。</p> <p>三、本公司承諾遵守以下規定：(一) 遵守國家及地方有關職業安全及環境保護之法律法規。(二) 遵守國際勞工組織之公約及建議書。(三) 遵守聯合國人權公約及相關國際人權標準。(四) 遵守國際貿易中心之道德規範。(五) 遵守國際透明化標準。(六) 遵守國際勞工組織之公約及建議書。(七) 遵守聯合國人權公約及相關國際人權標準。(八) 遵守國際貿易中心之道德規範。(九) 遵守國際透明化標準。</p>	<p>茲因本公司與貴公司訂立合作關係，為確保雙方在合作過程中，能共同遵守相關法律法規，並維護雙方之合法權益，特此簽署此聲明書。</p> <p>一、本公司承諾遵守以下規定：(一) 遵守國家及地方有關職業安全及環境保護之法律法規。(二) 遵守國際勞工組織之公約及建議書。(三) 遵守聯合國人權公約及相關國際人權標準。(四) 遵守國際貿易中心之道德規範。(五) 遵守國際透明化標準。(六) 遵守國際勞工組織之公約及建議書。(七) 遵守聯合國人權公約及相關國際人權標準。(八) 遵守國際貿易中心之道德規範。(九) 遵守國際透明化標準。</p> <p>二、本公司承諾遵守以下規定：(一) 遵守國家及地方有關職業安全及環境保護之法律法規。(二) 遵守國際勞工組織之公約及建議書。(三) 遵守聯合國人權公約及相關國際人權標準。(四) 遵守國際貿易中心之道德規範。(五) 遵守國際透明化標準。(六) 遵守國際勞工組織之公約及建議書。(七) 遵守聯合國人權公約及相關國際人權標準。(八) 遵守國際貿易中心之道德規範。(九) 遵守國際透明化標準。</p> <p>三、本公司承諾遵守以下規定：(一) 遵守國家及地方有關職業安全及環境保護之法律法規。(二) 遵守國際勞工組織之公約及建議書。(三) 遵守聯合國人權公約及相關國際人權標準。(四) 遵守國際貿易中心之道德規範。(五) 遵守國際透明化標準。(六) 遵守國際勞工組織之公約及建議書。(七) 遵守聯合國人權公約及相關國際人權標準。(八) 遵守國際貿易中心之道德規範。(九) 遵守國際透明化標準。</p>	<p>茲因本公司與貴公司訂立合作關係，為確保雙方在合作過程中，能共同遵守相關法律法規，並維護雙方之合法權益，特此簽署此政策書。</p> <p>一、本公司承諾遵守以下規定：(一) 遵守國家及地方有關職業安全及環境保護之法律法規。(二) 遵守國際勞工組織之公約及建議書。(三) 遵守聯合國人權公約及相關國際人權標準。(四) 遵守國際貿易中心之道德規範。(五) 遵守國際透明化標準。(六) 遵守國際勞工組織之公約及建議書。(七) 遵守聯合國人權公約及相關國際人權標準。(八) 遵守國際貿易中心之道德規範。(九) 遵守國際透明化標準。</p> <p>二、本公司承諾遵守以下規定：(一) 遵守國家及地方有關職業安全及環境保護之法律法規。(二) 遵守國際勞工組織之公約及建議書。(三) 遵守聯合國人權公約及相關國際人權標準。(四) 遵守國際貿易中心之道德規範。(五) 遵守國際透明化標準。(六) 遵守國際勞工組織之公約及建議書。(七) 遵守聯合國人權公約及相關國際人權標準。(八) 遵守國際貿易中心之道德規範。(九) 遵守國際透明化標準。</p> <p>三、本公司承諾遵守以下規定：(一) 遵守國家及地方有關職業安全及環境保護之法律法規。(二) 遵守國際勞工組織之公約及建議書。(三) 遵守聯合國人權公約及相關國際人權標準。(四) 遵守國際貿易中心之道德規範。(五) 遵守國際透明化標準。(六) 遵守國際勞工組織之公約及建議書。(七) 遵守聯合國人權公約及相關國際人權標準。(八) 遵守國際貿易中心之道德規範。(九) 遵守國際透明化標準。</p>

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

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

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

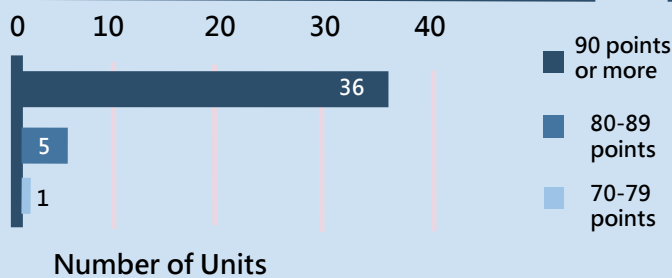
Evaluation results of material suppliers and engineering subcontractors

We conduct annual manufacturer evaluations at the end of each year. In 2024, a total of 163 material suppliers and engineering subcontractors were evaluated (115 in 2023). Compared with 2023, the number of material suppliers and engineering subcontractors increased in 2024 due to the increase in contracted projects.

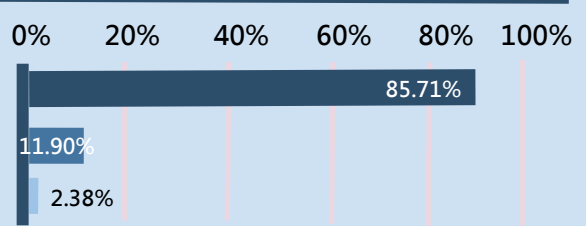
In 2024, three engineering subcontractors were evaluated. According to the evaluation results of each construction site, the average score was between 60-69 points. This year, we will more strictly examine the cooperation of engineering subcontractors with lower evaluation scores in all aspects, and strengthen their assistance to improve to ensure the overall construction quality.

In addition, no engineering subcontractor's evaluation score was below 60 points in 2024, so all manufacturers will continue to cooperate.

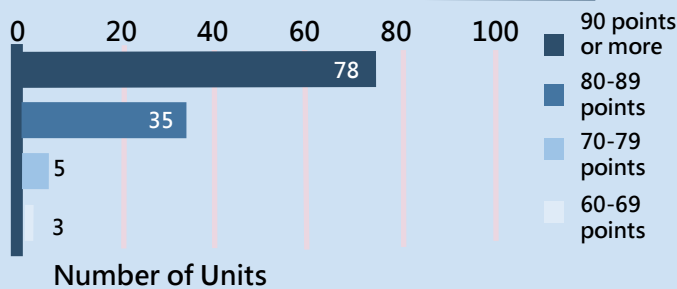
Distribution of material supplier evaluation results



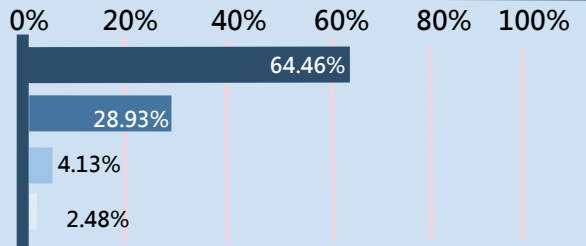
Material supplier evaluation score ratio



Project subcontractor assessment items



Project subcontractor evaluation performance

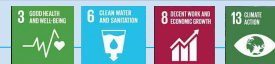


Risk management

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.

Management

Regularly track risk projects

Propose countermeasures

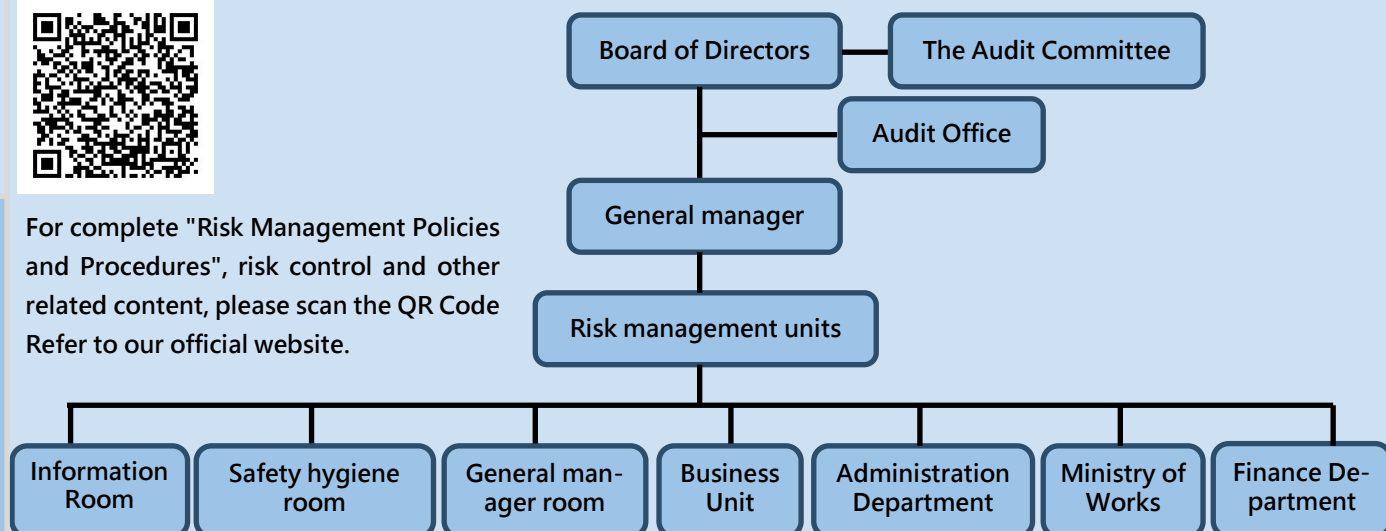
Organize relevant education training or send personnel to participate in training

Strengthen risk management and response

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



Classification based on materiality		risk category	Risk content	Control mechanism (strategy)
E	Environmental protection (including pollution prevention)	Climate Change and Environment	Reduce environmental pollution	Establish mechanisms to prevent environmental pollution and waste disposal.
	Energy management		Carbon emissions management	Establish energy management and construction site carbon footprint management mechanisms, strengthen construction technology to reduce energy consumption and construction schedule, so as to avoid the impact of climate change on construction schedule.
S	Safety and health	occupational safety	Work environment and employee safety	Manage environmental safety and health functions and education and training, strengthen the integration of occupational safety and environmental management systems, implement contractor management, and improve occupational health management.
	Salary	people management	Personnel transfer and labor-capital relations handling	Strengthen the salary structure and remuneration of grassroots employees. Strengthen labor-capital communication channels to promote harmonious relations, strengthen personnel recruitment channels, employee business qualification review and education and training management, implementation and supervision, continue to improve written regulations and respect the rights and interests of employees (parties).
	Employee benefits			

Classification based on materiality		risk category	Risk content	Control mechanism (strategy)
G	Construction quality	Increased capital expenditures	Purchase and management of major machinery and equipment, construction defects and whether materials and equipment are qualified	Formulate and revise the "Property Management Regulations" and conduct regular audits according to the Property Management Regulations to reduce the risks caused by improper management. Develop 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 audits, and document record management systems, etc.
	Construction schedule		Design changes and construction extensions	Monthly progress review meetings for projects under construction are held, and the Audit Office lists and tracks items.
	supply chain management	Raw material prices and supply chain	Raw material price fluctuations and supply disruptions	Supplier management, inventory management, understanding market conditions and responding in advance through business information collection or market research, and raw material price risk management.
	Operational Status and Risk Management	Interest rate and exchange rate changes	Interest rate changes, exchange rate changes	Monitor interest rate market changes, understand funding conditions, and maintain good banking relationships. Monitor foreign exchange market changes and information daily and formulate risk hedging strategies.
		information security	Information Systems and Confidential Information Protection	Continue to introduce advanced information security solutions, plan and build data protection mechanisms, strengthen external information service protection, and hold regular education and training.
		strategic error	Strategic risks and whether operational objectives are achieved	Regularly propose business contract assessment and risk analysis. Manage the achievement of annual policies and goals through budget discussions.
		corporate image	negative image	In response to operational risks that may affect the company's image, we usually establish a good crisis response mechanism and simulate possible incidents. The response system can be activated immediately at the first time, and the spokesperson system can be responsible for external statements or clarify false information through the important information platform to maintain the company's image and communicate well 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 成度	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.

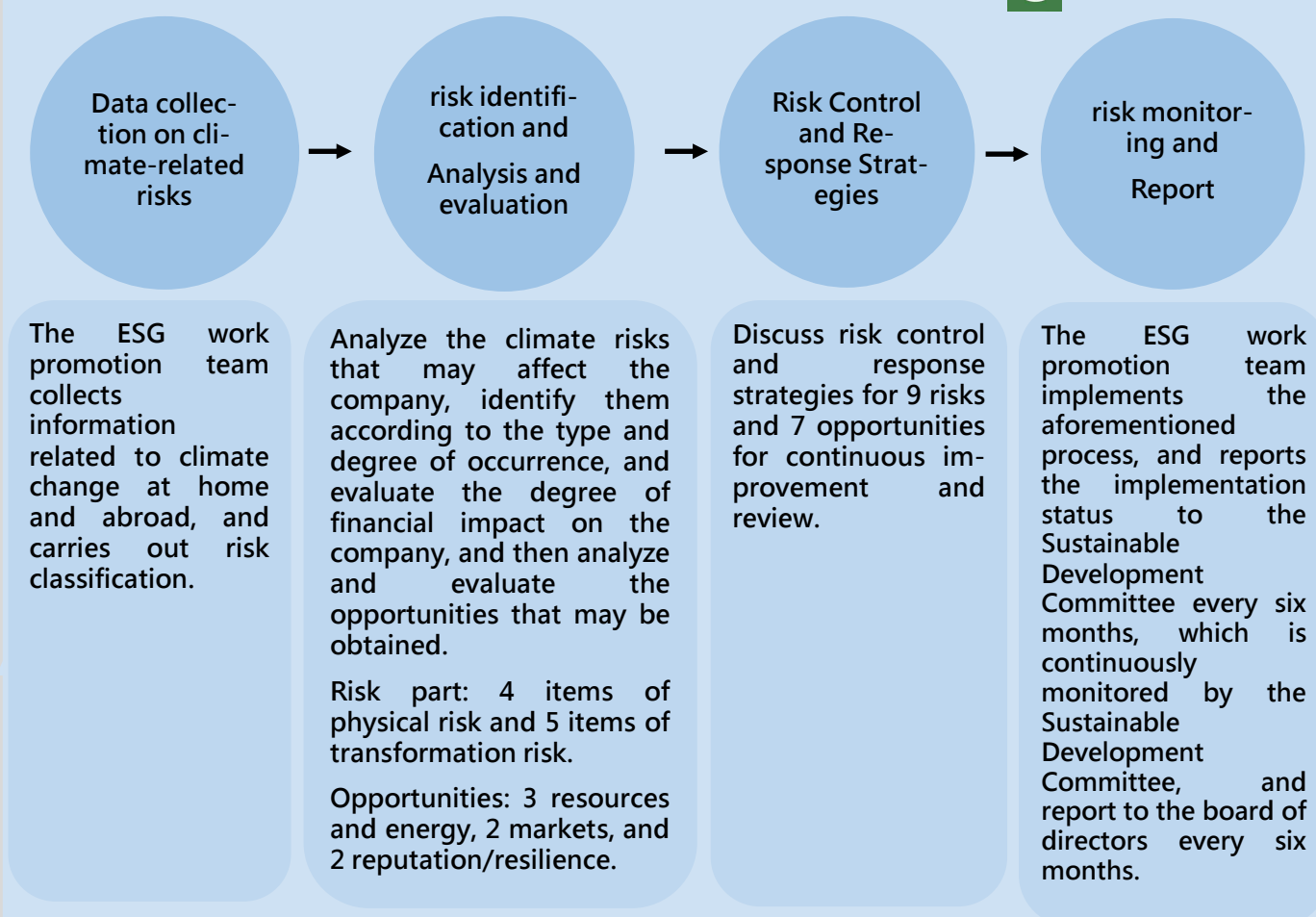
Risk type	Project	Risk Statement/ potential financial impact	Coping strategy
Entity risk	Operation interruption or loss caused by extreme weather events (such as typhoon/flood and drought)	1.Affect employees' work (Wei Health, Security, Absence). 2.affect the progress of the project. 3.Property values 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 heatstroke.

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 conservation and carbon reduction strategies. It is expected that in the short term (within 1-3 years) half of the official vehicles (excluding engineering vehicles) will be replaced by hybrid vehicles; in the medium term (3-10 years) official vehicles (excluding engineering vehicles) will be replaced by hybrid vehicles. all official vehicles (excluding engineering vehicles) will be replaced by electric vehicles in the long term (10-25 years) to achieve the goal of energy conservation and carbon reduction. The company's short, medium and long-term energy saving and carbon reduction strategies are written into the subcontracting contract, requiring the manufacturer's vehicles and machinery entering and exiting the construction site to comply with the company's energy saving and carbon reduction 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.	<p>The processes from procurement, construction, safety and sanitation management, and environmental protection are in line with greening.</p> <p>When purchasing, select environmentally friendly raw material suppliers to supply environmentally friendly and energy-saving materials.</p> <p>During the construction process, choose construction equipment and components that are energy-saving, detachable, reusable, long-lived, and recyclable.</p> <p>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.</p> <p>In terms of environmental protection, avoid or reduce environmental pollution to the greatest extent, such as reducing air and water pollution caused by construction waste, residual soil, dust, waste water and oil pollution.</p>
Reputation/ Resilience	Enhance corporate reputation	Revenue increased.	Actively participate in various green supply chain certifications and ISO certifications.
	Improving climate 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 2024	Actual numbers in 2024	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.	12 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 premises every month	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 Columns
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+construction	Research on Anti-corrosion Construction Method of Spraying Polyurea Ethylene Concrete on Pier Column and Foundation of Tamkang Bridge
3	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	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	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	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	Double arch horizontal steel formwork method
15	design+construction	underpinning

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.
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 11, 2024, the integrity management education training was held. The participants included directors/independent directors and company managers. The class lasted for 2 hours in total, and the number of participants was 13. The course handouts were published on the company's intra-net EIP for all employees to download and refer to, in order to achieve the purpose of education and promotion for all employees.</p>
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 P106-116 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> 
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 2024, the Company and its subsidiaries will conduct 100% corruption risk assessment, and no corruption incident has occurred.
Anticompetitive, Antitrust and Monopolistic Conduct	<p>The company supports antitrust conduct and complies with antitrust laws.</p> <p>In 2024, the Company has not been involved in any litigation related to anti-competitive behavior and anti-trust and monopoly regulations.</p>

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 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 the 10th Corporate Governance Evaluation in 2023, the Securities and Exchange Commission announced that the company's score was 91.80 points, and its score was **21-35%** of all evaluated listed companies.

In the 11th Corporate Governance Evaluation in 2024, the Securities and Exchange Commission announced that the company's score was 91.31 points, and its score was **21-35%** of all evaluated listed companies.

operating objectives	2024 Target	Actual results in 2024	achieve ✓ ; Not achieved ✗	Reason not reached	action plan
Top 20% in corporate governance assessment	Top 20% of the evaluation results	21-35%	✗	Note 1	Note 2

Note1: The score of the 11th evaluation in 2024 was slightly lower than that of the previous one, but the grade range remained the same as last year. The main reason was that the evaluation indicators were revised. We are also actively evaluating the evaluation indicators that have not yet been scored and strengthening corporate governance.

Note2: Priority enhancements and measures for 2024: Increase disclosure of training and development plans to enhance employee functions, establish employee satisfaction surveys, disclose personal data protection policies, etc.

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.

2024 Negative Message or Incident Response

In 2024, 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 2024	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	Article 32, Paragraph 1, Item 1 of the Air Pollution Control Act and Article 6, Item 1 of the Air Pollution Control Implementation Guidelines	100,000	Due to being fined for burning construction waste, the company has stepped up its efforts to promote waste disposal methods to avoid air pollution
			Article 25, Paragraph 3 of the Marine Pollution Prevention Act and Article 21 of its Enforcement Rules	200,000	Due to the delay in submitting the marine abandonment operation record report, we have submitted it as soon as possible to complete the report.
(S) society	Human rights and employee rights	0	NA	0	NA
	Occupational Safety and Health Act	Danjiang Bridge-4	Article 6, Paragraph 1 of the Occupational Safety and Health Act, Article 36, Paragraph 1, and Article 30, Paragraph 6 of the Labor Standards Act	698,000	Strengthen safety equipment education and training for construction and safety personnel at construction sites, and strengthen the management of working hours for foreign migrant workers to avoid penalties.

3、Environmental protection



Topic of this chapter

Management policy	P63
Regulatory compliance	P65
Energy management	P66
Water resource management	P70
Pollution prevention	P72

Highlights in this chapter

※ The company's carbon reduction commitment, calculated by the "Corporate Carbon Reduction Thermometer" (TRIPs), is in line with the Paris Agreement's goal of not exceeding 1.5°C in global warming by the end of this century. It has been certified by World Magazine and awarded the seal.

※In 2024, the per capita water consumption of the KUNG SING project will be reduced by **73.03 M³** compared to the base year (2018), with a cumulative reduction rate of **57.90%**.

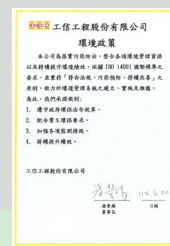
※In 2024, the greenhouse gas emissions of the Industrial and Information Engineering Group will be reduced by 1,154.863 metric tons compared to the base year (2018), with a cumulative reduction rate of **35.7%**. The greenhouse gas emission density will be reduced by **64.71%** compared to the base year.

※The Chairman of the Board of Directors has signed the Company's Environmental Policy.

Important issues

6 Environmental protection (including pollution prevention and control),

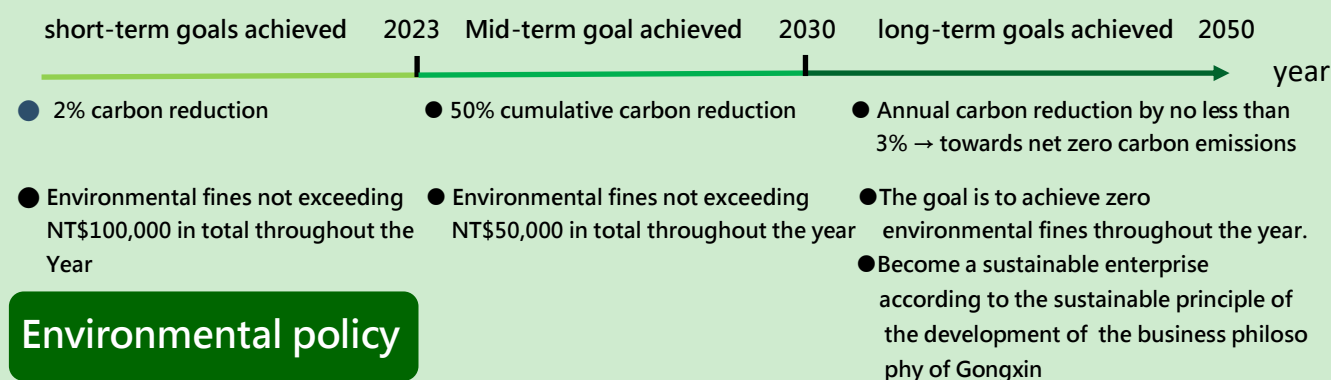
9 Energy Management



Management policy

3-3 Major Theme Management

Major topics of Environmental protection (in order of importance)	Management purpose	Management methods and effective evaluation mechanism	2025 target (alternate year target)	Medium-term Goal
Environmental protection (including pollution prevention and control), (P72-81)	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 (P66-71)	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.

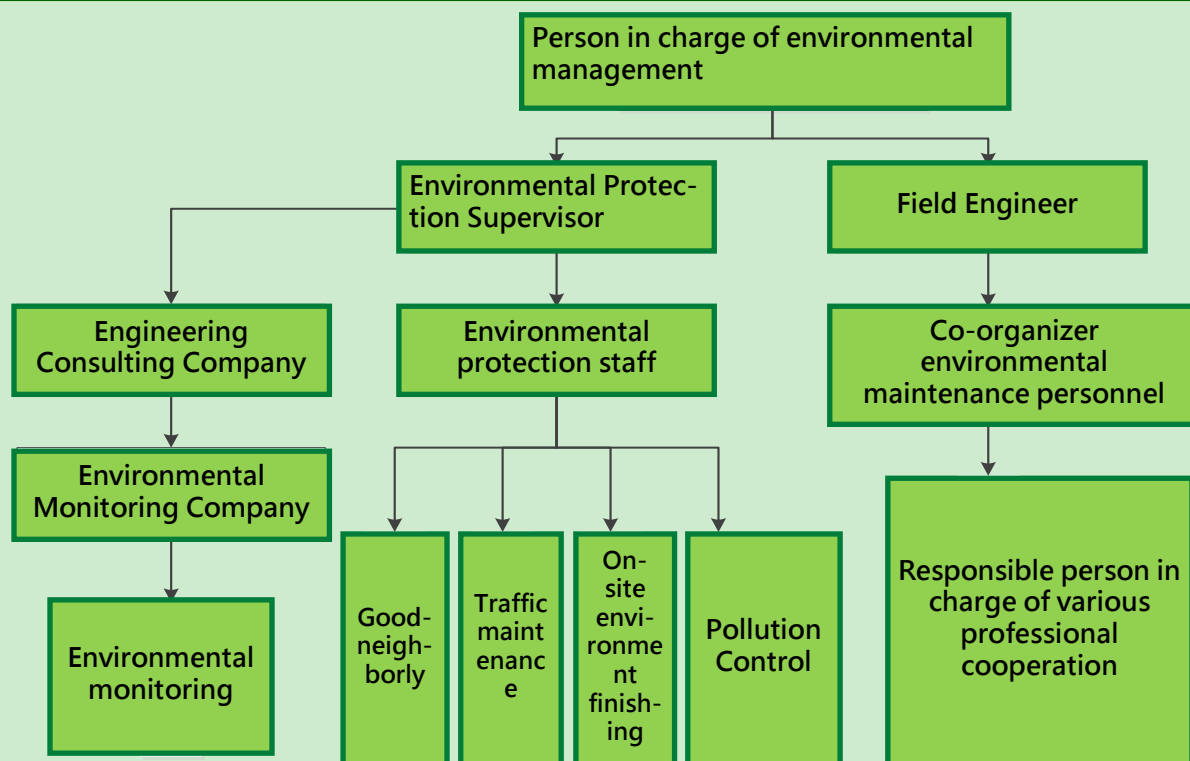
The ISO14001 environmental management system mainly regulates the production or service process of products, reduces the impact on the environment, takes into account the needs of various stakeholders related to the environment, and meets the needs of the society in the evolution of environmental protection, 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.

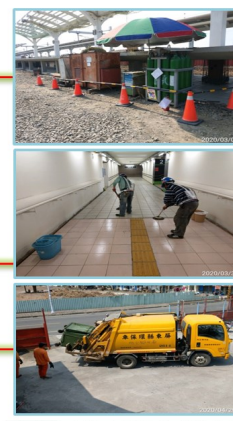
Construction site environmental protection organization and management



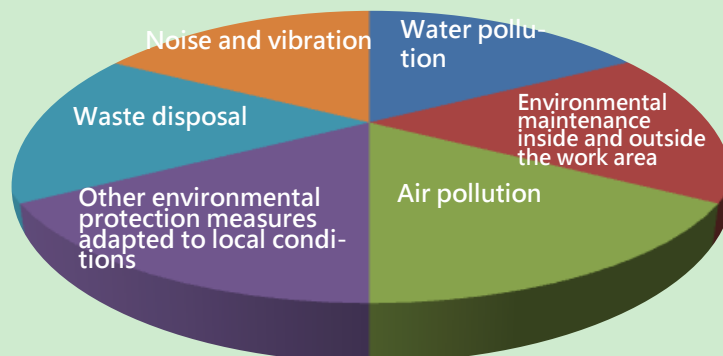
Through environmental safety and health education and training, promote "6S construction environmental management".



6S construction environment management

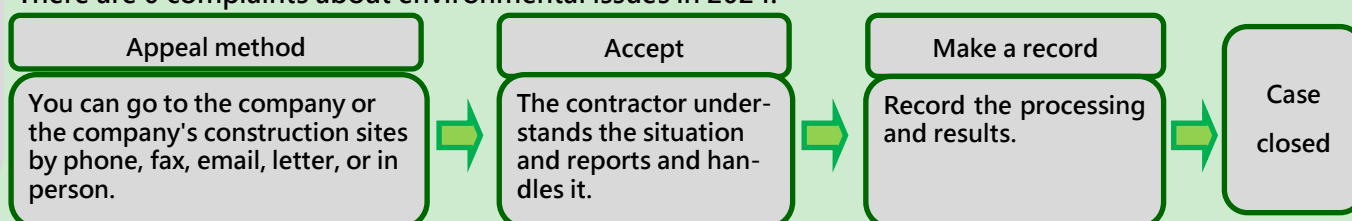


In order to implement environmental protection in the work area, each construction site conducts daily site inspections on environmental protection sites, and uses the inspection record sheet/ independent inspection sheet to truthfully make records. (Check items as left)



Environmental complaint mechanism

The company has set up a special area for interested parties on the official website (<http://www.kseco.com.tw//tc/index.aspx>). The complaint mechanism provided can be visited by phone, fax, e-mail, letter, or in person. Or the company's construction sites, etc. to appeal. There are 0 complaints about environmental issues in 2024.



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.

2024 Environmental Protection Regulations Compliance

Number of large fines imposed for violation of environmental protection laws and regulations

2

*A fine of more than NT\$100,000

Number of general fines imposed for violations of the Urban Planning Act.

0

Nearly three years	2022	2023	2024
The total number of violations of environmental protection laws	0	0	0
Total number of violations of the Air Pollution Act	1	1	1
The total number of violations of the Water Conservancy Law	1	1	0
Violation of urban planning laws	0	1	0
Marine Pollution Control Act	0	0	1
Subtotal	2	1	2
total fine	70,000	60,000	300,000

We have been continuously working on environmental protection. In addition to using low-noise equipment to perform work and laying related equipment to improve road pollution, the construction site also strengthens cleaning to maintain a clean environment, and uses watering and dust-proof nets as measures to prevent air pollution, which has been effective. However, in 2024, the construction site was fined by the environmental protection unit for open-air burning of waste wood left over from the project, not properly setting up pollutant collection and treatment equipment, and delaying the submission of marine disposal operations.

Execution focus	2024 Target	Actual amount incurred in 2024	achieve ✓ ; Not achieved ✗
Environmental penalty amount	Less than NT\$100,000	NT\$300,000	✗

Reason for the penalty

Improvements

2024

Tamkang Construction Site: Article 32, Paragraph 1, Item 1 of the Air Pollution Control Act and Article 6, Paragraph 1 of the Air Pollution Control Implementation Guidelines.

The reasons for the penalty are briefly described as follows:

The company was fined for burning waste wood left over from the project in the open air, but did not install equipment to collect and treat particulate pollutants, which resulted in particulate pollutants being dispersed in the air.

Qianzhen construction site: Article 25, Paragraph 3 of the Marine Pollution Prevention Act and Article 21 of its Enforcement Rules.

The reasons for the penalty are briefly described as follows:

The report on marine disposal operation records was submitted late.

Due to being fined for burning construction waste, our company has stepped up its efforts to promote waste disposal methods to avoid burning waste directly on construction sites. If there is a need in the future, we should also read the regulations in detail and install relevant treatment equipment to avoid air pollution.

Due to the delay in submitting the marine dumping operation record report, we have completed the report as soon as possible. We will strengthen the promotion of relevant responsible personnel to submit or report relevant information on time to avoid penalties.

In 2024, with the joint efforts of our suppliers and partners, there will be no significant impact on the environment.

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.

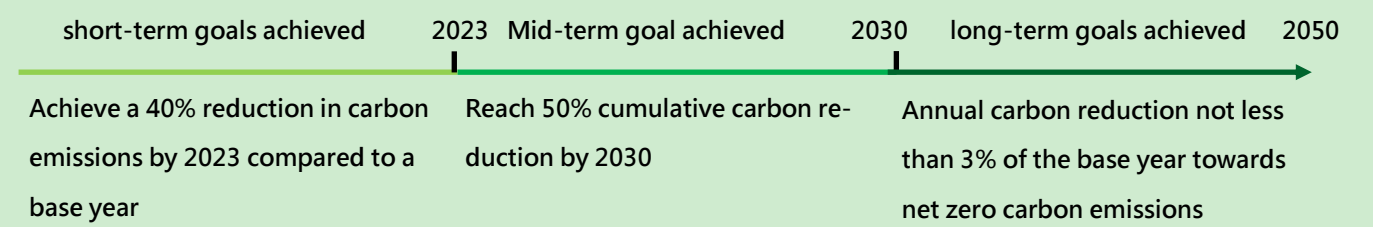
Energy Management Organization and Policy

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.



2024 Action Plan for Energy Conservation and Carbon Reduction



GRI 301-3、
302-4、302-5

Implementation area: Head office and contracted construction sites (including: Danjiang Bridge, Taipei Port C Reclamation Area S04, 05, Ji'an (Papaya Creek Bridge), Taichung Power Plant, Air Force H007, New Taipei Construction Office (MRT 680A), Kaohsiung MRT Construction Office 1 and 2, Ruisui Construction Station (CB02 Railway Double Track Electrification), Qianzhen Construction Station, a total of ten projects under construction.

Energy saving measures

Common measures

The head office and each construction site will implement electronic processing of leave, overtime, business trips, and commuting to reduce paper usage. In 2023, electronic invoice applications will be adopted to achieve energy conservation and carbon reduction.

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. For 2024, 10 new hybrid vehicles and 12 electric locomotives have been purchased for official business.

Good site action plan

Taipei Port S04, 05

Reuse of dredged earth

The amount of filling required for land reclamation is about 1.1984 million m³. The principle of balance within the mining area and no transportation outside is used.

1. Dredging earthwork is about 333,400 m³.
2. The remaining soil in the C filling area is about 853,400 m³, and 1.1984 million m³ can be used.

Recycling cubes for reuse

Material	lumpy stone	square stone
Recycling volume	About 310,000 m ³	About 1410 blocks
This case Reuse	Fully reused	65 blocks (approximately 1,343m ³)
For other cases Reuse	0	1,346 blocks (approximately 28,600 m ³)
Carbon reduction (t)	14,399	13,913

A total of 28,312 tons were reduced (about 73 Daan Forest Parks)

Converter Stone Application

40% of the coarse aggregate in the AC road pavement will be replaced with converter stone, with an estimated usage of about 10,000 tonnes. This can save engineering costs, implement national policies and help dispose of converter stone.



40% of the coarse aggregate is replaced by converter stone

Dan-jiang Bridges

IP cement is used for concrete (fly ash and hearth stone powder replace cement materials)

The use of spiral stirrups in the pile binding area can reduce the use of steel bars

The work area uses field electricity to replace diesel generators

P130 foundation uses 2 layers of ring support
Carbon reduction of about 6530 tCO₂e

Carbon reduction is approximately 73,893 tCO₂e Equivalent to the annual carbon sequestration of 191 Daan Forest Parks



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. Since 2018, Gongxin Engineering has comprehensively counted greenhouse gas emissions in Scope 2 for all operations of the parent company. Scope 2 is the largest carbon emission of the company, so 2018 is used as the base year to plan future carbon reduction targets. Scope 1 will be included in the statistics from 2021, and gasoline and diesel used in official vehicles and large machinery will be the main focus in the initial stage. Starting from 2022, it is planned to promote comprehensive carbon inventory of Scope 1 and Scope 2, and report the implementation of the plan to the board of directors every quarter. By the end of 2024, all carbon emission statistics for Scope 1 and 2 have been completed.

In 2024, the Company had no ozone-depleting substances (ODS), nitrogen oxides (NOx), sulfur oxides (SOx), and other significant gas emissions.

As of the end of 2024, the greenhouse gas emissions of the Company (parent company) are as follows: (Prior to 2023 (inclusive), Scope 1 only counts mobile emissions)

	Category 1	Category 2	Category 1 + Category 2
Year / Region	Stationary emissions, process emissions, mobile emissions, fugitive emissions Emissions equivalent (metric tons CO2e/year)	Energy indirect emissions Emissions equivalent (metric tons CO2e/year)	emission of greenhouse gases (metric tons CO2e)
2024	465.153	1,614.887	2,080.040
2023	259.515 (mobile emissions only)	1,200.520	1,460.035
2022	327.004 (mobile emissions only)	857.231	1,184.235
2021	240.828 ((mobile emissions only))	510.815	751.643
2020	(Not counted)	512.009	512.009
Remark	The above data comes from the statistics of our gas bill and Taipower electricity bill. The base year currently set by our company is 2018, and the greenhouse gas emissions in that year were 3,234.903 metric tons of carbon dioxide equivalent. Greenhouse gas calculation method: Before 2021: Use the carbon emission coefficient announced by the Bureau of Energy of the Ministry of Economic Affairs. 2022-2023: Add the carbon emission figures disclosed on Taipower electricity bill and fuel bill. From 2024: Use Greenhouse Gas Emission Coefficient Management Table Version 6.0.1.		

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
2024	2,080.040	1154.863	35.70
2023	1,460.035	1,774.868	54.87
2022	1,184.235	2,050.668	63.39
2021	751.643	2,483.260	76.76
2020	512.009	2,722.894	84.17

Execution focus	2024 Target rate (Note 1)	2024 Actual achievement rate	achieve ✓ ; Not achieved ✗ (Note 2)
Carbon reduction rate compared to the base year	40%	35.70%	✗
Reduction rate of greenhouse gas emission intensity compared with the base year	40%	64.71%	✓

Note 1: According to the biennial target set in last year' s report, the carbon reduction rate in 2024 is a 40% reduction from the base year.

Note 2: In 2024, both Scope 1 and 2 increased compared to the previous year, and the carbon reduction target was not achieved. The main reason was that the Danjiang Bridge, Muguaxi Bridge and other projects entered the middle and late stages of the project, and there were 10 construction sites in 2024. The number of official vehicles increased from 616 to 860, and the number of machines and electricity used in the project increased significantly. In addition, the inventory of Scope 1 increased fixed, process and fugitive emissions, so the overall emissions increased.

Greenhouse Gas Emission

Greenhouse Gas Emission Intensity

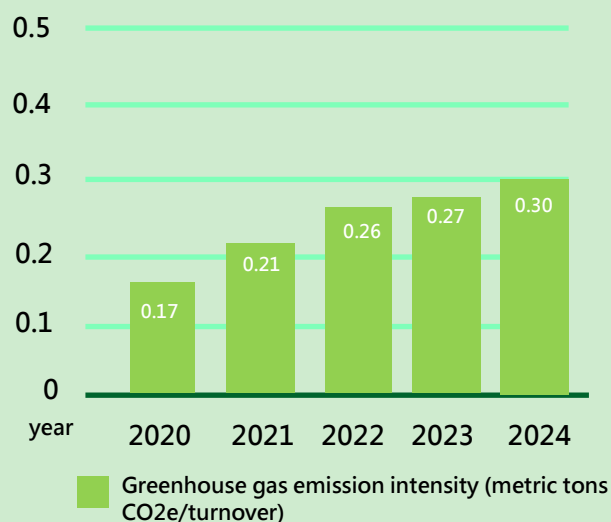
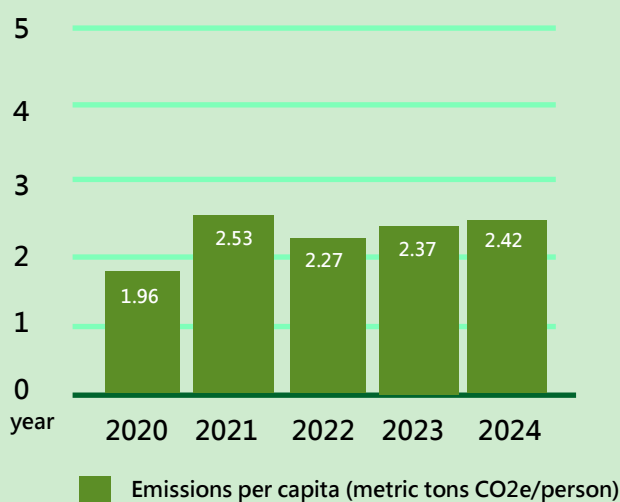
= $\frac{\text{total greenhouse gas emissions}}{\text{Annual turnover}}$

Annual turnover

*2024 individual turnover
is NT\$6,981 (million)

Energy emission intensity (metric tons CO ₂ e/person)					
Project/ Year	2020	2021	2022	2023	2024
total energy emissions (metric tons CO ₂ e)	512.009	751.643	1,184.235	1,460.035	2,080.040
number of workers	261	297	521	616	860
Greenhouse Gas Emission Intensity (metric tons CO ₂ e / person)	1.96	2.53	2.27	2.37	2.42
Greenhouse gas emission intensity (metric tons CO ₂ e/turnover) (Note 3)	0.17	0.21	0.26	0.27	0.30
Note	In 2018, per capita emissions were 5.78, and greenhouse gas emission density was 0.85.				

Note 3: Although the number of projects under construction increased to 10 in 2024, and the number of domestic and foreign workers increased, so per capita emissions increased, but turnover also increased, so the greenhouse gas emission density was still reduced by 64.71% compared with the base year.



Greenhouse Gas Reduction Plan Goals

Short-term goals (1-3 year)	Mid-term goals (3-10year)~2030	Long-term goals (~2050)
1. Using 2018 as the base year, reduce greenhouse gas emissions by more than 2% every year. 2. Use solar warning lights in the work area. 3. Replace half of official vehicles (excluding engineering vehicles) with oil Electric hybrid car. 4. The new subcontracting contract writes in the company' s short, medium and long-term energy saving and carbon reduction strategies, requiring the manufacturer' s vehicles and machinery entering and exiting the construction site to comply with the company' s energy saving and carbon reduction strategies.	1. It is expected that the cumulative carbon reduction will reach 50% by 2030. 2. Replace all official vehicles (excluding engineering vehicles) with hybrid vehicles. 3. All subcontracting contracts include the company' s short, medium and long-term energy conservation and carbon reduction strategies, and require manufacturers' vehicles and machinery entering and exiting the construction site to comply with the company' s energy conservation and carbon reduction strategies.	1. Aim to move towards net-zero carbon emissions. 2. Replace all official vehicles with electric vehicles. 3. Effectively reduce carbon emissions generated during the construction process. 4. Our company and its subcontractors use power-saving products for machinery and equipment.

Water resource management

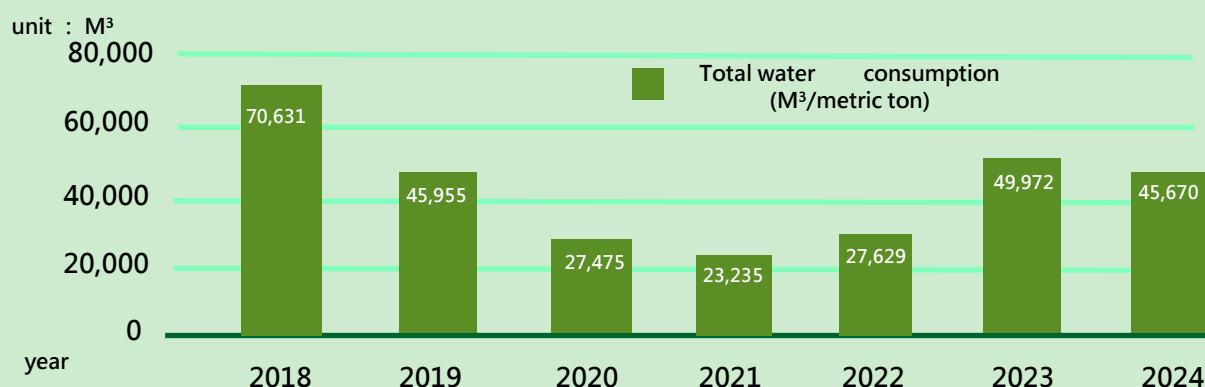
GRI 303

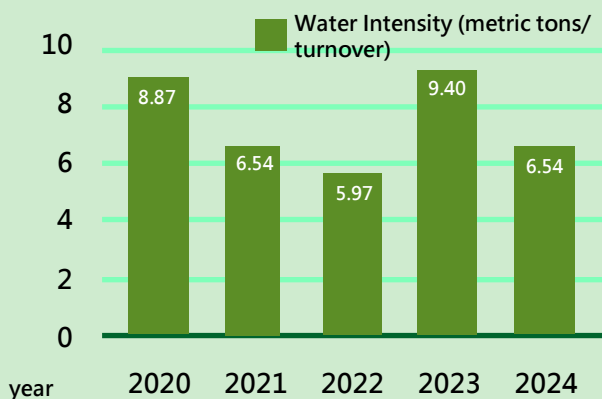
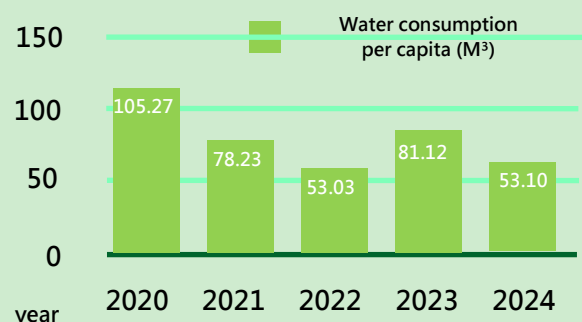
Water resource management is a topic that we attach great importance to. In recent years, the construction site will pump water from the sedimentation tank for construction site sprinkling and achieve recycling and reuse. All the water used by the company comes from the waterworks, and the used water 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 ³)					
Project/ Year	2020	2021	2022	2023	2024
Total water consumption (M ³)	27,475	23,235	27,629	49,972	45,670
Annual increase rate of water use (%)	-40.21%	-15.43%	18.91%	80.87%	-8.61%
Number of employees (person)	261	297	521	616	860
Water intensity (M ³ / person)	105.27	78.23	53.03	81.12	53.10
Water Intensity (metric tons/turnover)	8.87	6.54	5.97	9.40	6.54
Remark	Since the statistical scope has been expanded to all construction sites since 2018, 2018 is used as the base year. The total water consumption in 2018 = 70631M ³ , the per capita water intensity is 126.13M ³ /person, and the water intensity is 18.53.				

Total Water Consumption Reduction Information						
Project/ Year	Total water consumption (M ³)	Cumulative reduction (M ³)	Decrease rate % of the current year compared with the base year	Per capita water consumption (water intensity M ³ /person)	Cumulative reduction of per capita water consumption (M ³)	Per capita water consumption reduction percentage compared with the base year
2024	45,670	24,961	35.34	53.10	73.03	57.90
2023	49,972	20,659	29.25	81.12	45.01	35.69
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

The total water consumption in 2024 is 45,670M³, which is a decrease from the previous year. The main reason is that the water consumption of the construction projects is less, and the car wash station and sprinkler truck in the newly added work area use recycled water to achieve water resource reuse. Therefore, compared with the base year, the cumulative reduction reaches 35.34%, and the per capita water consumption is reduced by 57.90% compared with the base year.



單位：M³

The total water consumption in 2024 is 45,670M³. The total drainage volume is the same as the total water consumption, so the water consumption is 0.

Water Resources Management Reduction

Short-term goals (1-3 year)	Mid-term goals (3-10year)~2030	Long-term goals (~2050)
1. Taking 2018 as the base year, the annual water consumption growth rate will decrease by more than 2%. 2. The sprinkler equipment in the work area uses recycled water. 3. Recycling of waste water from car wash stations.	2. It is expected that the cumulative reduction will reach 10% by 2030. 2. The construction site offices and dormitories adopt water-saving labeled bathroom fixtures.	1. Aim to achieve an annual growth rate of no less than 3% of the base year. 2. Set up rainwater collection and recycling facilities on the roofs of offices and dormitories. 3. Set up groundwater collection and recovery facilities for earth excavation and dewatering operations at the construction site.



Extract water from the sedimentation tank for construction site watering and recycling (Tamjiang Bridge)



Recycled water intake station (Taichung Power Plant)



Sprinkling recycled water to suppress dust (Taichung Power Plant)

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 2024, we have not been punished for water pollution.



Taipei Port Water Quality Monitoring-High Tide

SGS 台灣檢驗科技股份有限公司
環境許可證字號：環後附環檢字第035號
水質水量樣品檢測報告

行政代碼：ETW44120094
委託單位：工務工程股份有限公司
計畫名稱：台中電機新建機組及機組計畫廢水排水系統工程
委託地點：志遠
樣品編號：202403050001-002
檢驗單位：台灣檢驗科技股份有限公司
檢驗項目：環境影響評估
檢驗地點：台中電機新建機組及機組計畫廢水排水系統工程

檢驗日期：113年12月18日 09時12分
檢驗時間：113年12月18日 09時12分
檢驗時間：113年12月18日 09時12分
報告日期：113年12月18日
報告編號：202403050001-002
聯絡人：張麗玲
電話傳真：02-2299-3276ext1102 / 02-2299-3261

備註：1. 本報告已由認可檢驗人員簽核，並經審核人員核對及簽核，報告內容與報告附件、圖表及圖式一致。
2. 本報告係依據「環境影響評估法」及「環境影響評估法施行細則」之規定，由委託單位委託本檢驗單位，針對該計畫之環境影響評估報告，進行現場採樣及檢測。
3. 本報告係依據「環境影響評估法」及「環境影響評估法施行細則」之規定，由委託單位委託本檢驗單位，針對該計畫之環境影響評估報告，進行現場採樣及檢測。
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公司名稱：台灣檢驗科技股份有限公司
負責人：李仁豐
檢驗主管：李仁豐

報告專用章
台灣檢驗科技股份有限公司
環境影響評估報告
檢驗人員：張麗玲
檢驗日期：113年12月18日

(第1頁，共3頁)

Taichung Power Plant Water Quality Test Report



Taipei Port Water Quality Monitoring-Ebb Tide

行政院環境保護署
環境檢驗測定機構許可證 副頁
環署環檢字第115號
第1頁共8頁

檢驗室名稱：柏新科技股份有限公司
檢驗室地址：新北市中和區中山路二段530之1號9樓
檢驗室主管：阮欣屏
許可類別：水質水量檢測類
許可項目及方法：
1、大腸桿菌群：水中大腸桿菌群檢測方法—濾膜法 (NIEA E202)
2、水量：水量測定方法—容器法 (NIEA W020)
3、水量：水量測定方法—流速率法 (NIEA W022)

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 monitoring equipment used in the work area shall be equipped with a certificate of inspection.

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

Air quality monitoring uses professional and qualified manufacturers



Dust net laying

Construction machinery obtains emission label

Construction machinery smoke emission detection

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 waste removal agencies with government-issued licenses for removal and disposal.



Set up makeshift toilets and clean them regularly.



The cleanliness, tidiness and hygiene of the construction site should comply with regulations, and be disinfected regularly 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.



Huadong area railway double-track electrification plan CB02 bid restored to Ruisui civil engineering and track engineering

This project is a project that our company won the bid at the end of 2023. Since the construction area covers the entire forest, the project requires thinning and transplanting of existing trees. In order to achieve environmental protection, the thinned trees will be replanted and seedlings will be planted. Seedlings are planted in a centralized



樟樹

H>=2.7m W>=1m
D>=7cm

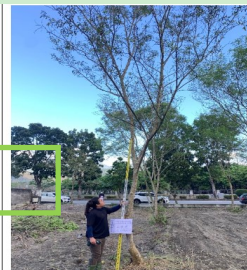
camphor tree



光臘樹

H>=2.7m W>=1m
D>=7cm

wax tree



苦楝

H>=2.7m W>=1m
D>=7cm

Chinese berry



Ecological Conservation - Marine Ecology



GRI 304-2

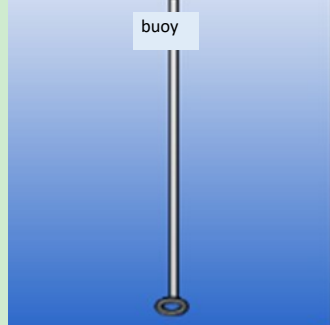
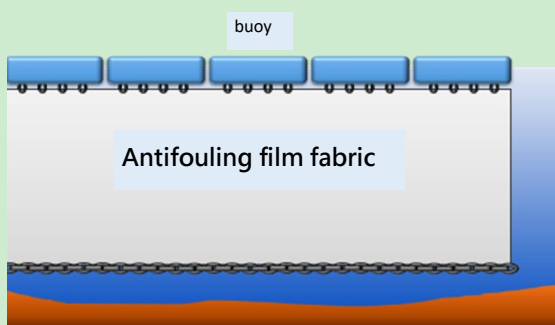
Public facilities and permanent bank revetment and S04~S05 wharf project of Taipei Gangnan Wharf C fill area

Equipped with a fouling prevention membrane to avoid fouling.

Regularly conduct water quality monitoring to confirm that the waters are free of pollution and have no impact on biodiversity.




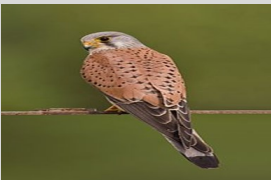

Anti-fouling film installation



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 ma-
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.

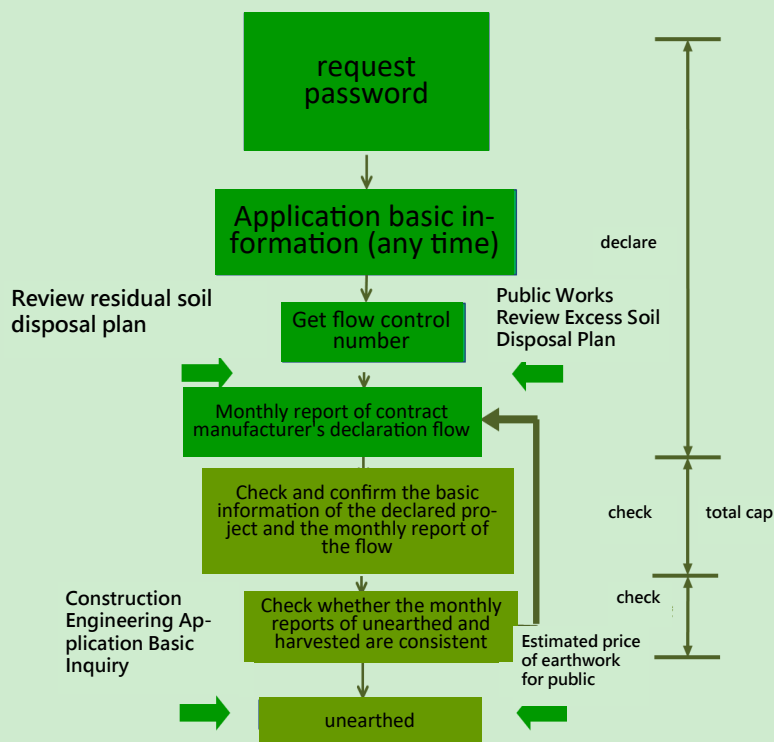
waste management

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 2024, there will be no significant impacts due to waste.

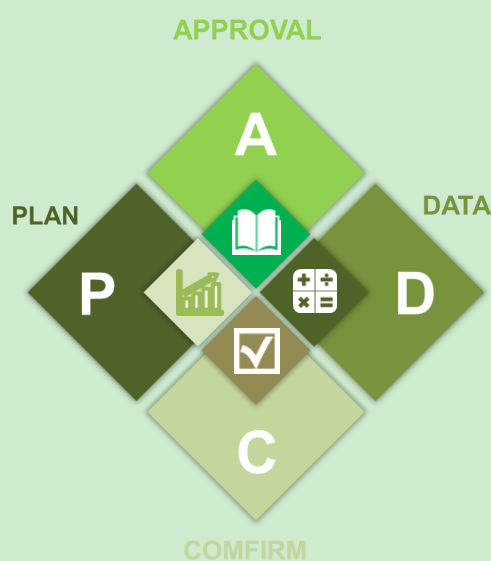
The source management operation method of waste mining divides the sources into two categories: employee domestic waste and business waste. Through employee education and training, domestic waste improves employee behavior standards to effectively promote reduction and classification management, and 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

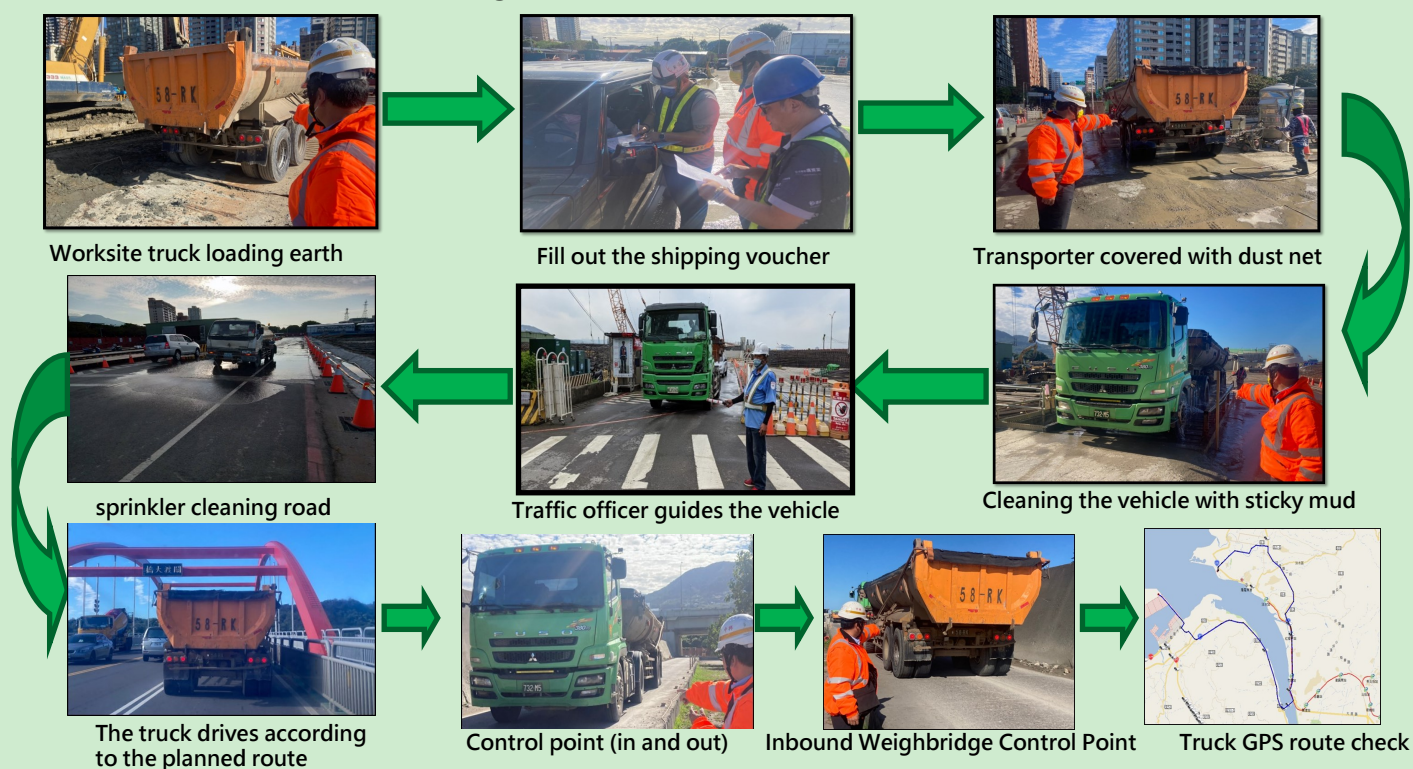
Control process



Preparation before construction



Abandoned earthwork loading



Quantity of earthmoving shipments in 2024

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.

The total transport volume in 2024 is 158,409.18 metric tons

Area	Quantity of earthworks delivered in 2024(metric tons)	Quantity of earthworks delivered in 2023 (metric tons)	Number of increase compared with the previous year (metric tons)
Earthwork disposal	158,409.18	120,691	+37,718.18

Construction waste

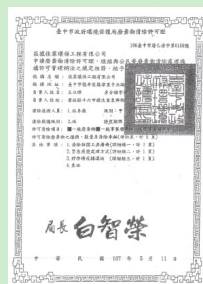
The total amount of construction waste in 2024 is 6.1 metric tons

Area	Amount of construction waste in 2024 (metric tons)	Amount of construction waste in 2023(metric tons)	Number of increase compared with the previous year (metric tons)
Construction waste	6.1	0	+6.1

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.

Domestic waste disposal methods in 2024: Each construction site will be equipped with sub-collector trucks, and qualified removal agencies will be entrusted with the removal.



Area	Quantity of domestic waste in 2024(metric tons)	Quantity of domestic waste in 2023 (metric tons)	Increase in quantity compared to the previous year
The head office and the construction sites of each contracted project	2,598.6459	1,213.92	+1,384.7259

Waste Reduction Target

waste intensity				
Area	Total waste (earthwork + construction waste + domestic waste) metric tons	Turnover (thousand yuan)	waste intensity	Reduction target achieved √ or X
2024	161,013.9259	6,980,967	23.06	X(The main reasons are that the earthwork transportation and disposal increased due to the increase in projects, and the living waste increased due to the increase in personnel.)
2023	121,904.92	5,314,403	22.94	√


Waste reduction We use 2022 as the base year and expect to reduce the density by 2% each year as the reduction target, and achieve a 10% reduction by 2030 (mid-term). After the mid-term, the long-term goal is to reduce the density by 3% each year.

Although the waste reduction in 2024 did not achieve a 2% reduction in density compared to the previous year, it reduced the density by 2.86% compared to the base year (2022 density 23.74).

For detailed waste reduction targets, please refer to our company's TCFD report: ([click here to download](#))

Recognition for Environmental Sustainability in 2024

Our continuous efforts in environmental protection and energy saving and carbon reduction have achieved certain results in 2024, and have also been affirmed by all walks of life!

Award range	Awards	photo
Kung Sing company	The company's carbon reduction commitments, calculated using the "Corporate Carbon Reduction Thermometer" (TRIPs), are in line with the Paris Agreement. The goal of the earth's temperature rise not exceeding 1.5°C by the end of this century has been certified by Tianxia Magazine and awarded the label.	

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



Wetland alternative fencing reduces interference to wetland



Work area cleaning

Starting from 2021, we responded to the "ban on disposable and melamine tableware" campaign initiated by the Taipei City Government to create a new culture of environmentally friendly and healthy eating, which will continue in 2024. The company has always advocated bringing your own cups, environmentally friendly bowls and chopsticks, and using environmentally friendly bags, and provides employees with drinking water, microwave ovens, rice steamers and other equipment to encourage employees to bring their own meals.



4、Happy workplace and social integration



Topic of this chapter

Management policy	P83
Labor Rights and Human Rights	P84
Employee care and welfare	P86
Occupational health and safety	P94
Social participation and charity feedback	P106

Important issues

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

Highlights in this chapter

- ※ There will be no human rights complaints in 2024.
- ※ In 2024, employee compensation of 4.46% of the 2023 profit will be paid.
- ※ Won the "Happy Enterprise" Silver Award from 1111 Job Bank.
- ※ In 2024, the salary adjustment for domestic employees will be approximately 3.2%. If foreign employees are included, the overall salary increase will be approximately 2.38%, and the welfare expenditure increase will be approximately 4.37%.



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	2025 target (alternate year target)	Medium-term Goal
Health and Safety (P94-105)	1. Provide employees with a healthy and safe working environment. 2. Achieve the goal of zero accidents and zero disasters.	1. Establish a strict environmental safety and health management system and internal control and internal audit systems. 2. Regular labor safety meetings, daily toolbox meetings, pre-construction education and training, pre-construction inspections, and entry control are held. 3. Purchasing, erecting, and wearing appropriate safety equipment according to different projects.	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 (P93)	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 (P84-88)	Effectively retain outstanding talents to enhance the company's human capital and competitiveness, and create a happy workplace.	1. Provide employees with improved education and training plans and mechanisms, encourage colleagues to continue to study, and actively obtain professional skills licenses. 2. Regularly review the applicability of various welfare measures.	Employee benefit expense > 3%	Improve talent cultivation Perfect succession system Spend.

short-term goals achieved 2023 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 %	year project	Education Training average hours	Occupational Accidents (Number)	Achievement
2024	602	716	+6.74%	+7.03%	1.74%	2024	5.18	1	unaccomplished
2023	588	686	+4.26%	+2.54%	1.60%	2023	5.28	1	unaccomplished
2022	572	673	+1.42%	+0.60%	2.11%	2022	4.31	1	unaccomplished
2021	594	712	+5.32%	+6.43%	1.78%	2021	6.18	0	education trainer Average 6 hours, zero Occupational Disaster Achievement
2020	879	1,024	+55.85%	+53.06%	2.18%	2020	5.41	0	Zero Occupational Disaster Achievement
2018 (base year)	564	669			1.08%				

Labor Rights and Human

major concerns : None

Corresponding

SDGs:

5

Gender Equality

8

Decent Work and Economic Growth

10

Reduced Inequalities

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

As of December 31, 2024, a total of 320 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, 2024, there are a total of 540 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.

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).

As of 2024, the company has not signed a group agreement.

In 2024, the Company did not make any political donations.



Corporate Governance Zone-Company Regulations

Diversity of employees

Diversity and equality policy in the workplace

1. Equal recruitment
2. Retirement re-employment
3. Full (excess) employment of indigenous people
4. Improve employee salary and benefits
5. Implement gender equality and avoid workplace sexual harassment
(For details, please refer to the notes on P125.)

2024	
Education	number of people
PhD	2
master	53
bachelor	139
College	72
high school (vocational)	52
High school (vocational) and below	2
total	320

2024	
age	number of people
20-30	57
31-40	59
41-50	71
51-60	93
61-65	28
65 and above	12
total	320

Regulatory compliance

GRI 410、412、418

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

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

Human rights policy



Human rights policy risk management



The Environmental and Social Responsibility Recognition Letter signed with the contractor, which covers the environment, human rights and other social responsibility 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 2024

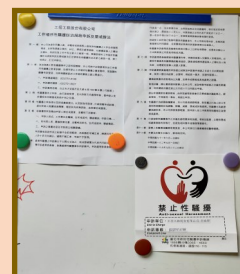
Sexual harassment complaints

0

Employee rights appeal case

0

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



Employee care and welfare major concerns : 8

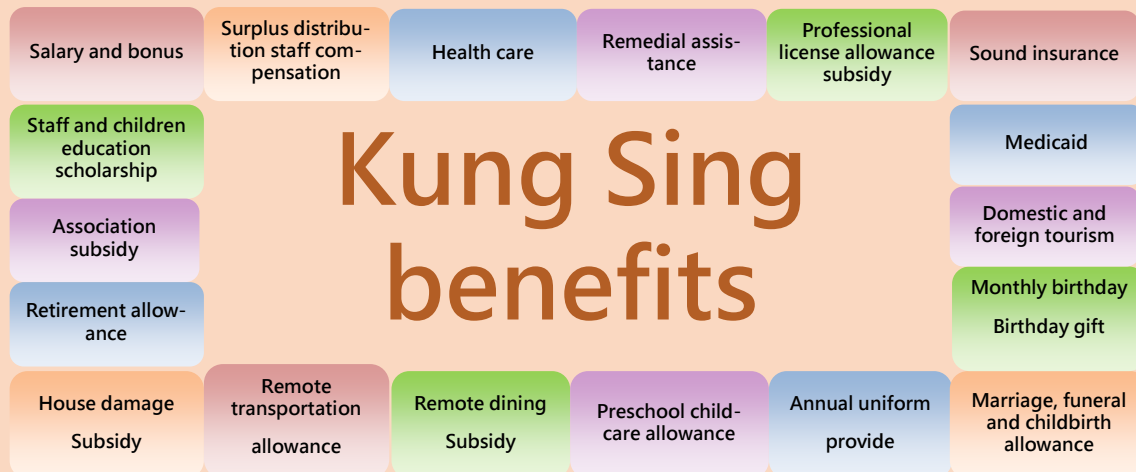
Corresponding
SDGs:



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



Welfare goals	2024 Target	Achieved in 2024	achieve ✓ ; Not achieved ✗	Reason not reached	action plan
3% increase compared to	3% higher than the	4.37%	✓	NA	NA

The company established the Employee Welfare Committee in June 1993. It formulates annual plans and budgets every year to handle various activities, including: emergency relief, wedding subsidies, scholarships and bursaries, annual gifts, employee travel and regular health examinations. In 2023 The starting health check-up fee will be increased from the original 1,500 to 12,000 yuan per person per year (depending on the rank). The health check-up fee for grassroots employees will be increased to 3,000 yuan per person per year. Occupational safety assessments for middle-aged and elderly people will be implemented to continuously monitor employee health. Conduct health-related lectures. In addition to labor insurance, we also purchase group accident insurance and medical insurance for our employees, providing employees with 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.



Migrant workers' stadium



Relaxing leisure audio-visual area



stress relief wall



Water Splashing Festival Migrant Workers Care

Domestic and foreign employee travel

In order to allow employees to relax and rest during their busy work, our Employee Welfare Committee holds at least one meeting every year to discuss the committee's financial status, estimated and actual expenses for annual festivals and birthdays, as well as employee travel plans.

After confirming the employee travel arrangements for the year, the head office and the welfare committees of each construction site will maintain close contact. Whether it is through the EIP method for all employees to vote to choose the travel destination, or through the representatives of the construction site welfare committees expressing the wishes of the employees at each construction site and having the representatives of the welfare committees vote on the travel destination, it is an open and transparent embodiment of real welfare.



In June 2024, the Welfare Committee arranged two trips to Southern Kyushu, Japan. Since the company has several construction sites, employees at the construction sites usually have little contact, or only contact by phone. The employee tour not only allows employees to relax after a busy day, but also increases the familiarity between employees at the construction sites. It can also enhance the employees' centripetal force towards the company through activities during the employee tour.

Birthday

The Welfare Committee counts the employees who have birthdays every month and holds birthday celebrations in the month of their birthdays. The Welfare Committee also prepares exquisite gift boxes for the three festivals, which is part of the employee welfare and also allows employees to feel the company's care and concern for employees after busy work.



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.

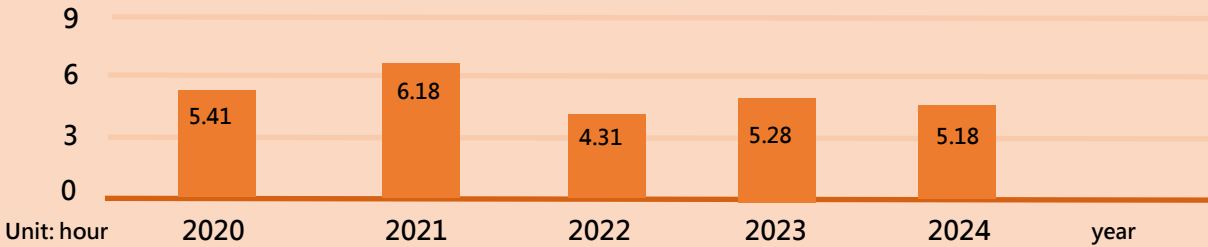


The training and development of our employees has always been listed as one of the important policies of the company's operation. There is no distinction between men and women. The ultimate goal is to create core values and improve corporate performance. Internal vocational training and external training 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.

2020-2024 Education and Training Statistics

project year	external training		Internal training	
	number of people	hours	number of people	hours
2024	134	2,156.5	516	2,298
2023	206	2,657	259	594
2022	198	1,894	176	352
2021	179	1,834	173	2
2020	55	1,409.5	170	2

Project / year	2020	2021	2022	2023	2024
Total hours of external training + internal training	1,411.5	1,836	2,246	3,251	4,454
Number of employees (including foreign workers)	261	297	521	616	860
Average hours of education and training per employee	5.41	6.18	4.31	5.28	5.18
Annual growth rate of average training hours per employee	+133.19%	+14.23%	-30.26%	+22.51%	-1.89%



Achievement of important goals

Target	2024 goals	Actual 2024	reach ✓ ; unaccomplished ✗	Reason not reached	Action plan not reached
The average number of training hours per person/year is more than 6 hours	6 Hour	5.18 Hour	✗	Some personnel participate in courses such as information sessions, and their leave is canceled by participating in meetings, so they are not included in the education and training hours, and routine pre-departure education at the construction site is not included.	Encourage colleagues to participate in education and training as much as possible, and ask unit supervisors to provide training to enhance employee functions.

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 2024	272	320	85%

Education and training - actual implementation

In 2024, 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



Outside training



Response of education and training forms to novel coronavirus disease (COVID-19) or other infectious and epidemic viruses

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

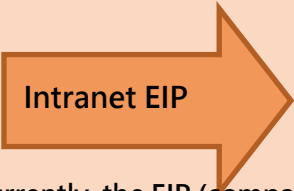
Internal training	Internal education and training, the company invites lecturers to the company (head office or construction site) to teach.
Outside training	For external education and training, colleagues can register for training courses handled by external organizations to obtain certificates and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

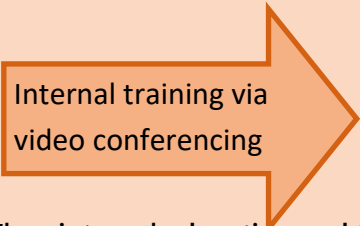
Internal education and training focus on breaking rigid thinking, enhancing creativity and building consensus among teams to create high-performance teams. In addition, general general education courses for employees to relax their minds, minds and spirits are also arranged to relieve pressure and create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

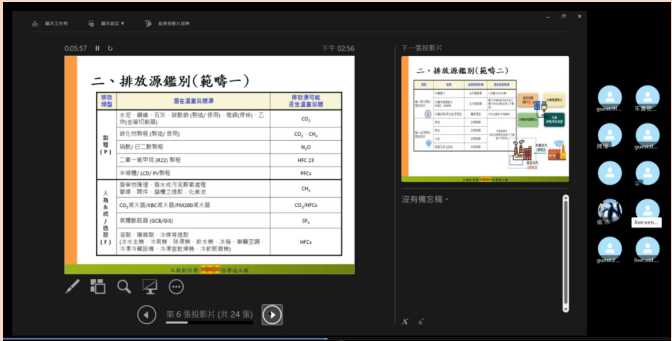
Since the outbreak of COVID-19 in 2020, online courses have been available for registration. In addition, many external training courses also maintain an open online teaching mode. Employees can choose to take physical classes or online courses. As long as they can obtain a training certificate, they can be recognized for external training hours. At the same time, the company itself has also kept pace with the times and started planning online internal training courses. When remote construction site employees participate in internal education and training, they can attend via video, allowing them to improve themselves in a more diversified way.




Currently, the EIP (company intranet) is used to provide education and training information for online courses to colleagues to respond to employees' right to education when the epidemic or other epidemic diseases are severe.



When internal education and training at construction sites that are far away cannot come back to the head office for classes, the video mode can be used.



2024 Employee Benefits Award Winner

Award range	Awards	
Kung Sing company	1111 Labor Bank-2024 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

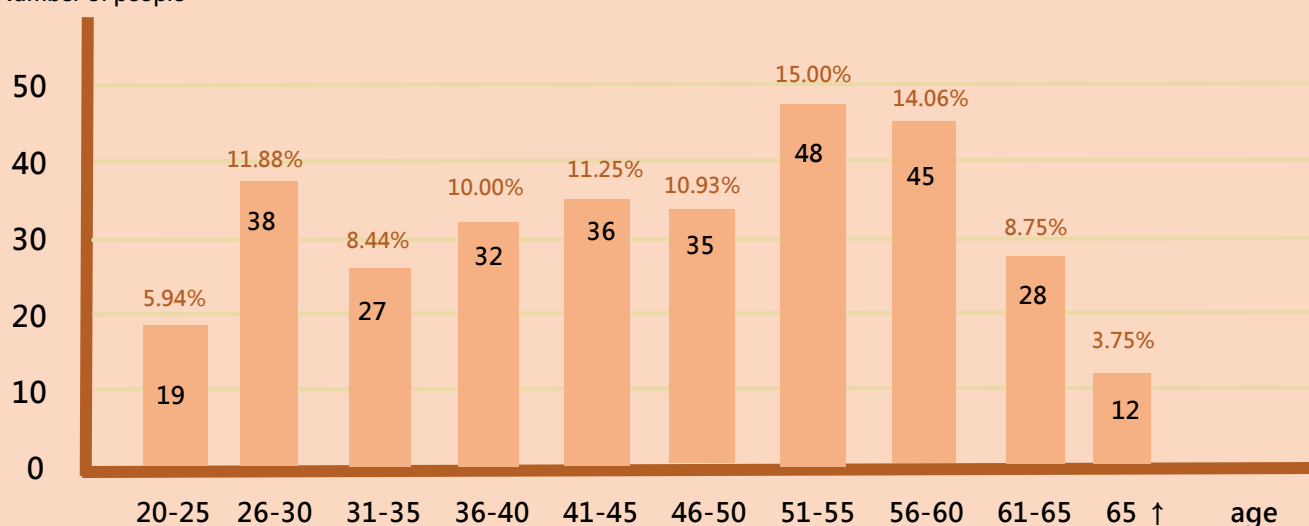
We uphold the principle of diversified staff composition and application of talents. We do not give different treatment or discrimination due to factors such as gender, race, religion, political party, and provide competitive salary levels. (This item is calculated on the basis of domestic employees in Taiwan.)

Number of domestic employees and average age in 2024

year		2022	2023	2024
number of workers	Manager	8	12	14
	General staff	168	208	306
	total	176	220	320
Average age (years)		49.01	47.45	46.12

The number and percentage of domestic employees by age in 2024

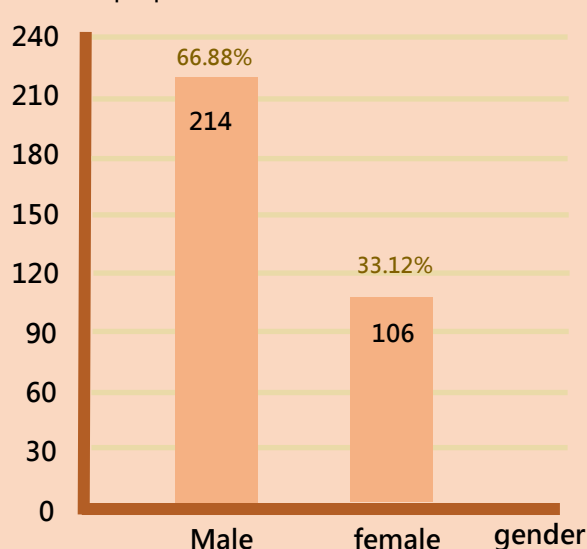
Number of people



In 2024, our domestic employees increased by 100 people compared to 2023, and the number of domestic employees increased by 45.45%. The increase in new employees was due to the increase in contracted projects.

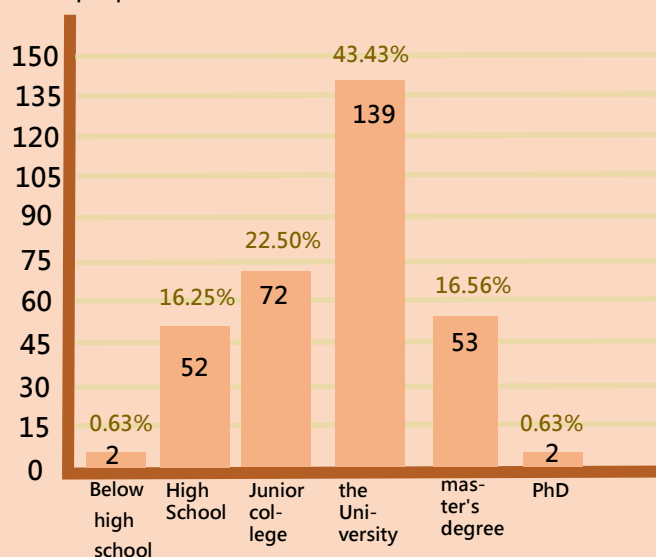
The number and percentage of domestic employees by gender in 2024

Number of people



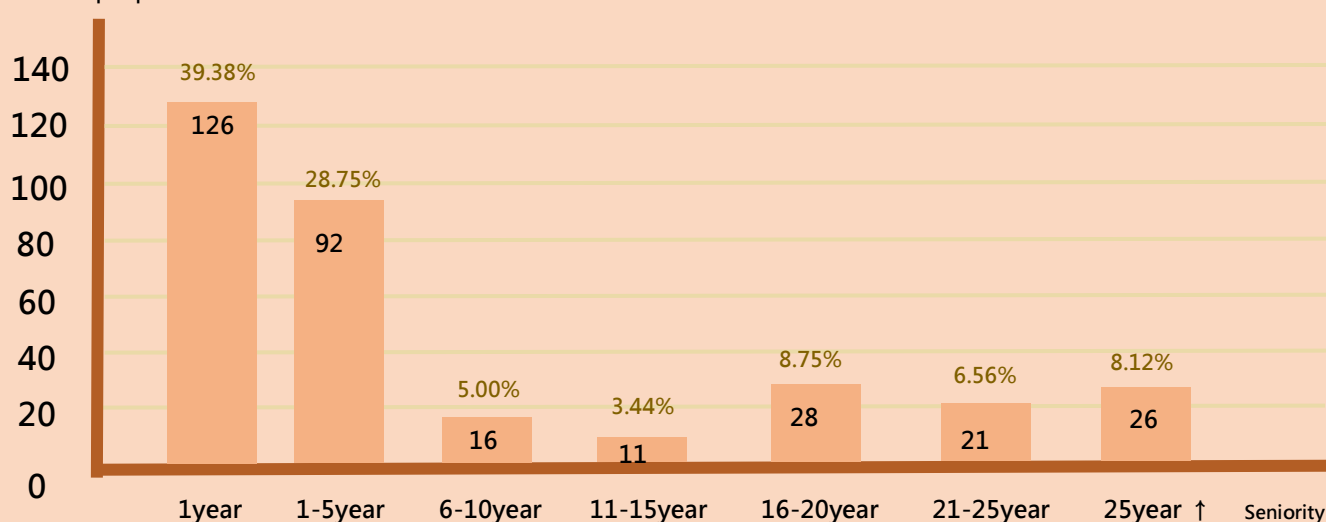
The number and percentage of national employees' academic qualifications in 2024

Number of people



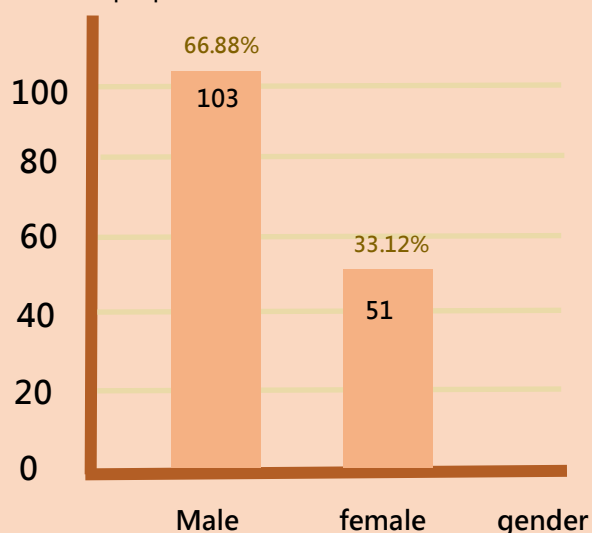
Number and percentage of domestic employees' seniority distribution in 2024

Number of people



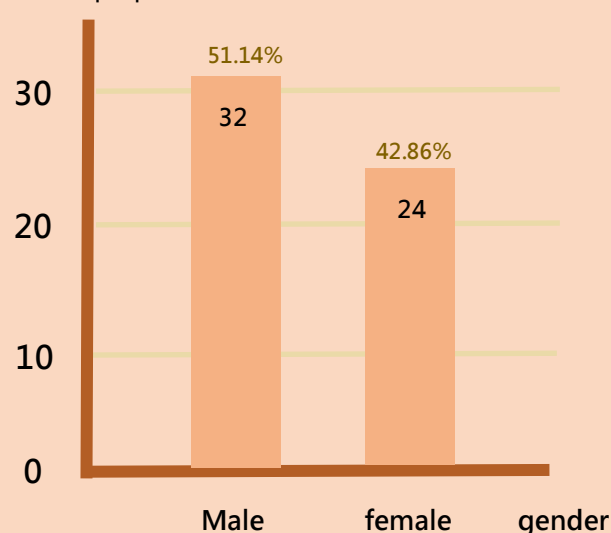
Number of new hires and male-to-male ratio of domestic employees in 2024

Number of people



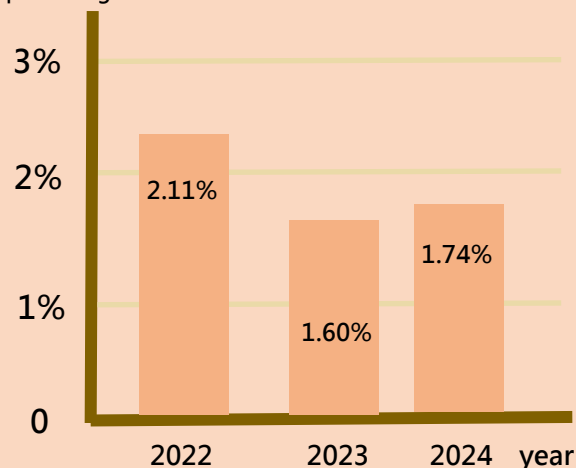
The number of domestic employees leaving and the ratio of men to women in 2024

Number of people



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

percentage



2022-2024 Parental Leave Application Rate and Reinstatement Rate

2022-2024 year	male	Female	total
Number of people who can apply for parental leave	2	5	7
Actual number of applicants for parental leave	0	3	3
Estimated number of reinstatements	0	3	3
Actual number of reinstatements	0	3	3
Parental leave application rate	0.00%	60.00%	42.86%
Parental leave reinstatement rate	0.00%	100.00%	100.00%
Parental leave retention rate	0.00%	100.00%	100.00%

Talent retention measures: The turnover rate in 2024 will increase by 0.14 compared to the previous year, which is not a big increase. In 2024, the average salary of domestic employees will be increased by about 3.2%, and preschool child-care allowances, children's scholarships, wedding bonuses and childbirth subsidies will be increased. The average welfare expenses will increase by about 4.37% compared to the previous year and 7.03% compared to the base year (2018).

In 2024, 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
十二	1	NA
十一	1	0.55
十	1	NA
九	1	NA
八	1	1.00
七	1	0.97
六	1	0.97
五	1	0.99
四	1	0.97
三	1	1.02
二	NA	NA
一	1	NA

Salary




Occupational rank	Male	Female	Compared with the local minimum wage	
			Male	Female
十二	1	NA	8.89	NA
十一	1	0.40	8.32	3.35
十	1	NA	4.93	NA
九	1	NA	4.28	NA
八	1	0.79	4.05	3.20
七	1	0.77	3.19	2.44
六	1	0.91	2.34	2.13
五	1	0.94	1.92	1.81
四	1	0.86	1.63	1.40
三	NA	0.84	1.49	1.24
二	NA	NA	NA	NA
一	1	NA	1.36	NA

* The construction industry has different job bonuses due to different positions. Most male employees are on-site engineers, and they have more license bonuses and job bonuses, so their overall salary is higher than that of female employees. The difference between the two in base salary is not much. Exception: There is only one female in the eleventh level, because she has less years of service, only more than one year, while the average years of service of men in the same level is more than 20 years, so the difference in base salary and salary is larger than that of men.

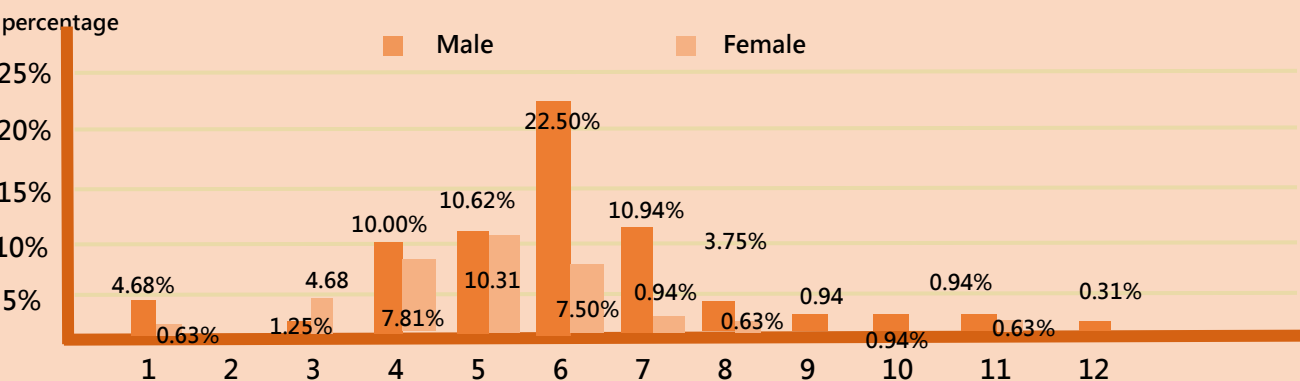
Note 1: The ratio is shown based on the male base salary of 1. NA means there are no people in this position. In addition, the local minimum wage in 2024 is the basic wage in Taiwan, which is calculated as 27,470 yuan per month. The salary of full-time employees in Taiwan is higher than the local minimum wage.

Note 2: The company uses Taiwan as its main operating base. The ratio of the highest individual annual income in 2024 to the median annual income of all employees in Taiwan is 6.01 times. Compared with the median salary of the company's employees, the ratio is 6.38 times.

Note 3: The search path for full-time employees who are not supervisory positions is as follows: Public Information Observation Station (<https://mops.twse.com.tw/mops/#/web/home>) → Summary Report → Corporate Governance → Employee Benefits and Salary Statistics → Full-time Employees Who Are Not Supervisory / Full-time Employees Who Are Not Supervisory Positions Salary. (Please search for Listed → Building Materials Construction Industry, Company Code: 5521)

Target	2024 Target	Achieved in 2024	achieve  ; Not achieved 	Reason not reached	action plan
3% increase compared	3% higher than	3.20%		NA	NA

Percentage by grade and gender in 2024(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

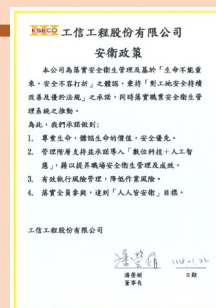
Our five business philosophy "safety, quality, progress, environmental protection, cost", safety and quality, in the practice of corporate social responsibility policies, is to achieve zero accidents in engineering construction, and ensure the safety of all employees; improve quality management and increase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

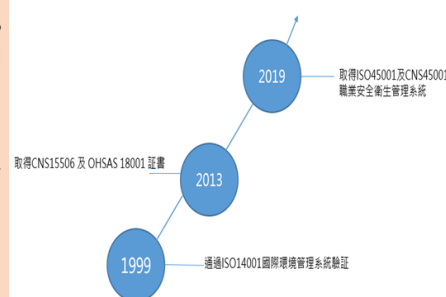
1. Respect life, recognize the value of life, and give priority to safety.
2. The support and commitment of management and the provision of appropriate resources.
3. The safety and health work is continuously improved to achieve achievements that are superior to laws and regulations.
4. Comprehensive 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 have re-certified every year and continue to maintain the effectiveness of ISO45001 and CNS45001 occupational safety and health management systems. The scope of the management system has been extended to all employees of Industrial Information Engineering. In addition to complying with the owner's environmental, safety and health regulations at the construction site, team members conduct toolbox meetings every morning, fill out construction logs, self-checklists, and hold regular review meetings. The review items include work progress, difficulties encountered, quality deficiencies, safety and health deficiencies, work allocation, cross-border coordination, cooperation with various manufacturers, and improvement plans, etc., in order to detect and solve problems immediately and avoid delays in work. Enter the love affair.



工信工程職業安全衛生管理系統驗證歷程



ISO 45001



CNS 45001

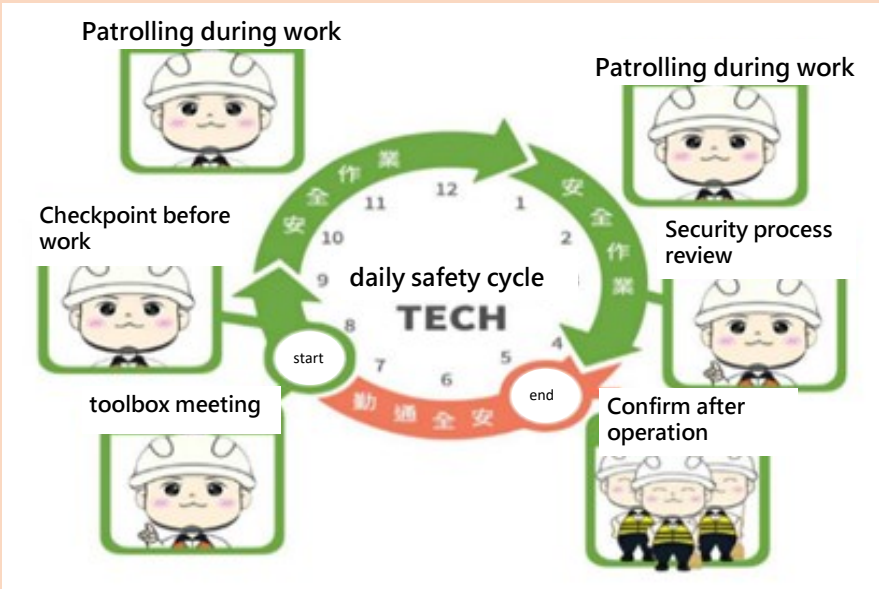


ISO 14001

Our Occupational Safety and Health Act in 2024-Safety

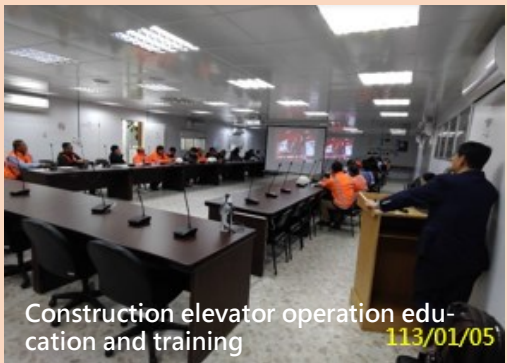
In order to effectively reduce the occurrence of occupational accidents on the construction site and achieve hazard prevention, Industry Information Technology works with its suppliers to establish a safe and secure workplace environment through daily toolbox meetings, various education and training, and frequency of joint inspections on the construction site.

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



Colleagues are an important asset for the company's sustainable operations. Protecting and preventing colleagues from being injured in the workplace has always been an important topic that we strive to think about and promote. In order to effectively reduce the occurrence of occupational accidents, Industry and Information Technology works hand in hand with manufacturers to conduct daily Toolbox meetings, various types of education and training, joint inspections of construction sites, prevention of high and low temperature operations and other related measures establish a safe and secure working environment through a dual approach of internal training and external training.

Safety education and training

elevated and offshore operation exercises

Strengthen resilience skills



Set up exercise training ground

2024.06.05



Wearing a backpack safety belt

2024.06.05



Rope throwing gun training

2024.06.05



Electric life buoy use training

2024.06.05

In order to enhance the construction safety and disaster prevention knowledge of on-site personnel and ensure the safety of colleagues, the Ministry of Industry and Information Technology will gradually organize Taiwan Occupational Safety Card education and training from 2023. The number of qualified trainees will reach 188 (including migrant workers) in 2023 and 144 (including migrant workers) in 2024. In order to smoothly promote occupational safety card education and training, the company actively cultivates occupational safety card instructors. By 2024, a total of 4 colleagues have completed training and obtained qualifications.



2024 Safety and Health Education and Training External

project	Visitors	hours
Occupational Safety and Health Facility Rules Article 303 -1 New Regulations Briefing Session	1	3
TPAS Net Zero Carbon Planning Manager	1	11
Greenhouse Gas Inventory Chief Verifier	1	18
Occupational safety and health administrator	1	115
Safety and health education and training for emergency personnel	5	80
Safety and health supervisor of construction industry	4	168
Construction scaffold assembly supervisor (retraining)	1	6
Construction scaffolding assembly supervisor	4	72
2024 Occupational Safety and Health Education and Training	2	12
Occupational Safety Card Instructor Training	1	8
Formwork Support Supervisor	2	36
Safety education and training for supervisors of formwork support operations	2	36
On-the-job education and training for occupational safety and health managers	3	36
Occupational Safety and Health Manager	1	43
Retaining support supervisor	4	72
Construction safety assessor	1	76
Create a functional orientation course on engineering risk assessment	1	28
2024 Kaohsiung City Pipeline Excavation Engineering Management Personnel Certification Program New Training Class	6	103.5
2024 Kaohsiung City Pipeline Excavation Project Management Personnel	6	102
total	47	1,025.5

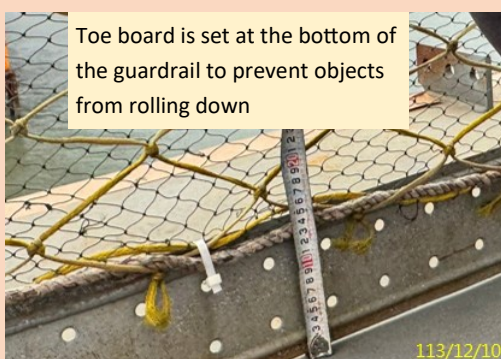
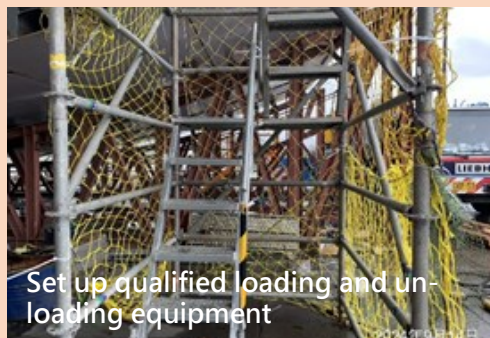
2024 Occupational Safety and Health Committee Implementation Status

The company's Occupational Safety Committee meets once every quarter, and will meet a total of 4 times in 2024.

Meeting quarter	discussion topics
2024 first quarter	1. Explanation of the fine for air pollution at Tamkang Construction, 2. Sharing of the construction site observation and drill by the Central District Occupational Safety and Health Promotion Association, 3. Safety and Health Office - Review of key points of safety deficiencies at various construction sites this quarter, 4. Sharing of occupational accident cases.
2024 second quarter	1. Explanation of the false alarm incident at Taipei Port, 2. Ji'an shares the experience of the Highway Bureau's public security supervision, 3. Central District Occupational Safety and Health Promotion Association's sharing of construction site observation and drills, 4. Safety and Health Office - review of key points of safety deficiencies at various construction sites
2024 third quarter	1. Review of the false alarm incident at the New Taipei Construction Office, 2. Review of the false alarm incident at the Mizuho Construction Office.3. Experience sharing of the Taipei Port Construction Office Golden Safety Award, 4. Safety and Health Office-Cai Jiafen shared her experience of participating in the 113 High Temperature Heat Hazard Prevention and "Occupational Safety Facilities Rules Article 303-1" New Regulations Briefing Session, 5. Occupational accident case analysis.6. Special report: Underground excavation support construction safety-taking the example of continuous wall (lecturer: Professor Cai Maosheng).
Fourth quarter of 2024	1. Special report: Project delivery and contracting management - agreement organization regulations and implementation (lecturer: Professor Huang), 2. Review of the false alarm incident at Taichung Power Plant, 3. Review of the annual fine amount, 4. Safety and Health Office - related matters and key review of safety deficiencies in this quarter's inspection, 5. Sharing of occupational accident cases.

Our Occupational Safety and Health Actions - Safety Enhancement

security measures



Safety precautions and labeling of hazardous chemicals



Our Occupational Safety and Health Actions - Supply Chain Occupational Safety and Health Evaluation

Contractor safety and health evaluation system

1. Use **occupational safety and health performance evaluation indicators** as business selection criteria.
2. Positive Qualification Requirements: Business Selection Based on Results of Performance Assessment Indicators.

Contractor qualification review system



Return if not in compliance with regulations

Good qualification requirements for contractor selection

1. Cooperation is good, safety and health management is good, and there are no fatal or occupational accidents in the past two years.
2. There has been no record of contract violations or major safety breaches in projects contracted by our company in the past.

91 points excellent

工信工程股份有限公司 工程分包商考核資料		第一階段	
項目	分數	評核人	備註
1. 安全衛生管理	25	張國雄	
2. 品質管理	25	張國雄	
3. 環境管理	25	張國雄	
4. 勞工管理	20	張國雄	
5. 其他	16	張國雄	
總分	91	張國雄	

Listed as preferred manufacturer

54 points failed

工信工程股份有限公司 工程分包商考核資料		第二階段	
項目	分數	評核人	備註
1. 安全衛生管理	10	張國雄	
2. 品質管理	10	張國雄	
3. 環境管理	10	張國雄	
4. 勞工管理	10	張國雄	
5. 其他	4	張國雄	
總分	54	張國雄	

Listed as a manufacturer that refuses to deal with

Our Occupational Safety and Health Activities - Migrant Workers Care



The Spring Festival barbecue activities, the distribution of red envelopes during the Spring Festival, and our Spring Festival also make the migrant workers feel at home.



Organize friendly matches for migrant workers in sepak takraw and billiards

Migrant workers' water splashing festival

Our Occupational Safety and Health Assurance

Public accident liability insurance

Employers Accident Liability Insurance

Create a comprehensive insurance policy

group injury insurance



Our occupational safety and health actions in 2023 - AI technology application

The construction industry is a high-risk industry. Many occupational disasters occur every year, causing casualties and property losses. In order to improve the safety and efficiency of operations, Gongxin uses smart technology to monitor the construction site environment, predict risks, and control equipment operations. and other aspects to achieve risk control and disaster reduction effects.

access control system

Face recognition machine on the scene

Credit card machine

Access control machine

Enter the on-site face recognition machine

Identification information display

license plate recognition camera

driveway gate

Use BMI to check construction routes and space planning to avoid interface con-

Analysis of the crane rotation space during Bali side span hoisting

Analyze the lifting capacity of the tower crane at different positions on the construction platform

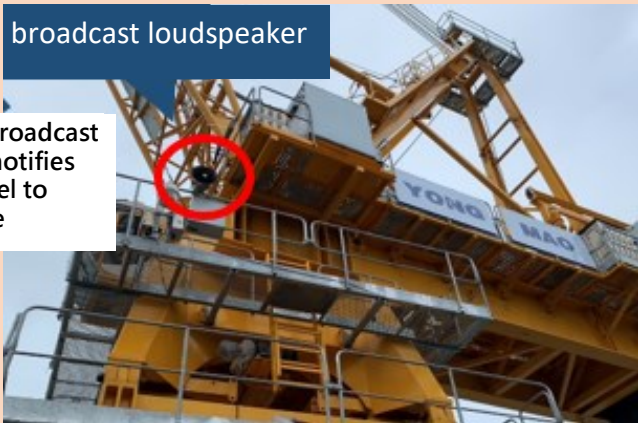
Conflict check between tower crane boom and inclined cable/conflict check between tower crane dismantling

淡水站	
2025-02-03 17:10	
濕度 (%)	97.72
溫度 (°C)	10.66
風速 (m/sec)	1.68
風向 (度)	9.86
雨量 (mm)	0
日累積雨量 (mm)	0
上游水位站(中興橋)	
2025-02-03 17:00	
水位 (m)	-0.82
淡水潮位站	
2025-02-03 17:10	
潮位 (m)	-0.138

八里站	
2025-02-03 17:00	
濕度 (%)	93.86
溫度 (°C)	10.82
風速 (m/sec)	1.08
風向 (度)	335.34
雨量 (mm)	0
日累積雨量 (mm)	0
主橋墩站(P130)	
2025-02-03 17:10	
濕度 (%)	83.25
溫度 (°C)	0
風速 (m/sec)	3.44
風向 (度)	356.52
雨量 (mm)	0
日累積雨量 (mm)	2.2

broadcast loudspeaker

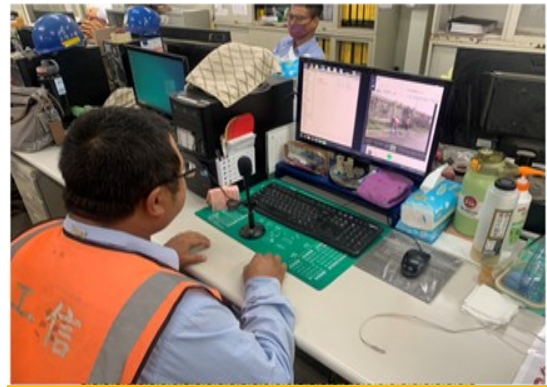
Online broadcast system notifies personnel to evacuate



Mobile APP, computer connection monitoring



Broadcasting system



Cooperate with CCTV for work area broadcast

heat exhaustion warning system

Due to the impact of global climate change, temperatures continue to rise. The season with higher outdoor temperatures from June to September is the peak period for medical treatment for heat diseases. Industry and information technology companies are engaged in routine outdoor operations, which poses significant risks of heat hazards. A heat exhaustion warning system has been set up, raise the flag and broadcast according to the heat hazard risk level to remind colleagues of the measures to be taken.



Thermal Hazard Prevention Implementation

Thermal Hazard Prevention Education and Training



Set up thermal hazard signboards in work areas



Provide cooling equipment and shading devices



When notifying thermal hazards in advance according to the thermal hazard module



When the thermal hazard reaches level 3, on-site construction workers will be notified immediately through the public address system and line group to pay attention.

Always pay attention to the health status of workers at work.

Our Occupational Safety and Health Assumptions - Hygiene



GRI 403-6

Pollution prevention



Driving paths are laid with steel plates to avoid pollution



Laying of dustproof net on exposed surface



Work area environmental cleanup



Disinfection of work area environment

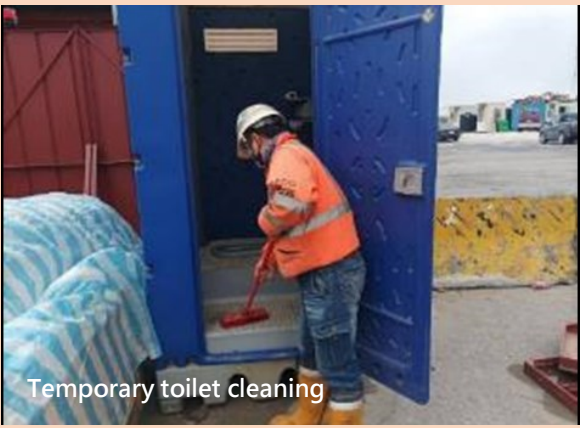
Work area environment and sanitation management



car wash setup



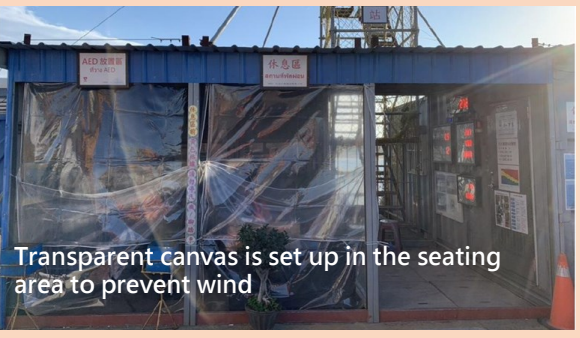
Set up garbage classification area



Temporary toilet cleaning



Aerial photography machine inspection area



Transparent canvas is set up in the seating area to prevent wind



Clean up the environment after work

Our Occupational Safety and Health Activities - Health Promotion and Epidemic Prevention

The company conducts regular health checks every year. Starting from 2023, the health check budget for grassroots employees has been increased to NT\$3,000 per person, which is higher than the statutory health check items. The head office will have employees go to the company's cooperating institutions on their own. In 2024, the construction site will authorize the construction site to find a nearby institution, and the institution will send people and vehicles to the construction site to conduct health checks for employees. After the health check is completed, the safety and health department will keep the health check records of all employees, continue to track the health of colleagues, and hold health lectures and provide health promotion related information from time to time. The company welcomes the supply chain to join the health check to maintain the health of team members.

health examination



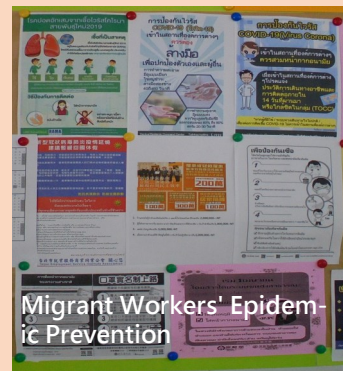
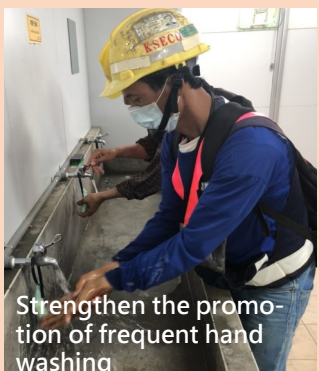
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燒燭		台中市龍井區
志廣		台中市龍井區
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志廣		台中市龍井區

In accordance with the Occupational Safety and Health Law, Gongxin has formulated four major plans for labor health protection, including the "Plan for the Prevention of Human-Based Hazards", the "Plan for the Prevention of Unlawful Infringements During the Performance of Duties", the "Plan for the Prevention of Diseases Prompted by Abnormal Work Loads", The "Maternal Health Protection Plan" aims to protect the company's female colleagues from the impact of situations such as working overtime or suffering illegal abuse.

Health promotion and improvement

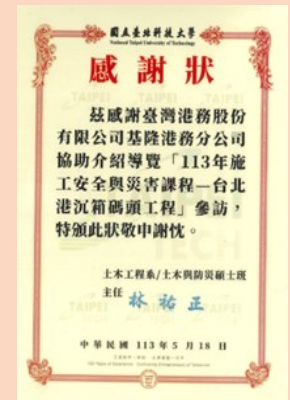


Strengthen epidemic prevention measures

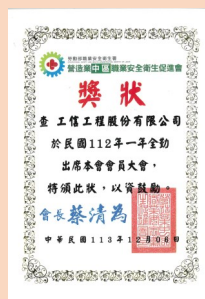
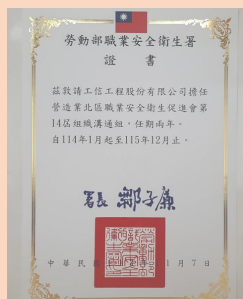


Our Occupational Safety and Health Contribution - Education

Through industry-university collaboration, the cultivation of occupational safety talents in the construction industry will be improved. In 2024, the Ministry of Industry and Information Technology will provide construction site visits for colleges and universities to help young students understand the operation of the construction industry and increase practical experience, achieve a win-win situation for the industry and academia, and promote the sustainable development of the construction industry.



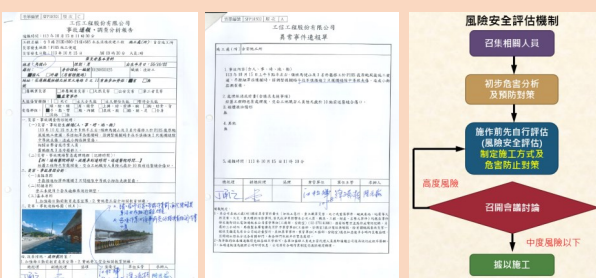
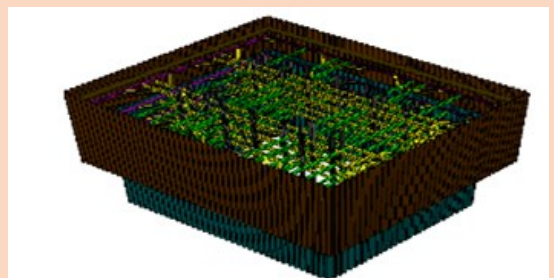
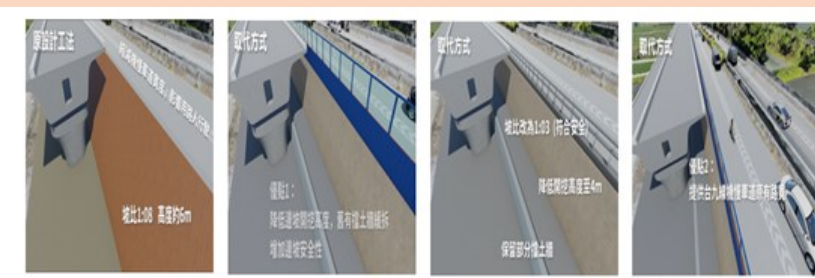
Participate in the North, Central and South District Occupational Safety and Health Promotion Associations of the Construction Industry, actively participate in various activities, promote the implementation of occupational safety and health systems, and establish safety partnerships with labor inspection agencies to assist in safety and health counseling and promotion.



Hazard identification, risk assessment and accident investigation

GRI 403-2

The company uses BIM technology through professional engineers to conduct hazard awareness and risk assessments for high-wind operations, and propose countermeasures to improve the safety and efficiency of the construction site, reduce the waste of manpower and resources, and enhance project quality and competitiveness. The whole process of bridge construction is dynamically simulated, and the construction process that originally needs to be realized in the real scene is pre-realized in the digital virtual world, which can minimize the chance of errors during the real construction process of the bridge and ensure the smooth progress of the construction.



In order to reduce injuries and risks after an accident, Gongxin has established a complete accident investigation process. When an accident occurs, an investigation will be initiated according to the accident notification and investigation management procedures, and the investigation will be completed within the deadline, and improvement measures will be taken based on the investigation results; prevention A similar accident happened again.

It is a Category D dangerous workplace. In order to reduce the probability of construction accidents, the pre-construction workplace safety assessment was conducted to formulate countermeasures for high-risk operations to ensure the safety of every employee.

occupational diseases

Our workers with high incidence and high risk of occupational-related diseases, such as welders, may suffer from welder pneumoconiosis, manganese poisoning and eye diseases caused by arc light. The company includes issues related to health and safety: 1. Occupational Safety and Health Committee. 2. Occupational safety and health agreement organization meeting.



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

GRI 403--9、403-10

All construction sites and head office	Occupational injuries	damage type	Incapacitating injury frequency	Disabling injury severity rate	Comprehensive injury index	Absence rate (%)
2024 year	1	temporarily completely	0.68	5	0.06	13.51
2023 year	1	die	0.95	7	0.08	19.09 (Note1)
2022 year	1	0	0.88	5277	2.15	17.59 (Note1)

year	major occupational disaster	Total shutdown
2024	0 piece	0 piece
2023	1 piece	0 piece
2022	1 piece	0 piece

* Note 1: The injury rates in 2022 and 2023 are revised values. When the company conducted an ESG data audit in 2024, it was found that the original calculation method of the injury rates in 2022 and 2023 did not fully include the cases of lost working time that met the definition of GRI 403-9, resulting in an underestimate of the data.

After re-examination and revision, the injury rate in 2022 was revised from 2.87% to 17.59%, and in 2023 from 2.35% to 19.09%. The historical data contained in this report has been fully updated, and the internal review mechanism has been strengthened to ensure the accuracy of the information.

Occupational disaster target	2024 Target	Actual events in 2024	achieve ✓ ; Not achieved ✗	Reason not reached	action plan
Zero occupational disaster	Zero occupational disaster	1	✗	Note 1	Note 1

Note 1: If an occupational accident death due to electric shock occurs in 2022, the severity rate of disability and the comprehensive injury index of that year will be higher. Subsequently, the Ministry of Industry and Information Technology will strengthen the education and training of high-risk workers in response to this incident. Through publicity and implementation of safety and health education and training for construction personnel entering the site, it will ensure that on-site workers understand and are familiar with their work and develop the habit of putting personnel safety first. The severity of occupational accidents will be greatly reduced after 2023. Although there is still one person with occupational accident in 2024, the severity rate continues to decline, indicating that there has been significant progress in the effectiveness of occupational safety and health management. It is hoped that the new construction site project will move towards a record of zero working hours for occupational accidents.

2024 Occupational safety and health recognized

Award range	Awards	photo
Public facilities and permanent revetment and S04~S05 wharf project of Taipei Gangnan Wharf reclamation area	18th Excellent Engineering Golden Safety Award - Excellent, New Taipei City Industrial Safety Award—Excellent Public Engineering Award—Excellent	
Taichung Power Plant's new gas-fired unit plans to recycle water pumping machine room and	Taiwan Power Company Central Construction Division - Excellent Safety Contractor - Third Place	

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 (P47), 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	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. Contribution after completion: 1. Replace coal-fired power generation and reduce air pollution. 2. Energy saving and carbon reduction.
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.
bridge engineering	Provincial Line 9 212K+800~214K+685 Papaya Creek Bridge Reconstruction Project (including agency project contracting)	Engineering Content: Major engineering projects include roads, drainage, bridges, retaining walls, landscaping, lighting pipelines and signal engineering works. contribute: It is expected that the road width will be widened and the existing Papaya Creek Bridge will be demolished and rebuilt. Road widening improves the safety and convenience of road users, and the demolition and reconstruction of old bridges also improves road safety.
Railway engineering	Huadong area railway double-track electrification plan CB02 bid is restored to Ruisui civil engineering and track engineering	Complete the electrification and double-tracking of the Huadong Railway to increase the passenger load factor, reduce air pollution, and promote the development of the local tourism industry.

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>
Harbor Engineering	Qianzhen Fishing Port Area Dredging Project	The scope of this project mainly covers the dredging of waterways, boat seats, and harbor basins in the southern half of the Qianzhen Fishing Port. Dredging of long-term sedimentation will make the operation of the port area smoother and also contribute to environmental protection.
MRT project	Y19 (exclusive) ~ Y20 (inclusive) civil engineering and water and electricity environmental control section standard project of the northern ring section of the ring line	Connect to the viaduct tail track on the north side of the Circular Line New Taipei Industrial Park Station (Y19 Station), go northbound along Wugong Road, transfer to Wuquan Road eastbound, cross the Erchong Floodway to the side of East Dredge Road, and follow National Highway 1 No. 1 goes eastbound, turns to Siwei Road and goes northbound. After crossing the Zhongshan Expressway, it connects to the Y20 station (inclusive) on Zhongshan 1st Road, Luzhou District. After opening to traffic, it can shorten the riding distance of the MRT system and disperse the transportation volume, allowing the public to Enjoy safer, more convenient and more comfortable transportation.
MRT project	Kaohsiung Metropolitan Area Mass Rapid Transit System Metropolitan Line (Yellow Line) YC03 standard civil engineering, facility electromechanical and track turnkey project	The project is located along the Fengshan Chishan Area, Fengshan Administrative Center, Fengshan High School and Weiwuying Art Center. It is open to traffic at Y17 Station, which transfers to Taiwan Railway Zhengyi Station, and Y18 Station, which transfers to Orange Line O10 Station. In the future, it will greatly shorten people's commuting travel time, expand the living area of urban residents, and let people feel safe, reliable, convenient and comfortable transportation.
MRT project	Kaohsiung Metropolitan Area Mass Rapid Transit System Metropolitan Line (Yellow Line) YC02 standard civil engineering, facility electromechanical and track turnkey project	This project will pass through Kaohsiung University of Science and Technology and Kaohsiung Institute of Technology, and will connect with the light rail at Y8 Station and C28 Station. After the project is opened to traffic, it will greatly shorten the commuting time of the public, expand the living space of urban residents, and allow the public to experience safe, reliable, convenient and comfortable transportation.
construction project	Air Force H007 Project	Assist in national defense construction in the eastern part of the country.

Professional participation in societies, associations, and associations

With a background in engineering, we have been actively participating in professional academic association organizations. In 2024, we will participate in a total of 21 student associations. To help the associations run smoothly, we have invested a total of 498,600 yuan in advertising fees, membership fees and sponsorship fees.

Society name	Director
Taiwan Comprehensive Construction Industry Association	Chen ,huang-ming (Honorary Chairman), Chiang,chi-ching (Convener of the Supervisory Board)
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	
Taipei City builds a surplus earth and stone resource disposal business trade association	
The Republic of China Construction Management Association	Chen ,huang-ming (executive director) Chen, yau-wei (director)
Taiwan Electrical Engineering Industry Association	
Taiwan Refrigeration and Air-Conditioning Engineering Industry Association	
Taiwan Water Pipe Engineering Industry Association	
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 (executive director)
Employment Service Professionals Association of the Republic of China	Chu wei kuo (Chairman)
Taiwan Engineering Law Society	Li kuei chung (Director)

In 2024, we will assist various units to visit the projects contracted by our company, investing more than 200 people, and the impact will extend to more than 70 agencies, schools or organizational units.



Department of the Interior, Land Management



Visit by the Chinese Society of Engineers



National Taiwan University of Science and Technology



Civil Engineers Association



Integrity Platform



national development council



Social Assistance



We promote the program to help disadvantaged groups every year. In 2024, 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 700 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.

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？

2024

**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！

請欲捐贈者將下列物資交給各工地行政，工地並於 7/29(一)下班前送至總公司給行政部彙整，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。
- 【舊鞋】：需品質堪用之男鞋、女鞋(平底包鞋為主)，無破洞、磨損、裂縫、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】：單張書包，以及其他可放入 A4 尺寸之各式包(環保袋、不織布、硬殼包、拉桿包不收)。

Publicity production



Collection of used shoes, clothes and schoolbags



Packing



In 2024, we will drive the collected supplies to the Bethlehem warehouse in person.



Sending love to Africa, old shoes save lives

Event URL:

<http://www.step30.org/>

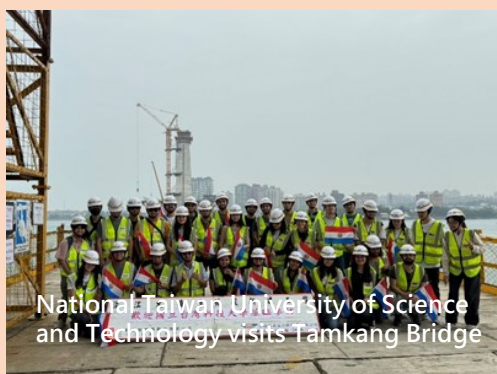
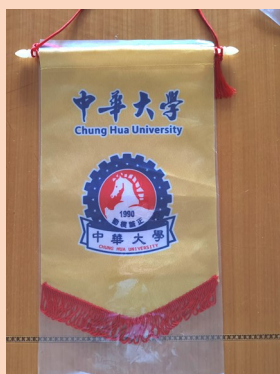
For our 2024 plan to help disadvantaged groups, please scan the

QR Code

Educational contribution

With the engineering profession, we will assist colleges and universities in conducting on-site visits and academic exchange activities in 2024. For industry-university cooperation or providing internships for students, we will also provide opportunities according to the actual needs of the construction site, mobilizing more than 50 people.

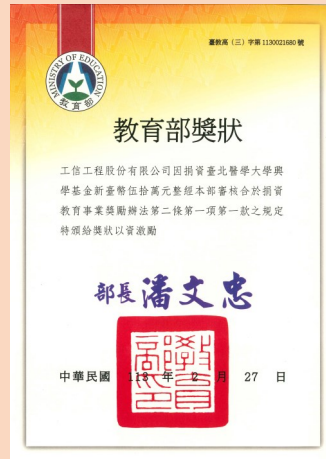
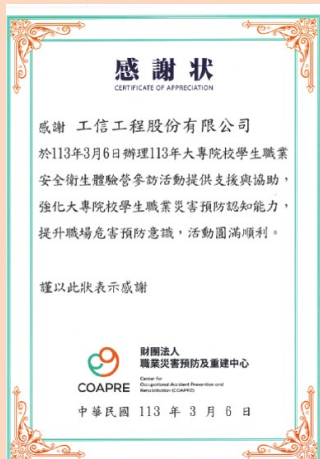
In addition to the above actions, we also carry out educational donation activities. By 2024, the cumulative donations have exceeded NT\$3.5 million, hoping to contribute to the development of academic research.



National Taiwan University of Science and Technology visits Tamkang Bridge



College Experience Camp visits Taipei Port Industrial Park



Charity feedback

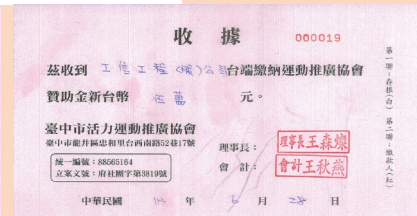
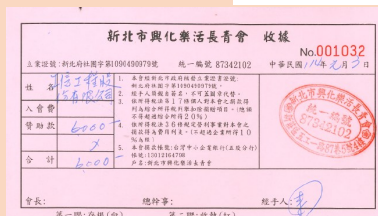
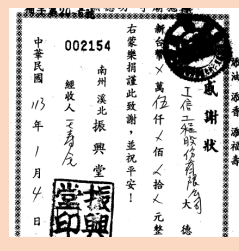
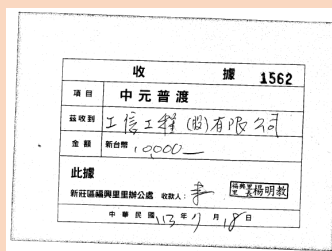
GRI 203、413

As always, in 2024, Industry and Information Engineering will adhere to the spirit of "taking from the society and using it for the society", giving back to the neighbors and society, and has always maintained good relations with the neighbors.

Maintain good relations with neighbors - give back to the hometown (1)

In 2024, we will support the following activities to promote good neighborliness:

1. Sponsor the Nanzhou Zhenxing Hall to donate to the temple.
2. Sponsor the Taichung Vitality Sports Association with NT\$50,000.
3. Sponsor the Zhongyuan Festival for the neighborhood, NT\$10,000.
4. Sponsor the New Taipei City Xinghua Lohas Evergreen Association.



Neighborhood Friendship Forum

In 2024, we held a neighborhood forum to promote good neighborliness and celebrate the start of construction of the "CF680A Section Project" of the Taipei Metro Circular Line North Section that we undertook.



Giving back to the society - Charity purchase of Spring Festival gift boxes

In 2024, we held a neighborhood forum to promote good neighborliness and celebrate the start of construction of the "CF680A Section Project" of the Taipei Metro Circular Line North Section that we undertook.

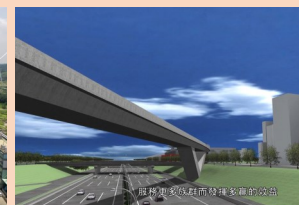
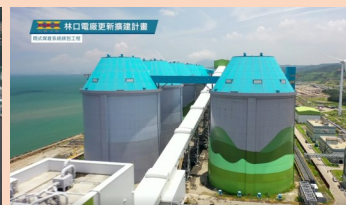


Support the development of domestic art and culture

In addition to the development of its core business, the Ministry of Industry and Information Technology also supports the development of domestic arts and culture. In addition to encouraging the establishment of cultural clubs, it has also opened up project fence painting to let local people know about our projects through such activities. It is also planned to organize project painting competitions in conjunction with local schools, and post the winning works on the fences. In addition, each of our projects cooperates with photography companies to shoot construction progress and project documentary videos and animations on a monthly/annual basis, and encourages employees to learn photography, aerial photography, film production, and film editing techniques to support the development of domestic photography art and culture.

Since 1992, the Ministry of Industry and Information Technology has invited domestic professional film and television companies to carry out engineering filming and company promotional films, documentaries, and time-lapse photography. By the end of 2024, the cumulative investment results are as follows:

For	invest		output	influence
Indicator results	cash	Total cash investment: NT\$25,960,000	1.17 finished videos 2. 3 engineering animations 3. 65 time-lapse videos 4. 5 company profiles and promotional videos	The number of people affected exceeded 10,000 (including the number of people who viewed the tender briefing for the owner, the partners, the employees, and the number of people who viewed it when it was uploaded to youtube)
	time	More than 20 years of investment		
	man-power	An average of 5 people (company employees) are invested each year. An average of 3-5 manufacturers are invested each year.		



Volunteer worker's leave

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

Anyone who participates in public welfare activities organized by government-registered social service, public welfare and charity organizations, the service targets must be public welfare-oriented, and can accumulate service hours based on the service certificate issued by the public welfare organization, and each eight hours can be exchanged for one day. "Volunteer leave" is limited to sixteen hours per person per year and must be taken before the end of each year. Although no employees have taken volunteer leave in 2024, we actively encourage employees to participate in social services and charity activities.

Honored in 2024

project	Awards	Certificate or Medal
(E) environmental protection	1. Certified by Tianxia Magazine, it complies with the "Paris Agreement" label that the temperature rise will not exceed 1.5 °C.	
(S) society	1. The 18th Excellent Project Golden Safety Award - Excellent (Taipei Port South Pier Filling Area Public Facilities and Permanent Bank Protection and S04~S05 Pier Project) 2. New Taipei City Work Safety Award - Excellent Public Project Award - Special (Taipei Port South Pier Filling Area Public Facilities and Permanent Bank Protection and S04~S05 Pier Project) 3. Taiwan Power Company Central Construction Division - Excellent Safety Contractor - Third Place (Taichung Power Plant Project) 4. Certificate of Appreciation from the Center for Occupational Hazard Prevention and Reconstruction 5. Certificate of Appreciation from Taipei University of Technology 6. Certificate of Award from the Ministry of Education (Education Donation) 7. Undersea Technology Honor Medal 8. Several banners for assisting in site visits (see P103)	       
(G) Governance	1. 2024 TCSA Taiwan Enterprise Sustainability Report Award - Gold Award 2. 2024 1111 Job Bank Happy Enterprise - Gold Award	 

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, 2024 to December 31, 2024.

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	P7-P10	
2-2	Entities Included in Organizational Sustainability Reports	V	Sustainable Operation-About Kung Sing	P9	Taking Kung Sing as the main body
2-3	Coverage period, frequency and contact person	V	Sustainability - About this report	P5	
2-4	Information Reorganization	V	Sustainability - About this report	P5	P5 、 P105
2-5	External Assurance/Assurance	V	Sustainability - About this report	P5	
Activities and Workers					
2-6	Activities, value chains and other business relationships	V	Sustainable Operation-About Kung Sing Corporate Governance - Supply Chain Management	P9-P10 、 P47-P51	
2-7	staff	V	Happy Workplace and Social Integration- Employee Care and Welfare	P91-93	
2-8	non-employee worker	V	Happy Workplace and Social Integration- Employee Care and Welfare	P91-93	
Governance					
2-9	Governance Structure and Composition	V	Corporate Governance - Board Operations and Operations	P30-38	
2-10	Nomination and Selection of the Highest Governance Unit	V	Corporate Governance - Board Operations and Operations	P30	
2-11	chairman of the highest governing body	V	Corporate Governance - Board Operations and Operations	P30	
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	P13 P24-P25 P30 P52	
2-13	Head of Shock Management	V	Sustainable Operation-Sustainable Development Strategy and Performance Corporate Governance - Board Operations and Operations	P13 P30	
2-14	The role of the highest governance body in sustainable reporting	V	Sustainable Operation-Sustainable Development Strategy and Performance	P13	
2-15	conflict of interest	V	Corporate Governance - Board Operations and Operations	P32 、 P36	

Disclosure status: V Full disclosure, O Partial disclosure, △ 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	P32	
2-17	Crowd Intelligence of the Supreme Governance Unit	V	Corporate Governance - Board Operations and Operations	P30 、 P34	
2-18	Performance Evaluation of the Highest Governance Unit	V	Corporate Governance - Board Operations and Operations	P33	
2-19	salary policy	V	Corporate Governance - Board Operations and Operations	P35-36	
2-20	Salary Decision Process	V	Board of Directors Governance - Board of Directors Operation and Operating Status	P35-36	
2-21	Annual Total Compensation Ratio	V	Happy Workplace and Social Integration-Employee Care and Welfare	P93	
Strategy, Policy and Practice					
2-22	Statement of Sustainability Strategy	V	Sustainable Operation - Chairman's Message	P7	
2-23	policy commitment	V	Sustainable Operation-Sustainable Development Strategy and Performance	P14	
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	P14 P29 P63 P83	
2-25	Procedures for Remediating Negative Shocks	V	Sustainable operation-stakeholder negotiation Corporate Governance-Integrity, Transparency and Law	P24 P60	
2-26	Mechanisms for seeking advice and raising concerns	V	Sustainable operation-stakeholder negotiation Corporate Governance-Integrity, Transparency and Law Compliance	P24 P60	
2-27	Compliance	V	Corporate Governance-Integrity, Transparency and Law Compliance	P60	
2-28	Membership of public associations	V	Happy workplace and social integration - social participation and public welfare feedback	P108	
Stakeholder negotiation					
2-29	Stakeholder negotiation policy	V	Sustainable operation-stakeholder negotiation	P19	
2-30	group agreement	V	Happy Workplace and Social Inclusion - Labor Rights and Human Rights	P84	No group agreement signed

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

Index number	Narrate	Reveal the situation	Corresponding chapter	page number	Note
GRI 3: Material themes 2021					
3-1	Process for Determining Material Themes	V	Sustainable operation-stakeholder negotiation	P19	
3-2	List of Major Topics	V	Sustainable operation-stakeholder negotiation	P21	
economic performance					
GRI 3: Material themes					
3-3	Major Theme Management	V	Corporate Governance - Major Topic Management Happy Workplace and Social Integration - Major Theme Management	P29 P83	
GRI 201 : Economic Performance 2016					
201-1	Direct economic value generated and distributed.	V	Corporate Governance - Board Operations and Operations	P43-46	
201-2	Financial implications and other risks and opportunities for the organization' s activities due to climate change.	V	Corporate Governance - Risk Management	P54-58	
201-3	Defined benefit plan obligations and other retirement plans	V	Happy Workplace and Social Integration-Employee Care and Welfare	P86	
201-4	Financial assistance received from government.	V	Corporate Governance - Board Operations and Operations	P44	No financial assistance from the government
market status					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	P83	
GRI 202: Market Presence 2016					
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	P93	
202-2	Proportion of senior management hired from the local community	V	Happy Workplace and Social Integration-Employee Care and Welfare	P93	
indirect economic shock					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	P83	
GRI 203: Indirect economic shock 2016					
203-1	Development and impact of infrastructure investment and support services	V	Happy workplace and social integration - social participation and public welfare feedback	P106-107	
203-2	Significant indirect economic shock	V	Happy workplace and social integration - social participation and public welfare feedback	P110-112	

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					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Corporate Governance - Major Topic Management	P29	
GRI 204 : purchase practice 2016					
204-1	Proportion of spending on local suppliers	V	Corporate Governance - Supply Chain Management	P48	
Anti-corruption					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Corporate Governance - Major Topic Management	P29	
GRI 205 : Anti-Corruption 2016					
205-1	Operations assessed for risks related to corruption	V	Corporate Governance- Integrity Management and Legal Compliance	P60	
205-2	Communication and training about anti-corruption policies and procedures	V	Corporate Governance- Integrity Management and Legal Compliance	P60	
205-3	Confirmed incidents of corruption and actions taken	V	Corporate Governance- Integrity Management and Legal Compliance	P60	
Anticompetitive					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Corporate Governance - Major Topic Management	P29	
GRI 206 : Anti-Competitive Behavior 2016					
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	V	Corporate Governance- Integrity Management and Legal Compliance	P60	
Pay taxes					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Corporate Governance - Major Topic Management	P29	
GRI 207 : Anti-Competitive Behavior 2018					
207-1	Tax method	V	Corporate Governance - Board Operations and Operations	P37	
207-2	Tax governance and control and risk management	V	Corporate Governance - Board Operations and Operations	P39	
207-3	Involvement and management of tax-related stakeholders	V	Corporate Governance - Board Operations and Operations	P39	
207-4	Multi-country report	V	Corporate Governance - Board Operations and Operations	P39	

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
Materials					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Environmental friendliness - major theme management	P63	
GRI 301: Materials 2016					
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	P66-67	
Energy					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Environmental friendliness - major theme management	P63	
GRI 302: Energy 2016					
302-1	Energy consumption within the organization	V	Environmental friendliness - energy management	P68-69	
302-2	Energy consumption outside the organization	V	Environmental friendliness - energy management	P68-69	
302-3	Energy intensity	V	Environmental friendliness - energy management	P68-69	
302-4	Reduce energy consumption	V	Environmental friendliness - energy management	P67-68	
302-5	Reduce energy demand for products and services	V	Environmental friendliness - energy management	P67	
Water and runoff					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Environmental friendliness - major theme management	P63	
GRI 303: Water and Effluent 2018					
303-1	Interactions of shared water resources	V	Environmental friendliness - water resource management	P70-71	
303-2	Management of drainage-related shocks	V	Environmental friendliness - water resource management	P70-71	
303-3	water intake	V	Environmental friendliness - water resource management	P70-71	
303-4	Displacement	V	Environmental friendliness - water resource management	P70-71	
303-5	Water Consumption	V	Environmental friendliness - water resource management	P70-71	

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
Biodiversity					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Environmental friendliness - major theme management	P63	
GRI 304: Biodiversity 2016					
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	P75-78	
304-2	Significant impacts of activities, products and services on biodiversity	V	Environmental friendliness - pollution prevention	P75-78	
304-3	protected or restored habitat	V	Environmental friendliness - pollution prevention	P75-78	
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	P75-78	
Emission					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Environmental friendliness - major theme management	P63	
GRI 305: Emissions 2016					
305-1	Direct (Scope 1) Greenhouse Gas Emissions	V	Environmental friendliness - energy management	P68	
305-2	Energy Indirect (Scope 2) Greenhouse Gas Emissions	V	Environmental friendliness - energy management	P68	
305-3	Other indirect (scope 3) greenhouse gas emissions	V	Environmental friendliness - energy management	P68	Not yet counted
305-4	Greenhouse gas emission intensity	V	Environmental friendliness - energy management	P69	
305-5	Greenhouse Gas Emission Reduction	V	Environmental friendliness - energy management	P67-68	
305-6	Emissions of Ozone Depleting Substances (ODS)	V	Environmental friendliness - energy management	P68	none
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	V	Environmental friendliness - energy management	P68	none
Waste disposal					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Environmental friendliness - major theme management	P63	
GRI 306 : waste disposal 2016					
306-1	Waste generation and significant waste-related impacts	V	Environmental friendliness - pollution prevention	P79-80	
306-2	Management of significant impacts related to waste	V	Environmental friendliness - pollution prevention	P79-80	

Disclosure status: V Full disclosure, O Partial disclosure, △ 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	P79-80	
306-4	Disposal and transfer of waste	V	Environmental friendliness - pollution prevention	P79-80	
306-5	Direct disposal of waste	V	Environmental friendliness - pollution prevention	P79-80	
Compliance with regulations related to environmental protection					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Environmental friendliness - major theme management	P63	
GRI 307 : Regulatory compliance with respect to environmental protection 2016					
307-1	Violation of environmental regulations	V	Environmentally Friendly - Regulatory Compliance	P65	
Supplier Environmental Assessment					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Environmentally Friendly - Regulatory Compliance	P63	
GRI 308: Supplier Environmental Assessment 2016					
308-1	Use environmental criteria to screen new suppliers	V	Corporate Governance - Supply Chain Management	P50	
308-2	Negative impact of the supply chain on the environment, and actions taken	V	Environmentally Friendly - Regulatory Compliance	P65	
Employment Relations					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	P83	
GRI 401: Employment Relations 2016					
401-1	New and departing employees	V	Happy Workplace and Social Integration- Employee Care and Welfare	P92	
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	P86-90	
401-3	parental leave	V	Happy Workplace and Social Integration- Employee Care and Welfare	P92	
Labour Relations					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	P83	
GRI 402: Labor/Management Relations 2016					
402-1	Minimum notice period for operational changes	V	Happy Workplace and Social Inclusion - Labor Rights and Human Rights	P84	

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					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	P81	
GRI 403: Occupational Safety and Health 2018					
403-1	Occupational Safety and Health Management System	V	Happy Workplace and Social Inclusion - Occupational Health and Safety	P94	
403-2	Hazard identification, risk assessment and accident investigation	V	Happy Workplace and Social Inclusion - Occupational Health and Safety	P104	
403-3	Occupational Health Services	V	Happy Workplace and Social Inclusion - Occupational Health and Safety	P103	
403-4	Worker participation, consultation and communication on occupational safety and health	V	Happy Workplace and Social Inclusion - Occupational Health and Safety	P94-105	
403-5	Worker Training on Occupational Safety and Health	V	Happy Workplace and Social Inclusion - Occupational Health and Safety	P95-97	
403-6	worker health promotion	V	Happy Workplace and Social Inclusion - Occupational Health and Safety	P103	
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	P95-97	
403-8	Workers covered by the occupational safety and health management system	V	Happy Workplace and Social Inclusion - Occupational Health and Safety	P94	
403-9	occupational injury	V	Happy Workplace and Social Inclusion - Occupational Health and Safety	P105	
403-10	occupational disease	V	Happy Workplace and Social Inclusion - Occupational Health and Safety	P105	
training and education					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	P83	
GRI 404 : training and education 2016					
404-1	Average hours of training per employee per year	V	Happy Workplace and Social Integration- Employee Care and Welfare	P88	
404-2	Upgrading staff functions and transition assistance programs	V	Happy Workplace and Social Integration- Employee Care and Welfare	P88-90	
404-3	Percentage of employees receiving regular performance and career development reviews	V	Happy Workplace and Social Integration- Employee Care and Welfare	P88	
Employee Diversity and Equal Opportunity					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Happy Workplace and Social Integration- Employee Care and Welfare	P83	
GRI 405: Employee Diversity and Equal Opportunity 2016					

Disclosure status: V Full disclosure, O Partial disclosure, △ 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	P34 P85	
405-2	Ratio of base salary plus pay for women to men	V	Employee Care and Benefits	P93	
non-discrimination					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	P83	
GRI 406: Non-Discrimination 2016					
406-1	Incidents of Discrimination and Corrective Actions Taken	V	Happy Workplace and Social Inclusion - Labor Rights and Human Rights	P84	no such case
Freedom of Association and Group Consultation					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Corporate Governance - Major Topic Management	P29	
407: Freedom of Association and Group Consultation 2016					
407-1	Operations or suppliers that may face risks to freedom of association and group bargaining	V	Corporate Governance - Supply Chain Management	P50	no such case
Child labor					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	P83	
GRI 408 : child labor 2016					
408-1	Significant risks of child labor in operations and suppliers	V	Happy Workplace and Social Inclusion - Labor Rights and Human Rights	P84	no such case
Forced or compulsory labor					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	P83	
GRI 409: Forced or Compulsory Labor 2016					
409-1	Operations and suppliers with significant risk of incidents of forced or compulsory labor	V	Happy Workplace and Social Inclusion - Labor Rights and Human Rights	P84	no such case

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

Index number	Narrate	Reveal the situation	Corresponding chapter	page number	Note
Security practice					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	P83	
GRI 410: Security practice					
410-1	Security personnel receive training on human rights policies or procedures	V	Happy Workplace and Social Inclusion - Labor Rights and Human Rights	P85	
Aboriginal rights					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	P83	
GRI 411 : Aboriginal rights 2016					
411-1	Incidents Involving Violations of Indigenous Rights	V	Happy Workplace and Social Inclusion - Labor Rights and Human Rights	P85	no such case
human rights assessment					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	P83	
GRI 412 : human rights assessment 2016					
412-1	Operations subject to human rights inspections or human rights impact assessments	V	Happy Workplace and Social Inclusion - Labor Rights and Human Rights	P85	no such case
412-2	Employee Training on Human Rights Policies or Procedures	V	Happy Workplace and Social Inclusion - Labor Rights and Human Rights	P85	
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	P85	
local community					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	P83	
GRI 413:local community 2016					
413-1	Operations through local community communication, impact assessment and development planning	V	Happy workplace and social integration - social participation and public welfare feedback	P111-112	
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	P111-112	no negative events
Supplier Social Assessment					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Corporate Governance - Major Topic Management	P29	

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

Index number	Narrate	Reveal the situation	Corresponding chapter	page number	Note
GRI 414: Supplier Social Assessment 2016					
414-1	New suppliers screened using social criteria	V	Corporate Governance - Supply Chain Management	P50	
414-2	Negative social impacts in the supply chain and actions taken	V	Corporate Governance - Supply Chain Management	P50	no such case
public policy					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	P83	
GRI 415: Public Policy 2016					
415-1	political contribution	V	Happy Workplace and Social Inclusion - Labor Rights and Human Rights	P84	no such case
Customer Health and Safety					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Corporate Governance - Major Topic Management	P29	
GRI 416: Customer Health and Safety 2016					
416-1	Assess the impact of product and service categories on health and safety	V	Corporate Governance - Board Operation and Operating Status - Construction Quality	P41	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	P61	The company is a construction industry, not a manufacturing industry
Marketing and Labeling					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Corporate Governance - Major Topic Management	P29	
GRI 417: Marketing and Labeling 2016					
417-1	Product and service information and labeling requirements	△			The company is a construction industry, not a manufacturing industry
417-2	Incidents of non-compliance with product and service information and labeling regulations	△			The company is a construction industry, not a manufacturing industry
417-3	Incidents of non-compliance with marketing communications regulations	△			The company is a construction industry, not a manufacturing industry

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
Customer privacy					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Happy Workplace and Social Integration - Major Theme Management	P83	
GRI 418 : Customer privacy 2016					
418-1	Substantiated complaints of violation of customer privacy or loss of customer data	V	Happy Workplace and Social Inclusion - Labor Rights and Human Rights	P85	no such case
Socioeconomic Regulatory Compliance					
GRI 3: Material themes 2021					
3-3	Major Theme Management	V	Corporate Governance - Major Topic Management	P29	
GRI 419 : Socioeconomic Regulatory Compliance 2016					
419-1	Violation of laws and regulations in the social and economic fields	V	Corporate Governance- Integrity, Transparency and Law Compliance	P61	

P85 Note

Diversity and equality policy in the workplace

1. Equal recruitment

There are no restrictions on the age, gender, religion, race, nationality, political orientation, physical and mental disabilities of applicants on the recruitment website and any recruitment activities. Equal recruitment can develop the diversity of enterprises, which is conducive to the growth of enterprises and has a positive impact on society, providing equal job opportunities for the public.

2. Retirement re-employment

Promoting the inheritance mechanism, re-employing retired talents, relying on their expertise and experience, can reduce the risk of talent uncertainty, promote the elderly employment market and the sustainable development of enterprises.

3. Full (excess) employment of indigenous people

According to the location of the project, employ local indigenous people.




4. Improve employee salary and benefits



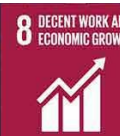
In addition to the comprehensive salary increase in accordance with the government's salary adjustment policy, salary adjustments are made every year according to the company's performance appraisal method. Salary adjustments are not affected by non-functional factors such as gender, which shortens the gender salary gap.





5. Implement gender equality and avoid workplace sexual harassment


Formulate the "Workplace Sexual Harassment Prevention Measures Complaint and Punishment Measures" and post them on the bulletin board, and set up a dedicated telephone line for the handling of sexual harassment incidents.

Appendix SDGs comparison table

SDGs goals and detailed targets	What we do	page number
<div data-bbox="116 264 233 376">  </div> <p>Goal 1 End poverty: eliminate all forms of poverty everywhere.</p> <hr/> <p>Detailed objectives:</p> <p>1.5 By 2030, let the poor and the disadvantaged Ethnic groups build resilience to reduce their exposure to climate extremes and other socio-economic and environmental shocks and disasters and their risks and vulnerabilities.</p>	<p>Participate in "Step30 Used Shoes to Save Life" and donate used clothes and shoes to backward countries in Africa to protect them from sand fleas.</p> <p>Support local agricultural development and care for small farmers;</p> <p>Buy Atemoya to help small farmers and support local agriculture.</p>	<p>P110</p>
<div data-bbox="116 750 233 862">  </div> <p>Goal 3 Health and well-being: to ensure and promote healthy life and well-being for all age</p> <hr/> <p>Detailed objectives:</p> <p>3.6 By 2020, the number of casualties caused by traffic accidents in the world will be reduced by half.</p> <p>3.9 By 2030, substantially reduce the number of deaths and diseases caused by dangerous chemicals, air pollution, water pollution, soil pollution and other pollution.</p>	<p>We have perfect delivery and maintenance measures in the course of the project. We also have different measures to prevent traffic accidents for different projects. For example, in the Nanzhou Railway Project, we have set up watchmen along the railway to avoid accidents.</p> <p>In terms of pollution prevention and control, we implement environmental monitoring to avoid all kinds of pollution such as air, water, and noise.</p>	<p>P98</p> <p>P72-75</p>
<div data-bbox="116 1276 233 1388">  </div> <p>Goal 4 High-quality education: to ensure that there is no class, fair and high-quality education, and to promote life-long learning.</p> <hr/> <p>Detailed objectives:</p> <p>4.5 By 2030, eliminate gender inequality in education, and ensure that disadvantaged groups have equal opportunities to receive education of all classes and vocational training, including the physically and mentally disabled, indigenous people and disadvantaged children.</p>	<p>Our vocational training and education training, regardless of gender, have the same right to education, and encourage all colleagues to study for life.</p> <p>The total training hours in 2020 is 1411.5 hours/170 people (total domestic employees, including 5 non-part-time employee directors) regardless of gender = average hours 8.30 hours/person. (The average hours in 2019 is 4.33 hours/person)</p> <p>The number of school hours in 2020 is an increase of 3.97% compared to 2019.</p>	<p>P88-90</p>

SDGs goals and detailed targets	What we do	page number
<div data-bbox="132 181 252 293">  </div> <p>Goal 5 Gender Equality: Achieve gender equality and empower women.</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>P85</p>
<div data-bbox="132 651 252 763">  </div> <p>Goal 6 Water purification and sanitation: to ensure that all people have access to water, sanitation and sustainable management.</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>P73</p> <p>P70-71</p>
<div data-bbox="132 1016 252 1151">  </div> <p>Goal 8 Appropriate work and economic growth: Promote inclusive and sustainable economic growth, so that everyone has a good job.</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>P59</p> <p>P84-85</p> <p>P84</p> <p>P94-105</p>

SDGs goals and detailed targets	What we do	page number
<div data-bbox="124 181 236 293">  </div> <p>Goal 9 Industry, Innovation and Infrastructure: Build resilient infrastructure, promote inclusive and sustainable industries, and accelerate innovation.</p> <hr/> <p>Itemized goals:</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>P41-42</p>
<div data-bbox="124 719 236 819">  </div> <p>Goal 10 Reduce inequality: reduce inequality within and between countries.</p> <hr/> <p>Detailed objectives:</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>P84-85</p>
<div data-bbox="124 1272 236 1391">  </div> <p>Goal 13 Climate Action: Complete mitigation and adaptation actions to respond to climate change and its impact.</p> <hr/> <p>Detailed objectives:</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>P52-58</p> <p>P68-69</p>
<div data-bbox="124 1691 236 1809">  </div> <p>Goal 14: Conserve marine ecology: Conserve and sustainably use marine ecosystems to ensure biodiversity and prevent degradation of the marine environment.</p> <hr/> <p>Detailed objectives:</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>P77</p>

SDGs goals and detailed targets	What we do	page number
 <p>Goal 15: Conserve terrestrial ecology: Conserve and sustainably use terrestrial ecosystems, ensure biodiversity and prevent land degradation.</p> <hr/> <p>Detailed objectives:</p> <p>15.5 Take urgent and major actions to reduce the destruction of natural habitats, end the loss of biodiversity, and protect and prevent the extinction of endangered species by 2020.</p>	<p>For different projects, we have different ecological protection measures</p> <p>, For example, the new construction of Guanyin Tunnel on Suhua Highway on Taiwan 9th Line has a lot of conservation animals in the work area, so the conservation measures for conservation animals are specially formulated.</p> <p>C031 Standard Environmental Monitoring Scope: Within 500 meters of the dual-track project between Fenglin Tunnel and Wanlixi 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>P75-78</p>

Appendix TCFD content index

theme	index	content	page number
governance	Climate change governance structure	Please refer to our company' s TCFD report	TCFD P4-5
	Board of Directors Supervision Mechanism		
	Management Responsibilities		
Strategy	Climate Change and Opportunity Matrix	Listed based on likelihood of occurrence and degree of financial impact. Please refer to the TCFD report	TCFD P6
	Assessment of risks and opportunities related to climate change	Risks: entity risks, transformation risks Opportunities: Resources and Energy, Markets, Reputation/Resilience	P54
	Climate change-related risks, opportunities, financial impacts and response measures	Risk description and potential financial impact of entity transition risks, and measures taken to respond to the impact.	P55-57
Risk Management	Risk assessment, identification and management process	Risk management definition and assessment, identification and management process	P58
	Integration of Risk Management	In addition to climate risk, the Company also integrates other risk management controls. Please refer to the TCFD report.	TCFD P12
Metrics and Goals	Greenhouse gas emission indicators and targets	Greenhouse gas emission statistics and reduction plan targets revealed.	P68-69
	Other indicators and targets	About water resources management and waste reduction measures.	P70-71 P80

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	Due to 2 violations of environmental regulations, the total amount of fines was NT\$300,000 (Reason: Delayed submission of reports on waste wood left over from open-air burning and marine disposal operations.) Improvements: Please refer to the report Environmental Friendliness - Regulatory Compliance.	P65
	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.	P51- P53 P54- P58
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	Due to Article 6, Paragraph 1 of the Occupational Safety and Health Act, Article 36, Paragraph 1, and Article 30, Paragraph 6 of the Labor Standards Act, a total of 4 cases, the total fine amount is NT\$698,000. Improvement measures: Strengthen the education and training of safety equipment for construction site and safety and health personnel, and strengthen the management of working hours for foreign migrant workers to avoid penalties.	P61
Labor Health and Safety	IF-EN-320a.1	(1) Total Recordable Incident Rate (TRIR) and (2) fatality rates for (a) staff and (b) contractors	There will be no occupational accident deaths in 2024. 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.	P105

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.	P65
	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 S04.05 project reuses 90% of recycled materials and practices circular economy: The recycled blocks, pebble stones, etc. after the demolition of the existing dikes are used as construction materials for the new temporary revetment, effectively reducing construction costs and shortening construction periods, achieving circular economy, reducing carbon emissions, and creating a model for green ports. The construction site sets up solar warning lights to meet the energy-saving and carbon-reduction goals. The construction site draws water from the sedimentation tank for site watering and achieves recycling and reuse.	P67 P71
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".	P50 P60

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 were a total of 9 projects under construction. 1. New construction of Tamkang Bridge and its connecting roads 5K+000~7K+035. 2. Taichung Power Plant plans to build a new gas-fired unit, a circulating water pumping room and a new culvert. 3. Taipei Gangnan Wharf Reclamation Area Public Facilities and Permanent Bank Protection and S04~S05 Wharf Project. 4. Provincial Line 9 212K+800~214K+685 Papaya Creek Bridge reconstruction project. 5. Kaohsiung City Xingda Fishing Port Recreational Area Dredging and Cleaning Marine Waste Project. (Construction to start in 2025) 6. The Huadong area railway double-track electrification plan CB02 standard is restored to Ruisui civil engineering and track engineering. 7. Air Force H007 project. 8. Kaohsiung Metropolitan Area Mass Rapid Transit System Metropolitan Line (Yellow Line) YC03 standard civil engineering, facility electromechanical and track turnkey project. 9. Kaohsiung Metropolitan Area Mass Rapid Transit System Metropolitan Line (Yellow Line) YC02 standard civil engineering, facility electromechanical and track turnkey project. 10. Y19 (exclusive) to Y20 (inclusive) civil engineering and water and electricity environmental control section standard projects in the northern ring section of the ring line.	P10
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.	There are 0 completed cases during the reporting period (2024). Completed cases at the end of the reporting period (2025): Qianzhen Fishing Port Dredging Project	P10
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, 2024, the total transaction price of the Group's unfulfilled performance obligations is NT\$74,571,532 thousand, which will be paid with the construction projects of bridges and their connecting roads, railway civil engineering, mechanical and electrical, ports, MRT... etc. The gradual recognition of revenue has been completed, and these projects are expected to be completed gradually from 2024 to 2032.	P45

Appendix TNFD Nature-Related Financial Disclosures

Our company's main operating projects are government public works, and we are required to submit an environmental protection implementation plan before construction begins. This plan lists the relevant impacts, risks, and protection measures based on the degree of dependence on and impact on nature.

Managed according to the TCFD framework

Governance	Establish management processes and measures for nature-related risks, and assess impacts on nature, humanity, and society at all levels.
Strategy	Formulate short-, medium- and long-term risk management and planning for risks that may arise from the operating model.
Risk and Impact Management	Identify and consider nature-related risks, impacts and opportunities across the value chain, upstream and downstream, financing activities and assets, and establish relevant monitoring processes.
Metrics and Goals	The indicators used in assessing risks and the goals to be achieved.

According to the LEAP assessment method provided by TNFD, the analysis is as follows:

Assessment steps	Execution method
LEAP Step 1: Positioning	Before commencing construction, each construction site will assess the impact on nearby ecosystems and biodiversity within the construction area.
LEAP Step 2: Assessment	Assess the company's dependence on and impact of nature-related risks in each project it undertakes.
LEAP Step 3: Judging	Assess the company's risks and opportunities related to nature based on its dependence on and impact on nature.
LEAP Step 4: Preparation	Based on the aforementioned risk considerations, this paper discusses the risks and opportunities that current business activities, tangible and intangible assets may face in the future, as well as the response measures and external disclosures to the impacts of policies and systems.

Risk	Chance
Because some of our company's construction sites may harbor protected species of animals and plants, construction may impact the ecosystem during construction. While urban projects tend to be less dependent on nature and have minimal impact on the ecosystem, some projects, such as the Danjiang Bridge project, which passes through coastal forests and windbreaks, are located near the Waziwei Nature Reserve and Taipei Harbor North Dike Wetlands, and the Taichung Power Plant site, where Little Terns seasonally breed, pose a risk of impacting local wildlife.	<ol style="list-style-type: none"> 1. Use of ecological engineering methods: To achieve the United Nations Sustainable Development Goals (SDGs) of land and marine ecological conservation, ecological engineering methods will be increasingly used in future public projects. 2. Technology monitoring: AI technology and technological development can reduce human interference while also reducing labor costs and ecological risks, creating opportunities for the development of new business models such as the biodiversity economy. 3. Cross-disciplinary collaboration: Future public projects will have more opportunities for cross-disciplinary team collaboration involving experts from both ecological and engineering backgrounds.

Countermeasures
Currently, our company submits an environmental protection implementation plan before each project begins. This plan investigates the natural ecology of the construction area and develops conservation plans for species requiring protection. In the face of nature-related risks and opportunities, our company not only provides education and training on ecological conservation and risk management to ensure consistency in risk assessment processes, but also aims to extend this to supply chain management, raising internal awareness and collaborating with our supply chain to achieve sustainable development goals while also generating economic benefits.

Appendix IFRS S1,S2

In response to the Financial Supervisory Commission's release of the "Blueprint for Promoting Taiwan's Alignment with IFRS Sustainability Standards," listed companies will be required to disclose relevant information in their annual shareholder reports in phases starting in 2026. Our company, a listed company with capitalization of less than NT\$5 billion, is in the third phase and should disclose relevant information in 2028.

Our company's timeline for implementing IFRS S1 and S2 is as follows:

year	Estimated completion time	Execution content	coping strategies
2025	End of December 2025	Understand the relevant contents of IFRS sustainability standards: general sustainability financial disclosure requirements (IFRS S1) and climate-related disclosures (IFRS S2).	Send personnel from relevant departments to participate in training courses related to IFRS perpetual standards.
2026	End of December 2026	S1: List all sustainability risks and opportunities that could impact the company's prospects and establish the fundamental principles for disclosing sustainability-related financial information. S2: Focus on climate issues and develop plans and strategies to address climate-related risks and opportunities.	The company will pilot the formulation of the company's principles, risks and opportunities for sustainable financial information in accordance with the TCFD standards and framework, including governance, strategy, risk management, indicators and targets, during ESG work promotion group meetings.
2027	End of December 2027	Establishing IFRS S1: Establishing Principles The project adopts the standards and framework of the Task Force on Climate-related Financial Disclosures (TCFD). Establishing IFRS S2: Establishing plans and strategies for addressing climate-related risks and opportunities based on the impact and level of risk to the company, while distinguishing between relevant information such as physical and transition risks. Considering industry-specific topics with reference to SASB sustainability accounting standards, and identifying climate risks and opportunities.	Establish standards and frameworks for foundational principles during ESG Working Group meetings and submit them to the Sustainability Committee and the Board. Identify the company's risks and opportunities, physical risks, and transition risks during ESG Working Group meetings and submit them to the Sustainability Committee and the Board.
2028	March 2028	In conjunction with the financial statement filing deadline, information related to IFRS S1 and S2 sustainability standards will be disclosed in the annual shareholder meeting report, and the annual shareholder meeting report will be disclosed and filed simultaneously with the financial statement filing.	Based on the content established in the previous year, it shall be disclosed in the annual report to the shareholders' meeting and submitted together with the annual report to the shareholders' meeting when the financial report is submitted in March.

2024 ESG



KSECO Kung Sing Engineer Corporation



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