



**TAIWAN
INTERNATIONAL
PORTS CORP., LTD.**

ESG Report

2022

ESG
REPORT





2022 ESG REPORT

TAIWAN INTERNATIONAL PORTS CORPORATION, LTD.

CONTENT

1 SUSTAINABLE MANAGEMENT: COMMUNICATION AND INTERACTION

1.1 KNOWING TIPC	18
1.2 DIRECTION OF CORPORATE SUSTAINABILITY	24
1.3 STAKEHOLDER COMMUNICATIONS	26
1.4 IDENTIFICATION AND MANAGEMENT OF MATERIAL TOPIC	32
SPECIAL ISSUE: EQUITY INVESTMENT AND ESG-RELATED BUSINESSES	44
SPECIAL ISSUE: UNITED IN PANDEMIC PREVENTION	48

2 CORPORATE GOVERNANCE: INTEGRITY AND PROSPERITY

2.1 ORGANIZATION STRUCTURE	57
2.2 OPERATION OF THE BOARD OF DIRECTORS	58
2.3 ETHICS AND INTEGRITY	72
2.4 SUPPLY CHAIN MANAGEMENT	76
2.5 RISK MANAGEMENT	79
2.6 INFORMATION SECURITY MANAGEMENT	80
2.7 CUSTOMER SERVICE	82
SPECIAL ISSUE: CREATIVE COMMUNICATION	84

ABOUT THIS REPORT	04
MESSAGE FROM CHAIRMAN	06
2022 ESG PERFORMANCE & HIGHLIGHTS	08
IMPLEMENTATION OF SDGS	13

3 PORT OPERATIONS: LEADING THE FUTURE

3.1 INTRODUCTION OF PORTS	90
3.2 INFRASTRUCTURE INVESTMENT	92
3.3 OPERATIONS OVERVIEW AND PERFORMANCE	93
3.4 PROMOTING OFFSHORE WIND POWER	96
SPECIAL ISSUE: DIGITAL TECHNOLOGY LIGHTS UP TAIWAN PORTS' COMPETITIVENESS FOR SUSTAINABLE DEVELOPMENT	98
SPECIAL ISSUE: PORT ENGINEERING RECEIVES GOLD AWARD	102
SPECIAL ISSUE: INTERNATIONAL CRUISE UNSEALED	104

4 SUSTAINABLE SYMBIOSIS - GREEN PORT

4.1 CLIMATE CHANGE RISK MANAGEMENT	110
4.2 ENVIRONMENTAL SUSTAINABILITY POLICY	113
4.3 ENVIRONMENTAL MANAGEMENT MEASURES	114
4.4 CIRCULAR ECONOMY	119
SPECIAL ISSUE: HUALIEN PORT SMART GRID	120
SPECIAL ISSUE: SALUTE TO THE SEA	122

5 HUMAN RESOURCES & WORKPLACE INCLUSION

5.1 TALENT RECRUITMENT	128
5.2 HAPPY WORKPLACE	141
5.3 HEALTH AND SAFETY	147
SPECIAL ISSUE: EMPLOYEE FRIENDLINESS AND CARE	156

6 SOCIAL INTERACTION & EDUCATION FOR THE COMMON GOOD

6.1 PUBLIC WELFARE SUBSIDY	163
6.2 ECOLOGICAL CONSERVATION	166
6.3 WATERFRONT TOURISM AND ART HARBOR	172
SPECIAL ISSUE: 720 FAMINE EVENT	174
SPECIAL ISSUE: PROMOTING ENVIRONMENTAL EDUCATION	176

APPENDIX I: GRI SUSTAINABILITY REPORTING STANDARDS (GRI STANDARDS) CONTENT INDEX	180
APPENDIX II: SUSTAINABLE DEVELOPMENT GOALS (SDGS) CONTENT INDEX	186
APPENDIX III: SASB SUSTAINABILITY ACCOUNTING STANDARD CONTENT INDEX	187
APPENDIX IV: RECOMMENDATIONS OF THE TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) CONTENT INDEX	188
APPENDIX V: DISCLOSURE OF CLIMATE-RELATED INFORMATION BY TWSE AND TPEX LISTED COMPANIES CONTENT INDEX	189
APPENDIX VI: EXTERNAL VERIFICATION STATEMENT	190

About this Report

This report is the 2022 ESG Sustainability Report issued by Taiwan International Ports Corporation, Ltd. (hereinafter referred to as TIPC or the Company). Since 2015, TIPC has issued 2 CSR reports, 4 Corporate Sustainability reports and 1 ESG Sustainability Report. This report is the eighth sustainability report issued by the Company, and we will continue to communicate with our stakeholders about our CSR and sustainable management through the issuance of this report annually.

The 2022 ESG Sustainability Report has undergone a third-party verification, so that the management of TIPC can review the promotion of social responsibility in the past year comprehensively and continue to improve. In the future, TIPC will continue to grasp the trend of the international shipping port industry, improve its corporate operating value, and gradually align with the Sustainable Development Goals (SDGs) of the United Nations to build a modern port with safety, efficiency, quality, and sustainability to reach the vision of "taking innovation as the core, going global and becoming an excellence of global port group".

Information Boundary and Scope of Disclosure

The scope of this report is based on the environmental, social and economic values of the headquarter and its branches, in which the period of information disclosure is mainly from January 1 to December 31, 2022. To ensure the completeness of project and performances, some of the contents cover the period before January 1, 2022 and after December 31, 2022. The financial contents are consistent with the disclosed financial reports.

The information and data in this report are provided by the headquarter and each branch office jointly. All departments of the headquarter are members of the Company's sustainability report editorial team, which compiles information on issues related to the Company through meetings, official documents, emails and telephone calls. After we collaboratively prepares, discusses and revises the report, it will be sent to the authorized level of executives for review in accordance with the Company's administrative procedures before finalizing it for publication. If there is any restated information in the report, it will be noted in each chapter.

Principles and Guidelines for Report Writing

This report follows the eight reporting principles of the GRI Sustainability Reporting Standards (GRI Standards) 2021 issued by the Global Sustainability Standards Board, i.e., Accuracy, Balance, Clarity, Comparability, Completeness, Sustainability Context, Timeliness, and Verifiability, besides aligning with the Professional & Commercial Services Industry Standard of the Sustainable Accounting Standards Board (SASB), the United Nations Sustainable Development Goals (SDGs) and listed companies' climate related disclosures. The Company's climate related disclosures are prepared to provide transparent disclosure of management policies and performance information on key sustainability topics.

Restatement of Information

TIPC has no significant restatement of information in the reporting period but only in the Greenhouse Gas emissions statistics, because the Company's annual ISO14064-1 GHG inventory verification time was in October, which created a gap for the report issued in June, therefore the information will be slightly adjusted. The detailed information is described in Chapter "4.3.4 Greenhouse Gas and Air Pollution Emissions".



Internal Audits and External Audits

The accuracy of the content of each chapter and related information in this report is reviewed by the Sustainability Development Committee and the head of each unit. Also, prior to the release of the report, senior executives will monitor and implement ESG (Environmental, Social, and Governance) performance and strategic objectives for each unit to ensure continuous progress in realizing the corporate sustainability concept.

This report was completed in May 2023 to AA1000AS v3 Type 1 standard by a third party, SGS Taiwan Ltd., and meets the requirements of GRI Standards 2021. The accuracy of the financial, environmental and social information is ensured by external third-party verification and strict internal control and verification mechanisms. This report is also available for download on TIPC ESG Sustainability website.

Publication of Report

Previous publication: August 2022

Current publication: August 2023

In the future, we plan to continue publishing a sustainability report every year.



[TIPC Official
Website](#)



[TIPC ESG
Sustainability
\(Chinese ver.\)](#)



[TIPC ESG
Sustainability
\(English ver.\)](#)

Contact us



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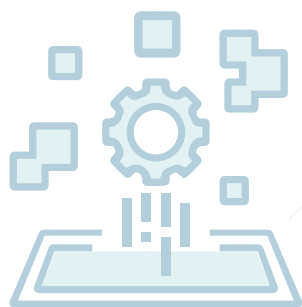
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Message from Chairman

2022 is a remarkable year for TIPC's tenth anniversary. Retrospect of changes and challenges from inside and outside environment, Taiwan International Ports Corporate, Ltd. (TIPC) maintained its resilience to break waves and brought business revenue to record high, of 21.92 billion dollars (NTD). With the achievement of construction in past ten years, TIPC effectively enhanced the operation and service of ports, brought prosperity to port areas and regional industries, reached coexistence with community and environment, and realized sustainable development and corporate social responsibility.

Regarding the main port operation, TIPC welcomed the largest container ship, the HMM GDANSK (24,000TEU), on her maiden voyage to Kaohsiung Port in 2020 and also completed many important construction projects including, the connective roads of Keelung Port and Kaohsiung Port, the land reclamation in Taipei Port, and the wharfs of off-shore wind power in Taichung Port. The under construction 7th container terminal has started the transfer to the Evergreen Marine Corp. by phases since June 2022. The project will upraise the Evergreen Marine Corp.'s container capacity from 3 million to 4.5 million TEU and secure Kaohsiung Port's regional hub position in Asian-Pacific. As for waterfront tourism, TIPC worked with local governments and related businesses to create tourism opportunities by integration of recreation resources of each port, including the

opening of the Mitsui Outlet Park, a large shopping mall in Taichung Port, Kaohsiung Port warehouses and the Great Harbor Bridge, the investment and operation of yacht wharfs in Kaohsiung and Anping Port, and the construction of passenger terminals, located at east and west side, in Keelung Port, etc. All these tourist attractions made ports become a part of the leisure life of nearby residents. TIPC has also been fruitful in diverse development and has set up 7 affiliated companies so far. The business scope covers port services, logistics, land development, offshore wind power personnel training and component lifting and transportation, etc. In addition, in line with the government's New Southbound Policy, TIPC is cooperating with industry partners to expand overseas business territory. In response to the global trend of port intelligentization, TIPC continues to promote the "Trans-SMART 2.0" project to accelerate the intelligentization of the ports in Taiwan through the introduction and application of new technologies.



DIGITIZATION



INFRASTRUCTURE



ENVIRONMENT

In addition to focusing on the core business of the port, TIPC also considers environmental protection as part of its corporate responsibility and sustainable operation. After Kaohsiung Port has been certificated as the first Eco-Port in Asian-Pacific area, all of the international business ports operated by TIPC have been certificated as Eco-Ports in 2017. The certifications will be reviewed on environmental issues and best practices sharing every two years. Moreover, in order to meet the government's Net Zero Emission Policy target, we will conduct carbon inventories and calculate carbon footprints, continue to promote measures to reduce air pollution from vessels, effectively reduce PM2.5 and SO2 emissions, implement energy saving management in passenger and freight transport stations and office premises, increase the use of electric vehicles, and promote carbon reduction through forestation, renewable energy and circular economy in TIPC, etc. to gradually realize the paths and strategies of carbon-decrease which is toward to the goals, reaching carbon-decrease by 50% off in 2030 and neutrality in 2050.

To meet the international trend of sustainable development, TIPC will continue to improve its ESG corporate sustainable governance structure and system, and effectively manage and implement its objectives and plans through the cooperation of the Board of Directors and the Management department. In terms of environmental protection, apart from the initiatives of the above-mentioned carbon reduction pathways and strategies, we also propose specific measures on energy management, water reuse and the application

of recycled pellets in land reclamation and so forth. Through the IoT and big data analysis, we can grasp the environmental dynamics of the port area in real time, strengthen the monitoring and prevention of natural disasters, and develop a resilient port infrastructure with ecological engineering methods, green buildings and other sustainable projects, so as to enhance the resilience and recovery of the port under climate change. In terms of social responsibility, we continuously contribute to charities such as blood donation activities, marine education visits, care for the disadvantaged in remote areas, enhance the care and training of staff, and join hands with related industries of TIPC to build up socially beneficial values. Lastly, in terms of corporate governance, we continue to implement relevant disclosures and refine the content of sustainability reports in accordance with initiatives and frameworks such as GRI Standards, SASB and TCFD, in order to strengthen the trust of port stakeholders and the public, and to demonstrate the effectiveness of corporate ESG sustainability governance.

Looking ahead, TIPC will follow the International Association of Ports and Harbors (IAPH) World Port Sustainability Program (WPSP) in the areas of 'Digitization', 'Infrastructure', 'Health safety and security', 'Environmental care', 'Community building', 'Climate and energy' to align with the United Nations' Sustainable Development Goals (SDGs). In the pursuit of corporate growth, we also introduce the ideas of ESG into company daily operations, combine the characteristics and resources of each port, work together with partners and stakeholders, and contribute our corporate influence to sustainable development future for our ports and Taiwan.

Chairman Lee Hsien-Yi

李賢義

COMMUNITY
BUILDING



CLIMATE AND
ENERGY



HEALTH SAFETY
AND SECURITY

2022 ESG Performance & Highlights



1111 Job Bank
Happiest
Employees Gold
Award



2022 Womany
Diversity for
Better Tomorrow
Awards
Corporate
Influence Award
(Gold Award)



2022 Womany
Diversity for
Better Tomorrow
Awards
Best DEI
Corporate
Employer Award

The 22nd Public
Construction
Golden Quality
Award 2022
Honorable
Mention Award

20



The 15th Taiwan
Corporate
Sustainability
Awards (TCSA)
Corporate
Sustainability
Report Awards
(Transportation):
Platinum Award
and Circular
Economy
Leadership
Awards
(Non-
Manufacturing)



Ministry of
Transportation
and
Communica-
tions Personnel
Performance
Evaluation
(State-owned
Enterprise)
1st place



Port of Taichung
Environmental
Education
Center certified
as the first
environmental
education place
of ports



2022 Ministry of
Transportation
and Communi-
cations Staff
Assistance
Program
Effectiveness
Evaluation
Merit Award

E

ENVIRONMENTAL
ASPECT

- Port of Hualien "Water Bank 4.0" Project has saved **150,000 metric tons** of tap water
- **4 times** of wild bird ecological surveys
- "Salute to the Sea" Coastal Cleanup Maintenance Program has removed **2,714.3 metric tons** of trash
- The green belt of the ports has reached 735 hectares, accounting for **12% of the total area** of the port, effectively maintaining ecological habitats and biodiversity
- A total of **10,271 people** was engaged to clean up the coastal environment, with **189** cleanups and a coastline length of **868.6 kilometers**
- **60% reduction** in energy intensity compared to 2021
- Annual generation of solar power up to **24.24 million kWh**
- A total of 191 new energy-saving lighting fixtures were added, resulting in a carbon reduction of **6.73 metric tons of CO₂e**
- Energy saving measures reduce carbon emissions by approximately **4,048.3 metric tons of CO₂e**
- Effective enforcement of energy management measures, with annual energy savings of up to **400 kWh**
- Passed **ISO 14064-1 GHG verification**
- The total number of vehicles entering the automatic checkpoint is **13.79 million**, and the carbon reduction is about **2,043 metric tons of CO₂e**
- Promote vessel speed reduction and the use of shore power equipment, a total of 26,000 ship speed reduction, annual **carbon** reduction of **95,522 metric tons of CO₂e**
- Implementation of paperless scheme, **40,298** electronic passes used in ports

- **40 sessions** of physical talent recruitment in campus
- **119** public welfare activities were held
- Donation to **173 units**, totaling **NTD 2,757,380**
- Organizing at least **100** public welfare activities each year, such as neighborliness activities, marine education, and caring for the disadvantaged in remote areas
- **More than 1,000 people** enrolled in the 100K-Port & the New Wave (Penglai Arts and Culture Party) series

- Domestic procurement rate of about **99%**
- **A total of 72** ESG self-assessment questionnaires were collected from suppliers

- Total training hours: **76,670 hours**
- Invested approximately **NTD 21.68 million** in education and training
- **NTD 4.96 million** in subsidies to encourage staff training and further education
- Satisfaction rate of training courses averaged **90%** ↗
- Professional license and language certification subsidies for **344 people**
- Conducted human rights-related training for **1,965 trainees**
- Passed **ISO/CNS 45001 international and Taiwan dual system certification** to obtain dual system certificate
- **3,796** certificates issued for GWO training-related courses

- **92%** of employees in companies covered by enterprise unions collective bargaining agreements
- **0** major occupational disasters
- **1,044** employees participated in health checkups, with a **97.3%** acceptance rate
- Organized health promotion activities for over **2,000 participants**
- Set up **workplace mutual aid education and protection service centers** in Keelung, Taichung and Kaohsiung
- **113** applications for expanded flexible working hours
- Conducted **365** staff communication activities
- **51** gender equality events
- Contribution to employee benefit amount of **NTD 32.66 million**
- **19** Labor-Management Meeting





- 39 questionnaires on materiality were collected
- 21 major themes on sustainability
- 13 categories of stakeholder identification
- 2,116 employees
- 100% employees received assessment

- 5 times of Board of Directors meeting
- The Board of Directors convened the Agenda Committee 4 times
- An average of 7.6 hours of education and training for directors and supervisors

- "Integrity Ethics" lecture on education and training of 85 newcomers
- Planned 29 sessions for anti-corruption event series

- Revenue from equity investment of NTD 488 million
- Consolidated annual revenue of NTD 23.7 billion
- TIPC successfully attracts over NTD 35 billion in investment

- The clearance efficiency of Port of Keelung and Port of Kaohsiung is 2,100 passengers per hour at home port.
- In 2022, 385.6 hectares of green energy-related land (including LNG, offshore wind power, onshore wind power, photovoltaic power or other renewable energy) were leased, with an increase of 59.09 hectares from 2021.
- Obtain ISO/IEC 27001 certificate issued by international certification authorities

Implementation of SDGs



End poverty in all its forms everywhere

- In order to help the poor and disadvantaged groups, 42 donations of relief money, second-hand goods (winter clothes, quilts, computers), invoices, household goods (rice, oil, dry food, fruits, warm packs), books, etc. were made to coincide with seasons.
- We called on our colleagues to serve as corporate volunteers to serve disadvantaged groups or people, in total 4 cases.



End hunger, achieve food security and improved nutrition, and promote sustainable agriculture

- Participated in Hunger Relief Fund activities, helping a disadvantaged child to overcome nearly 6 years of hunger.



Ensure healthy lives and promote well-being for all at all ages

- A total of 1,073 people received special health checks, while no other branches had any special health hazard operations.
- The blood bank is frequently in a state of emergency due to the epidemic, therefore TIPC is calling on the public to donate blood to the cause.
- Organized a series of courses on workplace health and weight management programs to promote employees' knowledge of self-health management, with more than 2,000 participants.
- The employee assistance program consultation service commissions an external professional organization to provide free consultation services to employees and select internal employees as caregivers.
- Organized the activity of hiking, in which the overall satisfaction rate was as high as 90%, and 89% of the supervisors said they had enhanced their athleticism before the event to improve their physical strength.



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

- Establish a "TIPC Learning Map" to plan a complete functional curriculum, from new employee orientation and training to senior executive leadership development.
- To encourage employees to use their spare time for on-the-job training, we are providing subsidies for individuals to study at colleges and universities in 2022. 95 people applied for subsidies and 33 people applied for partial-time training. 344 people applied for subsidies for license training, professional training and language proficiency examinations to encourage employees to study foreign languages. The total grant for 2022 was NTD 4.96 million.



Achieve gender equality and empower all women and girls

- The percentage of female board members is 26%, the percentage of female supervisors is 20%, and the percentage of female directors at managerial level and above is 31%.



Ensure availability and sustainable management of water and sanitation for all

- Hualien port's "Water Bank 4.0" project saves 150,000 metric tons of tap water per year, which translates into a reduction of approximately 24,150 metric tons of CO₂ emissions per year.
- In order to improve the efficiency of water use, the Suao Port has formulated a water use policy for water resources. In 2015, it is planned to set up a water intake from the Central Mountain Spring with a daily runoff of about 1,200 metric tons, and it is expected to set up one 500-metric ton ecological pond and divert water to three 200-metric ton reservoirs in the port. In 2022, the water consumption from the mountain spring was 278,924 metric tons.
- The Water Recycling Center of Tainan City Government has a reclaimed water intake pipeline in Anping Port, which can be used by port operators to clean the quay floor or water sprinkling during cargo handling operations to avoid dust emission, with a capacity of 6,263 metric tons in 2022.



Ensure access to affordable, reliable, sustainable and modern energy for all

- Measures such as energy-saving lighting fixtures, water-saving equipment, renewable energy, energy-saving equipment, afforestation, and electric government vehicles resulted in carbon reduction of 4,048.3 metric tons in 2022.
- TIPC has released its port capacity to strengthen the related infrastructure and continue to help provide port resources for offshore wind power construction.



Promote inclusive and sustainable economic growth, achieve full and productive employment and offer good jobs for all

- Taiwan International Windpower Training Corporation Ltd. (TIWTC) imported Global Wind Organization (GWO) training courses to promote wind power personnel training. 3,796 certificates were issued for these courses, a significant increase in number of issued certificates for four consecutive years.



Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation

- In order to implement the maintenance and repair mechanism of the maintenance infrastructure and to enhance the adaptive capacity under the effect of climate change, 9 maintenance piers with higher carrying capacity was installed in 2022.
- For the construction of new heavy cargo terminals and backline storage and transportation sites, TIPC offered wind power operators to build off-shore wind power infrastructure to strengthen the operation and maintenance of exclusive services.
- The real-time marine meteorological system integrates wind, wave, tide, and current monitoring data to provide real-time marine meteorological information and predictive warning functions.



Reduce income inequality within and among countries

- The head office of TIPC and its branches in Keelung, Taichung, Kaohsiung and Hualien employed 2,116 local employees, accounting for 100% of the workforce.
- At the end of 2022, TIPC employed 62 people with physical and mental disabilities, and also 8 indigenous people, including 5 men and 3 women.



Make cities and human settlements inclusive, safe, resilient, and sustainable

- In line with the "Salute to the Sea" policy, we maintained the cleanliness of the coastal and land and water areas of the commercial ports under our jurisdiction, removing 2,714.3 metric tons of garbage, 467.5 metric tons of recyclable garbage, and 7,569.17 metric tons of waste oil and water from vessels.



Ensure sustainable consumption and production patterns

- The ports will implement the government's policy of promoting circular economy and zero waste. Starting from November 11, 2020, the Port of Taipei will have about 482,000 cubic meters of recycled materials to be filled in each year for construction purpose, with a total of about 1.035 million cubic meters by the end of 2022.



Take urgent action to combat climate change and its impacts by regulating emissions and promoting developments in renewable energy

- We are concerned about the application of renewable energy, topics related to circular economy, and the use of recycled materials. The Taipei Port Logistics and Storage Area will accommodate the remaining soil from public works projects in the northern region, as well as the dredging of rivers, reservoirs, coastal dredging, and the maintenance of nearby commercial and fishing harbor waters to create land. It is expected to fill out about 73 million cubic meters of land, and 34.62 million cubic meters have been filled as of February 2023.
- The "One-day Hunger" experience reduces carbon emissions by 28.8 metric tons, which is equivalent to the amount of carbon sequestered by 2,880 trees in a year.



Conserve and sustainably use the oceans, seas and marine resources for sustainable development

- TIPC as a whole meets the marine environmental quality standards and has no significant impact on water sources.
- In accordance with the provisions of the "Marine Pollution Emergency Response Plan", we will prevent, remove or reduce the impact of pollution, and strengthen the control and management of the discharge of sewage and waste oil from vessels. We will set up video cameras at the head of the outer breakwater or underwater acoustics and other related monitoring facilities so that if a cetacean mistakenly enters the harbor area, we will notify the relevant units according to the procedures to help deal with it. Conservation measures include environmental management and environmental monitoring in the port area are promoted to increase the competitiveness and efficiency of the port.



Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

- TIPC promotes the development of the Nansing Project Free Trade Port Phase I to preserve all wild bird habitats and reduce impact on the habitats. The impact of the development will be mitigated by retaining existing windbreak forests, greening with native species, setting up isolated green belts, and limiting the speed of incoming and outgoing traffic. At present, about 10 hectares of land within the first phase of the Nansing Free Trade Port area are reserved as habitat for wild birds.
- In order to reduce the impact of the development of Anping Port on the original mangrove forest, a mangrove restoration area was planned at the development stage, and about 4.6 hectares of mangrove forest were restored by using PVC pipes at suitable locations in the port area with seedlings or saplings, and so far the restoration has become a mature forest.
- 99% of the participants in the hiking event felt that they had gained a deeper understanding of Taiwan's mountains and forests through the event, and that they had become more committed to the concepts of "untouched mountains and forests" and "sustainable environment".
- By 2022, a total of 106,782 trees (21,875 trees and 84,907 shrubs) was planted in the Taiwan ports. The total area of the green belt will be 748 hectares by 2022, accounting for 12% of the total area of the port, which is equivalent to 28.8 Daan Forest Park, with an estimated annual carbon reduction of 11,203.2 metric tons.



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

- TIPC continues to communicate and discuss important issues with various stakeholders in an open and transparent manner with multiple communication channels, and responds to stakeholders with concrete operational results.
- The Company provides a complaint mechanism and channels, and complaints can be made through the company's online platform.
- We are committed to implementing an anti-corruption policy and has established an "Anti-Corruption Agreement".



Strengthen the means of implementation and revitalize the global partnership for sustainable development

- Obtained Eco-Port certification and participated in the World Port Sustainability Program (WPSP) organized by IAPH to interact with the world port sustainably.
- All participants of the hiking activities agreed to take advantage of this activity to feel the emotional cohesion and mutual support among colleagues and to realize the corporate culture value of "common good" in the process of choosing the route, preparing equipment, climbing and sharing climbing experiences.



| Materiality Questionnaire Collected **39 Questionnaires** | Major Sustainability Themes **21 Themes** |

| Stakeholder Identification **13 Types** | Number of employees **2,116 People** |

| GWO Training Related Course Issued **3,796 Certificates** |



1 SUSTAINABLE MANAGEMENT: COMMUNICATION AND INTERACTION

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1.1 Knowing TIPC

1.1.1 Company Profile

Basic Information	Taiwan International Ports Corporation, Ltd.	Paid-in capital	NTD 66,456,671,200
Headquarter Address	No.10, Penglai Rd., Gushan Dist., Kaohsiung City 804004	Shareholder Structure	Completely owned by the Ministry of Transportation and Communications
Date of restructuring	March 1, 2012	Number of Employees	TIPC has 2,116 employees till Dec. 31th, 2022
Total Assets	Approximately NTD 142.911 billion (as of December 31, 2022)	Chairman	Lee Hsien-Yi



Port Layouts

Port of Keelung	No.1, Chung-Cheng Rd., Keelung	Taipei Port Branch Office	No.123, Shanggang Rd., Bali Areas New Taipei City
Suao Port Branch Office	No.1, Gangcyu, Su-ao Township, Yilan County	Port of Taichung	No.2, Sec. 10, Taiwan Blvd., Wuqi District, Taichung City
Port of Kaohsiung	No.62.Linhai 2nd Road, Gushan District, Kaohsiung	Anping Port Branch Office	No. 25, Xingang Rd, South District, Tainan City
Magong District Office	No. 36-3, Linhai Rd, Magong City, Penghu County	Budai District Office	No. 334-61, Zhongshan Rd, Budai Township, Chiayi County
Port of Hualien	No.66, Hai-an Rd., Hualien City, Hualien County		

TIPC Business Services

In the past, there're four harbor bureaus affiliated to the Ministry of Transportation and Communication in charge of port operation and maritime administration: Keelung, Taichung, Kaohsiung and Hualien. However, in line with the reinvention of government and entrepreneurship of port operation, the Maritime Port Bureau (MPB) was established to handle the maritime administration and a new public company, Taiwan International Ports Corporation, Ltd.(TIPC), was found to operate the international business ports.

There're seven international business ports operated by TIPC, including Keelung, Taipei, Suao, Taichung, Kaohsiung, Anping, and Hualien, and they are managed by four branch companies found by TIPC, Port of Keelung, Taichung, Kaohsiung and Hualien. TIPC specializes in port operations to enhance the efficiency and flexibility of port operations, promote the development of international commercial ports, and drive the economic prosperity of regional industries. TIPC is continuously upgrading the operation of ports in either efficiency or flexibility and stimulating the development of port areas for the prosperity of regional industries.

TIPC focus on marine logistics and port construction constantly to provide better services for its carriers from logistics, warehousing, stevedoring and related industries. Moreover, TIPC cooperated with its partners from private and public sectors to enlarge and diversify its businesses to other industries such as logistics, tugboat service, development of port lands, professional training, operation of offshore wind power devices, and overseas investment. TIPC also works with local governments to promote waterfront recreation and commercial development along port area.

TIPC manages its international commercial ports including 30,147 hectares of water area and 5,960 hectares of land area. In 2022, the total number of inbound vessels in the Taiwan ports was 38,223, the cargo throughput was 231,928,191 metric tons, and the cargo handling was 718,266,734 revenue tons.

Business Services



Planning, construction and operation management of the commercial port area.



The operation and provision of maritime transportation related services in the commercial port area.



The development and operation of Free Trade Zone.



The development and operation of tourism recreation.



Investment, equity investment or operation of domestic and foreign related businesses.



Other matters entrusted and approved by the MOTC or the competent authority for the purpose.

Trends of major operating businesses

Berthing Services

We are actively handling various port construction projects, introducing new technology applications, and upgrading port software and hardware integration services to provide a quality port operating environment for ships and enhance port service efficiency.

Tugging Services

Through the unified dispatching method, we revitalize the use of vessels, effectively integrate the harbor duties of each port, strengthen the professional training of ship crews, enhance maritime professional skills, and improve the overall operational efficiency.

Cargo Handling Services

We have built and improved port operation facilities and optimized the quality of cargo handling services. We will also continue to promote marketing incentive programs, and strive to secure berthing on allied shipping routes to stabilize the cargo volume of the Taiwan ports.

Storage Services

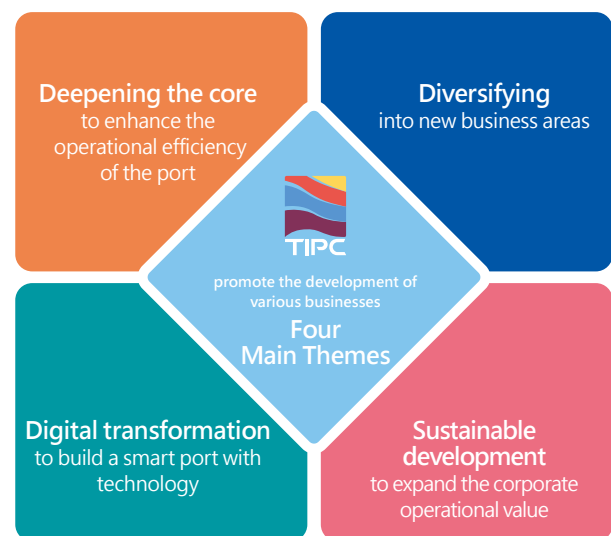
To meet the operational needs of operators, we optimize the logistics and transportation environment in the port areas, and continue to carry out land reclamation projects and construction of related facilities in the logistics and warehousing area to attract operators to move in and increase the storage capacity.

Development Investment

According to the geographic location, development conditions and maturity of Kaohsiung Port and its surrounding areas, the development blueprint of the whole area is drawn up, and the development is planned in phases, so as to recreate a new look of the port area.

To meet the advent of the emerging technology era, TIPC continues to develop towards digitization and intelligentization, and promotes the Trans-SMART 2.0+ Project to build a modern port with "safety, efficiency, quality and sustainability" through the application of big data analysis, IoT, AI and other technologies. In the future, we will continue to integrate technological development and industrial energy to gradually implement the blueprint and vision of the intelligentization of the Taiwan ports.

Looking ahead, the Company will follow the four main themes of "Deepening the core to enhance the operational efficiency of the port", "Diversifying into new business areas", "Digital transformation to build a smart port with technology" and "Sustainable development to expand the corporate operational value" to promote the development of various businesses. We will also flexibly adjust our business strategies in response to the economic situation and changes in the maritime market to promote the development of the Taiwan ports towards sustainable management.



Taiwan Ports Development Positioning

With the concept of "Port Groups", TIPC combines the resources and development characteristics of each port and adopts the strategy of "internal coordination and division of labor, external unification for competition" to deeply cultivate its core business with the concept of entrepreneurial management. The Company will also gradually introduce innovative business operation modes, promote the diversified development of port-related businesses, and study the development positioning of the international commercial port under its jurisdiction. The proposed development positioning will be incorporated into the Taiwan International Commercial Port Future Development and Construction Plan of which will be approved by the Executive Yuan and promoted accordingly, in order to continuously consolidate the competitiveness of Taiwan international commercial port in the maritime transportation market.

1.1.2 Equity Investment Development History

As of the end of 2022, TIPC held seven equity investment companies, holding 20% or more. TIPC had recognized revenue for NTD 488 million in 2022.



1.1.3 Sustainable Development Executive Committee

In order to implement the execution and enforcement of business related to "Corporate Sustainable Development", to demonstrate the company's business performance in economic, social and environmental aspects, and to build a good corporate image, we have set up the Guidelines for the Establishment of the Sustainable Development Executive Committee of TIPC and established the Sustainable Development Executive Committee on January 3, 2022.

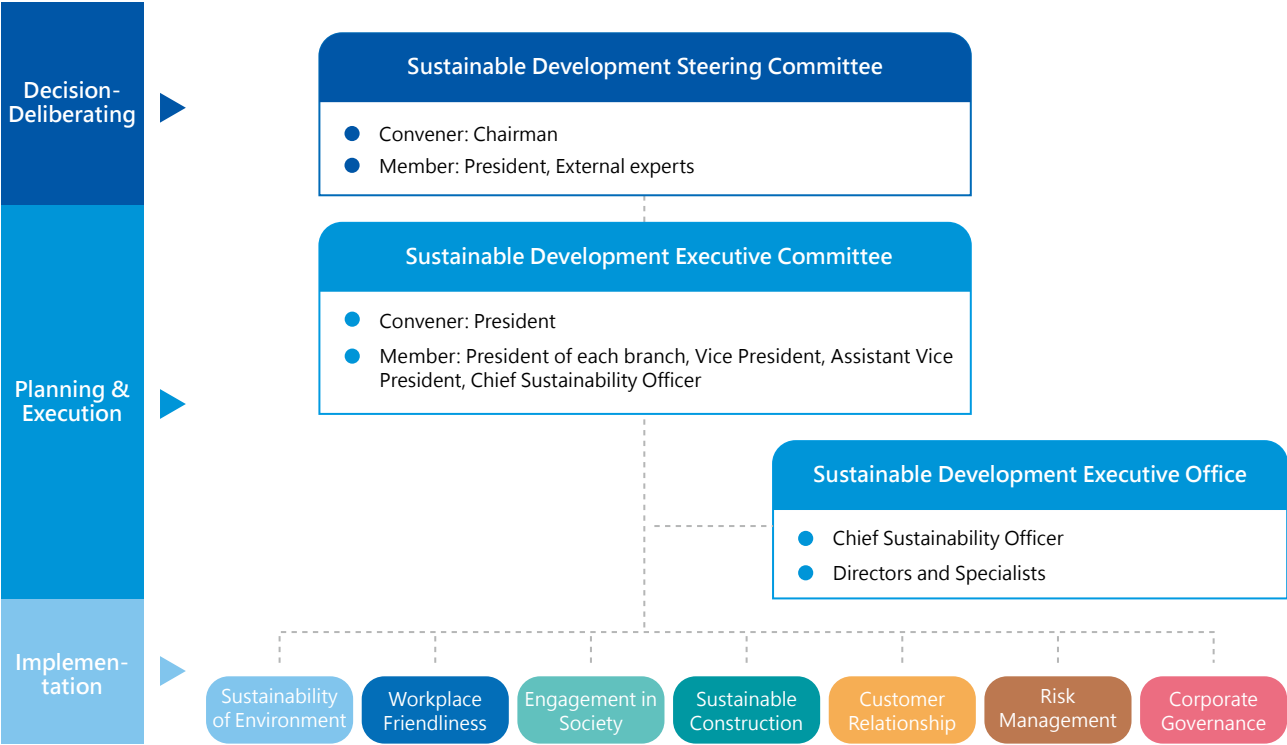
The Committee consist of a Chairman, who shall be the Chairman of the Board of Directors, a Deputy Chairman, who shall be the President, an Executive Secretary, who shall be the Vice President of Administration, and a Deputy Executive Secretary, who shall be the Assistant Vice President. There are six working groups, including Corporate Governance Group, Risk Management Group, Environmental Sustainability Group, Customer Protection Group, Employee Care Group and Social Care Group. Members of each group are second-level supervisors of each unit or above, and a dedicated person is assigned as the liaison window. In principle, a meeting shall be held once a year. If necessary, an ad hoc meeting may be held to discuss the identification of stakeholders, the identification of major themes for sustainable development, and the progress and results of the implementation of each working group. In addition to the members of the working group, other members of the relevant departments may be invited to participate in the meeting according to the content of the motion. Stakeholders and Materiality Identification are reported to the President, and the structure of the chapters of the report is developed accordingly, and the correctness of the content of each chapter of this report and related information is reviewed by the Sustainable Development Executive Committee and the heads of each unit. At the same time, the Chairman and President will oversee the implementation of ESG (Environmental, Social and Governance) performance and strategic objectives of each unit prior to the issuance of the report to ensure continuous progress in order to fulfill the corporate sustainability concept.

In order to carry out the sustainable development strategy of TIPC and to refine the company's promotion mechanism, the Company began to consider the recommendations of external experts in the second half of 2022. After repeated discussions among the company's executives and reporting to the Chairman, a preliminary consensus was formed at the end of 2022 to adjust the company's sustainable business organization structure towards a three-tier structure in 2023. We plan to establish an upper-level Sustainable Development Steering Committee (decision-making level), a middle-level Sustainable Development Executive Committee (executive level), and a bottom-level Sustainable Development Working Group (implementation level), so that the execution of sustainable business executive can be clearer and more complete.

The Sustainable Development Steering Committee is proposed to be convened by the Chairman of the Board of Directors and composed of the President and external experts. The Sustainable Development Executive Committee is proposed to be convened by the President of the Headquarter, with members consisting of the President of each branch, the Vice President of the Headquarter, the Assistant Vice President and the Chief Sustainability Officer, who will be responsible for formulating the Company's sustainable development goals, strategies and development plans, submitting them to the Sustainable Development Steering Committee for consideration, reporting the implementation results to the board of directors, besides coordinating and supervising the execution progress and results of the 7 working groups on sustainable development. Additionally, a Sustainable Development Executive Office is set up, with a number of dedicated staffs led by the Chief Sustainability Officer to assist the Sustainable Development Executive Committee in handling sustainable development business bureaucratic operations, as well as to consolidate, assess and manage the implementation of each working group.

For ESG-related issues, all departments of the Company will consider and plan for them in accordance with the Company's long-term business objectives. The relevant plans and budget plans will be incorporated into the Company's business policies and submitted to the Board of Directors for approval.





Sustainable Development Steering Committee Duties
Deliberate the Company's vision, strategic goals and implementation plans for sustainable development.

Sustainable Development Executive Committee Duties					
1	2	3	4	5	6
Develop a vision, strategy and goals for sustainable development	Prepare an implementation plan for sustainable development	Promote and oversee sustainable development	Deliberate the Company's ESG report	Consider other tasks related to sustainable development	Report to the Board of Directors on the results of implementation

1.2 Direction of Corporate Sustainability

As a state-owned enterprise, all operations are guided by the instructions of the competent government authorities. The Company will also cooperate with government policies to meet international commitments and policies according to operational feasibility.

The Company is committed to creating a friendly workplace environment in line with the Committee on the Elimination of Discrimination against Women (CEDAW) and the concept of gender equality adopted by the United Nations General Assembly, including training courses, activities and the establishment of sexual harassment-related complaints. In order to establish a management system, to clearly stipulate the rights and obligations of both employers and employees, to improve efficiency and to promote business development, the Company's work rules are established in accordance with Article 70 of the Labor Standards Act and related laws and regulations.



To protect the rights of employees, the Guidelines for Handling Personnel Management Cases of TIPC has been established to provide a channel for all employees to file complaints. In order to prevent employees, trainees, interns, and temporary employees from being physically or mentally harmed by the wrongful acts of supervisors, co-workers, service recipients, or other third parties in the performance of their duties in the workplace, the Prevention Plan for Wrongful Acts of Assault in the Performance of Duties of TIPC was established.



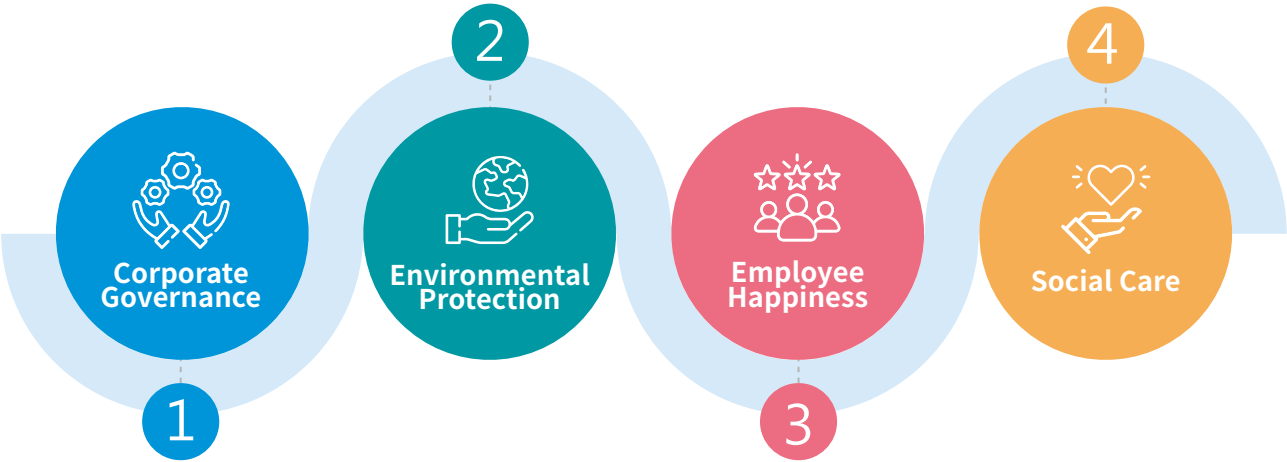
The labor contract is in accordance with the Model Contract for Labor Procurement published by the Public Construction Commission, Executive Yuan, and the labor conditions for the payment of wages such as leave, special leave (including seniority integration), overtime (extended working hours) and year-end bonuses (bonus or distribution of dividends) to the assigned workers are stipulated to be in accordance with the Labor Standards Acts and its implementing regulations, the Regulations of Leave-Taking of Workers and the Act of Gender Equality in Employment. In addition, the Procurement Act also stipulates that the manufacturer shall employ mentally and physically disabled persons and indigenous people in accordance with the People with Disabilities Rights Protection Act and the Indigenous Peoples Employment Rights Protection Act.



TIPC is a state-owned enterprise and its choice of suppliers is governed by the Government Procurement Act. In 2022, the Company introduced the Supplier ESG Self-Assessment Questionnaire, which is designed to assess the current status of suppliers with purchases of NTD 5 million or more. The questionnaire covers five major areas: environmental protection, labor practices, labor rights, business ethics and product responsibility. A total of 72 questionnaires were collected in 2022.



Sustainable Development of TIPC



Comply with laws and regulations and corporate ethics, and operate with honesty, integrity and decency

Open and transparent operation to increase public trust

Implement energy saving and carbon reduction, encourage green consumption and procurement

Pursuing environmental harmony and creating a low-carbon and low-sulfur Eco-Port

To provide a safe and suitable environment for the well-being of employees

Establishing harmonious labor relations through sound communication channels

Promote talented people to improve management performance

Valuing customers' opinions and being the best partner for them

Caring for the underprivileged and promoting harmonious social development

Actively participate in public affairs and fulfill corporate social responsibility



1.3 Stakeholder Communications

TIPC follows the 8 reporting principles in GRI Standards 2021: Accuracy, Balance, Clarity, Comparability, Completeness, Sustainability Context, Timeliness and Verifiability to conduct materiality analysis with a 5-stage sustainability management process as follows:

Procedures of ESG Materiality Assessment






1.3.1 Stakeholder Identification





In order to achieve the goal and vision of sustainable management, TIPC follows the three aspects of ESG (Environmental, Social, and Governance) and selects stakeholders who are related to the operation of the company according to the stakeholder identification criteria of GRI Standards 2021. The 14 criteria are: shareholders/investors, government, equity investment companies, employees, customers, legislators, suppliers/contractors, county and city governments, community residents/local groups, media, experts and scholars, non-profit organizations/non-governmental organizations, public associations, and community websites. The external experts will rate the actual or potential impact, positive or negative, of the economic environment and people (including human rights) on the company. After the evaluation, the results were immediately discussed and 13 categories of stakeholders, including shareholders/investors, government authorities, equity investment companies, employees, customers, legislators, suppliers/contractors, county and municipal governments, community residents/local groups, media, experts and scholars, non-profit organizations/non-governmental organizations, and public associations, were recognized as TIPC's stakeholders for the year 2022 based on actual operations.









1.3.2 Stakeholder Communications

While continuously improving its business operations, TIPC also establishes diverse communication channels to listen to the voices of stakeholders and respects and safeguards their legitimate rights and interests. It adheres to the principle of honest and ethical business practices, promptly and properly addressing and responding to issues. The results of negotiations and communications with stakeholders are evaluated for effectiveness and reviewed for adjustments in the next round of negotiation and action.

Stakeholders	Stakeholders' significance to the company	Communication channels	Communication frequency	Communications outcomes in 2022
 Shareholders / Investors	<p>The MOTC is the sole shareholder of the company, and all directors and supervisors are appointed by the MOTC.</p>	<ul style="list-style-type: none"> Board of Directors, Board of Supervisors, Agenda Committee Official documents, email, telephone 	<ul style="list-style-type: none"> Board of Directors (meets once every 3 months as a general principle) Supervisors Meeting (meets once a year) Agenda Committee (meets prior to the Board of Directors meeting as a general principle) 	<ul style="list-style-type: none"> In 2022, 5 board meetings were held with an average attendance rate of 81.25%. In 2022, 1 supervisors meeting was held to review the operating report, financial statements, and proposals for profit distribution of TIPC, and an audit report was issued. 4 agenda committee meetings were held in 2022. The capital amount and share capital information of the company was reported to the MOTC.
 Government Authorities	<p>TIPC and the Ministry of Justice Investigation Bureau signed a "Memorandum of Understanding on National Cybersecurity Cooperation and Intelligence Sharing" at the Kaohsiung Harbor Museum. The signing was represented by Chairman Lee Hsien-Yi and Director General Wang Chun-Li from the Investigation Bureau. The aim is to collaborate with government agencies and organizations, maintain smooth communication channels, and jointly plan and promote the development of offshore wind power business.</p>	<ul style="list-style-type: none"> Memorandum of Understanding Assignment from supervisory authorities On-site guidance Official documents MOTC's Sea, Air, and Port Green Energy Related Industries Task Force 	<ul style="list-style-type: none"> Irregularly Irregularly Irregularly Irregularly Twice a year (one in the first half and one in the second half) 	<ul style="list-style-type: none"> Signing the "Memorandum of Understanding on National Cybersecurity Cooperation and Intelligence Sharing" with the Ministry of Justice Investigation Bureau. Conducting Red Team & Blue Team exercises in accordance with the regulations of the MOTC. On-site guidance by the Executive Yuan's 2022 Cybersecurity Service Team. In response to the government's policy of enhancing cybersecurity protection to the level of national security, actively participating in the promotion of a cybersecurity collaboration ecosystem, aiming to enhance professional depth and defense capabilities in cybersecurity collaboration, strengthen information security protection in port areas, establish a comprehensive information security system, ensure uninterrupted information services in ports, and continuously safeguard the operation of Taiwan's ports, further enhancing operational efficiency and safety in port management. A total of 2 meetings were held in 2022, with the Chairman of TIPC serving as the convener of the working group. The working group actively promotes the development of offshore wind power business at the port, discusses possible solutions with various stakeholders through the working group, and aims to gather comprehensive industry needs, making joint efforts towards a greener world.
 Equity Investment Companies	<p>TIPC has established equity investment businesses, aiming to achieve the benefits of diversification and human capital. The operation and performance of the equity investment businesses also contribute to the net income after-tax of TIPC.</p>	<ul style="list-style-type: none"> Pre-board meetings and business communication platform 	<ul style="list-style-type: none"> Quarterly, irregularly 	<ul style="list-style-type: none"> A total of 29 meetings were held in the year 2022

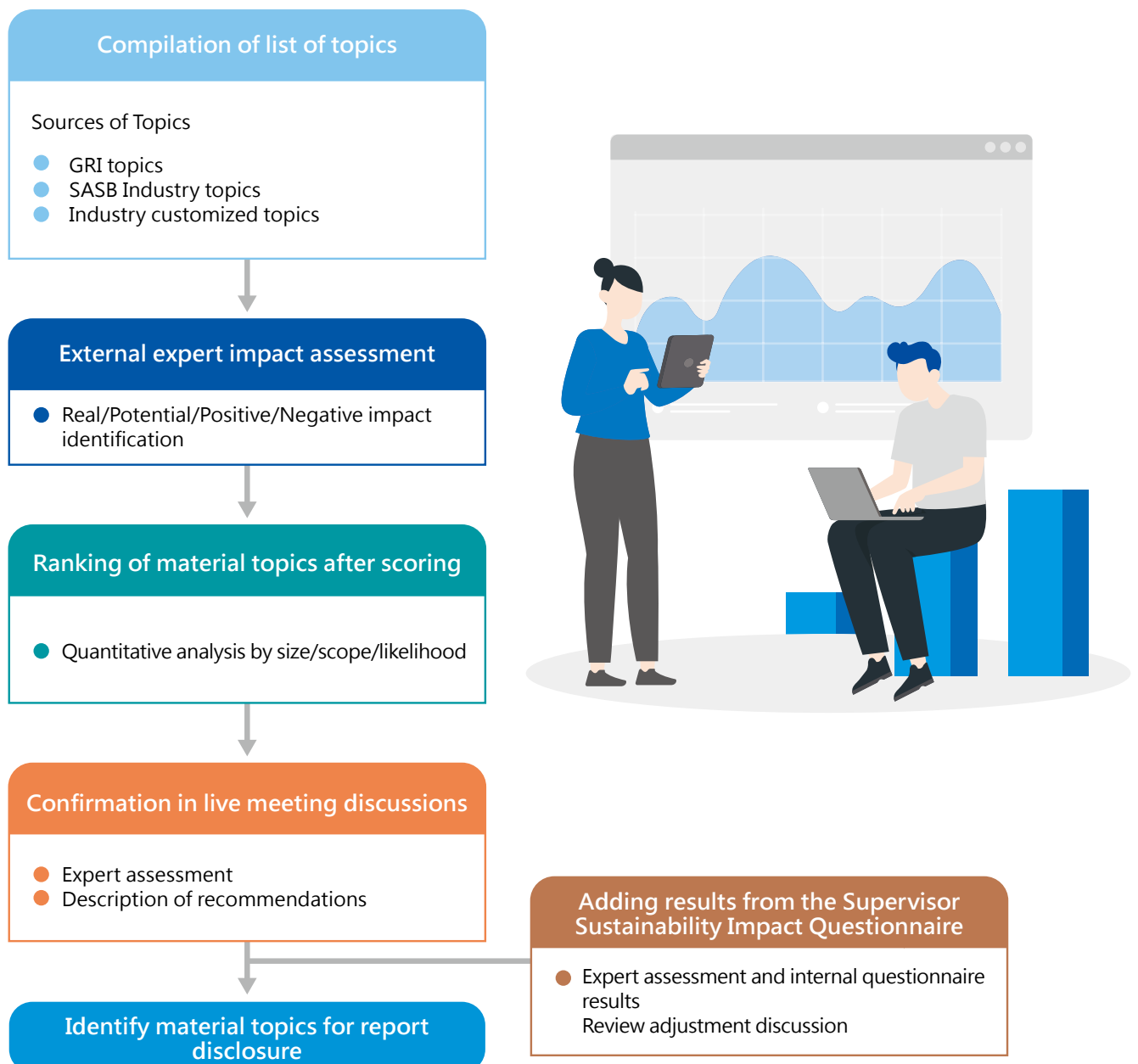
Stakeholders	Stakeholders' significance to the company	Communication channels	Communication frequency	Communications outcomes in 2022
 Employees	<p>Employees are important operational partners for the company. Through sound career development and educational training, a friendly and secure work environment is created to enhance employee productivity.</p>	<ul style="list-style-type: none"> Written communication methods: Form records, reports, documents, diagrams, announcements, company websites, electronic transmissions, etc. Non-written communication methods: Meetings, conferences, phone calls, presentations, guidance, broadcasts, drills, physical introductions, etc. Internal journals Gender Equality Task Force Discussion meeting on increasing welfare benefits allocation HR Caring Service Mailbox Colleague communication forums/seminars Labor-Management meetings (held every 3 months, with ad hoc meetings when necessary) Business association coordination meetings 	<ul style="list-style-type: none"> Irregularly Irregularly Monthly Once every 4 months Irregularly Irregularly Irregularly Quarterly Irregularly 	<ul style="list-style-type: none"> Internal journal "Taiwan Ports" published a total of 12 issues in 2022, with a total of 325 articles and a total click rate of 17,246. Gender Equality Task Force had a total of 63 participants. The discussion meeting on increasing welfare benefits allocation had 28 attendees. In 2022, we received inquiries from two colleagues regarding military service years of service aggregation and transfer application. The "24-Hour Rotational Unit Duty Experience" promotion event was held 16 times in 2022, with a total of 107 participants. There were 19 labor-management meetings in 2022 with a total of 302 participants.
 Customers	<p>The facilities users of commercial ports that TIPC governs.</p>	<ul style="list-style-type: none"> Telephone, email, and face-to-face meetings Organize business-related seminars and conferences Present the "Golden Vessel Awards" to outstanding performers during the company's anniversary celebration International certification 	<ul style="list-style-type: none"> Real-time Regular/irregularly Regularly Regularly 	<ul style="list-style-type: none"> A dedicated contact window is promptly to handle feedback and opinions for good communication. Based on the operational performance of year 2022, there are seven categories of awards, including container terminal operators, general cargo terminal operators, stevedoring services, shipping agency services, port sustainability, port construction investment, and special contributions. A total of 38 companies were awarded. Obtained ISO 27001:2013 international cybersecurity certification through third-party verification. To promote the cruise business, visits were made to shipping agents and cruise operators a total of six times.
 Legislators	<p>To supervise and voice the concerns of the people.</p>	<ul style="list-style-type: none"> Through phone calls, communication software, fax, and written correspondence for notification and communication. Legislative Yuan committee meetings. Coordination meetings. 	<ul style="list-style-type: none"> Daily Real-time Irregularly Irregularly 	<ul style="list-style-type: none"> Providing policy information as requested within the deadline at the committee office. Convening coordination meetings to address the concerns raised by the committee members.
 Suppliers/ Contractors	<p>Mainly contracted procurement of construction project, labor, financial, and other services for TIPC.</p>	<ul style="list-style-type: none"> Meetings with partner companies, working meetings, etc. Written-based communication: Forms, reports, documents, diagrams, announcements, company websites, electronic transmission, etc. Non-document-based communication: Meetings, conferences, phone calls, presentations, guidance, broadcasts, drills, physical demonstrations, etc. 	<ul style="list-style-type: none"> Convene regular or irregular meetings as needed for each specific case. Irregularly Irregularly 	<ul style="list-style-type: none"> To enhance construction quality and safety, ongoing construction projects undergo various operations such as construction inspections, project supervision, and unannounced spot checks. It is required that all ongoing construction projects meet occupational safety and health operation requirements to improve construction efficiency and reduce occupational hazards. In 2022, a total of 41 inspections were conducted, including 4 construction inspections by the Public Construction Commission, 23 construction inspections by the MOTC, 14 inspections conducted by the Head Office on behalf of departments, 14 project supervisions, and 45 unannounced spot checks.

Stakeholders	Stakeholders' significance to the company	Communication channels	Communication frequency	Communications outcomes in 2022
 County and Municipal Governments	<p>The board of directors of the port authority consists of 7 representatives from the local governments where the ports are located. During board meetings, these representatives are able to fully express the opinions of their respective county and municipal governments. Additionally, communication platforms or working groups are established to facilitate cooperation and exchange with the local governments of each port. Regular or ad hoc meetings are held to discuss various development issues related to the ports.</p>	<ul style="list-style-type: none"> Board of Directors Official documents, emails, and phone calls Coordination with subsidies for major domestic activities Harbor-City Platform Meetings 	<ul style="list-style-type: none"> Board of Directors (regular meetings held once every 3 months as a general rule) Irregular Irregular Harbor-City Cooperation Platform or related discussion meetings (irregular) 	<ul style="list-style-type: none"> In 2022, 5 board meetings were held with an average attendance rate of 81.25%. Reviewed the land lease, rental, and free land area allocation for harbor land set by the Maritime Port Bureau MOTC. Implemented profit distribution and allocation according to TIPC's regulations. Processed 2 cases of sports event funding subsidy. Visited municipal government units 3 times to promote cruise business. Established cooperation communication platforms with local governments and held meetings with respective county and city governments to discuss collaboration issues. The activities conducted at each port are explained as follows: <ul style="list-style-type: none"> In 2022, Port of Keelung held 3 meetings of the City-Port Regeneration Exemplary Project Platform to discuss topics such as traffic optimization in the west bank of Keelung Port and overall planning and urban plan changes in the Bache Gate area. In 2022, Kaohsiung Port held 1 meeting of the Harbor-City Cooperation Platform and other related discussions to address the development of the Penglai Port Area and the port's intelligentization and industrial investment. In 2022, Port of Anping held the Port of Anping Free Trade Zone Cooperation Promotion Platform meeting, jointly discussed agendas covering major investment and development, external transportation to Yuguang Island, and port construction planning in Port of Anping. In 2022, Port of Hualien held 2 meetings of the Harbor-County Platform and signed a cooperation memorandum of understanding with Hualien County Government in March 2022 to promote land activation and tourism development in Port of Hualien. Discussions were held on topics such as urban plan changes and land development and utilization. Port of Keelung, Port of Taichung, Port of Kaohsiung, Port of Taipei, and Port of Suao actively visited their respective county and city governments in 2022 to discuss future cooperation and development matters for the ports.
 Community Residents/Local Organizations	<p>Community organizations/Non-profit organizations</p>	<ul style="list-style-type: none"> Organize various activities to promote neighborliness and public welfare. 	<ul style="list-style-type: none"> Approximately 2-3 events per month. 	<ul style="list-style-type: none"> Enhancing the company's corporate image and fulfilling corporate social responsibility.
 Media	<p>Reporting company-related news and promoting the positive image of the company.</p>	<ul style="list-style-type: none"> Proactively issuing press releases Issuing clarification statements through press releases in response to major public sentiments. Communicating and exchanging information via phone, communication software, and email. 	<ul style="list-style-type: none"> Weekly. Real-time. Irregular 	<ul style="list-style-type: none"> 231 news releases were published. 1 clarification statement was released in response to media reports. Advertisements related to cruise ships, green ports, smart ports, and corporate image were published in 9 international media outlets, with a total of 16 ads. Additionally, 6 news articles were featured.

Stakeholders	Stakeholders' significance to the company	Communication channels	Communication frequency	Communications outcomes in 2022
 <p>Experts and Scholars</p>	<ul style="list-style-type: none"> Hiring three gender equality experts and scholars to promote gender-related initiatives and provide expertise and advice on gender issues. Consulting with the International Maritime Organization on port and vessel operations-related issues. 	<ul style="list-style-type: none"> Mid-term and final report review meetings Gender Equality Task Force meetings Phone calls, emails, and meetings for inquiries and visits based on business promotion needs 	<ul style="list-style-type: none"> Review meetings will be convened based on operational needs Once every 4 months Irregularly 	<ul style="list-style-type: none"> In 2022, the "Evaluation of the Application of Harbor Sediments for Engineering Materials" project was commissioned, and the team from Chung Hsing University was awarded the project. The execution is expected to be completed in the first half of 2023. In 2022, Professor Kuo Yu-Shu from the Department of Hydraulic and Ocean Engineering at National Cheng Kung University was invited as an expert to discuss and select potential sites for the installation of wave energy converters (OWC) at the outer side of the eastern breakwater of Port of Hualien. The related information has been provided for reference in order to pursue research funding for the project. In 2022, a feasibility study on the installation of solar photovoltaic systems and cable cars at Port of Budai was conducted, and it was awarded to National Cheng Kung University. In 2022, an effectiveness monitoring of the Haomeili-ao Wetland Nourishment Project was carried out, and it was awarded to National Kaohsiung University of Science and Technology. Assistance was provided to the company in implementing the annual gender mainstreaming action plan. An annual visit to assess gender-friendly environments was conducted, providing recommendations for company travel terminals and office environments to meet the needs of different users. Two meetings were held with teachers for discussions.
 <p>Non-profit Organizations/Non-governmental Organizations</p>	<p>Non-profit organizations play a crucial role in strengthening awareness of public social issues. They provide a platform for increased attention and discussion on public issues, and they offer valuable insights and recommendations for companies in policy development.</p>	<ul style="list-style-type: none"> Qualified vendors are commissioned to carry out cleaning and waste removal in the port area, ensuring the cleanliness of the environment. Regular monitoring of air quality, water quality, and noise levels is conducted at each port. Regular cleaning activities are organized for the port's land, water, and beach areas. CSR-related surveys and questionnaires are regularly conducted to gather information and insights on relevant issues. 	<ul style="list-style-type: none"> Regularly Regularly Irregularly Annually 	<ul style="list-style-type: none"> In accordance with the "Tribute to the Sea" policy, the amount of general waste cleared was 2,714.3 metric tons, the amount of recyclable waste cleared was 467.5 metric tons, and the amount of ship-generated waste (oily water) received was a total of 7,569.17 metric tons.
 <p>Public Associations</p>	<p>Public associations related to port operations</p>	<ul style="list-style-type: none"> Phone calls, emails, and meetings for communication. Organizing business-related seminars and briefings. 	<ul style="list-style-type: none"> Real-time Irregularly 	<ul style="list-style-type: none"> There is a dedicated contact window to maintain good communication and promptly handle matters related to feedback and concerns. For issues related to port development, investment needs, business rates, or policy adjustments, there is active communication and solicitation of opinions. Attendance at important events such as membership meetings organized by relevant industry associations.

1.4 Identification and Management of Material Topic

TIPC has incorporated materiality analysis in the preparation of its sustainability report, following the GRI Standards 2021 and SASB guidelines for Professional & Commercial Services. A total of 43 relevant topics were selected based on their actual or potential negative impacts and positive contributions to the economy, environment, and people (including human rights), as assessed by external experts in each respective field. The selection also considered the requirements and concerns of international sustainability initiatives and potential investors regarding sustainability issues in the industry. The identified topics were evaluated in terms of their actual and potential negative impacts as well as actual and potential positive contributions to the economy, environment, and people (including human rights). Through collaborative discussions with TIPC, these topics were determined to be of significant importance and formed the basis for addressing material topics and information disclosure in the company's 2022 sustainability report.



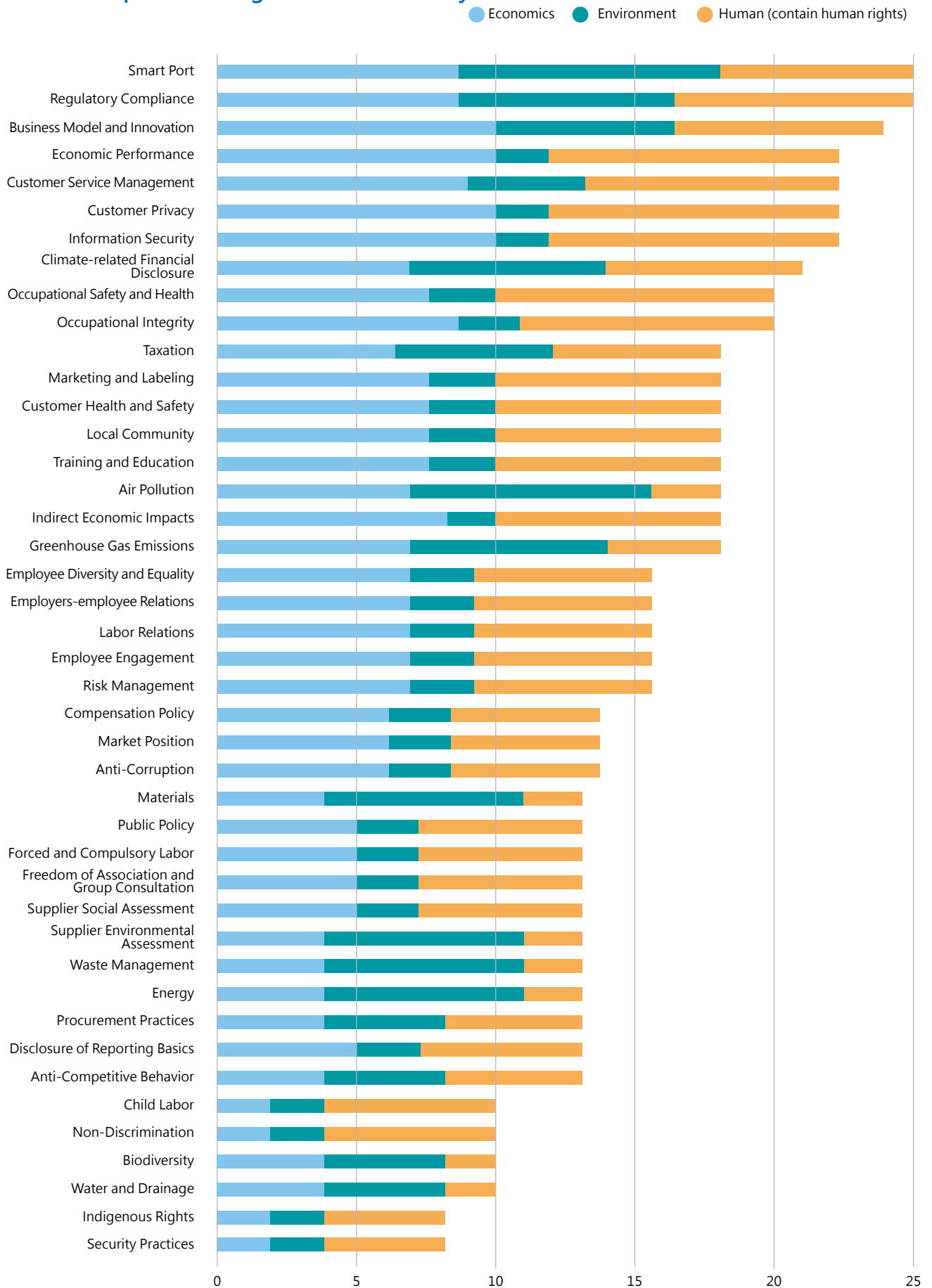
1.4.1 Ranking of Material Topic

TIPC has conducted external expert ratings and questionnaire analysis. Following internal discussions and considering the alignment with stakeholders' input from previous years, the material topics for 2021 were identified. The categories of social-economic regulatory compliance and environmental regulatory compliance were merged into regulatory compliance. The category of ethical business practices was adjusted to professional integrity. Additionally, 11 new topics were added, including climate-related financial disclosures, business models and innovation, indirect economic impacts, local communities, customer health and safety, employee dedication, labor-management relations, employee diversity and equal opportunities, and energy. A total of 21 significant sustainability topics were identified for 2022.

	Economy				Environment				People(including human rights)				Total Score
	Actual		Potential		Actual		Potential		Actual		Potential		
	Positive	Negative	Positive	Negative	Positive	Negative	Positive	Negative	Positive	Negative	Positive	Negative	
Regulatory Compliance	4	3	5	5	3	3	4	3	4	3	5	5	47
Information Security	5	5	5	5	1	1	1	1	5	5	5	5	44
Customer Privacy	5	5	5	5	1	1	1	1	5	5	5	5	44
Climate-Related Financial Disclosures	3	3	4	4	3	3	4	4	3	3	4	4	42
Smart Port	4	2	5	3	4	2	5	3	4	2	5	3	42
Customer Service Management	4	3	5	5	1	1	3	2	4	3	5	5	41
Economic Performance	5	3	5	5	1	1	1	1	5	3	5	5	40
Professional Integrity	4	3	5	5	1	1	1	1	4	4	5	5	39
Business Models and Innovation	5	2	5	3	3	2	3	2	4	2	4	3	38
Occupational Safety and Health	4	2	4	4	1	1	1	1	5	2	5	5	35
Greenhouse Gas Emissions	3	3	4	4	3	3	4	4	2	1	2	1	34
Risk Management	3	3	4	4	1	1	1	1	3	3	4	4	32
Indirect Economic Impacts	4	3	4	3	1	1	1	1	4	3	4	3	32
Air Pollution	3	2	4	2	4	3	5	4	1	1	1	1	31
Training and Education	4	2	4	3	1	1	1	1	4	2	4	3	30
Local Communities	4	2	4	3	1	1	1	1	4	2	4	3	30
Customer Health and Safety	4	2	4	3	1	1	1	1	4	2	4	3	30
Employee Engagement	3	3	4	3	1	1	1	1	3	3	4	3	30
Labor Relations	3	2	4	3	1	1	1	1	3	2	4	3	28
Employee Diversity and Equal Opportunity	3	2	4	2	1	1	1	1	3	2	4	2	26
Energy	2	2	2	2	3	3	4	3	1	1	1	1	25

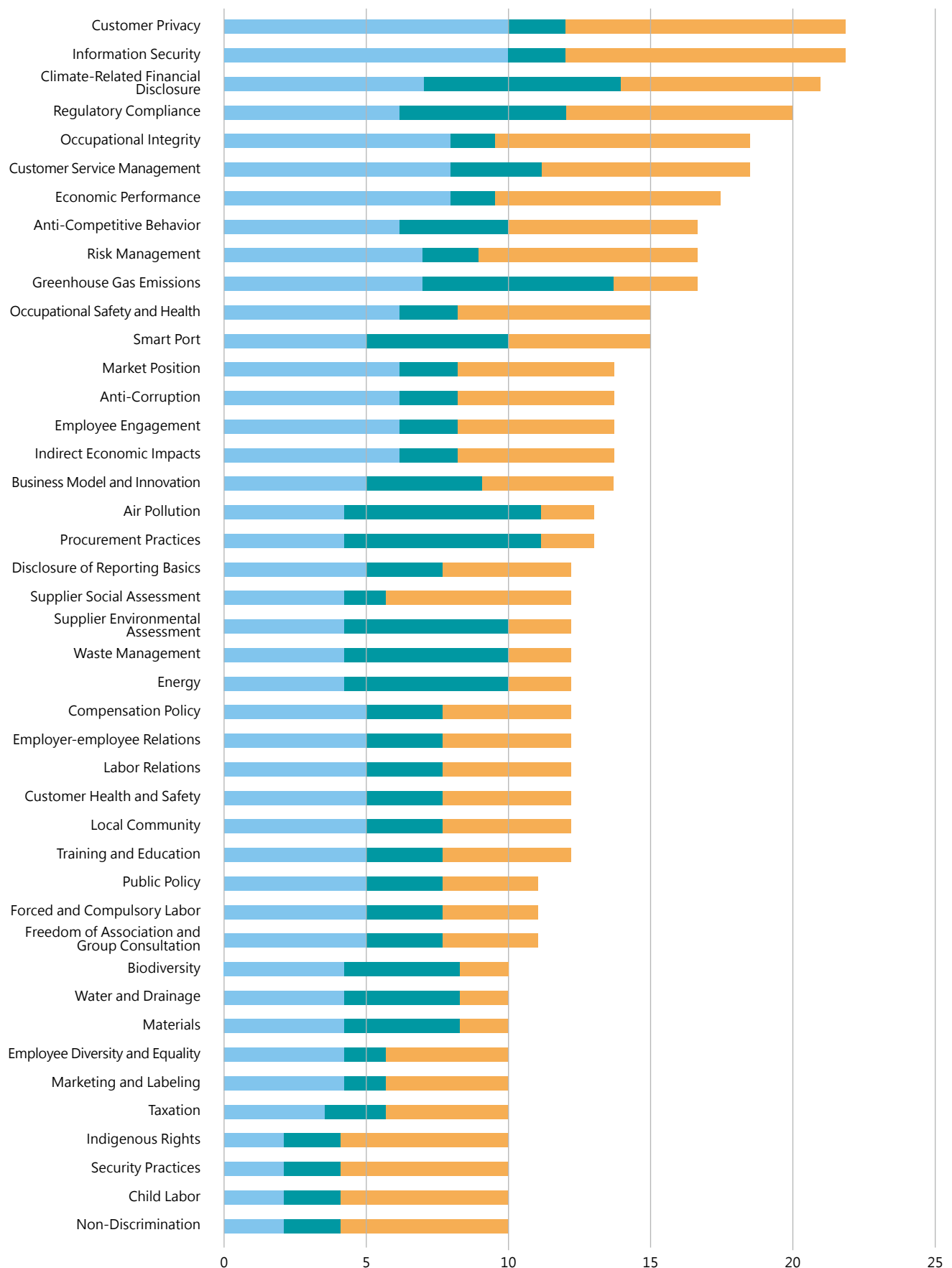
※Actual negative impacts should consider severity, while potential negative impacts should consider both severity and likelihood. Negative impact scoring is rated on a scale of 1 to 5. Actual positive impacts should consider their scale and scope, while potential positive impacts should consider their scale, scope, and likelihood. Scoring is rated on a scale of 1 to 5. The overall scoring is determined by summing the scores of actual negative impacts, potential negative impacts, actual positive impacts, and potential positive impacts across the economic, environmental, and social (including human rights) dimensions. Themes with a total score greater than 30 are prioritized as material topics.

Positive Impact Ranking of TIPC Materiality

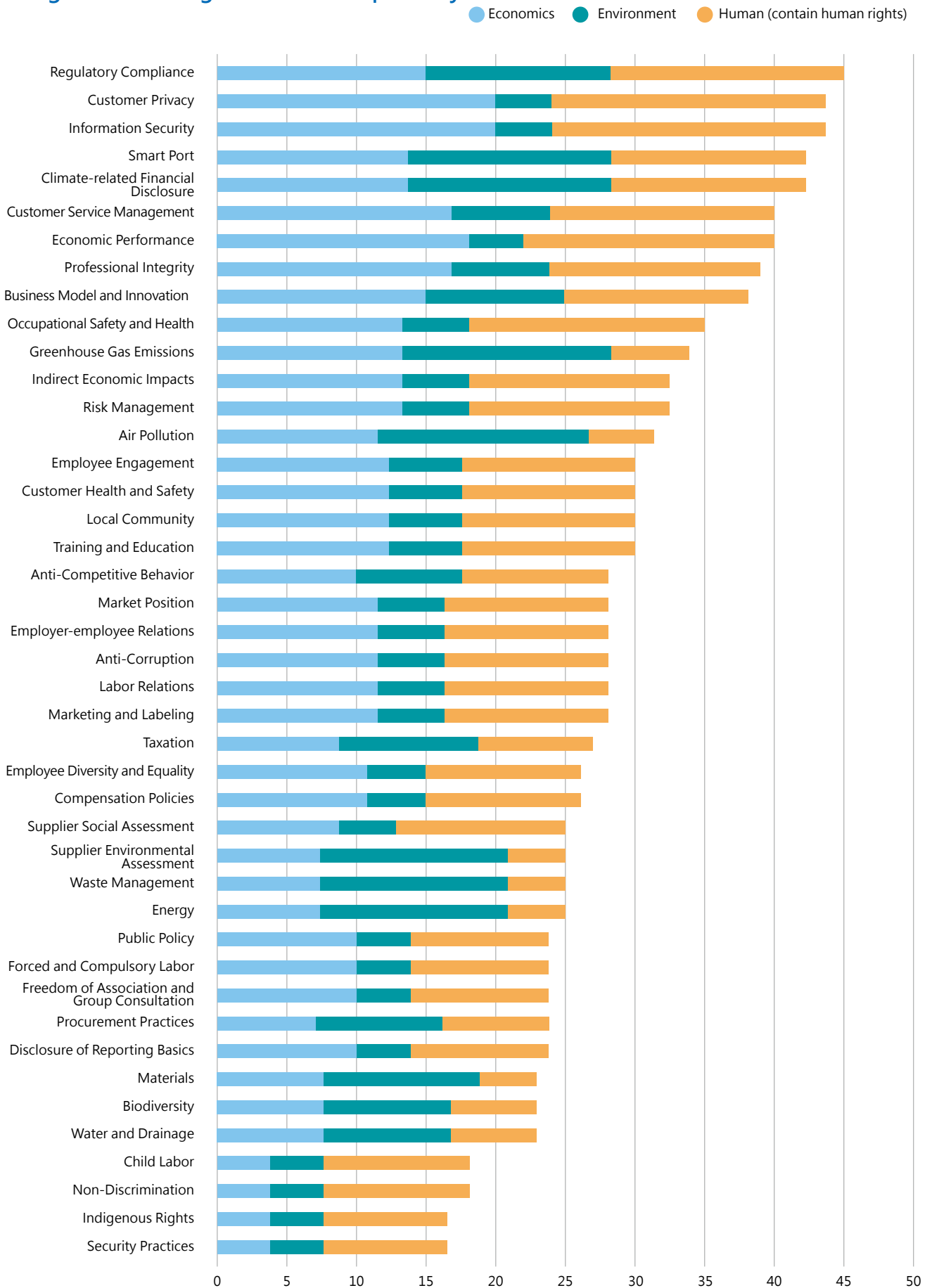


Negative Impact Ranking of TIPC Materiality

● Economics ● Environment ● Human (contain human rights)



Integrated Ranking of Material Impacts by TIPC



1.4.2 Setting and Achieving Material Topic Goals

Chapter	Relevant Topic	2022 Goals	Completion Status for 2022 Goals	Short-term goals (2023)	Medium-term and long-term goals(2024 and Beyond)
Chapter 2 Corporate Governance : Integrity and Prosperity	Information Security and Customer Privacy	<ul style="list-style-type: none"> Each information security personnel receive a minimum of 12 hours of professional training in cybersecurity annually. 	<ul style="list-style-type: none"> Achieved 	<ul style="list-style-type: none"> Taking corrective and preventive actions based on audit findings is being carried out. Continuous implementation of personnel cybersecurity education and training is being maintained. 	<ul style="list-style-type: none"> The completion of various tasks is being carried out in accordance with the cybersecurity maintenance plan. Procedural management is being implemented, regulatory compliance is being followed, emphasis is placed on prevention rather than response, and efforts are made to ensure information security. A cybersecurity environment is being constructed to safeguard the integrity of relevant information.
Chapter 2 Corporate Governance : Integrity and Prosperity	Regulatory compliance	<ul style="list-style-type: none"> Compliance with all laws and regulations, with no significant violations detected. Drafted 8 "Important Legal Compliance and Awareness Documents" for important laws or international standards amendments related to business operations. Quarterly completion of regulatory audits, with a rate of one audit per quarter. The Occupational Safety and Health Supervision Project Team conducted one session per year in each branch and held an annual sharing meeting. Participated in the Ministry of Labor's Occupational Safety and Health Week activities and obtained a participation certificate through review. Successfully passed the ISO/CNS 45001 management system revalidation and obtained a new certificate valid for 3 years (2022/6~2024/6). Conducted special health examinations. Strengthened the implementation of "Guidelines for Counseling Terminal Safety and Health Management" in various ports for dock loading and unloading operations, with one session per quarter and a total of 16 sessions, as well as one advocacy meeting every six months, totaling 8 meetings. Achieved a 97% participation rate in health examinations for all employees in the company. 	<ul style="list-style-type: none"> Achieved Achieved Achieved Achieved Achieved Achieved A total of 57 people Achieved Achieved 	<ul style="list-style-type: none"> Compliance with all laws and regulations, with no significant violations detected. Conducting the "Contract Execution Enhancement Course" and "Labor Relations Promotion Course" as part of the education and training initiatives. Organizing the "Bridging the Gap: The seminar on the past and future prospects of Taiwan's energy policy and law: connecting with the new trend of international sustainable development" seminar and the "2023 ESG Sustainable Governance" forum series. 	<ul style="list-style-type: none"> Through relevant themed education and training programs and internal management systems, combined with corporate governance and internal control and auditing systems, we continuously strengthen and gradually establish a comprehensive legal compliance and regulatory management system within the company, keeping up with the times. Goal is to enhance employees' adherence to regulations. Strive for zero occupational accidents and zero cases of occupational injuries among staff.

Chapter	Relevant Topic	2022 Goals	Completion Status for 2022 Goals	Short-term goals (2023)	Medium-term and long-term goals(2024 and Beyond)
Chapter 2 Corporate Governance : Integrity and Prosperity	Customer Service Management, Customer Health and Safety.	<ul style="list-style-type: none"> There were no incidents of information leakage, theft, or loss of customer data. Promote the 2022 occupational safety and health management plan to implement occupational safety and health policies to achieve disaster reduction goals. Through behavioral safety observation and communication by unit supervisors (or designated personnel), inspire employees to help each other, understand the importance of safety, and shape safety behavior patterns to create a culture of safety within the company. Integrate and strengthen safety and health through education, promotion, counseling, supervision (audit), and inspection to ensure the functionality of workplace safety and health facilities, health management, and workplace disaster prevention for employees and port operators. 	<ul style="list-style-type: none"> Achieved Achieved Achieved Achieved 	<ul style="list-style-type: none"> Continuously safeguard customer data, with no incidents of information leakage, theft, or loss of customer data. Promotion period: From mid-April to November, during the Occupational Safety and Health Week, goals set or identified hazards and risk levels are addressed through preventive and control measures. Measures such as education and training, diagnostic counseling, and audits are implemented to strengthen workplace safety and health facilities, ensure a healthy environment, and manage functionality to protect the safety and health of employees. 	<ul style="list-style-type: none"> Establish a secure information security environment to protect relevant information from unauthorized access. Enhance the safety and health crisis awareness of all employees, implement self-management of workplace safety and health, improve the overall employees' understanding and skills in workplace safety and health, and enhance the ability to prevent occupational accidents, aiming for zero accidents in the workplace. Encourage participation of private operators in the port area in occupational safety and health promotion activities, implement self-management and self-inspections of workplace safety and health, and foster a culture of high-quality workplace safety and health. Integrate and share resources among public and private operators in the port area, actively promote education, training, and outreach in workplace safety and health, enhance workers' knowledge and skills in disaster prevention and reduction, and safeguard the safety and health of workers in the workplace.
Chapter 2 Corporate Governance : Integrity and Prosperity	Occupational integrity	<ul style="list-style-type: none"> Integrating New Employee Education and Training, organizing "Integrity Ethics" seminars. Promoting the concept of "Integrity Governance and Sustainable Business" and organizing corporate integrity forums. Establishing an "Administrative Transparency Zone for Prospective Infrastructure Projects" to disclose important information. Conducting one session of "Compliance and Ethics Lectures" and implementing integrity promotion. Conducting "Integrity Opinion Surveys" for contracted vendors to collect information on integrity risks and suggestions for business reforms. 	<ul style="list-style-type: none"> Achieved Achieved Achieved Achieved Achieved 	<ul style="list-style-type: none"> Continuously conduct new employee education and training on "Integrity Ethics". Organize one annual lecture on compliance and ethics (sharing of public servant integrity case studies or legal education). Consistently promote integrity through various platforms and activities, with a goal of 15 promotions per year. Conduct three annual promotions on "Public Servant Ethics Code" and educate colleagues in various departments to refuse gifts or banquets unless under exceptional circumstances and implement proper recording procedures. Regularly conduct asset declarations for public officials. Conduct "Integrity Opinion Surveys" targeting business partners of the company (5 in total) to actively collect information on integrity risks and suggestions for business reforms. 	<ul style="list-style-type: none"> Through continuous promotion and education, establish a correct understanding of laws among colleagues, aiming to achieve zero incidents of legal violations. Provide guidance for property declaration through the online system, promoting zero penalties.

Chapter	Relevant Topic	2022 Goals	Completion Status for 2022 Goals	Short-term goals (2023)	Medium-term and long-term goals(2024 and Beyond)
Chapter 2 Corporate Governance : Integrity and Prosperity	Risk management	<ul style="list-style-type: none"> Establish a risk management and internal control system for the year 2022. Conduct one session of risk management training. 	<ul style="list-style-type: none"> Achieved Achieved 	<ul style="list-style-type: none"> In compliance with regulations, establish an effective risk management and internal control system to enhance the company's operational and management processes, and achieve the company's annual objectives. Conduct one session of risk management education and training in 2022 to build and strengthen employees' risk management knowledge and skills. 	<ul style="list-style-type: none"> By conducting regular reviews, revisions, and risk management training, we aim to enhance the ability of each department to identify, assess, handle, and monitor risks associated with their respective responsibilities and business operations. This will help establish appropriate and effective systems within the company. Every year, we will analyze the changes in internal and external factors related to our business philosophy, strategic objectives, and issues related to safety and health management. This analysis will help us identify and address potential risks. We will strengthen our corporate governance system to improve governance performance and achieve our vision of sustainable operation. We are committed to improving the air quality in the port area and minimizing the impact of our operations on the air quality in neighboring areas. We will also comply with national policies on greenhouse gas emissions and energy transition. As the port will serve as a base for offshore wind power and gas power generation, we will adhere to government regulations and the company's environmental protection requirements.
Chapter 3 Port Operations: Leading the Future	Economic Performance	<ul style="list-style-type: none"> In 2022, the consolidated operating revenue reached NTD23.7 billion, achieving a growth of 12.35% compared to the annual revenue target of NTD21.115 billion. The equity investment business recorded a profit of NTD488 million in 2022, surpassing the budget target of NTD414 million. 	<ul style="list-style-type: none"> Achieved Achieved 	<ul style="list-style-type: none"> The budgeted consolidated operating revenue for the year 2023, as determined during the budget review, is set at NTD26.155 billion, representing a growth of 19.03% compared to the revenue budget target for 2022. For 2023, the budget target for the investment business is set at NTD451 million in profit. 	<ul style="list-style-type: none"> The budgeted consolidated operating revenue for the year 2024, as determined during the budget review, is set at NTD 23,531,598. Efforts will be made to provide guidance and assistance to facilitate the operation of the investment business, aiming to maintain its stable and sound performance.

Chapter	Relevant Topic	2022 Goals	Completion Status for 2022 Goals	Short-term goals (2023)	Medium-term and long-term goals(2024 and Beyond)
Chapter 3 Port Operations: Leading the Future	Business Model and Innovation, Indirect Economic Impact.	<ul style="list-style-type: none"> The first phase of the Port of Kaohsiung 7th Container Terminal has been delivered to Evergreen Marine Corp. in June 2022. The optimization and infrastructure improvement project of the existing warehouses in the Kaohsiung Penglai Port Area was completed in June 2022 as part of the first phase. The construction project of the West Bank Passenger Terminal Zone in Port of Keelung was completed in May 2022. The construction project of the pier in the southern dock area and land reclamation project in the B-fill area in Port of Taipei was completed by the end of August 2022. The bridge and dock facility improvement project in Port of Taichung had the real-time monitoring system of the Zhongnan Second Bridge established by the end of 2022. 	<ul style="list-style-type: none"> Completed Completed Completed Completed Completed 	<ul style="list-style-type: none"> The first phase of Port of Kaohsiung's 7th Container Terminal is expected to commence operations in the second quarter of 2023, while the second phase is scheduled to be delivered in the same quarter of 2023 and is expected to commence operations in the second quarter of 2024. Efforts are being made to promote waterfront tourism and recreational development. The port's infrastructure and services are being upgraded to enhance competitiveness. Initiatives are being taken to provide green energy-related facilities and related services. 	<ul style="list-style-type: none"> Construction projects are being continuously carried out according to the "Development and Construction Plan for International Ports for Year 2022-2026" to implement the strategy of port cluster division. The second phase of Port of Kaohsiung 7th Container Terminal is scheduled to commence operations in the second quarter of 2024.
Chapter 3 Port Operations: Leading the Future	Smart Port	<ul style="list-style-type: none"> TIPC has set major targets in 2022 in the realms of smart-port transformation. In addition to launching the Port of Kaohsiung real-time port traffic information app (Smart Port Transportation System in Kaohsiung Port) and a new 3D smart port operations management system (3D-GIS Management System), TIPC has continued to introduce new smart port applications at its subsidiary ports. Recent examples include AI image recognition system for Automatic Gate Sentry Post Control System, new sensors and monitoring equipment for Sea Meteorology Real Time System, Taiwan Ports AI monitoring management module plan for Critical Infrastructure, plan for Smart Energy Management System, and Business Intelligence Platform. 	<ul style="list-style-type: none"> Completed 	<ul style="list-style-type: none"> According to the Trans-SMART 2.0+ upgrade plan, various systems planning and implementation operations are being promoted as follows: Safety - implementation of Taiwan Ports Ship Navigation Aid System, implementation of Taiwan Ports AI monitoring management module plan for Critical Infrastructure, upgrading AI image recognition system for Automatic Gate Sentry Post Control System, addition of a dedicated chemical query system to Dangerous Goods Management System, and addition of sensing devices to Green Port Platform. Efficiency - Completions of Marine Robot and real-time container OCR of Gantry Crane handling operation trails. Quality - Launch of the Smart Port Transportation System in the 7th Container Terminal of Kaohsiung Port and addition of new sensors and monitoring equipment to Sea Meteorology Real Time System. Sustainability - Completion of Software development for the Taiwan Ports Smart Energy Management System. To accelerate the digital transformation of Maritime and Port Industry, TIPC continues to introduce port digital transformation incentives. Moreover, cooperation with Information and Communication Technology (ICT) industry providers to conduct innovative technology experiments based on the operational needs of ports. 	<ul style="list-style-type: none"> In order to implement the Smart Port 2030 Development Blueprint, TIPC plans to deploy key projects such as AI image recognition system for Automatic Gate Sentry Post Control System, the Business Intelligence Platform, the Smart Combat Information Center, and the Smart Energy Management System. The ongoing Port Innovation Application and Digital Transformation Incentive Programs encourage maritime industry ecosystem to promote digital services. Additionally, in accordance with the operational needs of the ports, cooperation with ICT providers to develop smart port solutions.

Chapter	Relevant Topic	2022 Goals	Completion Status for 2022 Goals	Short-term goals (2023)	Medium-term and long-term goals(2024 and Beyond)
Chapter 4 Sustainable Symbiosis - Green Port	Climate-related Financial Disclosures	<ul style="list-style-type: none"> Implementing the Climate-related Financial Disclosures (TCFD) framework to conduct risk management and financial impact disclosure. 	<ul style="list-style-type: none"> Achieved 	<ul style="list-style-type: none"> Proposing a port resilience adaptation pathway in 2023. 	<ul style="list-style-type: none"> Incorporating climate impacts into the overall planning of port operations strategy and allocating relevant budgets to implement climate adaptation actions.
	Energy	<ul style="list-style-type: none"> Every department's electricity consumption (Energy Use Intensity, EUI) is lower than the benchmark value. By applying intelligent technology, TIPC could monitor energy usage and implement the planning of Smart Energy Management System at its subsidiary. 	<ul style="list-style-type: none"> Partially accomplished: The headquarters and Hualie Branch are actively reducing energy-consumption factors and strengthening energy-saving measures. Goal accomplished: Other units have completed their goals. 	<ul style="list-style-type: none"> To achieve the cumulative energy-saving target of 2023, and to implement the planning of Smart Energy Management System software for each port. 	<ul style="list-style-type: none"> By installing smart meters and smart water meters, introducing sensor devices such as smart lighting and smart air conditioning, and integrating these devices into facility security management, TIPC could monitor all energy usage at its subsidiary ports.
	Air Pollution and Greenhouse Gas Emissions	<ul style="list-style-type: none"> Completed voluntary greenhouse gas inventories for the headquarters and 9 commercial ports, and obtained verification statements. 	<ul style="list-style-type: none"> Achieved 	<ul style="list-style-type: none"> Improve air quality in the port area and reduce the impact of port operations on air quality in neighboring areas. Monitor greenhouse gas emissions in the port area to avoid potential impacts from relevant regulations on future operations. 	<ul style="list-style-type: none"> Achieve a 50% carbon neutrality by 2030 and reach carbon neutrality by 2050.
Chapter 5 Human Resources & Workplace Inclusion	Training and Education	<ul style="list-style-type: none"> The internal functional training program is expected to offer 28 courses, and the employee education and training satisfaction rate is 90%. 	<ul style="list-style-type: none"> Achieved 	<ul style="list-style-type: none"> The internal functional training program is expected to offer 30 courses, and the target is to achieve a 90% satisfaction rate for employee education and training. 	<ul style="list-style-type: none"> The employee education and training satisfaction survey maintains an average of 90% satisfaction.
	Employee Diversity and Equal Opportunity, Labor Relations, Employee Engagement	<ul style="list-style-type: none"> The completion of a Friendly Workplace Survey with a response rate of 76.73%. Conducting 20 labor-management meetings and cooperative coordination meetings. Planning for an "Employee Engagement Survey" targeting all employees, scheduled to begin in 2023. 	<ul style="list-style-type: none"> Achieved Achievement rate of 95% Achieved 	<ul style="list-style-type: none"> The response rate for Friendly Workplace Survey exceeded 78%. There were a total of 24 labor-management meetings and industry collaboration coordination meetings. The response rate for employee engagement survey reached over 60%. 	<ul style="list-style-type: none"> The response rate for Friendly Workplace Survey is expected to exceed 80%. A total of 24 labor-management meetings and industry collaboration coordination meetings is expected to be held. The response rate for employee engagement survey is expected to reach over 80%.

Chapter	Relevant Topic	2022 Goals	Completion Status for 2022 Goals	Short-term goals (2023)	Medium-term and long-term goals(2024 and Beyond)
Chapter 5 Human Resources & Workplace Inclusion	Occupational Safety and Health	<ul style="list-style-type: none"> Zero major occupational accidents for subcontractor workers. Zero cases of occupational injuries among employees. Passed the ISO 45001/TOSHMS surveillance audit to enhance occupational safety and health management performance. Employee vaccination rate for the third dose of COVID-19 vaccine reached 90%. Conducted VR (Virtual Reality) occupational safety and health training with motion sensing. Achieved a 97% participation rate in comprehensive health check-ups for all employees. 	<ul style="list-style-type: none"> Achieved Achieved Achieved Achieved Achieved Achieved 	<ul style="list-style-type: none"> Zero major occupational accidents for subcontractor workers. Zero cases of occupational injuries among employees. Achieved a 97% participation rate in comprehensive health check-ups for all employees. Established an occupational safety and health smart e-platform, utilizing big data analysis to propose workplace safety improvement plans. 	<ul style="list-style-type: none"> Employees experienced zero occupational accidents, with zero cases of occupational injuries.
Chapter 6 Social Interaction & Education for the Common Good	Local community	<ul style="list-style-type: none"> Organizing over 100 community service activities. 	<ul style="list-style-type: none"> Achieved with a total of 119 community service activities organized. 	<ul style="list-style-type: none"> rganizing over 100 community service activities. 	<ul style="list-style-type: none"> Organizing over 100 community service activities.



1.4.3 Value Chain Boundaries of the Material Topics

■ Causing
 ● Contributing
 ▲ Directly related

Material Topic (Corresponding to GRI/SASB/Customized Topic)	Chapter	TIPC Value Chain Boundaries of the Material Topics			
		TIPC	Equity Investment Businesses	Customers	Supplier/Con-tractors
Compliance with laws and regulations (GRI2-27)	Chapter 2 Corporate Governance: Integrity and Prosperity	■	●	▲	▲
Information Security (SASB)	Chapter 2 Corporate Governance: Integrity and Prosperity	■		▲	▲
Customer Privacy (GRI418)	Chapter 2 Corporate Governance: Integrity and Prosperity	■		▲	▲
Climate-related Financial Disclosures (Customized Topic)	Chapter 4 Sustainable Symbiosis - Green Port	■	●		
Smart Port (Customized Topic)	Chapter 3 Port Operations: Leading the Future	■	●	▲	
Customer Service Management (Customized Topic)	Chapter 2 Corporate Governance: Integrity and Prosperity	■	●	▲	▲
Economic Performance (GRI201)	Chapter 3 Port Operations: Leading the Future	■	●	▲	▲
Professional Integrity (SASB)	Chapter 2 Corporate Governance: Integrity and Prosperity	■	●	▲	▲
Business Models and Innovation (Customized Topic)	Chapter 3 Port Operations: Leading the Future	■	●	▲	
Occupational Safety and Health (GRI 403)	Chapter 5 Human Resources & Workplace Inclusion	■		▲	▲
Greenhouse Gas Emission (GRI305)	Chapter 4 Sustainable Symbiosis - Green Port	■	●		▲
Risk Management (Customized Topic)	Chapter 2 Corporate Governance: Integrity and Prosperity	■	●	▲	▲
Indirect Economic Impacts (GRI 203)	Chapter 5 Human Resources & Workplace Inclusion	■			
Air Pollution (GRI305)	Chapter 4 Sustainable Symbiosis - Green Port	■	●		▲
Training and Education (GRI404)	Chapter 5 Human Resources & Workplace Inclusion	■	●		
Local Communities (GRI413)	Chapter 6 Social Interaction & Education for the Common Good	■			
Customer Health and Safety (GRI416)	Chapter 2 Corporate Governance: Integrity and Prosperity	■		▲	▲
Employee Engagement (SASB)	Chapter 5 Human Resources & Workplace Inclusion	■	●		
Labor Relations (GRI402)	Chapter 5 Human Resources & Workplace Inclusion	■	●		
Employee Diversity and Equal Opportunity (GRI405)	Chapter 5 Human Resources & Workplace Inclusion	■			
Energy (GRI302)	Chapter 4 Sustainable Symbiosis - Green Port	■		▲	▲

SPECIAL ISSUE

Equity Investment Businesses and ESG-related Investment

Sustainable development is currently the primary goal of global economic transformation. In order to jointly promote sustainable governance and transformation, TIPC has taken into account the principles of the United Nations' Principles for Responsible Investment (PRI). Within the framework of complying with the relevant regulations for the use of our company's financial resources, TIPC continues to participate in investments related to sustainable bonds. As of December 31, 2022, TIPC holds a total of NTD1 billion in sustainable bonds. In the future, TIPC will also continue to pay attention to sustainable-related investments and contribute our efforts to global sustainable development.

New Southbound Market Port-related Investment: PT. Formosa Sejati Logistics, Taiwan Foundation International Pte. Ltd

In recent years, the international maritime market has been undergoing intense changes, and the government is actively helping to enhance the competitiveness of the shipping industry. The economies of new southbound countries grow rapidly. Among them, the ASEAN market is the major import and export market and investment destination, and it has become one of the major trade markets for a long time. It is very suitable for TIPC to invest in port-related industries. Therefore, after the enterprise transformation, TIPC actively plans and expands overseas investment for the government's New Southbound Policy. In 2018, TIPC has established PT. Formosa Sejati Logistics (FSL) and Taiwan Foundation International Pte. Ltd (TFI) and successfully completed international investment. The FSL continues to expand its business scope by operating "container distribution" and "logistics warehousing" businesses. In 2022, FLS has operated 54,137 containers with an accumulated net income after-tax of NTD8.275 million, FSL's operations and profits are stable.

Currently, TFI has completed 3 investment projects, including Singapore commercial real estate, Jambatan Merah Formosa Depot Sdn. Bhd. and PT Formosa TFI Indonesia. Based on above investment, TFI will continue to focus on warehousing and logistics related industries investment in Southeast Asia.



▲ PT. Formosa Sejati Logistics Visit TIPC

Offshore wind power related services:

TIPC Marine Corporation (TIPM), Taiwan International Ports Heavy-Machinery Corporation (TIPH)

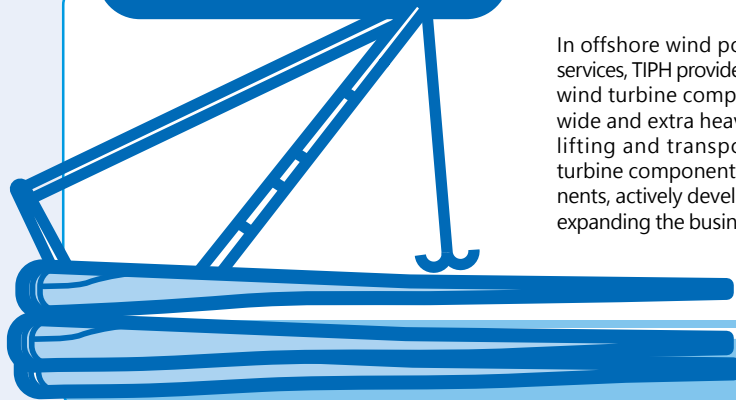
In order to achieve the goal of non-nuclear homeland by 2025, TIPC participates in the offshore wind power operation and maintenance business to promote the development of renewable energy industry. TIPM and TIPH, two joint venture companies of TIPC, are engaged in offshore and onshore wind power transportation services respectively.

Marine Operations and Maintenance Services



The business opportunities for offshore wind farm operation include offshore vessel transportation and land transportation during the construction period. TIPM plans to provide wind power operators with comprehensive operation and maintenance services, such as offshore cargo vessels, personnel replenishment vessels, dedicated berths for operation and maintenance vessels, land-based spare parts warehouse, office, wind turbine personnel spare room, vessel maintenance bases (dock and rack), machinery and equipment (cranes and forklifts), etc., providing a comprehensive operation and maintenance base for offshore wind power operation and maintenance. CTV vessels and barges are also provided to enhance the company's dedicated service. TIPM's accumulated net profit for 2022 is NTD400 million, the availability rate of ship and machinery facilities is 99.5%, and there is no major occupational accident in 2022.

Land Transportation Services



In offshore wind power operation and maintenance services, TIPH provides turnkey transportation services for wind turbine components that are "extra long, extra wide and extra heavy", such as integrated services of lifting and transportation for large offshore wind turbine components of offshore wind turbine components, actively developing the company's business and expanding the business territory.

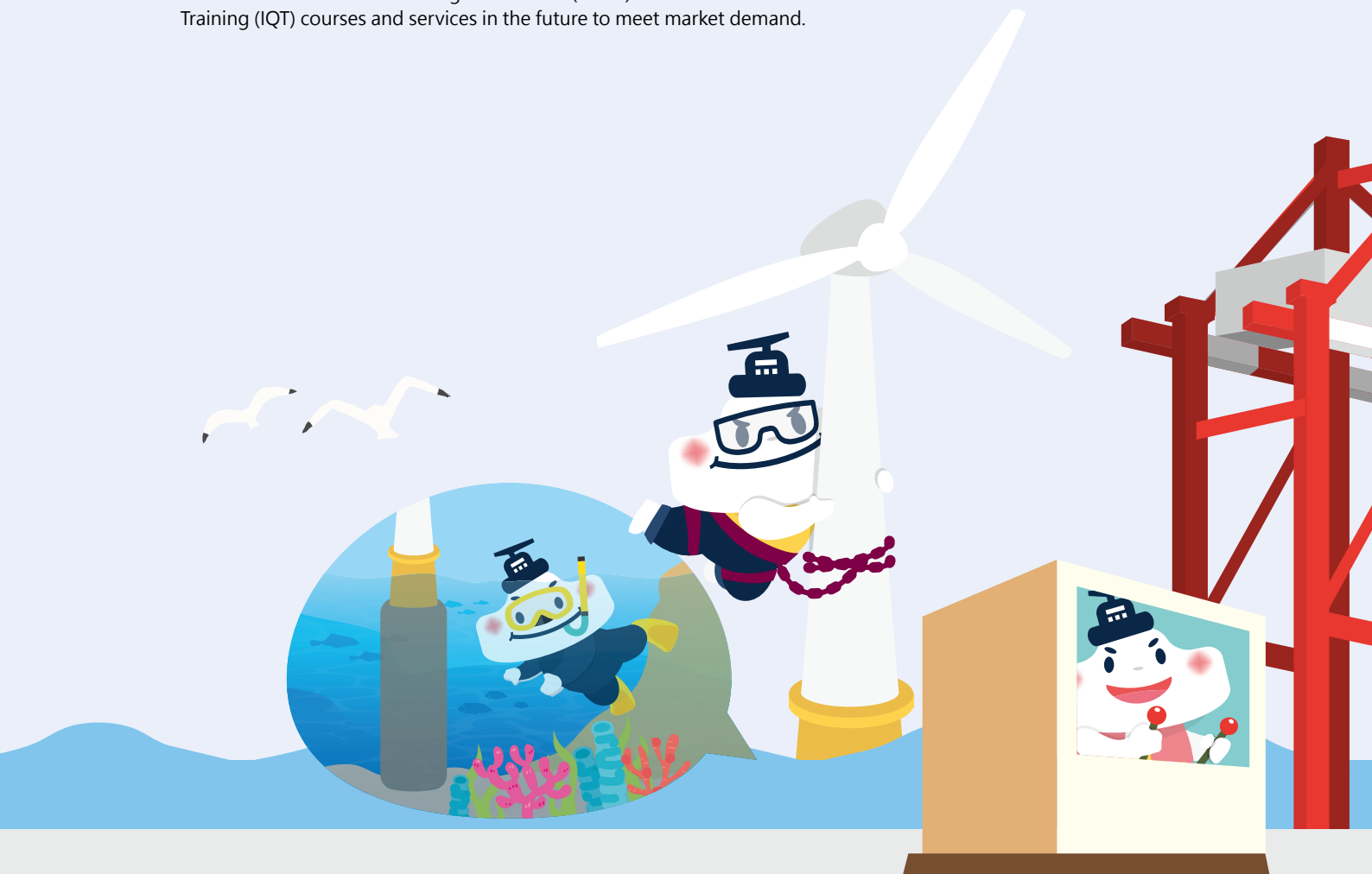
Offshore Wind Power Talent Training:

Taiwan International Windpower Training Corporation (TIWTC)

In order to promote the training of wind power talents, TIPC established a joint venture TIWTC and introduced the Global Wind Organization (GWO) training courses to provide localized training services for the wind power industry.

TIWTC has introduced the GWO Basic Technical Training (BTT) and Basic Safety Training (BST) international certifications, and spent NTD130 million to build the international standard "Taiwan Wind Energy Training Center" in Port of Taichung, with a 6-meter deep water training pool and the highest 22-meter high altitude training tower in Taiwan. The GWO training courses are the key certification for entering the offshore wind power industry. Since the start of the courses in 2019, the number of inquiries about the courses has increased and the satisfaction of the trainees is good. The instructors reviewed their teaching experience and refined their teaching quality to provide better training services to the trainees. In 2022, TIWTC has expanded its business to overseas, and successfully provide "Mobile Module Training Business" in the Japanese market, and provide consultancy services to the local industry in Japan, making a name for itself in the Japanese market. Besides, TIWTC performs Advanced Rescue Training (ART) and BTT courses in Japan, and continues to develop training consultancy services. In 2022, 3,796 certificates were issued for related courses, results in a significant increase in the number of certificates issued for the fourth consecutive year and the highest number of certificates issued in Asia.

In addition to the GWO basic training, TIWTC continues to pay attention to the GWO's advanced training courses for offshore wind power industry practitioners in response to the dynamic needs of the wind power market, and gradually introduces various GWO advanced training courses such as Enhanced First Aid (EFA), Advanced Rescue Training (ART), Slinger Singaller (SLS) and others. TIWTC also plan to introduce GWO Control of Energies Standard (CoHE) and GWO Teacher Assessment Training (IQT) courses and services in the future to meet market demand.



Land Development in Port Area:

Kaohsiung Port Land Development Co. (KPLD)

In order to recreate a new look for the transformation of the Kaohsiung port area, TIPC established a joint venture with the Kaohsiung City Government in 2017 to establish KPLD. In addition to Port of Kaohsiung 's old port area No. 1-10 and No. 16-17, the shallow water pier and its backline land are the priority targets, and the planning of the yacht pier area in Port of Anping is also targeted. At present, KPLD completed the development and operation of the Kaohsiung Warehouse No. 2, the Linhai Road No. 3 Pier and Dayong Road Pier-2 Art Center parking lot and the development of the original waiting room, the first phase of the yacht street and yacht berth in the Anping Harbor Marina area, and assisted manufacturers in the second and third phases of construction, including the drainage facilities in the entire area, the construction of the Villa area, and the construction of the yacht berth in the bay area, etc., also the first phase of the Great Harbor Bridge complex (Kaohsiung Port Depot 410) was revitalized in 2021. The project will bring 3.54 million visitors to the Kaohsiung port area, promote tourism development and provide employment opportunities for local residents.

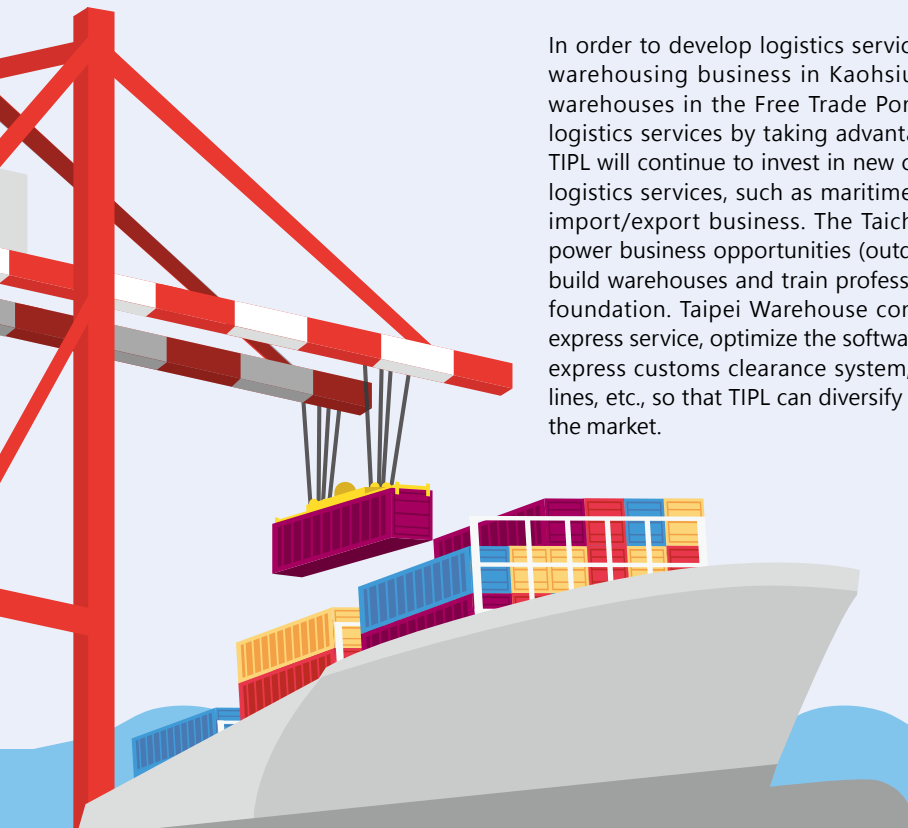
In 2022, KPLD completed the construction and leasing of the A area of the Port of Kaohsiung Love River Bay Marina, providing 87 berths, a clubhouse and coffee and beverage services, and also completed the first phase of the revitalization of Kaohsiung Port Depot 410, developing four warehouses from Warehouse 7 to 10, with approximately 1,200 sq ft, and housing 60 brands. In the third quarter of 2022, KPLD organized the Taiwan Design Expo, which received more than 3.5 million visitors.

In the future, KPLD will devote itself to the revitalization of the second phase of the Kaohsiung Port Depot 410 shopping mall, and to the pre-investment and development of the backline land of the Kaohsiung Port Warehouse Group No. 4 to No. 7 and the backline land of the Kaohsiung Port 21, so as to continuously inject new elements into the transformation of the port area.

Port Logistics Services:

Taiwan International Ports Logistics Corporation (TIPL)

In order to develop logistics services, TIPC established TIPL to operate logistics warehousing business in Kaohsiung, Taichung and Taipei ports, and leased warehouses in the Free Trade Port area to provide various high value-added logistics services by taking advantage of the Free Trade Port area. For example, TIPL will continue to invest in new core businesses and develop high value-added logistics services, such as maritime express shipping services, FTZ business and import/export business. The Taichung Warehouse will actively strive for wind power business opportunities (outdoor open field, storage of large components), build warehouses and train professional operation teams to deepen the logistics foundation. Taipei Warehouse continues to improve the quality of sea freight express service, optimize the software environment and performance of sea freight express customs clearance system, and actively expand new customs clearance lines, etc., so that TIPL can diversify its operation and become more competitive in the market.



SPECIAL ISSUE

United in Pandemic Prevention

Maritime transportation is a vital channel for essential supplies in our country. To prevent the entry of COVID-19 through sea transport and ensure the normal operations of businesses, ports, and travel stations, as well as fulfill our social responsibility in preventing the spread of epidemics, TIPC continues to review and implement epidemic prevention measures in accordance with the latest policies of the Central Epidemic Command Center. Our goal is to ensure the continuous operation of port activities and safeguard the safety of our borders while minimizing the impact on the health of personnel and operational losses caused by the pandemic.



Port Area Epidemic Prevention Management

- Operational Control: Time, space, and personnel segregation are implemented to control various port operations. Each subsidiary's operations management unit is responsible for conducting regular inspections and submitting sampling results to the command center for record-keeping.
- Access Control Regulations: All personnel entering the international port are required to complete the full course of COVID-19 vaccinations (three doses). Those who have not completed the vaccination process are required to undergo weekly rapid screening. They must present either the complete vaccination record or a negative rapid screening result at the control station.
- Provide quarantine venues: Provide quarantine facilities for disinfection and offer venues for the Maritime Port Bureau and the Centers for Disease Control to conduct health screenings for incoming seafarers.
- Cleaning and disinfection: conducted in office buildings, transportation stations, port police checkpoints, loading and unloading areas at various terminals, as well as public restrooms and recreational areas at public docks.



▲ Port of Taipei public areas deep cleaning and disinfection.



▲ Quarantine facilities for incoming seafarers at Port of Kaohsiung.

Epidemic prevention management at transportation hubs.

- Access control measures.
- In compliance with the instructions of the Central Epidemic Command Center, non-essential indoor premises are to be closed, and entry and exit for epidemic prevention materials are prohibited.
- Strengthen the cleaning and disinfection of passengers waiting for the ship once every hour after leaving the station, and then a full depth of cleaning and disinfection.



▲ Strengthen passenger terminal epidemic prevention and elimination measures



▲ Strengthen the environment of public areas to eliminate

Comply with government's epidemic prevention policy subsidies.

- Under the relief and revitalization program, TIPC has implemented the "TIPC Operational Guidelines for Subsidies for COVID-19 Prevention Expenses for Port and Terminal Operators." From 2020 to 2022, the Company has provided subsidies to approximately 1,500 port and terminal operators, totaling around NTD61.98 million in COVID-19 prevention expenses. The subsidy items include masks, alcohol, infrared thermometers, protective gloves, eye protection equipment, PCR testing, rapid test kits, isolation suits, and other epidemic prevention safety equipment. The implementation rate for the allocation of funds was 100%.
- TIPC, established of inspection stations and decontamination areas for boarding personnel at the public wharf, Cooperate with Maritime Port Bureau, as outlined in the "Port Boarding Operation Management and Epidemic Prevention Regulations", incurred an expenditure of approximately NTD13.54 million from January to November 1, 2022.
- TIPC provided subsidies to a total of 14 operators at dedicated wharves for the establishment of decontamination areas for boarding personnel. The total cost of setting up these decontamination areas amounted to approximately NTD1.28 million.

The COVID-19 Donation Appreciation and Awards Ceremony

- On May 1, 2023, the Central Epidemic Command Center was disbanded and downgraded to a Category 4 infectious disease. To express gratitude for the 1,197 days of epidemic prevention work, Commander Victor Wang specially invited frontline personnel to attend the "COVID-19 Donation Appreciation and Awards Ceremony." The event was attended by President Tsai Ing-Wen and Premier Chen Chien-Jen, who commend and thanked the contributors to epidemic prevention efforts. As a member of the border defense, TIPC had also been invited to the ceremony to receive recognition. In the future, the company will continue to work together with other frontline epidemic prevention colleagues to safeguard border security.



▲ TIPC Epidemic Prevention Trophy



2 Corporate Governance: Integrity and Prosperity

2.1 ORGANIZATION STRUCTURE	57
2.2 OPERATION OF THE BOARD OF DIRECTORS	58
2.3 ETHICS AND INTEGRITY	72
2.4 SUPPLY CHAIN MANAGEMENT	76
2.5 RISK MANAGEMENT	79
2.6 INFORMATION SECURITY MANAGEMENT	80
2.7 CUSTOMER SERVICE	82
SPECIAL ISSUE: CREATIVE COMMUNICATION	84



- | Board of Directors convene Agenda Committee **4 Times** | Domestic procurement rate about **99%** |
- | Average hours of education and training for directors and supervisors **7.6 Hours** | Board of Directors Meeting **5 Times** |
- | "Integrity Ethics" Lecture on Newcomers Education and Training **85 People** | Anti-corruption event series **29 sessions** |
- | Supplier ESG Self-Assessment Questionnaire A total of **72 Copies** were collected |
- | Obtain **ISO/IEC 27001 Certificate** issued by international certification authorities, implementing the **ISO 27001 International ICT security standard** |

Material Topic : Information Security, Customer Privacy

Major Causes	<ul style="list-style-type: none"> TIPC plays a dual role of maintaining national port operations and providing port operations services. By constructing a safe information and communication environment, the company can effectively maintain the safety of port facilities and enhance the quality of operations. Specific non-public authorities for critical infrastructure providers under Article 16, Paragraph 1 of the Cyber Security Management Act. TIPC needs to rely on the proper functioning of core ICT systems for the smooth operation of their core business. Therefore, the company need to focus on the risk management related to the information security of the core information communication system. Actual negative impact on the economy and people (including human rights).
Policy / Strategies	<ul style="list-style-type: none"> The Company's information security policy is to implement procedures to manage, comply with regulations and standards, prevent rather than respond, and ensure information security. TIPC is legally required to implement the Information Security Management System (ISMS).
Management Evaluation	<ul style="list-style-type: none"> According to ISO 27001, the Company reassesses the risk assessment operation annually, and also conduct internal audits and external audits on a regular basis. At least one management review meeting is held annually by the Cyber Security Management Committee convened by the Cyber Security Officer. The meeting reviews the results of the implementation of the indicators set in the current year's (IS-TW-04-003-ISMS) and set the indicators for the next year's (IS-TW-04-003-ISMS) validity measure.
Performance & Adjustment	<ul style="list-style-type: none"> Passed the third-party verification and obtained ISO 27001: 2013 international information security certification. In order to control information security risks in the rental area, TIPC has incorporated information security regulations into the model contract in 2022.
Preventive or Remedial Measures	<ul style="list-style-type: none"> In response to information security incidents that may affect the functioning of the information system and constitute a threat to the information security policy, TIPC has established a notification and response mechanism. The ISMS (IS-TW-02-014) Correction and Prevention Management Procedures are followed for the prevention and improvement of all findings and deficiencies. Appeal Channel: Opinion Mailbox, please fill in the form at Global InfoNet/Web Services/ Opinion Mailbox.

Material Topic : Compliance with Laws and Regulations

Major Causes	<ul style="list-style-type: none"> To understand the direction of occupational safety health related laws and other requirements related to occupational safety and health issues from stakeholders. To ensure that the Company's operations meet the basic requirements of the regulations, we collect and register the relevant laws and regulations and other requirements to ensure the latest occupational safety and health related laws and regulations for inspection and compliance of the company. Uphold the principle of honest management, abide by laws and regulations, continuously improve the corporate governance system in line with national policies to lead the development of sustainable management in Taiwan's ports. The failure to establish a management system that complies with the relevant laws and regulations may increase the risk of violating the law and affect the company's operating efficiency and social image. Potential positive impact on the economy and people (including human rights).
Policy / Strategies	<ul style="list-style-type: none"> To operate and manage an international commercial port in accordance with the Commercial Port Law for the purpose of social and economic regulations, each branch is responsible for the management of port operations in accordance with the laws and regulations. Adopt information disclosure and transparency measures, collect relevant laws and regulations, implement internal controls to reasonably ensure the effectiveness and efficiency of operations, perform risk assessment and audit, and prevent temporary or specific possible risks. Comply with regulations and bylaws, establish an effective corporate governance structure, strengthen the functions of the board of directors, respect the rights and interests of stakeholders, and enhance the transparency of information to achieve honest management.
Management Evaluation	<ul style="list-style-type: none"> In accordance with the Management Review Process in the Management Review Board or Occupational Safety and Health Committee, periodically review the status of changes and compliance with regulations and other requirements. Records shall be kept of the execution of operations related to regulatory and other requirements. In accordance with the Document and Record Management Procedures, the relevant regulations will be followed. Follow the risk management and internal control system for evaluation, audit and improvement. Promote the topic of corporate integrity and ethics integrity, a performance appraisal system is in place and annual integrity meetings are held regularly to review relevant integrity actions.

Material Topic : Compliance with Laws and Regulations

- The number of people who filed "regular declarations" of property was 109.
- Received 69 reports from the director, superiors and the public.
- "Integrity Ethics" lecture on education and training for 85 newcomers
- Anti-corruption event series planned for 29 sessions
- 1 session of Corporate Integrity Ethics Forum

In 2022, the promotion of important laws and regulations was completed and follow the documents as follows.

- Government Procurement Act (Amendment in 2019)
- Labor Incident Act.
- The analysis of the Trade Secrets Act
- Labor Occupational Accident Insurance and Protection Act
- Zero Emission (Net Zero) issues of international organizations and the progress of domestic regulations.
- The participation of a person with limited capacity or incapacity in the Company's activities will be analysed.
- The analysis of the Regulations for the Management of Setting up Renewable Energy Power Generation Equipment of Power Users above a Certain Contract Capacity.
- The analysis of the Management Regulations for Construction Project Air Pollution Control Facilities.
- In 2022, thematic workshops of government procurement were organized. The themes were: "Important Issues of Copyright Act Involving Government Procurement", "Key Points of Trademark Act and Trademark Layout Protection Strategies" and other annual training courses. The "Introduction to Basic Laws" course was also taught in the 17th training session for new employees, targeting related business personnel.

Performance & Adjustment

Establish an annual integrity work plan, follow the integrity work plan, and conduct implementation reviews every other year to see if the plan's objectives have been achieved.

The current management system for compliance with the act is described below:

- Immediate notification of the law: If the Company receives any information on the enactment, amendment, or repeal of the relevant regulations from other authorities, the Company will inform the colleagues of each unit by internal announcement.
- Diversified legal services, through internal and external legal resources to solve the legal problems encountered by each unit during business promotion:
 - Procedures for official meetings and conferences
 - Legal Advice Mailbox
 - Each branch office location signs an "Annual Legal Consultation Service Contract" to facilitate the provision of immediate legal services by outside counsel.
 - Signed "Dispute Case Open-end Contract and Consultation Service Contract" to engage outside counsel to provide services in handling dispute cases
- Preparation of sample pleadings, procedure flow chart, and compliance self-checklist:
 - Examples of pleadings related to enforcement proceedings
 - Flowchart and sample pleadings for preservation and withdrawal procedures
 - Procurement Tender Document Self-Check Form
 - Guidelines for Legal Affairs
 - Notes on the preparation of regulations
 - Reference examples of legal documents to be signed
- Training, seminars and forums
 - Advanced training courses on topics such as contract enforcement, employee evaluation and termination of labor relations
 - Provide year-round training courses on government procurement dispute resolution mechanism and company workflow, and practical training on government procurement contract performance management.
 - The seminar on the past and future prospects of Taiwan's energy policy and law: connecting with the new trend of international sustainable development.
 - Forum series on ESG, environmental and energy legal system for state-owned enterprises.
- Appeal Channel: Opinion Mailbox, please fill in the form at Global InfoNet/Web Services/ Opinion Mailbox.

Preventive or Remedial Measures

Material Topic : Customer Service Management, Customer Health and Safety

Major Causes	<ul style="list-style-type: none"> With "customer-oriented" as our core value, we value the needs of our customers and the industry. We comply with the Personal Data Protection Act and other regulations, and implement the core value of "customer-oriented" to establish a sustainable partnership.
Policy/Strategies	<ul style="list-style-type: none"> Through customer meetings, regular and occasional seminars on shipping or port business, and customer service contact at each branch, we receive customer needs in a timely manner to manage customer feedback. Actual negative impact on economy and people (including human rights) The operating systems related to customer transactions follow the standard procedures set by the ISMS (Information Security Management System) to protect customer privacy.
Management Evaluation	<ul style="list-style-type: none"> Tracking and managing customer feedback, and handling it appropriately. Implement customer feedback control mechanism, ensure the security and no information leakage, theft or loss of customer data. Each branch office collects information on issues related to customer health and safety through the regular Port Business Seminars by recording and reviewing it regularly. The annual Port Area Occupational Safety Week Activity Plan was formulated and submitted to the Occupational Safety and Health Administration (OSHA)'s Occupational Safety Week website. From mid-April to November, the campaign takes preventive and control measures. Through education, training, advocacy, counseling and verification, the safety and health facilities, health environment and management functions of workplaces in port area was strengthened to protect their workplace safety and health. The annual implementation results will be submitted to OSHA for review by the end of November and the certificate of participation will be issued by OSHA.
Performance & Adjustment	<ul style="list-style-type: none"> In response to the trend of the increase of ship size and the digitization of global ports, the capacity of commercial port facilities will be enhanced to serve the relevant port operators and maintain the competitiveness of Taiwan's global shipping fleet. There were no verified incidents of information leakage, theft or loss of customer data in 2022. Each branch of TIPC held 11 seminars on port business, among which 54 issues related to customer's health and safety were discussed, 50 issues were improved or closed, and the improvement rate was 93%.
Prevention or Remedial Measures	<ul style="list-style-type: none"> Holding regular seminars with the clients to communicate with them on issues related to the port area and its development direction. A cyber security incident notification and response mechanism has been established. Appeal channel : Customer service windows and specialized staff at each port.

Material Topic : Professional Integrity

Major Causes	<ul style="list-style-type: none"> Uphold the principle of operating with integrity, abide by the laws and regulations, comply with national policies, and continue to improve the corporate governance system to lead the sustainable development of Taiwan Ports. The failure to establish a management system that complies with the relevant laws and regulations may increase the risk of violating the law and affect the company's operating efficiency and social image. Actual positive impact on the economy and people (including human rights).
Policy / Strategies	<ul style="list-style-type: none"> To operate and manage an international commercial port in accordance with the Commercial Port Law for the purpose of social and economic regulations, each branch is responsible for the management of port operations in accordance with the laws and regulations. Adopt information disclosure and transparency measures, collect relevant laws and regulations, implement internal controls to reasonably ensure the effectiveness and efficiency of operations, perform risk assessment and audit, and prevent temporary or specific possible risks. Comply with regulations and bylaws, establish an effective corporate governance structure, strengthen the functions of the board of directors, respect the rights and interests of stakeholders, and enhance the transparency of information to achieve honest management.
Management Evaluation	<ul style="list-style-type: none"> Follow the risk management and internal control system for evaluation, audit, and improvement. Promote the topic of corporate integrity and ethics integrity, a performance appraisal system is in place and annual integrity meetings are held regularly to review relevant integrity actions.

Material Topic : Professional Integrity

Performance & Adjustment	<ul style="list-style-type: none"> ● The number of people who filed "regular declarations" of property was 109. ● Performance and Target: The number of people who completed the " declaration" of property reached 100%. ● Received 69 reports from the director, superiors and the public. ● Integrity Ethics" lecture on education and training for 85 newcomers. ● Performance and Goals: 100% training rate for newcomers on "Integrity Ethics" lecture. ● Anti-corruption event series planned for 29 sessions. ● Performance and Goals: Each annual anti-corruption event series should be planned for 10 times. ● 1 session of Corporate Integrity Ethics Forum.
Preventive or Remedial Measures	<ul style="list-style-type: none"> ● Establish an annual integrity work plan, follow the integrity work plan, and conduct implementation reviews every other year to see if the plan's objectives have been achieved. ● Appeal channel: Civil Service Ethics Dept. Hotline: 07-2136963 Email: ethic@twport.com.tw

Material Topic : Risk Management

Major Causes	<ul style="list-style-type: none"> ● Through the establishment and implementation of risk management and internal control operations, the Company will reduce operational risks, improve operational efficiency and maintain competitiveness for sustainable operation. ● Climate change is a common global challenge, and the international community is increasingly concerned about the issue of greenhouse gas reduction. The concept of Net-zero Emissions by 2050 has become a global consensus after the 2021 United Nations Climate Change Conference. In 2023, the Environmental Protection Administration officially amended the Greenhouse Gas Reduction and Management Act to the Climate Change Response Act, incorporating the goal of achieving net-zero emissions by 2050 into law, by which the greenhouse gas reduction and management have now become national policies. ● The Company's organizational environment and stakeholders are identified, and concerns are collected besides carrying out risk management to respond to possible risks of changes in the organizational environment, and risk assessment and management operations are conducted to take early countermeasures or control measures to achieve the purpose of sustainable management and the continuous and effective operation of the safety and health management system. ● Potential positive impact on economy and people (including human rights)
Policy / Strategies	<ul style="list-style-type: none"> ● The Company's Risk Management and Internal Control System is established in accordance with the "Principles of Risk Management and Crisis Handling of the Executive Yuan and affiliated agencies", "Handbook for Risk Management and Crisis Handling of the Executive Yuan and affiliated agencies", "Guidelines for Government Internal Control Supervision Practice" and other regulations. ● Based on the company's vision, important operational objectives and overall and operational-level goals, each unit reviews the importance and riskiness of its business, identifies risks and evaluates risk tolerance, analyzes the degree of risk impact and probability of occurrence, and formulates various risk assessment items and internal control priorities. ● In order to ensure the continuous and effective operation of risk management and internal control, the Company conducts annual self-evaluation and conducts rolling review and improvement on the evaluation results in order to develop control focuses and evaluation focuses that are close to the operating procedures of each responsible unit. ● In line with the Executive Yuan's promotion of Green Energy Development Program since 2016, the Company is committed to achieving the target of 20% of electricity generation from renewable energy by 2025, taking into account energy security, green economy and environmental sustainability, and implementing the goals of renewable energy and non-nuclear homes. ● Issues related to internal and external factors of company policies, operations, or service occupational health and safety, as well as concerns of stakeholders, and management operations based on the risks generated.



Material Topic : Risk Management

Management Evaluation	<ul style="list-style-type: none"> Based on the self-assessment results of the previous year, rolling reviews and improvements are conducted to develop the control and evaluation focus of the current year close to the operating procedures of each authority. Through the internal control staff unit, internal and external auditors, we irregularly review the implementation of internal control in each unit and take relevant actions if there is any improvement. Each unit reviews the key points of control for the current year and conducts self-evaluation according to the degree of effectiveness or implementation, and after the signature of the first-level supervisor of each unit, it is signed and submitted to the head of the authority for approval, and the Chairman, President and Chief Auditor jointly sign the internal control statement. In accordance with ISO 14064-1 management review procedures, we conduct regular audits of emission management operations. To implement measures in accordance with the annual targets of the International Port Air Pollution Prevention Program. Each port conducts environmental inspections of the port area from time to time, and if violations are found, they will be immediately requested to improve, or be given an advice slip and a deadline to improve. If there is no actual improvement, the evidence will be collected and transferred to the Maritime Port Bureau MOTC, for punishment in accordance with the law, and regular joint audits will be conducted with the local environmental protection bureaus and the shipping centers of the Maritime Port Bureau MOTC, and operators will be invited to hold promotional meetings. In accordance with the organization's environmental issue identification and risk management procedures, each unit's evaluators conduct assessments based on impact, incidence, and detection to determine the materiality, and those meeting the following conditions are classified as material topics: Risk score ≥ 30 points is a materiality, which must be proposed to improve or prevent or enhance the opportunity of the response measures, and the response measures to set performance management objectives.
Performance & Adjustment	<ul style="list-style-type: none"> The risk assessment results for 2022 show that there are 10 high-risk and 43 medium-low risk items, and the total number of risk assessment is 53. The risk values are labeled as risk image distribution, and the acceptable risk value range is below risk value 2. Items with risk value greater than 2 are classified as high risk, and the risk management will reduce the risk value of medium and high risk items to a tolerable range. In March 2023, the Company completed a self-assessment report on the risk management and internal control system for the year 2022. The assessment and audit results showed that the establishment and implementation of the overall internal control of the Company were effective according to the definition of the degree of effectiveness of internal control as stated in the 5th point of the "Operating Guidelines for Signing the Statement of Governmental Internal Control", and the statement of internal control was signed by the Chairman, the President, and the Chief Auditor. Each unit in accordance with the organization's environmental issues identification and risk management procedures, the risk response measures selected should be effective to achieve the expected results of the occupational safety and health management system to prevent or reduce the occurrence of non-desired results, or to sustainably improve the performance of the occupational safety and health management system.
Preventive or Remedial Measures	<ul style="list-style-type: none"> In response to the risks, we will strengthen our investigation and handling actions, conduct project audits, and strengthen preventive measures to reduce the occurrence of internal risks. Risk assessment personnel of each unit shall propose countermeasures for materiality in the "Organizational Environmental Issues and Risk Management Countermeasures Form" to grasp improvement opportunities and reduce operational risks. The progress and results of the implementation of the measures proposed for materiality shall be presented and discussed in the management review meeting in accordance with the "Management Review Operating Procedures". Appeal channel: TIPC - Opinion Mailbox (twport.com.tw)

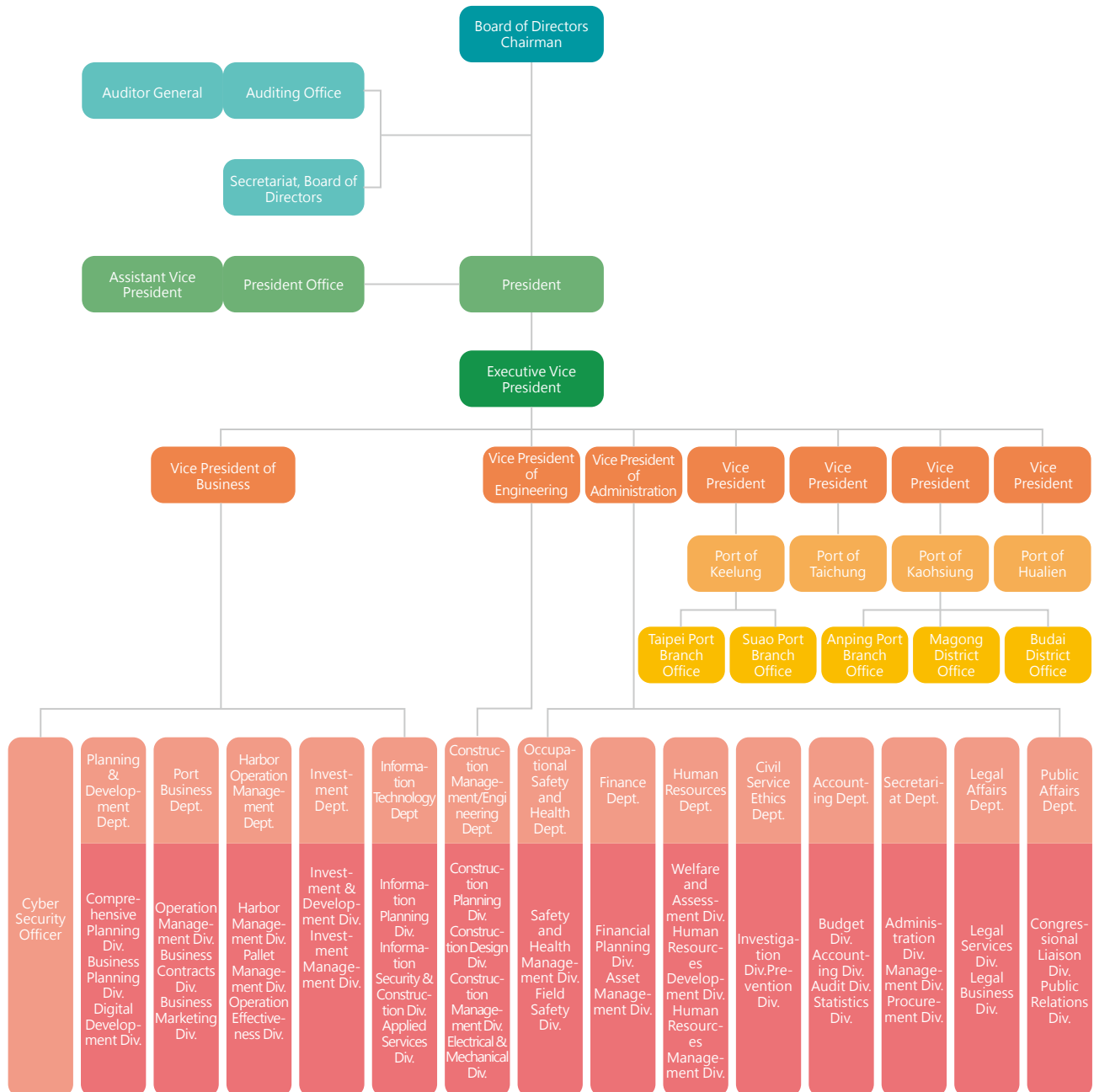


2.1 Organization Structure

To meet the needs of emerging business, regulations and business development, TIPC has set up the Planning & Development Department, Port Business Department, Harbor Operation Management Department, Investment Department, Information Technology Department, Construction Management/Engineering Department, Occupational Safety and Health Department, Finance Department, Human Resources Department, Civil Service Ethics Department, Accounting Department, Secretariat Department, Legal Affairs Department and Public Affairs Department to manage the various businesses of the company. The Port of Keelung, Port of Taichung, Port of Kaohsiung, and Port of Hualien branches are also established to operate and manage the international ports.

Organizational Structure of TIPC

Updated 2022.01.16



2.2 Operation of the Board of Directors

In accordance with The Taiwan International Ports Corporation, Ltd. Establishment Act, a board of directors shall be established with 15 to 23 directors and 3 to 5 supervisors. At least one-fifth of the directors shall be representatives elected by the labor unions. The term of the directors and supervisors shall be three years, and they shall be eligible for re-election. If a representative of the government or a legal entity is elected as a director or supervisor, he or she may be reassigned at any time to fill the original term, depending on his or her duties.

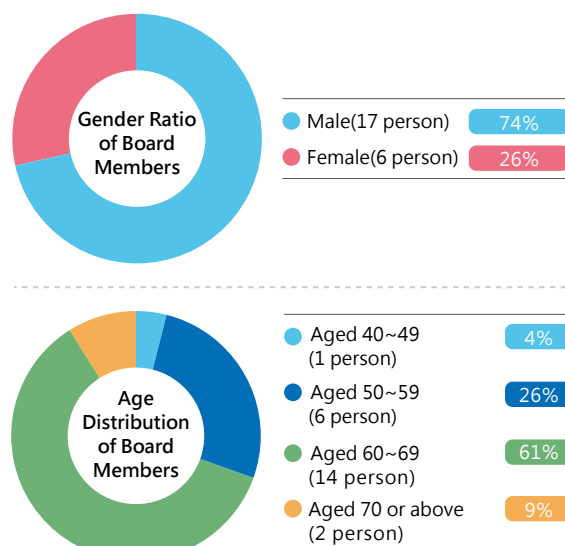
The Board of Directors is the highest governing body of the company and is responsible for reviewing the management team's operational proposals, including operating plans, investment proposals, budgets, and operational changes, as well as economic, environmental, and social issues. The Board of Directors' resolutions are regularly tracked and the manager department is asked to respond to the status of implementation.

Members of the Board of Directors

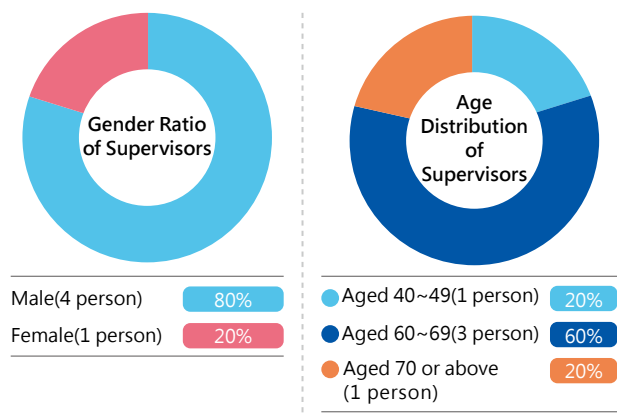
The directors of TIPC are selected and appointed by the Ministry of Transportation and Communications in accordance with the law. There are currently 23 directors, 17 men and 6 women; the age group is mainly distributed as 1 person aged 40 to 49, 6 persons aged 50 to 59, 14 persons aged 60 to 69, and 2 persons aged 70 or above. According to the Oath Act, directors and supervisors are required to complete the oath of office and sign an anti-corruption declaration within 3 months. The Board of Directors' meetings are convened once every three months, except for those convened by law, and ad hoc board meetings may be convened when necessary. In 2022, 5 board meetings were held and the motions considered included 20 reports and 25 discussions, with an average attendance rate of 81.25%.

The Board of Directors is composed of experts in various professional fields such as transportation, business management, accounting and taxation, risk management, law, engineering, sustainability, etc. In addition, many of the directors are senior officials from the Ministry of Transportation, the National Development Council of the Executive Yuan, the Ministry of Economic Affairs, the Customs Administration, Ministry of Finance, the Ministry of the Interior National Immigration Agency, and various county and city governments. 5 labor directors have an average of 31 years of service and are familiar with various port businesses.

Gender and Age Distribution of Board Members



Gender and Age Distribution of Supervisors



Supervisory Board Members

The supervisors of TIPC are selected and appointed by the Ministry of Transportation and Communications for the board of directors. At present, there are 5 supervisors (4 male and 1 female); the age range is 1 person aged 40 to 49, 3 persons aged 60 to 69, and 1 person aged 70 or above. The supervisors, internal auditors, and certified public accountants hold annual supervisors' meetings to discuss, communicate, and review documents regarding the business and financial status.

The supervisors' meeting was held in May 2022, attended by supervisors, internal auditors, certified public accountants, and relevant departments of the Company. The meeting was completed to review the Company's operating reports, financial statements and proposals for earnings distribution, and to issue an audit report.

Board of Directors and Supervisors Information

Statistical period : 2022.01.01~2022.12.31

Job Title	Name	Date of initial (elected) appointment	Major Academic Experience	Current Job Position and Other Companies Duties
Chairman	Lee Hsien-Yi	2020.03.26	<p>Ph.D. in Graduate School of Engineering Science and Technology, National Kaohsiung First University of Science and Technology M.S., in Civil Engineering, National Cheng Kung University</p> <ul style="list-style-type: none"> ● Director of Water Resources Bureau, Tainan City Government ● Deputy Secretary, Taichung City Government ● Director of Water Resources Bureau, Kaohsiung City Government 	● Chairman of Taiwan International Ports Corporation, Ltd.
Board Director	Chen, Shao-Liang	2019.06.17	<p>Master's degree of Business Administration Program, Department of Business Administration, National Dong Hwa University</p> <ul style="list-style-type: none"> ● Executive Vice President, Taiwan International Ports Corporation (TIPC) and President, Port of Kaohsiung of TIPC ● Vice President of Business, TIPC ● Vice President of TIPC and President, Port of Taichung of TIPC ● Deputy Director-General, Hualien Harbor Bureau, MOTC ● Chief Secretary, Hualien Harbor Bureau, MOTC 	<ul style="list-style-type: none"> ● President of Taiwan International Ports Corporation, Ltd. ● Board Director of YangMing Marine Transport Corp.
Board Director	Chen, Jin-Sheng	2021.05.19	<p>M.S. in Accounting and Management Decision Making, National Taiwan University School of Management</p> <p>Institute of Transportation, National Chiao Tung University</p> <p>Department of Traffic and Transportation Management, National Cheng Kung University</p> <ul style="list-style-type: none"> ● Chief Secretary, MOTC ● Section Chief, Chief Technical Officer, Deputy Director, Director of Department Of Navigation and Aviation, MOTC ● Director, China Engineering Consulting, Inc. ● Director, Motor Vehicle Accident Compensation Fund 	● Counselor of MOTC
Board Director	Jeng, Peir-Fuh	2021.03.15	<p>M.A., Institute of Public Affairs, Tunghai University</p> <ul style="list-style-type: none"> ● Taiwan Provincial Government Chairman Vacant Executive Yuan Authorization to Act as Provincial Government(2006.1.25~2007.12.7) ● Member of the Nuclear Energy Back-end Fund Management Committee ● Director of Taiwan Provincial Election Commission ● Secretary General of Taiwan Provincial Government ● Head of the Cultural and Education Unit of the Taiwan Provincial Government ● Deputy Head of Public Affairs Management Unit and Economic Construction Unit, Taiwan Provincial Government ● Director, Department of Civil Affairs, Pingtung County Government ● Director, Planning Office, Pingtung County Government ● Director, Social Affairs Department, Pingtung County Government 	None

Job Title	Name	Date of initial (elected) appointment	Major Academic Experience	Current Job Position and Other Companies Duties
Board Director	Liu, Li-Li	2018.03.13	<p>Department of Finance and Taxation, National Chengchi University</p> <ul style="list-style-type: none"> ● Director, Taichung Customs, Customs Administration, Ministry of Finance ● Deputy Director, Keelung Customs, Customs Administration, Ministry of Finance ● Deputy Director, Taipei Customs, Customs Administration, Ministry of Finance ● Deputy Director, Taichung Customs, Customs Administration, Ministry of Finance ● Team Leader, Customs Administration, Ministry of Finance 	<ul style="list-style-type: none"> ● Deputy Director, Customs Administration, Ministry of Finance
Board Director	Wu, Pei-Chuan	2020.02.17	<p>M.A. in English for Asian Pacific Studies, National Chengchi University</p> <ul style="list-style-type: none"> ● Director, National Immigration Agency, Ministry of the Interior ● Immigration Inspection, National Immigration Agency, Ministry of the Interior 	<ul style="list-style-type: none"> ● Specialized Member, Immigration Division, National Immigration Agency, Ministry of the Interior
Board Director	Yu, Chien-Hwa	2020.06.08	<p>Ph.D., Department of Environmental Engineering, National Taiwan University</p> <ul style="list-style-type: none"> ● Vice Mayor, Taoyuan City Government ● Secretary General, Taoyuan City Government ● Vice Mayor of Hsinchu City ● Deputy Director, Bureau of High Speed Rail, MOTC ● Counsellor, Office of the President ● Director, Department of Transportation, Taoyuan County Government ● Director, Construction Bureau, Taoyuan County Government ● Director, Bureau of Environmental Protection, Hsinchu City 	<ul style="list-style-type: none"> ● Vice Chairman of National Development Council, Executive Yuan ● Director, China Engineering Consultants, Inc. ● Director, China Aviation Development Foundation
Board Director	Chen, Yi-Ling	2012.03.01	<p>M.A., Institute of International Business, National Chengchi University</p> <p>MSc, Institute of International Economics, University of Reading, UK</p> <ul style="list-style-type: none"> ● Chief Secretary, Bureau of Energy, Ministry of Economic Affairs ● Executive Secretary, Research and Development Committee, Ministry of Economic Affairs 	<ul style="list-style-type: none"> ● Chief Secretary, Ministry of Economic Affairs
Board Director	Tai, Hui-Huang	2016.09.06	<p>Ph.D., National Chiao Tung University, Institute of Traffic and Transportation</p> <p>B.S. and M.S., Department of Shipping & Transportation Management, National Taiwan Ocean University</p> <ul style="list-style-type: none"> ● Head of Department of Shipping and Transportation Management, National Kaohsiung University of Science and Technology ● Adjunct Professor, Department of Aviation and Maritime Transportation, Chang Jung Christian University ● Adjunct Professor, Department of Transportation Management, Tamkang University ● Lecturer, Department of Shipping Management, China Maritime College ● Sales Representative, Pacific Star Group 	<ul style="list-style-type: none"> ● Dean, College of Marine Commerce, National Kaohsiung University of Science and Technology ● Professor, Department of Shipping and Transportation Management, National Kaohsiung University of Science and Technology
Board Director	Jang, Jing-Jong	2021.03.30	<p>Ph.D., Civil Engineering, University of California, Los Angeles, USA</p> <ul style="list-style-type: none"> ● Professor, Department of Harbor & River Engineering, National Taiwan Ocean University ● Associate Professor, Department of Harbor & River Engineering, National Taiwan Ocean University ● Postdoctoral Research Fellow, University of California, Los Angeles, U.S.A. ● Structural Engineer, Engineering Consultants, Los Angeles, CA, USA 	<ul style="list-style-type: none"> ● Professor, Department of Harbor & River Engineering, National Taiwan Ocean University

Job Title	Name	Date of initial (elected) appointment	Major Academic Experience	Current Job Position and Other Companies Duties
Board Director	Chang, Hsin-Wen	2021.03.15	<p>Ph.D. in Transportation Technology and Management, College of Management, National Chiao Tung University</p> <ul style="list-style-type: none"> ● 2021 Awards for Contribution to Taiwan Tourism – Outstanding Enthusiastic Individual Award ● Japan Kansai Region Tourism Ambassador (Life-time position) ● Bicycle Expert of the European Union's European Bicycle Federation ● Member of the National Research Council (NRC) Transportation Research Board (TRB) Bicycle Transportation Committee (2009-2018) ● Member of Construction and Planning Agency, Ministry of the Interior (currently out of office) ● Member of the Tourism Advisory Group, MOTC ● Member of New Taipei City Regional Planning Committee ● Member of Hsinchu City Housing Committee 	<ul style="list-style-type: none"> ● Distinguished Professor and Dean of College of Tourism, Chung Hua University ● Supervisor of Chu Tour
Board Director	Lin, Li-Chu	2021.03.15	<p>M.S., National Chiao Tung University, Taiwan, Institute of Traffic and Transportation</p> <ul style="list-style-type: none"> ● Member, Taipei City Government Transportation Bureau ● Deputy Director, Department of Transportation, Taipei City Government 	<ul style="list-style-type: none"> ● Deputy Director, Transportation Department, New Taipei City Government
Board Director	Hsu, Yen-Hsing	2020.09.21	<p>Ph.D., Graduate Institute of Building and Planning, National Taiwan University</p> <ul style="list-style-type: none"> ● Director, Chief of Engineering Division, Department of Urban Planning, Taipei City Government ● Director, Deputy Chief of Engineering Division, Taipei City Urban Regeneration Office ● Adjunct Lecturer, Department of Geography, National Taiwan Normal University ● Adjunct Lecturer, Department of Architecture & Urban Planning, Chung Hua University 	<ul style="list-style-type: none"> ● Director, Department of Urban Development, Keelung City Government
Board Director	Chen, Shu-Mei	2021.03.15	<p>Ph.D., National Chengchi University, Institute of Land Economics</p> <ul style="list-style-type: none"> ● Dean, College of Business and Management, Kun Shan University ● Chair, Department of Real Estate Management, Kun Shan University of Science and Technology ● Professor, Department of Real Estate Development and Management, Kun Shan University of Science and Technology ● Global Chinese Real Estate Congress, Executive Director 2017 President ● Member of the Board of Examiners for the National Examinations and Local Special Examinations in Land Use, Examination Yuan ● Member of Assignment and Paper Marking of Professional and Technical Examinations for Real Estate Appraiser ● Member of Assignment and Paper Marking of Real Estate Broker, Landsman Exam Proposer and Marker Examinations 	<ul style="list-style-type: none"> ● Director-General, Bureau of Land Administration, Tainan City Government
Board Director	Kuo, Tien-Kuei	2016.10.11	<p>National Sun Yat-sen University, Taiwan, M.A., Institute of Political Science</p> <ul style="list-style-type: none"> ● Deputy Secretary General, Kaohsiung City Government ● Director, Maritime Port Bureau, MOTC ● President, TIPIC ● Chairman, Kaohsiung Port Land Development Co., Ltd. ● Chief Secretary and Deputy Director, Bureau of Cultural Affairs, Kaohsiung City Government 	<ul style="list-style-type: none"> ● Secretary General of Kaohsiung City Government

Job Title	Name	Date of initial (elected) appointment	Major Academic Experience	Current Job Position and Other Companies Duties
Board Director	Chen, Tzu-Ching	2019.02.26	Department of Public Security, Central Police University, 38 th Regular Course ● Chief Secretary of National Police Agency ● Central Police University Team Officer ● Director of Aviation Police Bureau ● Director of National Highway Police Bureau ● Director, Tainan City Police Department	● Vice Mayor of Taichung City Government
Board Director	Lin, Chien-Rong	2019.01.10	Department of Civic Education and Leadership, National Taiwan Normal University Institute of Education, National Taiwan Normal University ● The 3 rd , 4 th , 6 th , and 7 th members of the Legislative Yuan ● The 9 th , 11 th , and 12 th mayors of Yilan City ● Secretary of the China Nationalities' Party Nationals' Party, Legislative Yuan ● Chairman of the Yilan Committee of the China Youth Corps ● Director of the Yilan County Party Committee, China Nationalities' Party Nationals' Party ● Teacher and Secretary, National Ilan Institute of Agriculture and Technology ● Yi-Lan Fu-Shing Junior High School Director of Academic Affairs and Director of Supplementary School	● Deputy Magistrate of Yilan County Government
Board Director	Ho, Chao-Hsi	2021.03.15	Ph.D. in Engineering (Architecture and Urban-Rural Group), Institute of Civil Engineering, National Taiwan University ● Director, Urban Development Bureau, Taichung City Government ● Associate Professor and Head, Department of Creative Design, National Yunlin University of Science and Technology ● Director, Construction Management Section, Taichung City Government ● Director of Public Works, Yushan National Park Administration, Construction and Planning Agency, Ministry of the Interior ● Director of Construction Management Section, Chiayi City Government ● Director, Civil Engineering Section, Chiayi City Government (Promoting the Zhuweizi Rezoning Project)	● Hualien County Government County Counselor ● Architect of He Zhaoxi Architects
Board Director	Su, Chiu-Te	2018.03.13	Taiwan Keelung Commercial and Industrial Vocational Senior High School, passed the Self-education Proficiency Test (Educational Level Code: Two-Year College Program) in Mechanical Engineering ● Chairman of Corporate Union, Port of Keelung, TIPC ● Chief Executive Officer of the Employee Welfare Committee of TIPC ● Labor Representative of the Labor-Management Meeting, Port of Keelung, TIPC ● Chairman of the Employee Welfare Committee of TIPC	● Chief Executive Officer of the Employee Welfare Committee of TIPC

Job Title	Name	Date of initial (elected) appointment	Major Academic Experience	Current Job Position and Other Companies Duties
Board Director	Cheng, Ching-Sheng	2020.07.16	<p>M.S., Department of Harbor & River Engineering, National Taiwan Ocean University</p> <ul style="list-style-type: none"> ● Supervisor, Construction Management/Engineering Department, Port of Hualien, TIPC ● Vice Chairman of Enterprise Union and Chairman of Port of Hualien, TIPC ● Manager, Electrical and Mechanical Division, Construction Management/Engineering Department, Port of Hualien, TIPC ● Manager of Engineering & Facilities Department, Manager of Procurement Department, Port of Hualien, TIPC ● Director of Public Works Section, Deputy Engineering Division, and Assistant Engineering Division, Hualien Port Bureau, MOTC 	<ul style="list-style-type: none"> ● Deputy Director of Construction Management/Engineering Department, Port of Hualien, TIPC
Board Director	Lu, Chen-Tai	2012.03.01	<p>B.S. in Business Management, Chung Chou University of Science and Technology</p> <ul style="list-style-type: none"> ● Director of Harbor Bureau Union (Ship Repairing Plant) ● The 1st Labor Director of TIPC ● The 1st Welfare Committee of TIPC ● Labor Safety and Health Manager of Ship Machinery Repair Plant, Taichung Harbor Bureau, MOTC ● Engineer and Supervisor, Port Engineering Division, Taichung Harbor Bureau, MOTC 	<ul style="list-style-type: none"> ● Senior Manager, Occupational Safety and Health Division, Occupational Safety and Health Dept., Port of Taichung, TIPC
Board Director	Tsai, De-Ming	2015.03.06	<p>M.S., National Kaohsiung University of Science and Technology, Institute of Shipping and Transportation Management</p> <ul style="list-style-type: none"> ● Executive Director, Kaohsiung Harbor Bureau ● Director, Kaohsiung City General Labor Union 	<ul style="list-style-type: none"> ● Assistant Manager, Administration Division, Secretariat Dept., Taiwan Port Services Co.
Board Director	Huang, Ying-Liang	2018.03.13	<p>Army Officer's School (Educational Level Code: Two-Year College Program), Business Management Division</p> <ul style="list-style-type: none"> ● Director and Secretary General of the Port of Kaohsiung Enterprise Union of TIPC (currently serving) ● Member of Employee Welfare Committee, TIPC ● Labor Representative of the Labor-Management Meeting, Port of Kaohsiung, TIPC ● Chairman of the first and second term of Port of Kaohsiung, TIPC Labor Union 	<ul style="list-style-type: none"> ● Senior Technician, Passenger Service Division, Pallet and Port Business Unit, Port of Kaohsiung, TIPC
Board Supervisor	Hsu, Pi-Lan	2012.08.10	<p>National Taiwan University, M.A., Department of Political Science</p> <ul style="list-style-type: none"> ● 12th Accountant Officer, Directorate-General of Budget, Accounting and Statistics, Executive Yuan ● 12th Chief Secretary, Directorate-General of Budget, Accounting and Statistics, Executive Yuan ● 11th Deputy Director of the Accounting and Final Account Division Directorate-General of Budget, Accounting and Statistics, Executive Yuan 	<ul style="list-style-type: none"> ● Accountant Officer and Director of Accounting and Financial Services, Directorate-General of Budget, Accounting and Statistics, Executive Yuan ● Supervisor, National Housing and Urban Regeneration Center ● Director, Accounting Research and Development Foundation

Job Title	Name	Date of initial (elected) appointment	Major Academic Experience	Current Job Position and Other Companies Duties
Board Supervisor	Chang, Shin-Yi	2017.01.16	<p>M.S., National Taiwan University, Graduate School of Accounting</p> <ul style="list-style-type: none"> ● Director, Accounting Division, Ministry of Economic Affairs ● Accounting Director, Sea Patrol Agency, Executive Yuan ● Deputy Accounting Director, Accounting Division, Veterans Affairs Council, Executive Yuan 	<ul style="list-style-type: none"> ● Director, Accounting Division, MOTC ● Director, Chunghwa Telecom Co.
Board Supervisor	Huang, Wen-hsiang	2022.03.08	<p>Department of Law, National Chung Hsing University</p> <ul style="list-style-type: none"> ● Senator, Department of Environment and Natural Resources, Executive Yuan ● Director, Department of Environment and Natural Resources, Executive Yuan 	<ul style="list-style-type: none"> ● Deputy Director, Department of Transportation, Environment and Resources, Executive Yuan
Board Supervisor	Lin, Hsuan-Chu	2021.03.15	<p>Ph.D. in Financial Economics, Rutgers, New Jersey State University</p> <ul style="list-style-type: none"> ● Associate Professor, National Cheng Kung University ● Assistant Professor, National Cheng Kung University ● Director, Center for International Exchange, College of Management, National Cheng Kung University ● Teaching Professor, Rutgers, New Jersey State University 	<ul style="list-style-type: none"> ● Professor, Department of Accounting and Graduate Institute of Finance, National Cheng Kung University, and Director, EMBA Program, College of Management ● Independent Director, Taiwan Cooperative Financial Holding Co. ● Independent Director, Taiwan Cooperative Bank ● Independent Director, Soft-World International Corporation
Board Supervisor	Huang, Wang-Hsiu	2016.12.12	<p>Ph.D., Department of Shipping & Transportation Management, National Taiwan Ocean University</p> <ul style="list-style-type: none"> ● The 2nd and 3rd Board of Directors of TIPC ● Executive Director of Taichung City Industrial Development and Investment Promotion Council, Advisor and Head of the Port Strategic Alliance Platform ● Chairman of YangMing Marine Transportation Co. ● President of YangMing Marine Transportation Co. ● Chairman, Bank of Kaohsiung ● Associate Professor, Chang Jung Christian University, Institute of Aviation and Maritime Transportation 	<ul style="list-style-type: none"> ● Independent Director, Taiwan Navigation Company ● Director, Shintao Natural Gas Co.

Board of Directors Diversity and Core Competencies Table

Job Title	Name	Gender	Nationality	Transportation	Business Management	Accounting and Taxation	Risk Management	Legal	Technology Information Application	Engineering and Construction	Continuous Professionalism	Other professions
Chairman	Lee, Hsien-Yi	Male	Republic of China									Water resources management, river regulation.
Board Director	Chen, Shao-liang	Male	Republic of China									
Board Director	Chen, Jin-Sheng	Male	Republic of China									
Board Director	Jeng, Peir-Fuh	Male	Republic of China									
Board Director	Liu, Li-Li	Female	Republic of China									Regulations.
Board Director	Wu, Pei-Chuan	Female	Republic of China									
Board Director	Yu, Chien-Hwa	Male	Republic of China									
Board Director	Chen, Yi-Ling	Female	Republic of China									International trade and project control.
Board Director	Tai, Hui-Huang	Male	Republic of China									Port and terminal operations,shipping management, and carbon emission calculation module for shipping companies.
Board Director	Jang, Jing-Jong	Male	Republic of China									
Board Director	Chang, Hsin-Wen	Female	Republic of China									Tourism planning, urban planning.
Board Director	Lin, Li-Chu	Female	Republic of China									
Board Director	Hsu, Yen-Hsing	Male	Republic of China									Port city planning, marine culture regeneration.
Board Director	Chen, Shu-Mei	Female	Republic of China									Land administrations.

Job Title	Name	Gender	Nationality	Transportation	Business Management	Accounting and Taxation	Risk Management	Legal	Technology Information Application	Engineering and Construction	Continuous Professionalism	Other professions
Board Director	Kuo, Tien-Kuei	Male	Republic of China									Environment, lands-cape and ecology.
Board Director	Chen, Tzu-Ching	Male	Republic of China									Public safety.
Board Director	Ho, Chao-Hsi	Male	Republic of China									Age-friendly facilities, urban planning.
Board Director	Lin, Jian-Rong	Male	Republic of China									Education and social welfare.
Board Director	Su, Chiu-Te	Male	Republic of China									Labor coordination, group welfare.
Board Director	Cheng, Ching-Sheng	Male	Republic of China									Government procurement, occupational safety and health.
Board Director	Lu, Chen-Tai	Male	Republic of China									Mechanical application management.
Board Director	Tsai, De-Ming	Male	Republic of China									Organizational development, industrial democracy and labor participation.
Board Director	Huang, Ying-Liang	Male	Republic of China									Labor-management coordination and communication.
Board Supervisor	Hsu, Pi-Lan	Female	Republic of China									Internal control and internal audit.
Board Supervisor	Chang, Shin-Yi	Male	Republic of China									Internal control and internal audit.
Board Supervisor	Huang, Wen-hsiang	Male	Republic of China									
Board Supervisor	Lin, Hsuan-Chu	Male	Republic of China									
Board Supervisor	Huang, Wang-Hsiu	Male	Republic of China									

Further Education for Directors and Supervisors

To enhance the professional knowledge of directors and supervisors, new directors and supervisors should take at least 12 hours of advanced training in the year of their appointment and at least 6 hours of advanced training in each year of their reappointment, as stipulated in the "Implementation Guidelines for Directors and Supervisors of Listed Companies". The directors and supervisors will be provided with subsidies for course fees, and they will select their own training courses from relevant external educational institutions. The scope of training covers courses related to corporate governance topics such as finance, risk management, business, commerce, legal affairs, accounting, corporate sustainability, internal control system, financial reporting responsibilities and project quality management. The number of training hours for directors and supervisors will be reported to the Ministry of Transportation and Communications by the end of the year. The average number of training hours for directors and supervisors in 2022 is 7.6 hours (214 (total hours)/28 persons = 7.6 hours).

Job Title	Name	Training Date	Organizer	Course Name	Training hours	Total Hours
Chairman	Lee Hsien-Yi	2022.10.04	TIPC	[Executive Sustainability Governance Enrichment Course] Morning Session: Sustainable Governance Framework and Climate Risk Afternoon Session: International Trends and Foundations for Sustainable Transformation	6	12
		2022.10.14	TIPC	2022 Board of Directors ESG Enrichment Workshop	3	
		2022.10.25	Taiwan Corporate Governance Association (TCGA)	Interpretation of Important Corporate Governance Decisions: Directors' Responsibilities at the Core	3	
Director	Chen, Shao-Liang	2022.06.22	Taiwan Corporate Governance Association (TCGA)	ESG-related legal issues to be considered by the Board of Directors	3	12
		2022.07.29	Securities and Futures Institute	Advanced Seminar on Directors' and Supervisors' (including Independent) and Corporate Governance Officers' Practices - Facts of Establishing Directors' and Supervisors' Breach of Trust and Special Breach of Trust	3	
		2022.10.04	TIPC	[Executive Sustainability Governance Enrichment Course] Morning Session: Sustainable Governance Framework and Climate Risk Afternoon Session: International Trends and Foundations for Sustainable Transformation	6	
Director	Chen, Jin-Sheng	2022.02.18	Taiwan Corporate Governance Association (TCGA)	Unlocking Financial Statements	3	3
Director	Jeng, Peir-Fuh	2022.10.14	TIPC	2022 Board of Directors ESG Enrichment Workshop	3	3
Director	Liu, Li-Li	2022.05.30	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	The Impact of Business Event Trial Law and Expert Witness System on Directors and Supervisors	3	9
		2022.06.08	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	Process-based Organization X IoT X Meta-Universe, How Enterprises Can Embrace Digital Business Opportunities	3	
		2022.10.14	TIPC	2022 Board of Directors ESG Enrichment Workshop	3	
Director	Wu, Pei-Chuan	2022.10.14	TIPC	2022 Board of Directors ESG Enrichment Workshop	3	6
		2022.10.21	Taiwan Corporate Governance Association (TCGA)	How the director supervises the company's risk management and internal control	3	
Director	Yu, Chien-Hwa	2022.03.22	Taiwan Corporate Governance Association (TCGA)	Information Security Incident Handling Practices under the New Post-Epidemic Normal	2	10
		2022.07.07	Taiwan Corporate Governance Association (TCGA)	How directors can help companies face risks and manage crises	2	
		2022.07.22	Taiwan Investor Relations Institute (TIRI)	Digital Governance Enhances Risk Management and Crisis Management for Directors and Supervisors	3	
		2022.08.31	Taiwan Corporate Governance Association (TCGA)	Net Zero Emissions, Carbon Neutrality and Corporate Compliance	3	

Job Title	Name	Training Date	Organizer	Course Name	Training hours	Total Hours
Director	Chen, Yi-Ling	2022.01.10	Ministry of Economic Affairs	Financial Planning for Industrial Park Development Management Fund	5	38
		2022.02.11				
		2022.03.24				
		2022.07.15				
		2022.10.14				
		2022.05.09	Executive Yuan	Financial Planning for Industrial Park Development Management Fund	2	
		2022.04.04	Ministry of Economic Affairs	Copyright Act Business Mergers and Acquisitions Act	2	
		2022.05.13	Ministry of Economic Affairs	Renewable Energy Regulations	4	
		2022.05.31				
		2022.03.15	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	Global Economic Outlook and Regional Economic Integration	2	
		2022.08.01	Business Today	International Issues on New Energy	2	
		2022.05.27	National Development Council	Industrial development policy and practical planning of interest rate rise issues	2	
		2022.06.13	Executive Yuan	Industrial development policy and practical planning of interest rate rise issues	2	
		2022.09.21	Ministry of Economic Affairs	Industrial development policy and practical planning of interest rate rise issues	3	
		2022.10.13				
		2022.04.06	Ministry of Economic Affairs	Project Implementation of Corporate Governance and Transformation of State-Owned Businesses	8	
		2022.04.13				
		2022.08.30				
		2022.10.24				
		2022.11.17				
		2022.12.23	Executive Yuan	Smart Nation and Digital Development Action Plan Workshop	6	
		2022.01.25				
		2022.03.18				
		2022.06.27				
		2022.10.19				
Director	Tai, Hui-Huang	2022.10.04	TIPC	[Executive Sustainability Governance Enrichment Course] Afternoon Session: International Trends and Foundations for Sustainable Transformation	3	6
		2022.10.11	TIPC	[Executive Sustainability Governance Enrichment Course] Afternoon Session: Carbon Credit and Ratings	3	
Director	Jang, Jing-Jong	2022.10.14	TIPC	2022 Board of Directors ESG Enrichment Workshop	3	3
Director	Lin, Li-Chu	2022.08.02	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	Corporate Directors and Supervisors' Responsibility for Intellectual Property Management	3	6
		2022.08.26	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	Latest Revisions and Tax Issues on Business Mergers and Acquisitions Act	3	
Director	Hsu, Yen-Hsing	2022.07.04	Keelung City Government	Local governance and community building in urban and rural areas	1	3
		2022.07.15	Keelung City Government	The recent development of globalization	1	
		2022.07.20	Keelung City Government	Knowing AI (Artificial Intelligence)	1	
Director	Chen, Shu-Mei	2022.09.23	Taiwan Corporate Governance Association (TCGA)	The Virtual World Explosion: The Future of the Metaverse and Cryptocurrency Blockchain	3	6
		2022.10.14	TIPC	2022 Board of Directors ESG Enrichment Workshop	3	

Job Title	Name	Training Date	Organizer	Course Name	Training hours	Total Hours
Director	Lin, Chien-Rong	2022.04.28	Civil Service Development Institute, Directorate-General of Personnel Administration, Executive Yuan	International Urban Sustainable Development Strategies and Taiwan's Participation	1	2
		2022.07.25	Civil Service Development Institute, Directorate-General of Personnel Administration, Executive Yuan	Government Agency Cyber Security Threats and Protection Priorities	1	
Director	Ho, Chao-Hsi	2022.12.19 to 2022.12.21	Chinese Labor Safety and Health Management Association	Occupational safety and health business supervisor training class C	21	21
Director	Su, Chiu-Te	2022.08.15 to 2022.08.16	Ministry of Labor	2022 Labor Director Professional Knowledge Training Program	8	8
Director	Cheng, Ching-Sheng	2022.08.15 to 2022.08.16	Ministry of Labor	2022 Labor Director Professional Knowledge Training Program	8	8
Director	Tsai, De-Ming	2022.08.15 to 2022.08.16	Ministry of Labor	2022 Labor Director Professional Knowledge Training Program	8	8
Director	Huang, Ying-Liang	2022.08.15 to 2022.08.16	Ministry of Labor	2022 Labor Director Professional Knowledge Training Program	8	8
Supervisor	Hsu, Pi-Lan	2022.10.14	TIPC	2022 Board of Directors ESG Enrichment Workshop	3	3
Supervisor	Chang, Shin-Yi	2022.01.25	Taiwan Corporate Governance Association (TCGA)	Key Technologies and Market Adoption Strategies for 5G in Taiwan	3	15
		2022.08.05	Taiwan Corporate Governance Association (TCGA)	Digital Transformation and Risk Management	3	
		2022.10.19	Taiwan Corporate Governance Association (TCGA)	The 18th (2022) Corporate Governance Summit- Enhancing Directors' Functions to Implement Sustainable Corporate Governance	6	
		2022.11.04	Taiwan Corporate Governance Association (TCGA)	Variables of International Order and Corporate Governance Response	3	
Supervisor	Lin, Hsuan-Chu	2022.06.22	Taiwan Corporate Governance Association (TCGA)	2022 Global Trends and Business Opportunities in Low Carbon Economy and Corporate Low Carbon Innovation	3	9
		2022.06.22	Taiwan Corporate Governance Association (TCGA)	ESG-related legal issues to be considered by the Board of Directors	3	
		2022.08.10	Securities and Futures Institute	External Innovation and Sustainable Management	3	
Supervisor	Huang, Wen-hsiang	2022.05.30	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	The Impact of Business Event Trial Law and Expert Witness System on Directors and Supervisors	3	12
		2022.06.01	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	ESG Governance - From Knowing to Doing	3	
		2022.06.07	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	Case Study of Business Right Dispute	3	
		2022.06.08	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	Process-based Organization X IoT X Meta-Universe, How Enterprises Can Embrace Digital Business Opportunities	3	
Supervisor	Huang, Wang-Hsiu	2022.04.08	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	2022 Board of Directors' Meeting with Shareholders and FAQs	3	3
Total						214

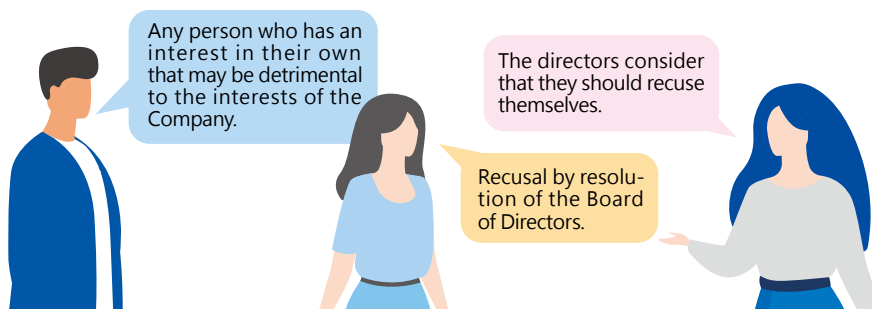
Remuneration of Directors and Supervisors

The remuneration of directors and supervisors are paid monthly in accordance with the Table of Part-Time Expenses for Military and Educational Personnel, and their travel expenses to attend relevant meetings are approved with reference to the "Guidelines for Domestic Travel Expenses".

The remuneration of the Chairman and President of TIPC is in accordance with the "Notes on Salary Adjustment for the Presiding Officers of the Implementing Staff Rate Bodies under the MOTC". The MOTC will approve the salaries of the chairpersons (Chairman and President of the affiliated companies in accordance with their level of responsibility and the performance of their business operations, and will evaluate the different categories based on the relevant evaluation factors and report to the Executive Yuan for review.

Obligations of Directors for Conflict of Interest Avoidance

In accordance with Article 22 of the Rules of Procedure of the Board of Directors of TIPC, a director shall recuse himself/herself from the discussion of a motion listed in the Board of Directors' meeting and shall not exercise his/her voting rights on behalf of other directors in the following circumstances:



If a director violates the recusal provision in the preceding paragraph and joins in the voting, his or her vote will be invalid.

For transactions by related parties (including Directors, Supervisors, Chairman and President), a control mechanism called "Related Party Transaction Management Guidelines" has been established to strengthen the effective management and regulation of related party transactions to ensure the Company's rights and interests, and to comply with the regulations on conflict of interest avoidance.



2022 Board of Directors Conflict of Interest Avoidance



Date of Board Meeting

Avoidance of the Cause of Action



2022/01/05
4th Board of Directors Meeting
3rd Interim Meeting

The Acting Executive Vice President of TIPC and President of Port of Kaohsiung Chang, Kuo Ming and Vice President of Business Chung, Ying Feng, was retiring on January 16, 2022. The adjustment of the duties of the Vice Presidents was discussed to meet the business needs.



2022/12/06
4th Board of Directors Meeting
8th Meeting

The meeting is held to submit the evaluation of the independence, suitability and performance of our auditors for discussion.

Directors' Prohibition Obligations

In accordance with Article 209 of the Company Act, each director is asked to declare whether he or she is also a director of other business organizations when he or she assumes office, and to check whether he or she is involved in competition with other business organizations in relation to the business of the Company. The Board of Directors will remove the prohibition on directors competing for business when acting as the shareholders' meeting.

Agenda Committee

The Agenda Committee is established to strengthen the functions of the Board of Directors and to promote the efficiency of decision-making, mainly to review whether the proposals are in line with the Board of Directors' resolutions, and to submit the approved proposals to the Board of Directors for resolution, while the unsuccessful proposals are referred to the management for consideration or participation.

The committee is composed of Labor Directors, with the Chairman of the Board as the convener. The term of office of the members shall expire at the end of the term of the Labor Director, and in case of any change in the Labor Director, the term of office shall expire at the end of the original term.

The agenda committee will be convened before each board meeting as a rule, and if necessary, ad hoc meetings may be convened. In 2022, 4 agenda committee meetings was held.

Annual Self-assessment of Directors and Supervisors

As a state-owned enterprise under the MOTC, the Chairman, President, Directors and Supervisors are required to undergo annual self-evaluation and assessment at the end of each year in accordance with the "Management and Assessment Guidelines for the Selection of Representatives of State-run Enterprises and Foundations Assigned by the MOTC and its affiliated institutions". The annual self-assessment and evaluation form must be submitted to the MOTC for re-evaluation. The results of the re-evaluation and assessment will be used by the Ministry of Transportation and Communications as an important reference for continued assignments.

The assessment indicators of each subject are different depending on the duties they hold. The MOTC assessment form has a total score of 100 points, and the criteria for the assessment form are: those with a total assessment score of 80 or more (inclusive) are considered fit for duty, those with a score of 79 to 61 are to be strengthened and improved, and those with a score of 60 or less (inclusive) are considered unfit for duty.

In 2022, 23 directors and supervisors conducted self-assessment (including Chairman and President, excluding labor directors), and the MOTC approved the assessment results as follows: 21 are suitable, 1 is to be strengthened and improved, and 1 is unsuitable.The 2 directors of which enhancements to be made and of incompetencies have been reassigned in 2023.

Annual Self-Assessment Criteria		
 Chairman, President <ul style="list-style-type: none"> Count of attendance. Achievement of business goals. Cooperation with government policies and promote business organizations to achieve policy objectives. Inadequate supervision of the company's operations, resulting in significant penalties. Other specific events. 	 Directors <ul style="list-style-type: none"> Count of attendance. Participation in major events. Participation in and contribution to the business unit. Achievement of policy-specific tasks assigned by the MOTC. Other specific events. 	 Supervisors <ul style="list-style-type: none"> Count of attendance. Inspection of the Board of Directors' Form. Inspection of business operations. Other specific events.

Board of Directors' Meeting Minutes

Within 20 days after the Board of Directors' meeting, the resolutions of the board of directors' meeting shall be recorded in the minutes of the meeting, signed, or sealed by the chairman and submitted to the MOTC for record. Important resolutions of the Board of Directors' meetings or those that should be reported to the MOTC for approval in accordance with the law shall be reported to the MOTC for approval. The agenda and minutes of the Board of Directors' meetings shall be submitted to the MOTC in accordance with the regulations, and the distribution of such minutes shall be limited to the directors, supervisors, and officers of the managerial department of TIPC who are present, unless otherwise agreed by the Board of Directors. The minutes of the Board of Directors' meetings shall be included in the Company's important records and shall be kept permanently and properly during the existence of the Company.

2.3 Ethics and Integrity

To ensure that all employees are engaged in operational activities with the highest ethical standards, TIPC complies with the "Operating Guidelines for Inspection by the Executive Yuan and Affiliated Agencies" and the "Code of Ethics Guidelines for Civil Servants" to regulate the ethics and responsibilities of employees in conducting business practices, and extensively promotes and deepens the corporate culture of moral integrity. Internal "work rules" are clearly defined to strengthen employee disciplinary requirements and to strictly prohibit employees from accepting improper hospitality, gifts, kickbacks or other improper benefits, and from engaging in improper establishments. In addition, the Civil Service Ethics Dept. has incorporated integrity ethics into the training courses for new employees and conducts various training programs from time to time each year. At the same time, it has established the "Regulations on the Confidential Handling of Whistleblowers' Identities of TIPC" plus a secure and strict confidential reporting and complaint mechanism for employees (citizens).

From January to December 2022, a total of 613 cases were registered (502 cases of gifts, 111 cases of banquets and entertainment, and no cases of entrustment). 82% of the cases were analyzed as gifts, 18% as banquets and entertainment, and 0% as entrustment.

Integrity Ethics Code Event Log		
Category	Number of pieces	Percentage
Receiving property	502	82%
Banqueting and entertaining	111	18%
Total	613	100.0%

Compliance with laws and regulations

According to the Commercial Port Law, the planning, construction, management, operation, safety and pollution prevention of international ports are operated and managed by the competent authority (MOTC) through a state-owned enterprise (also known as the commercial port management enterprise), while the domestic commercial ports are operated and managed by the Maritime Port Bureau, or an institution designated by the Executive Yuan. TIPC is entrusted by the Maritime Port Bureau to operate and manage the planning, construction, management, operation, safety and pollution prevention of the 7 international ports and 2 domestic ports in Taiwan. If there is any violation of the Commercial Port Law by any related business or public organization, the relevant evidence will be preserved by the TIPC and transferred to the Maritime Port Bureau MOTC for the purpose of imposing penalties on the public authority.

TIPC abides by relevant domestic and foreign laws and regulations besides the concept of decent management to ensure fair trade, fair competition, prevent improper competition and monopoly and other improper joint practices, implement internal control systems, and truly comply with all laws and regulations.

Related Regulations	Occurrence	Related Regulations	Occurrence
Corruption	1 item	Political Donations	No violation
Child labor risk	No violation	Customer privacy or loss of customer information cases	No violation
Discrimination	No violation	Forced labor	No violation
Environmental regulations	No violation	Various social and economic regulations	No violation

Note:

The above are not material violations. According to the "Procedures of the Taiwan Stock Exchange Corporation for Investigation and Public Handling of Material Information of Listed Companies with Marketable Securities", a material fine is defined as a fine of at least NTD1 million for a single event.

Anti-Corruption

In compliance with Article 12 of the United Nations Convention against Corruption (UNCAC), the National Action Plan for Integrity Building, "Strengthening Corporate Integrity and Building Private Sector Consensus against Corruption", and the "Integrity Work Plan of TIPC", TIPC has set up a Civil Service Ethics Dept. to promote the policy requirement of "Integrity in Government" and to align with the universal values of global anti-corruption, expanding the marketing of the Company's overall corporate image, achieving ESG corporate social responsibility and sustainable development related indicators. In 2022, TIPC had invited the port industries and contractors to participate in the Corporate Integrity Governance Forum. Through the introduction of TIPC's procurement and investment procedures, open and transparent operation mechanism, and the results of the implementation of our net zero carbon emission and environmental policies, we will guide the industry and manufacturers to emphasize the corporate culture of honest governance and sustainable management, establish public service partnership, and create a clean and sustainable environment for our company.

In addition to following the Ethics Guidelines for Civil Servants and the company's work rules, the relevant regulations are placed on the company's internal website for employees to download and read in accordance with the paperless policy. To effectively implement the company's anti-corruption policy, the promotion of integrity ethics regulations is strengthened during the three festivals and an online registration system for integrity ethics events is set up, adopting a registration system for client encounters. Moreover, to notifying the Director of the department and the Civil Service Ethics Dept. in accordance with the regulations, the President must also approve the registration before completing the registration operation, and make use of opportunities such as supervisors' meeting reports, labor education conducted by the labor union and employee welfare committee to educate employees on the use of the registration system. The monthly registration situation will be reported in the report of the executive meeting by the Civil Service Ethics Department. The "Integrity Window" column will be set up in conjunction with the internal magazine "TWPORT E-Paper" of TIPC, and the monthly update of the "Promotion of Integrity Law and Case Analysis" will be made on a regular basis. Through interesting illustrations and explanations, we aim to build up the awareness of anti-corruption and cleanliness among our employees and plant the anti-corruption policy in the hearts of all employees in a subtle way.

In order to improve TIPC's integrity standards, the Company has been promoting the Integrity Action Plan through various risk assessment operations to gain a deeper understanding of the business that is prone to abuses, strengthen the internal control system, and give full play to the early warning function. The Company has established the "Guidelines for Employee Evaluation" and "Principles for Handling Reward and Punishment Cases" as the basis for employee evaluation. Rewards and punishments will immediately be applied in accordance with the regulations in encouraging events or disciplinary actions. The company's Global InfoNet/ the main theme "Integrity Set Sailing" website has set up multiple reporting channels to accept employees and the public complaints hotline and other information. In 2022, there were no legal proceedings related to professional integrity that resulted in monetary losses.

TIPC uncovered fraud (prosecution) channel

On-site Report



During working hours (08:30-17:30), there is a person in charge of receiving on-site reports from the public.

Phone Report



07-2136963

Written report



Email: ethic@twport.com.tw

Fax



07-531-8755

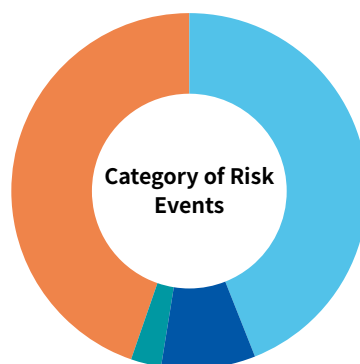
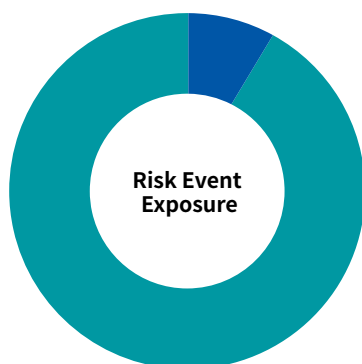
Corruption Risk Management

In order to manage corruption risks, TIPC has set up eight operational bases for corruption risk assessment, including the Civil Service Ethics Dept. of the headquarter, the Port of Keelung Civil Service Ethics Dept. (including the Civil Service Ethics Officer of the Taipei Port Branch Office and the Civil Service Ethics Officer of the Suao Port Branch Office), the Port of Taichung Civil Service Ethics Dept., the Port of Kaohsiung Civil Service Ethics Dept. (including the Civil Service Ethics Officer of the Anping Port Branch Office), and the Port of Hualien Civil Service Ethics Officer; the Civil Service Ethics Officer of the TIPC Marine Corp. (who is assigned by the headquarter), and the Civil Service Ethics Officer of the Kaohsiung Port Land Development Co. (who is assigned by the headquarter).

For the integrity risk business, there are seven internal control systems, including procurement supervision, risky business audit, public servants' property declaration, Ethics Guidelines for Civil Servants cases, receiving and reporting corruption and profanity cases, early warning behavior and re-corruption prevention mechanism, etc. The Civil Service Ethics Dept. will implement the relevant risk control and conduct the internal control mechanism based on the risk assessment results.

To understand the integrity satisfaction of TIPC's business partners and to collect innovative opinions, the Company has been conducting public opinion survey on integrity of our business partners who have participated in our procurement cases, invested in the construction and leasing of business facilities, or had business dealings with our company, in hope to provide our company with a reference for decision making, to build a fair, just and open bidding (business) environment, and to enhance our overall integrity image. Interviews were conducted in person, supplemented by written questionnaires, with a total of 6 interviewees from January 15 to October 5, 2022, due to the impact of the pandemic. The assessment criteria for identifying major corruption risks are based on the time point of occurrence of the case, the current status of the position, the letter sent for investigation, the questions from civil representative, the impeachment of the supervisory court, the correction, the imposition of administrative responsibility or the transfer (suspension), etc. If the probability of occurrence and the degree of influence are assessed to be high risks, the case is classified as a major corruption risk. In 2022, the Civil Service Ethics Dept. had completed the "Integrity Risk Assessment Report" and list a total of 29 risk events, with no high risks (e.g., corruption and profanity cases).

"Risk Event Exposure" Percentage Statistics



Anti-Corruption & Integrity Advocacy and Training

In 2022, TIPC established the "Anti-Corruption Event Series", a series of public participation and integrity promotion activities led by the Civil Service Ethics Dept. Through the power of the media, the program and its contents are widely reported to the public, non-government organizations, businessmen and company employees, with the hope of gaining public support and increasing the willingness to participate in the company's integrity promotion activities. In 2022, a total of 8 social participation sessions were held, with 41,153 participants; a total of 22 integrity promotion sessions (including keynote speeches) were held, with 6,900 participants.



Newcomers

- We conducted 3 sessions of "Integrity Ethics" training for newcomers to promote the Ethics Guidelines for Civil Servants and the relevant requirements, regulations and registration methods of the Company's work rules. 85 newcomers participated in the training (100% of new recruits were trained).



Supervisors

- We make use of the meeting time (once every two weeks) to timely promote the concept of integrity laws such as the Act on Property-Declaration by Public Servants and Recusal of Public Servants Due to Conflicts of Interest, and to conduct case studies on businesses that are prone to breeding malpractice (e.g., "Review of Public Servants' Legal Liability Cases and Prevention of Malpractice", "Highlights and Case Illustrations of the Conflict of Interest Avoidance Law for Public Servants", "Highlights of Small Claims", "Highlights of the Management of the Use of Official Vehicles (Motor Vehicles and Motorcycles)", etc.), so that the supervisors of each department can be aware of and convey the information to their colleagues to prevent the occurrence of illegal cases in advance, so that they can be vigilant and follow it when performing their business. (100% of supervisors are trained).
- According to the schedule of the "Guidelines for Integrity Report Setting" plan of TIPC, an annual Integrity Report Meeting is held, chaired by the senior executive of each company (President or Vice President) and attended by the first-level supervisors of each department, to review the status of the Company's governance (promotion of the integrity laws, project audit handling, and statistical report of the Integrity Register) and the implementation of anti-corruption measures of each business management unit. All branches were held as scheduled and all directors (including substitutes) were present (100% of the directors were trained).



Current Colleagues

- In accordance with the Company's policy, we hold an annual training course on integrity education, with priority given to department supervisors, business contractors or those who have not yet participated in the course. The course covers the promotion of integrity laws and regulations, case studies, and integrity management issues. The purpose of the course is to improve the professional knowledge and connotation of integrity of colleagues to jointly maintain the integrity culture of the Company and lead the sustainable management development of Taiwan ports. 100% of the employees were trained.
 - 2022.03.31 "Act on Recusal of Public Servants Due to Conflicts of Interest Highlights and Case Illustrations" Integrity Promotion (Port of Keelung).
 - 2022.08.29 Lecture on Corporate Integrity and Rule of Law (Port of Taichung).
 - 2022.09.23 Legal and disciplinary qualities of state-owned enterprise personnel (Port of Hualien).
 - 2022.09.27 Procurement Transparency and Integrity Governance Forum (Port of Taichung).
 - 2022.12.12 Lecture on Law and Discipline - Understanding of Integrity Laws by State-owned Enterprise Employees (presented by Port of Taichung, video by Headquarter and all branches).



▲ Integrity Meeting Report

Corruption Handling

The 2022 corruption case began when the Nanfangao Bridge in Nanfangao, Suao Township, Yilan County, unexpectedly broke and collapsed on October 1, 2019, causing several injuries and deaths, as well as damage to boats and vehicles. The Yilan District Prosecutors Office found that the Company was responsible for bridge inspection and maintenance, and that the bridge was inspected regularly at least once every two years in accordance with the regulations. The former and later managers of the Public Works Division of the Suao Port Operations Department failed to discover the serious rusting of the steel strands and anchors at the lower anchorage structure of the bridge, and were unable to improve and repair them in time, resulting in the broken bridge. In August 2022, an indictment was filed, but no specific sentence was sought. The following administrative penalties have been imposed on the Company for violations of law or dereliction of duty: one admonishment for one person, two admonishments for one person, and written warnings for three person.

To prevent and improve this corruption case

Bring up the meeting for discussion and review the policy.

To pursue administrative responsibility, and to achieve a vigilant effect.

Adjust part-time work and transfer from previous positions.

Hold special lectures and seminars to exchange opinions.

2.4 Supply Chain Management

2.4.1 Supplier Procurement

TIPC has been using the Government Procurement Act as the basis for handling all purchases to achieve fairness, openness and equity, and the results have been good so far. The relevant bidding documents all state that the new suppliers should comply with the fair trade principle, environmental protection law, Labor Standards Act and Occupational Safety and Health Act. We hope that this will require new suppliers to jointly implement corporate social responsibility and sustainable development.

Both new suppliers and existing suppliers are in compliance with the Procurement Act. At present, domestic suppliers are given priority in supplying to support the domestic industry. Furthermore, foreign suppliers participating in the Company's procurement shall follow the provisions of the treaties or agreements of Taiwan to address situations where domestic production is not available, competitiveness is not sufficient, prices are high, specifications do not meet demand, or domestic production technology is not mature enough and imports are required, and in accordance with Article 69 of the People with Disabilities Rights Protection Act and the Regulation for Obligated Purchasing Units / Institutions to Purchase the Products and Services Provided by Disabled Welfare Institutions, Organizations or Sheltered Workshops. The cumulative annual amount contracted or subcontracted by the procuring welfare organization, group or sheltered workshop for physical and mental disabilities must account for at least 5% of the annual amount of the goods and services procured by the unit. There was no significant change in the supply chain in 2022.

The Company's suppliers can be broadly classified into three categories based on contract types: labor (contracting and services), property (raw materials and equipment), and projects (construction and projects). There were 757 suppliers in 2022, with a total purchase amount of NTD22,014,727,724, of which NTD22,003,442,070 was purchased domestically, representing a domestic purchase ratio of approximately 99.95%.

Contract Type	Purchasing Region	2020		2021		2022	
		Number	Percentage of total purchase amount	Number	Percentage of total purchase amount	Number	Percentage of total purchase amount
Labor (Contracting and Services)	Domestic	278	99.83%	310	99.82%	378	99.95%
	Overseas	1	0.17%	2	0.18%	5	0.05%
Properties (Raw materials and equipment)	Domestic	83	99.95%	98	99.93%	152	99.71%
	Overseas	2	0.05%	2	0.07%	2	0.29%
Projects (Construction and project)	Domestic	147	100%	133	100%	220	100%
	Overseas	0	0	0	0	0	0
Total		511	100%	545	100%	757	100%

Note: Domestic refers to the local area of Taiwan; foreign refers to the area outside of Taiwan.

Green Purchasing

TIPC will conduct green procurement operations with reference to the scoring method of green procurement performance assessment for each year to implement the relevant regulations of the Government Procurement Act and the Resource Recycling Act. Green procurement will be conducted in accordance with Article 25 of the Property and Labor Procurement Practice Statement, and the percentage of green procurement was 99.91% in 2022. If the supplier violates the provisions of Article 101 of the Government Procurement Act, the supplier will be handled in accordance with its provisions.

Procurement Governance Forum and Education Training

To improve the quality of procurement and promote the concept of procurement transparency and corporate integrity governance, the Port of Taichung invited experts and scholars, Transparency International Taiwan consultants and representatives of benchmark companies to discuss common controversial cases of procurement compliance and sustainable management of integrity governance, in order to build a consensus on integrity between the public sector and private enterprises and create an environment of government integrity and sustainable business operation.

The first practical exercise on government procurement to establish a cross-unit exchange platform and facilitate experience sharing.

Enhance training on common mistakes and complex concepts of laws and regulations.

Purpose

Collect improvement suggestions and develop improvement strategies to reduce the risk of violations.

Gathering the cohesiveness of procurement personnel, enhancing the awareness of compliance with laws and regulations, and creating a good procurement environment.

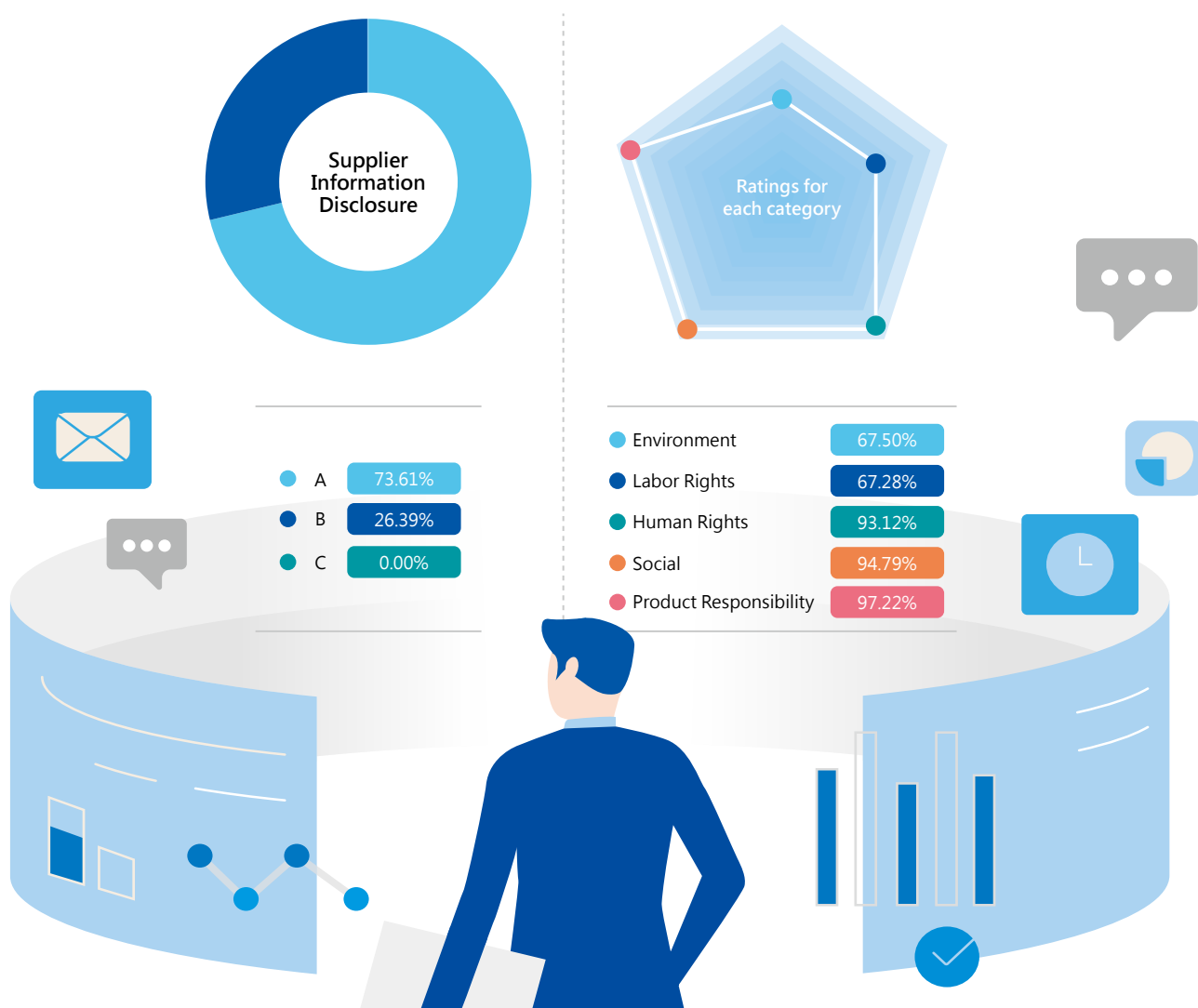


▲ Procurement Transparency and Integrity Governance Forum Group Photo

2.4.2 Supplier Management

The selection of suppliers for TIPC is based on the Government Procurement Act. If there is any violation of Article 101 of the Procurement Act, the vendor will be notified in accordance with the regulations and will follow the procedures to file a dissenting opinion, which will be published in the Government Procurement Bulletin as appropriate and will not be allowed to participate in bidding or be the final bidder or subcontractor for a period of time.

As a state-owned enterprise, TIPC uses the Public Construction Commission's model contracts for all types of purchases to reduce the risk of incomplete or unfair procurement contracts and to control and monitor supplier behavior and performance through good communication and meetings. In the case of substandard manufacturers, the contract will be terminated, cancelled, and suspended in accordance with the provisions of the contract. The selection of suppliers is regulated by the government procurement law. In 2022, the Company introduced the "Supplier ESG Status Self-Assessment Questionnaire", which was used to evaluate the suppliers whose procurement amount reached NTD5 million or more, accounting for 25.36% of the total suppliers. The questionnaire covers five major areas, including environmental protection, labor practices, labor rights, business ethics, and product responsibility. A total of 192 questionnaires were distributed and 72 questionnaires were returned, all of which were qualified.



Among the suppliers in this survey, 50% of them have specifically implemented energy management, and the overall number of suppliers who have passed ISO environmental or energy certification is about 8.3%. The results of the supplier self-assessment can be used as a reference for the Company's supplier management (e.g., CSR indicators for procurement evaluation), and we hope to grasp the current status of each supplier's sustainable behavior and implement CSR together with our suppliers in the future.

2.5 Risk Management

To implement corporate governance, TIPC has established the "Risk Management and Internal Control System of TIPC" in accordance with the "Principles for Risk Management and Crisis Handling of the Executive Yuan and affiliated agencies" and the "Government Internal Control Supervision Practice Highlights" promulgated by the Executive Yuan, and continues to cooperate with the Executive Yuan to strengthen internal control promotion practices. Through the internal control promotion team, the company will properly assess business operation risks, conduct rolling reviews to formulate internal control operations, conduct regular reviews and make timely amendments, and conduct self-evaluation and implementation plans for internal control to ensure that the system design can be effectively implemented to achieve operational efficiency. In 2023, TIPC completed the 2022 annual internal control self-assessment report, with the Chairman, President and Chief Auditor signing the internal control statement to actively implement the internal control system.

The risk assessment results for 2022 show that there are 10 high-risk and 43 medium-low risk items, and the total number of risk assessment is 53. The risk values are labeled as risk image distribution, and the acceptable risk value of the Company is below risk value 2. For other details of risk identification, risk analysis, risk assessment and control operations, please refer to the handbook of "Risk Management and Internal Control System of TIPC".

In response to the risks, we will conduct project audits and inspections and strengthen our investigation and execution actions, preventive measures and the regular evaluation and timely duty adjustment of personnel department to reduce the occurrence of internal risks.

Internal Auditing

The Company has established the "Regulations of Implementation for Internal Audit of TIPC" and the "Regulations for Internal Audit of TIPC". Through the implementation of internal audits, TIPC assists the Board of Directors and management in reviewing the effectiveness of the implementation of the internal control system to reasonably ensure the effectiveness and efficiency of operations, the reliability of financial reporting, and compliance with relevant laws and regulations, and to provide recommendations for improvement of the internal control system as a reference for rolling reviews.

The Company conducts internal audits in accordance with an annual audit plan, which is presented to the board of directors for approval before the end of the previous year. The audit program consists of control operations corresponding to high-risk items in the risk management and internal control system of the head office and each branch. The results of the audits are reported in accordance with the internal audit report, which discloses the audit findings, recommendations for improvement, and the status of previous recommendations for improvement, and is presented to the Board of Directors after approval by the Chairman of the Board of Directors.

The Audit Office of TIPC conducts annual audits based on the Company's business objectives, risk assessment results of the manager's department, and evaluation results of previous audits, and prepares an audit plan for the following year by the end of the current year.

The annual audit plan is approved by the Board of Directors and implemented accordingly. At least two audits are conducted for the head office and each branch office to check whether the operations are performed in accordance with the control key requirements. In addition, if there is a business need, the progress of the implementation of the annual audit plan may be adjusted or a special audit may be conducted separately after the approval of the Chairman. To ensure the implementation of the audit recommendations or opinions approved by the Board of Directors, the Audit Office will conduct follow-up reviews of the items to be improved.

Fund Utilization Management

TIPC is responsible for the operation and management of international ports in Taiwan and plays an important role in the construction and economic development of the country's ports. The funds held by the Company should be appropriately allocated to port construction, maintain a sound financial structure, and maintain appropriate liquidity. The Company's capital is mainly planned to be invested in port construction and related major expenditures. After considering the risk and liquidity, the remaining capital can be appropriately deployed to financial assets with higher yields, including debt securities, foreign currency assets and stocks, etc., to generate additional financial income under relevant internal control regulations.

The Company's capital is used in accordance with the "Funding Operation Management Guidelines" approved by the Board of Directors, and an annual capital use management plan is established for implementation.

2.6 Information Security Management

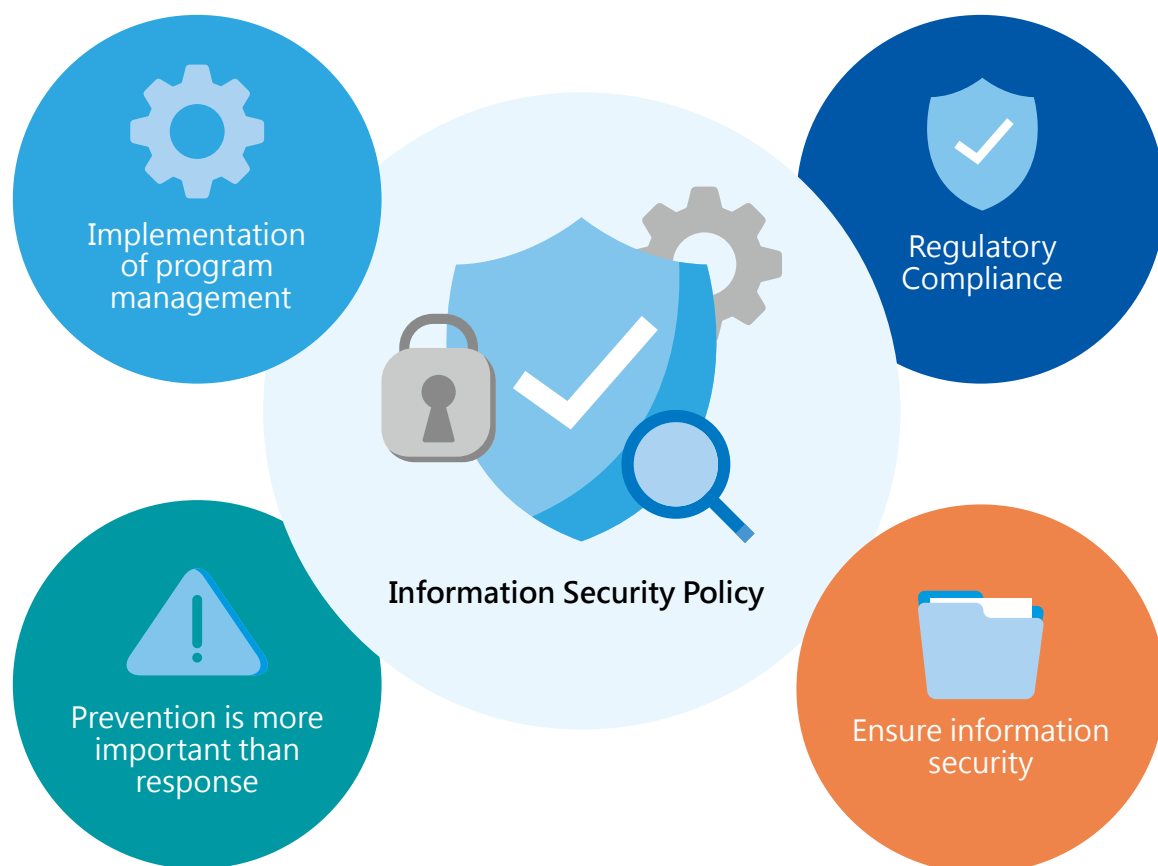
TIPC respect customers' privacy and follow the Personal Data Protection Act and the Cyber Security Management Act in the collection, processing, and use of customer data, and are committed to maintaining the security of the information environment to protect customer data security. The Company continuously strengthen the information security protection capability and establish a complete information security policy, establish an independent cyber security unit, and organize a Cyber Security Management Committee. Through the implementation of ISO/IEC 27001 international information security standard, we continue to improve our information security management system and effectively implement our internal control mechanism to fulfill our responsibility of protecting customers' privacy.



▲ ISO 27001 Certificate



In accordance with Article 16, Paragraph 1 of the Cyber Security Management Act, TIPC is a specific non-public agency that provides critical infrastructure. In accordance with the same Act, if the company has any of the cases in Article 20 and Article 21, the central governmental authority (MOTC) shall impose a fine (NTD100,000 to NTD1,000,000 or NTD300,000 to NTD5,000,000) and order the correction within a certain period of time. To control the information security risk of the leased space in the international (domestic) commercial port area under the management of the port, TIPC will incorporate the information security regulations into the model contract in 2022.



In response to the trend of e-operation of customer application and billing, TIPC's operation systems related to customer transactions use the Information Security Management System (ISMS) standard information asset management procedures, risk assessment and management procedures to conduct asset inventories to identify the Company's "data" assets, and to assess the "availability", "integrity" and "confidentiality" of the "data" assets. In addition, we estimate whether the risk value of each asset exceeds the acceptable risk value set by the Management Review Committee, and if it does, we formulate a risk management plan to reduce the likelihood of occurrence and impact of the risk and to protect the privacy of customers. In 2022, we have not received any complaints from customers or other third-party organizations regarding the violation of customers' privacy.

TIPC has set up outsourced information and communication security terms and conditions to be used as a guideline for internal procurement of information and communication equipment, software or information and communication services. The terms and conditions clearly stipulate that the vendor should comply with the information security regulations of TIPC, including that the vendor should notify the port company within a specified period and complete the process if the vendor is aware of any information security incidents such as leakage of private information. In addition, it is stipulated that information obtained by the vendor's staff in the course of supporting the business shall not be disclosed to a third party without the authorization of TIPC, and upon termination or dissolution of the contractual relationship between the two parties, the vendor shall confirm the return, transfer, deletion or destruction of the information held in fulfillment of the contract to fully protect the privacy of the customer.

In accordance with the "Cyber Security Management Act", in 2022, each information security specialist will receive at least 12 hours of professional training on information security each year to strengthen information security and reduce the potential impact of personal data breaches. There was no confirmed incidents of information leakage, theft or loss of customer data in 2022.

The Global InfoNet established by TIPC also follows a privacy policy to enable visitors to use the services and information on this website with peace of mind. In the collection, use and protection of personal information involved in website activities, the website has the obligation to protect the privacy of applicants and will not modify or delete any personal information and files without their consent to provide information security protection for visitors to the website.

2.7 Customer Service

TIPC has prepared the "TIPC Implementation Plan for Service Quality Improvement" in accordance with the MOTC's "Implementation Plan for Service Quality Improvement", which will be implemented by all business units and branches of the head office. Initiatives will be taken to disclose the implementation method on the company's official website and service venues to promote relevant measures. In addition, we will promote and improve the barrier-free environment for passengers, and cooperate with the Maritime Port Bureau MOTC to implement measures related to the accessibility of maritime transportation, and examine the barrier-free environment for passengers from parking lots, ticketing, customs clearance to boarding ships, so that passengers with physical and mental disabilities can move freely from maritime to land transportation.



Objectives

Facilitate service delivery, ensure efficiency and fairness, and develop appropriate and correct services.

Expand community participation, value feedback from service recipients, and provide quality services with a sense of purpose.

Open government governance, establish a transparent and trustworthy cooperation environment, and promote innovative value-added services.

Our headquarter and each branch office will schedule customer visit for relationship management, and we will increase telephone calls and email communication with existing customers and arrange routine meetings in response to the epidemic situation.

Through regular port business seminars and customer service contacts set up in each port branch, we receive customers' needs in real time, implement customer feedback management and handle them appropriately for sustainable partnerships. By upgrading port facilities and services, we provide flexible operation models to maintain the international competitiveness of Taiwan's port group. In response to the trend of mega ships and the digitization of global ports, to improve the capacity of commercial port facilities for the use of relevant port operators and to maintain the global shipping competitiveness of the Taiwan Ports, in 2022, 11 port business seminars were held, of which a total of 54 issues related to "customer health and safety" were discussed, and a total of 50 issues were improved or solved, with the improvement rate of 93%.



▲ Port of Hualien Business Seminar

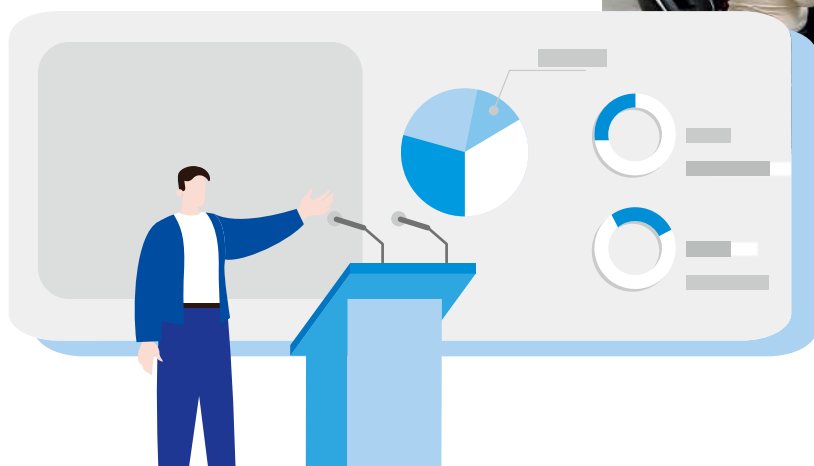


▲ Port of Keelung Shipping Business Seminar

On October 3, 2022, the MOTC approved the "Adjustment of Upper Limits of Rates and Charges for Taiwan International Commercial Ports" submitted by TIPC. TIPC had announced on April of the same year that the new tariff plan will be effective from January 1, 2023. The new tariff is basically with a 10% increase, and the new price interval port tariff will be adjusted in accordance with the trend of mega ship.

The tariff covers multiple harbor and wharf operations charges such as vessel docking and cargo loading/unloading/storage. The last general adjustment was made in 1998 and has not been adjusted for 24 years. During the period, various price indices, oil prices and wages have increased significantly, private port service providers are expecting an increase to reasonably reflect actual operating costs. After completing the rate adjustment plan in early 2022, TIPC held eight seminars in each port in April and May. After consolidating the opinions of the industry and evaluating the impact on port competitiveness and prices, a public presentation was held on June 22. The relevant public (labor) associations had no objection after full communication and discussion in the seminar. After the proposal was reported to the MOTC, the proposal was approved on October 3. It is expected that this will improve the operating environment in the port area and drive the port service industry to improve the quality of service and the wage level of the blue-collar laborers, strengthening the foundation of the port industry in Taiwan for a sustainable port operation.

Port of Anping Business Seminar ▶



▲ Port of Taipei Logistics and Storage Area and Transportation Service Area Investment Promotion Seminar



2014



2022

SPECIAL ISSUE

Creative Communication

TIPC's 10th Anniversary Publicity Series [Innovation Breakthrough] on Podcast Channel of CommonWealth Magazine

On the Podcast channel of CommonWealth Magazine, the Chairman of the Board of Directors of TIPC shared with Professor Ching-Pin Tung of National Taiwan University and the host about the business philosophy and plans of TIPC on SDGs and the world trend of green transformation, transforming the innovative green port to let the world see Taiwan through maritime transportation.

TIPC is in its 10th year of operation and is managing all the international ports in Taiwan. The container loading and unloading volume of the Taiwan ports reached a record high of 15.45 million TEU in 2021. While pursuing operational performance, the port industry is witnessing a wave of green transformation, and the world trend is leading us to consider how we can contribute to improving the quality of human life and protecting the earth's natural ecological environment. The Podcast has accumulated at least 140,000 downloads.

"One Decade as One Day: A Good Day" Facebook promotion

To match the theme of the 10th birthday of TIPC, people were invited to share their own photos of changes after 10 years to participate in the lucky draw, and the Company also shared the photos of the changes of the Taiwan ports over the past 10 years, so that people could have a better understanding of the business promotion of TIPC. To enhance the publicity benefit, we also invited netizens, artists and anchors to share their own changes after 10 years in response to this activity.





10th Anniversary Live Screen

Gender Equality Workshops and Campus Recruitment

TIPC holds 3 gender equality working meetings every year, and the members include the directors, external experts and scholars. The purpose of these meetings is to promote the company's gender equality policy, monitor the progress of the implementation of the annual gender mainstreaming program, ensure that the company's committees comply with the 1/3 participation mechanism for gender equality, and conduct annual visits to the company's passenger service centers and review CEDAW regulations. The company conducts campus recruiting sessions at universities and colleges every year. In 2022, a total of 40 physical presentations/briefings was held.



Ten Years of Achievement and Highlights - Live Streaming of Port System Reform

In conjunction with the 10th anniversary of its establishment, TIPC and the Maritime Port Bureau MOTC jointly held the "Maritime Port of 10 Years-International Fame" event. In line with the epidemic prevention policy, the event was held online through the Facebook fan page of TIPC, live streaming the introduction of the achievements and highlights of the 10 years of port system reform. The "Online Exhibition of the 10th Anniversary of the Maritime Ports" was presented online using Virtual Reality (VR) technology, allowing the public to experience the exhibition as if they were there in person, allowing all walks of life to understand the growth of Taiwan shipping.



| Consolidated Annual Revenue **NTD23.7 Billion** | Revenue from equity investment **NTD488 Million** |

| TIPC successfully attracts investment over **NTD35 Billion** |

| The clearance efficiency of Port of Keelung and Port of Kaohsiung at home port **2,100 People/Hour** |



3

Port Operations: Leading the Future

3.1 INTRODUCTION OF PORTS	90
3.2 INFRASTRUCTURE INVESTMENT	92
3.3 OPERATIONS OVERVIEW AND PERFORMANCE	93
3.4 PROMOTING OFFSHORE WIND POWER	96
SPECIAL ISSUE: DIGITAL TECHNOLOGY LIGHTS UP TAIWAN PORTS' COMPETITIVENESS FOR SUSTAINABLE DEVELOPMENT	98
SPECIAL ISSUE: PORT ENGINEERING RECEIVES GOLD AWARD	102
SPECIAL ISSUE: INTERNATIONAL CRUISE UNSEALED	104

Material Topic : Economic Performance

Major Causes	<ul style="list-style-type: none"> As international trade gradually shifts from multilateralism to protectionism due to political situations, the transnational supply chain and regional division of labor patterns have changed, which also affects the volume of maritime transportation loading and unloading in each region. As a state-owned enterprise, TIPC is also tasked with assisting in energy transformation and promoting tourism. Actual positive impact on economic aspects.
Policy / Strategies	<ul style="list-style-type: none"> In according with the five-year plan approved by the Executive Yuan (International Port Future Development and Construction Plan 2022-2026), the Company is developing towards a diversified business model, expanding the business scope of port operations, consolidating the competitiveness of the Taiwan International Business Port in the maritime transportation market, and promoting the development of Taiwan ports in line with government policies.
Management Evaluation	<ul style="list-style-type: none"> Regularly report to the Ministry of Transportation and Communications on the performance of its work and administration. The Ministry of Transportation and Communications uses the annual financial report to evaluate the Company's budget for the next year and the feasibility of its business plan. If necessary, the objectives or implementation plans of each project will be dynamically adjusted and implemented after the Executive Yuan approves the revised plan. In addition, in order to grasp the schedule and progression of the International Port Future Development and Construction Plan 2022-2026, TIPC regularly review the implementation situation of the previous plan and set up an annual review operation plan to promote and implement the overall planning of the international port in each year.
Performance and Adjustment	<ul style="list-style-type: none"> Consolidated revenues of NTD 23,723 million for 2022, which is an 12.35% increase over annual revenue target of NTD 21.115 billion. The Company sets budgetary targets for its main business activities of berthing, tugging, loading and warehousing, and the achievement rate is 100%. In 2022, the equity investment business recognized NTD 488 million income which is better than the budgeted target of NTD 414 million.
Preventive or Remedial Measures	<ul style="list-style-type: none"> Every five years, the Institute of Transportation, MOTC publishes a report on the overall development of commercial ports, which analyzes the trends and challenges in the development of port transportation. The future development direction and strategy of the commercial port will also be studied, and it will be served as a superior guide for the construction plan of the Maritime and Port Bureau and TIPC. Appeal channel: Company mailbox https://www.twport.com.tw/chinese/Mail_Content.aspx

Material Topic : Business Models and Innovation, Indirect Economic Impacts

Major Causes	<ul style="list-style-type: none"> Our international port is mainly operated by the landlord port model. Although TIPC has been planning for transformation since its establishment in 2012, but in the face of the ever-changing market, we still need to adopt a more flexible approach to our operations in order to sustain our business and avoid the long-term risk of being marginalized. Actual positive impact on economy and people (including human rights) aspects.
Policy / Strategies	<ul style="list-style-type: none"> Adjust the development positioning of each port and strengthen the collective power of the ports for joint external development. Optimize the allocation of various types of terminal operational capacity and utilization capabilities to enhance the efficiency of resource utilization in the port area. Increasing incentives for consolidation and strengthening re-export competitiveness. Enhance the content of value-added services and continue to create value-added quantity. Strengthen the cooperative operation of the industry to increase the port service orientations.
Management Evaluation	<ul style="list-style-type: none"> Submits regular reports to the Ministry of Transportation and Communications (MOTC) on the performance of its work and administration. MOTC also evaluates the budget for the next year and the feasibility of the business plan through the annual budget report, and if necessary, dynamically adjust the objectives or implementation plans of each project, and amends the revised plan after approval by the Executive Yuan.
Performance and Adjustment	<ul style="list-style-type: none"> The first phase of the 7th Container Terminal project at the Port of Kaohsiung was delivered to Evergreen Marine in June 2022. Kaohsiung Penglai Port Area existing warehouse optimization and infrastructure improvement project completed its first phase in June 2022. The construction of the Keelung Port West Coast Passenger Transportation Zone was completed in May 2022. The construction of the terminal and the land reclamation project of landfill B at the Southern Port of Taipei was completed by the end of August 2022. The construction of real-time monitoring system for the Second Central-South Bridge for Taichung Port Bridge and Terminal Facilities Improvement Project was completed by the end of 2022. Attracted more than NTD 35 billion of investments in 2022. In 2022, 385.6 hectares of green energy-related properties (including LNG, offshore wind power, onshore wind power, photovoltaic power or other renewable energy) were leased, with an increase of 59.09 hectares compared to 2021.
Preventive or Remedial Measures	<ul style="list-style-type: none"> Each construction plan is included in the project progress review meeting to regularly track and manage the examination, so as to avoid the project execution rate from falling behind. In the event of changes in the domestic and international environment and market and to support the government policies and port development needs, the Company will follow the procedures to submit an amendment plan for approval. Appeal channel: Company mailbox https://www.twport.com.tw/chinese/Mail_Content.aspx

Material Topic : Smart Port

Major Causes

- Facing of global competition in the maritime market, to meet international transportation needs in a timely manner and in response to the development of emerging technologies such as information and communications, big data, IoT(Internet of Things) and AI(Artificial Intelligence), the Company, as the coordinator and manager of seven major international ports in Taiwan, has taken on the mission of enhancing the competitiveness of ports and continues to apply emerging technologies to integrate port management issues and promote the development of Smart Port.
- Positive impact on economy and environment.

Policy / Strategies

- To promote the development of Smart Port, TIPC have established three major strategies: "The Deployment of Smart Infrastructures in Taiwan Ports", "Value-Added Operational Data Integration and Analysis", and "The Application of Innovative Technology Experimental Field ". The corporation aims to improve the deployment of Smart Port facilities, to apply the IoT equipment with data analysis, and to facilitate the application of various emerging technologies to assist port operation management.

Management Evaluation

- The evaluation and management mechanism of key Smart Port projects includes KPI performance evaluation and Smart Port Development Team project meeting. In 2022, the Corporation has established a dedicated smart port development unit(Digital Development Section under the Planning & Development Department) to coordinate and manage the corporation's Smart Port business promotion.

Performance and Adjustment

- Key Smart Port Projects completed in 2022:
- The Kaohsiung Port's Smart Port Transportation System provides the road conditions, arrival times and CCTV videos. It has an average usage over 50,000 times per month.
 - The port's 3D-GIS Management System which incorporates port's public pipelines into the digital maps to enhance operational management efficiency.
 - Deployment of 152 air quality microsensors to strengthen air quality management and monitoring in Taiwan ports.
 - The introduction of AI image recognition system to 60 Automatic Gate Sentry Posts to improve the traffic efficiency of personnel, vehicle, and cargo in the port area. The average vehicle trips reach 1.91 million per month.
 - The Dangerous Goods Management System has added a special query module for chemicals listed by the Executive Yuan, received 5.84 million dangerous goods data in 2023, grasped the storage volume and dynamics of dangerous goods in port area, and strengthened safety of port area.
 - The Sea Meteorolgy Real Time System has been upgraded with 9 anemometers, 10 visibility monitor, 2 wave tide monitor, and 4 wave current profilers. By providing maritime industries and general public with an average of 25,000 real-time Sea meteorological data per month, TIPC has helped the industries to evaluate meteorological conditions and improved the quality of port operation services.

Preventive or Remedial Measures

- A dedicated unit has been established by the Company to manage the implementation of various Smart Port Projects, hold regular Smart Port Development Team meeting to track the progress of each project, and ensure the correct heading of Smart Port development.
- Appeal channel: Company mailbox
https://www.twport.com.tw/chinese/Mail_Content.aspx



3.1 Introduction of Ports

TIPC uses the concept of "port cluster" to promote its overall business development. The Keelung Branch, Taichung Branch, Kaohsiung Branch and Hualien Branch are in charge of seven major international ports, including Port of Keelung, Port of Taipei, Port of Suao, Port of Taichung, Port of Kaohsiung, Port of Anping and Port of Hualien, and are entrusted with the operation of two domestic commercial ports, Budai Port and Penghu Port, to form a fully functional Taiwan port cluster. TIPC strengthen the efficiency and flexibility of port operations through innovative thinking and multi-faceted management capabilities and promote the development of the international port region and surrounding industries to enhance the international competitiveness of Taiwan's ports. In 2022, there were 38,223 incoming vessels and 718,266,734 billing tons of cargo.



▲ West Coast Container Terminal Area



▲ Keelung Port East Passenger Terminal



▲ Aerial view of Port of Taipei



▲ First Bulk Cargo Storage and Transportation Center



▲ Suao Port Aerial Photography



▲ Free Trade Zone Electric Vehicle Industry



▲ West Pier District

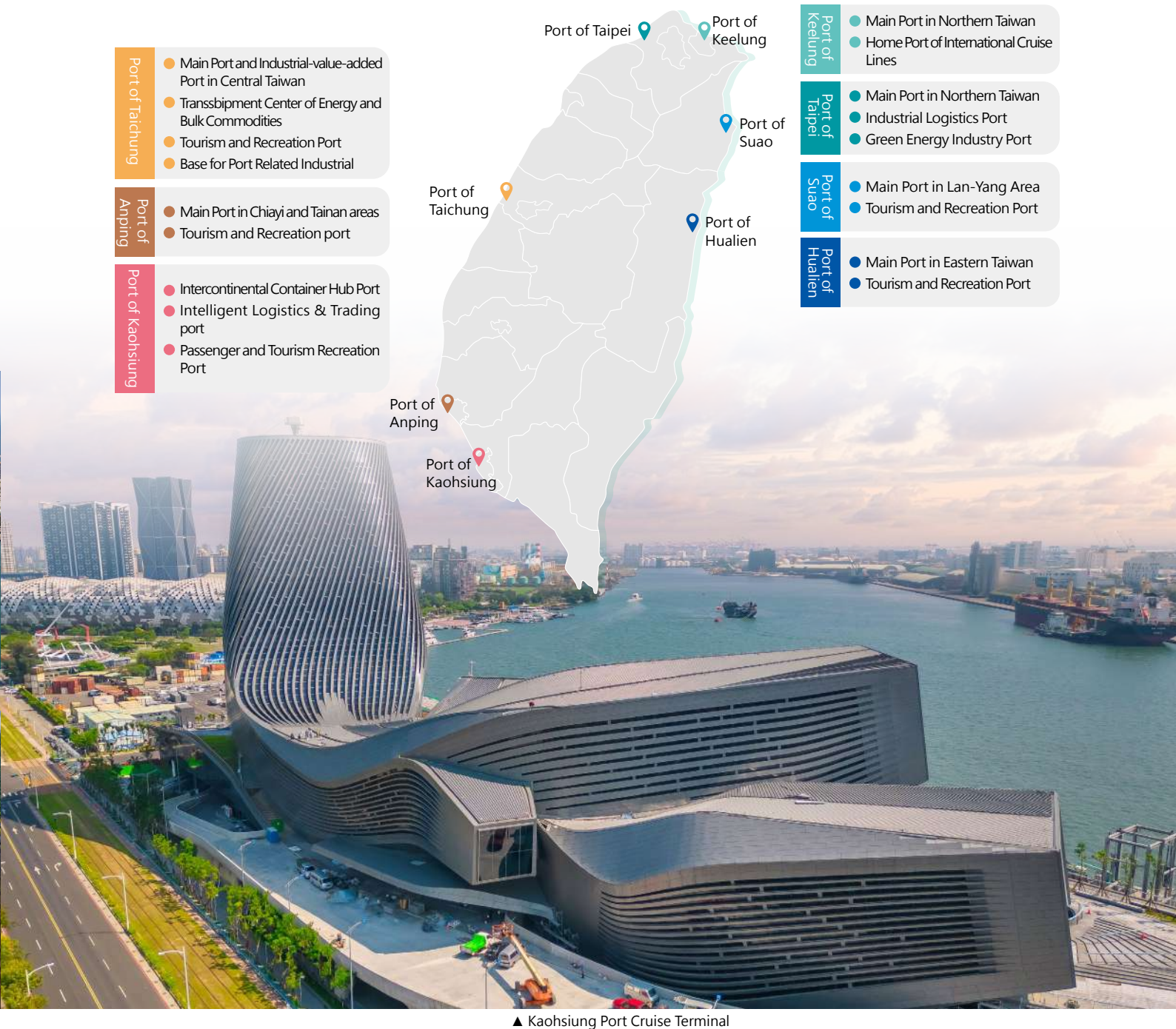


▲ Turbine Avenue, North Harbor Road



▲ Free Trade Zone

Development Positioning of International Ports 2022-2026



▲ Kaohsiung Port Cruise Terminal



▲ Cruise Terminal Area



▲ Aerial view of Port of Hualien



▲ Outdoor Museum in Hualien port green corridor

3.2 Infrastructure Investment

In 2022, TIPC successfully attracted over NTD 35 billion in investment to promote economic development and employment opportunities in the international ports under its jurisdiction, including the Port of Kaohsiung Intercontinental Container Terminal Phase I Project Backline A6, Port of Kaohsiung Container Terminals No. 79 to 81, part of the backline S6-1 site in the South Pier area of Taipei Port, and the backline sites of Warehouse 1-2 in the Logistics Storage Area. In order to continue to enhance the competitiveness of the Taiwan Ports and strengthen the development of various businesses, the Company continues to optimize and upgrade the port infrastructure and actively promotes various port construction projects.

Business Category	Project Name	Content of Project
Container	Port of Kaohsiung 7 th Container Terminal Project	Continued construction of infrastructure and operation facilities for 7 th Container Terminal, the first phase of which was delivered to Evergreen Marine Corp. in June 2022 and is expected to commence operation in the second quarter of 2023. The second phase of the project will be delivered to Evergreen Marine Corp. in the second quarter of 2023 and is expected to commence operation in the second quarter of 2024. The overall operating capacity will reach more than 4.5 million TEUs per year, which will strengthen Port of Kaohsiung's position as a hub port in the Asia-Pacific region.
Bulk Goods	Port of Taichung Port Pier 42 New Construction	In line with Port of Taichung's bulk cargo zoning management plan, the number of seats at the bulk cargo terminal in the downwind area will be increased, and upon completion of the construction, an additional bulk cargo terminal will be added to enhance loading and unloading efficiency and port services. The project started in January 2020 and was completed in March 2023.
Energy Development	Taipei Port South Pier Construction and Landfill B Landfill Construction Project	In line with the government's energy policy, the S09 pier and S07-09 backline construction will be built to create an offshore wind power submarine infrastructure manufacturing base. The entire project was constructed in phases, with the S09 pier and backline embankment construction completed in 2021 and the S07 and S08 shore protection and backline embankment construction completed by the end of August 2022.
	Port of Kaohsiung Offshore Wind Power Associated Industry Related Projects	The Port of Kaohsiung Intercontinental Container Terminal A6 berth will be used by the wind power industry for the construction, assembly and storage of offshore wind power infrastructure, and is expected to be completed by the end of 2024.
	Port of Anping Offshore Wind Power Associated Industry Related Projects	The new heavy cargo wharf and backline storage and transportation site along the Port of Anping Pier 11 shoreline will be provided to wind power operators for the construction, assembly and storage of offshore wind power infrastructure and is expected to be completed by the end of 2023.
Passenger transport	New Construction of Suao International Passenger Clearance Station	According to the Ministry of Transportation and Communications' approved "Prospective Infrastructure Project-Waterfront Recreation Project", the demolition of old warehouses and construction of travel facilities began in June 2022 and the main structure is expected to be completed by the end of January 2023, with all construction expected to be completed by the end of August 2023.
	Port of Keelung West Coast Passenger Transportation Zone Construction Project	In response to the development needs of Port of Keelung, the passenger centers of West 2 and West 3 warehouses were rehabilitated and reused, and the passenger center on the west coast was expanded to create a cultural and creative shopping mall, enhancing the efficiency of customs clearance. The project was completed in May 2022.
Others	Nanfangao Cross-Harbor Bridge Reconstruction Project	The reconstruction project of the Nanfangao Cross-Harbor Bridge, which was undertaken by the Suhua Highway Improvement Project Office of the Directorate General of Highways MOTC, was completed and opened to traffic on December 18, 2022, after the groundbreaking ceremony in October 2020. In addition, the port company synchronized with the Port of Suao entrance imagery and the new North Road entrance road project, which was commenced in April 2022 and opened for traffic in December 2022.
	Port of Taichung Bridge and Terminal Facilities Improvement Project	The improvement project of the Port of Taichung Zhongnan Second Bridge was managed and the IoT technology for real-time monitoring and management of the bridge was used. The project was commenced at the end of January 2021 and completed by the end of November 2022. Also, in line with the green port to promote the old terminals in the port area to add shore power and water supply system, the #8A pier renovation project started its construction in June 2022 and is expected to be completed by the end of 2023.
	Kaohsiung Port of Penglai Area Existing Warehouse Optimization and Infrastructure Improvement Project	In response to the development of the old port area of Port of Kaohsiung, the roof renovation and optimization project of the warehouse in Port of Penglai was completed in June 2022 for the first phase, and the second phase is expected to be completed in May 2023. Also, we carry out infrastructure improvement projects in Penglai port area, including telecommunication and electricity, central monitoring equipment system, water and sewage pipes, road paving and marking projects, etc. The first phase was completed in November 2022 and the second phase is expected to be completed in November 2023.
	Port of Hualien #14 Warehouse Passenger Clearance Service Area Renovation Project	In accordance with the MOTC's "Prospective Infrastructure Project - Recreation and Waterfront Project," the Port of Hualien #14 Warehouse Passenger Service Area will be renovated to create a passenger clearance service area for cruise ships under 10,000 GT, also providing rest space for yachts and whale-watching boats passengers, which is expected to be completed in November 2023.

3.3 Operations Overview and Performance

3.3.1 Business Performance

TIPC has set a target of 100% achievement rate in 2022 for its main business of berthing, tugging, cargo handling and storage services. The management of the equity investment plan and businesses is in accordance with the relevant government and TIPC's regulations and bylaws. The investment income is recognized at NTD 488 million in 2022, providing positive investment benefits to TIPC. In addition, to promote the image of the surrounding area of our company, and in line with the international trend of carbon reduction and the schedule of the full electronization of the transportation equipment set by various countries, we have applied for subsidies and other related planning subsidies in accordance with the relevant policies.

Achievement Rate of Major Operating Items

Unit: NTD (thousand)

Main Operating Items	2021 Financial Statements	2022 Budget (Target)	2022 Financial Statements	Target Achievement Rate (%)
Berthing Services	1,676,695	1,339,606	1,549,275	115.65
Tugging Services	1,758,913	1,673,419	1,757,348	105.02
Cargo Handling Services	7,180,877	6,998,559	7,336,223	104.82
Storage Services	697,645	556,705	732,969	131.66
Development Investment	103,576	167,210	154,519	92.41

Note: The decrease in the development and investment business was mainly due to the impact of the pandemic on the number of visitors and the relief to the vendors.

Equity Investment Business Overview

Unit: NTD (thousand)

Items	2018	2019	2020	2021	2022
Recognized revenue from equity investments by TIPC	409,302	400,480	427,640	469,151	487,692

Note: 2018 to 2021 are the audited financial statements and 2022 are the budgeted financial statements.

2022 Grant Projects

Unit: NTD (thousand)

Project	2022
"Provision Infrastructure Project - Waterfront Recreation Project"	
<ul style="list-style-type: none"> Port of Suao Travel Service Facilities Project Port of Hualien #13~#16 Pier and Waterfront Land Development Project Port of Kaohsiung #1~#10 and Other Piers, Port Construction and Travel Facilities Improvement Project 	2200,000 (Total grant of 455,000 thousand)
Port of Keelung Low Voltage Shore Power Subsidy Program for Passenger Terminals Installing low voltage shore power equipment for ships at Port of Keelung West 2 Terminal to reduce air pollutants generated by fuel oil during berthing	1,087
Implementation of Regulations for Workplace Mutual Aid Education and Childcare Services-Education and Childcare Center In accordance with the Regulations for the Implementation of Workplace Mutual Aid Education and Childcare Services, 3 workplace education and childcare service centers were established in Keelung, Taichung and Kaohsiung	9,279 (Excluding temporary collection and transfer items)
Grants for the purchase of electric motorcycles	14

3.3.2 Performance and Earnings

In the face of climate change, the impact of COVID-19 epidemic, and the impact of external environment such as port congestion, TIPC's investment performance continues to grow, and diversified businesses such as offshore wind power and waterfront recreation business in response to environmental sustainability and port transformation have also developed successfully, driving overall revenue growth. We achieved an overall revenue of NTD 23.7 billion and net income of NTD 11.3 billion in 2022. This represents a 5.3% and 55% growth respectively over 2021.

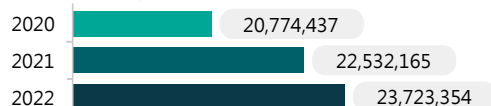
Condensed Statement of Comprehensive Income

Project/Year	2020	2021	2022
Operating Revenue (NTD thousands)	20,774,437	22,532,165	23,723,354
Operating Costs (NTD thousands)	10,114,876	10,705,062	11,046,523
Gross Profit (NTD thousands)	10,659,561	11,827,103	12,676,830
Operating Income (NTD thousands)	7,924,444	8,840,885	9,887,563
Non-operating Income and Expenses (NTD thousands)	177,245	233,699	3,423,169
Net Income Before Taxes (NTD thousands)	8,101,689	9,074,584	13,310,732
Net Income After Taxes (NTD thousands)	6,484,825	7,281,002	11,285,441
Comprehensive Income(NTD thousands)	12,397,737	25,534,567	2,059,298
Earnings Per Share (NTD thousands)	1.00	1.11	1.7
Employee Benefit Amount (NTD thousands)	31,538	34,608	36,226
Dividends (NTD thousands)	2,073,718	3,030,887	5,052,919
Employee Salary (including employee benefits) (NTD thousands)	3,233,279	3,265,905	3,286,069
Economic Value Retained(NTD thousands)	1,718,321	2,138,914	3,434,320
Payments to Providers of Capital (NTD thousands)	2,073,718	3,030,887	5,052,919
Payments to the Government (NTD thousands)	4,516,822	6,049,027	8,957,319
Community Investment (NTD thousands)	8,730	3,631	3,904

Notes:

1. 2020 to 2021 are the audited financial statements and 2022 are the budgeted financial statements.
2. The growth rate of net income after tax was much higher than the growth rate of revenue mainly due to the non-operating income from dividends received from Yang Ming Marine Transport Co.
3. Employee salary include: employee salary, overtime, allowances, bonuses, retirement, welfare costs (including health examination costs), and commission.
4. Employee benefit amount refers to the cost of 0.15% of the benefit required by the Employee Welfare Fund Act.

Operating Revenue



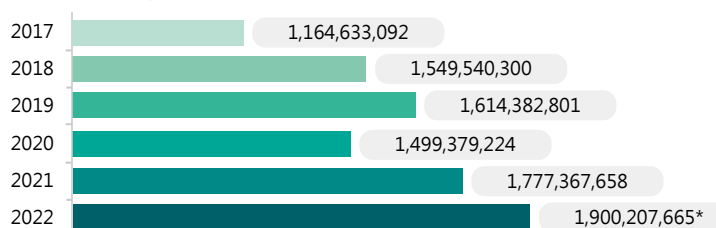
Net Income Before Taxes



The company's taxes are handled in accordance with the Income Tax Act, and the income tax for the previous year is reported to the tax authorities based on an accountant's tax visa, which is paid in cooperation with the Finance Department. Due to the rent-free period of the construction agreement between TIPC and the owner, on March 21, 2022, a notice was sent to the tax authorities on behalf of the Company to apply for the correction of the amount of income tax returns for the years 2016 to 2020, and the back payment of taxable contributions was completed on April 1, 2022.

The Amount of Income Tax Paid by Profit-Making Business in the Past Years

Unit: NTD



* The figures in the table are as of December 31, 2022. The amount of income tax paid for the year 2022 has not yet been reported, so the amount of tax payable is presented as a result of the accountant's examination (estimated value).

3.3.3 Participation in External Organizations and Associations

In 2022, TIPC participated in approximately 35 domestic and international organizations, academic and professional groups, holding management positions in 10 organizations.

International Organizations

Name of Organizations	Duties
International Association of Ports and Harbors (IAPH)	<ul style="list-style-type: none"> President Shao-Liang Chen is the member representative and member of the Committee on Trade Facilitation & Port Community System
Association of Pacific Ports (APP)	<ul style="list-style-type: none"> President Shao-Liang Chen serves as the First Vice Chairman Vice President of Business JHENG,SHU-HUEI serves as Regional Representative of Asia
APEC Port Services Network (APSN)	<ul style="list-style-type: none"> Chairman Hsien-Yi Lee serves as Council Member
Members	
World Free Zones Organization (WFZO)	Global Wind Energy Council (GWEC)
	Asia Cruise Terminal Association (ACTA)

Domestic Associations

Name of Associations	Duties
Ocean Affairs Council (OAC)	<ul style="list-style-type: none"> Vice President of Business JHENG,SHU-HUEI serves as the member representative of TIPC. Assistant Vice President LIN,CHUN-FU serves as the member representative of TIPC. Senior Director of the Planning & Development Department serves as the member representative of TIPC.
Taiwan Strait Shipping Association	<ul style="list-style-type: none"> Vice President WANG,JIN-RONG and Vice President of Business JHENG,SHU-HUEI act as representatives of the Board of Directors assigned by the MOTC.
Association of Taiwan Ports (ATP)	<ul style="list-style-type: none"> Chairman Hsien-Yi Lee serves as Chairman President Shao-Liang Chen serves as the Executive Director
Taiwan Commercial Port Business Development Association	<ul style="list-style-type: none"> Vice President GAO,CHUAN-KAI serves as the Director.
Taiwan Wind Energy Association	<ul style="list-style-type: none"> President Shao-Liang Chen serves as the Director.
Chinese Maritime Research Institute (CMRI)	<ul style="list-style-type: none"> Senior Research Committee Member LIOU,SHIH-ZONG serves as the Director.
Taiwan Coalition of Service Industries (International Logistics Services Committee)	<ul style="list-style-type: none"> Committee Members
Members	
Chinese Institute of Transportation	Taiwan Offshore Wind Turbine Foundation and Marine Engineering Association
China Maritime Institute	The European Chamber of Commerce Taiwan (ECCT)
Taiwan Association of Logistics Management	Intelligent Transportation Society of TAIWAN
Taiwan International Logistics & Supply Chain Association	Chinese Institute of Civil and Hydraulic Engineering
The Global Logistics & Commerce Council of Taiwan	Chinese Institute of Engineers
Chinese Maritime Research Institute (CMRI)	The Taiwan Society of Ocean Engineering
The Institute of Internal Auditors-Chinese Taiwan	Chinese Ocean & Underwater Technology Association
Chinese Arbitration Association, Taipei	Association for Cruises Development of Taiwan
The Chinese Institute of Environmental Engineering	Taichung Real Estate Development Association
Taiwan Wind Turbine Industry Association (TWTIA)	Kaohsiung International Shipbrokers Association
Taiwan Wind Energy Association	Industrial Safety and Health Association (ISHA) of the R.O.C

3.4 Promoting Offshore Wind Power

In line with the government's energy policy, TIPC has been involved in offshore wind power operation and maintenance business to help promote the development of renewable energy industry. TIPC's subsidiaries, TIPC Marine (TIPM) Corp. Ltd. and its joint venture, Taiwan International Ports Heavy-Machinery (TIPH) Corp. Ltd. are engaged in marine transportation and land transportation services respectively.

Marine operation and maintenance services

The business opportunities for offshore wind farm operation include offshore vessel transportation and land transportation during the construction period. TIPC Marine (TIPM) plans to provide wind power operators with a full range of operation and maintenance services and bases required for operation and maintenance, such as offshore cargo vessels, personnel replenishment vessels, dedicated berths for operation and maintenance vessels, land-based spare parts warehouses, offices, wind turbine personnel standby rooms, vessel maintenance bases (docks and racks), machinery and equipment (cranes and forklifts), and other items. In addition, TIPM has CTV vessels and barges to strengthen exclusive operation and maintenance services. The leased area of the operation and maintenance base is more than 20,000 m². There are four personnel carriers, and the large barge required for the transportation of offshore wind turbine components was delivered in 2020. The barge is 140 meters in length and equipped with automatic ballast system and a large horsepower tugboat to perform offshore transportation of large engineering components and wind turbine components required for offshore wind power marine projects.



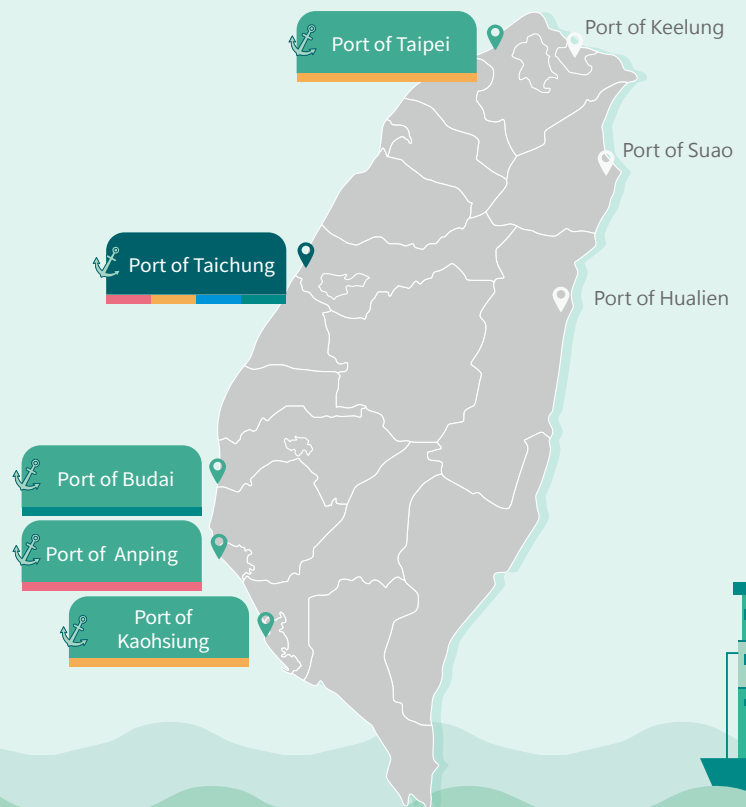
Land transportation services

In offshore wind power operation and maintenance services, TIPH provides turnkey transportation and integrated services for large parts of offshore wind turbine parts and components, such as lifting and transportation operations, in response to the "extra-long, extra-wide and extra-heavy" items. In addition, TIPH is actively expanding the business and will continue to pursue business opportunities for offshore wind turbine parts and components manufacturers and assemblers located in the Port of Taichung by implementing in-harbor barging and tower transportation projects in 2022.



4 ASPECTS

In March 2022, the government announced the Taiwan's Pathway to Net-Zero Emissions in 2050, which is a plan of 12 key strategies to develop plans for 12 important areas of expected growth in energy, industry, and life transformation policies to achieve the net zero target set by our country, among which wind power/optical power is one of the 12 key strategies. In order to meet the Ministry of Economic Affairs' plan to complete the construction of 5.7GW of wind power generation by the end of 2025 and to develop 3 wind farms per year in the third phase zonal development, with a capacity of 1.5GW, TIPC has planned four main aspects of offshore wind power: Turbine Pre-assembly Area, Localized Manufacturing Area, Training Center and O&M Services. To meet the future demand of the offshore wind power industry, TIPC is committed to upgrading and expanding the port infrastructure.





▲ Operation and maintenance of vessels in TIPC Marine

Turbine Pre-assembly Area

Port of Taichung

- Turbine pre-assembly area
- Home port for working vessels

Port of Anping

- Foundation storage & transportation area

Training Center

Port of Taichung

- Set up an offshore wind power training center to provide GWO and customized courses



Localized Manufacturing Area

Port of Taichung

- Turbine manufacturing area for local turbine components

Port of Taipei

- Underwater foundation manufacture base

Port of Kaohsiung

- Maritime engineering support
- Underwater foundation manufacture base

O&M Services

Port of Taichung

Port of Budai

- Land-based & water-based O&M base
- Ship repair services
- Maritime transport services
- Stevedoring, warehousing & logistics services

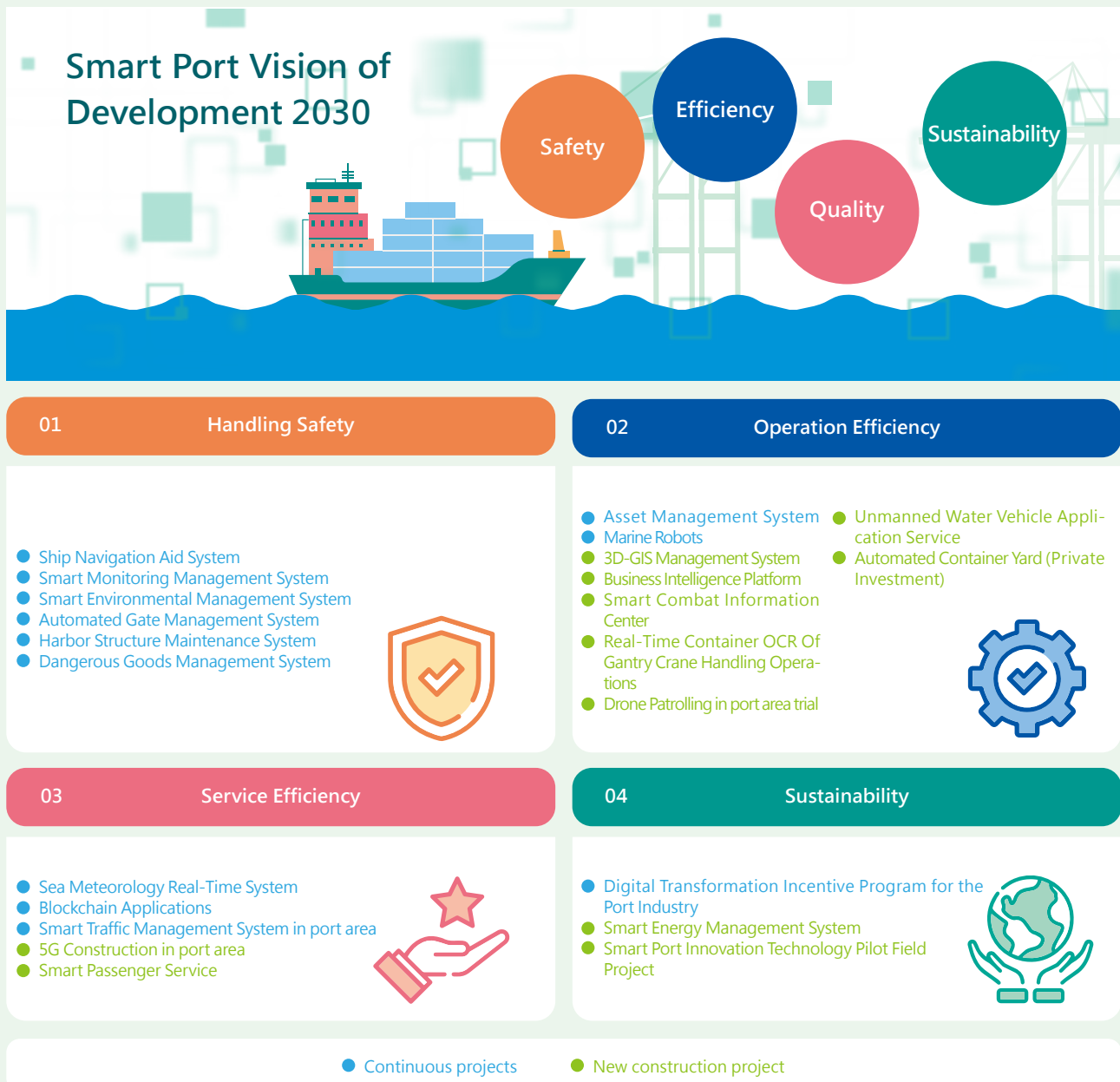


SPECIAL ISSUE

Digital Technology Lights Up Taiwan Ports' Competitiveness for Sustainable Development

Trans-SMART 2.0⁺, Charting the Development of Smart Port by 2030

As the global digital innovation continues to evolve, the port industry is witnessing the diversified applications of unmanned and automated machines, as well as the innovative development of sensing equipment combined with AI. As the operator of all seven international ports in Taiwan, TIPC is aware of the trend of intelligent technology revolution in the port industry. Thus, the company has adopted an open mindset to introduce innovative technology, accelerate digital transformation, introduce new digital services to traditional port operations, and enhanced the competitiveness of Taiwan Ports.



In 2021, TIPC introduced the Trans-SMART 2.0+ plan, a blueprint for the smart port development of the Taiwan Ports to 2030, to focus on three major development strategies: "The Deployment of Smart Infrastructures in Taiwan Ports", "Value-Added Operational Data Integration and Analysis", and "The Application of Innovative Technology Experimental Field ". The three strategies include investments in the IoT sensor devices, introduction of AI identification and analysis technology, integration of big data information for port operation and management, and creation of a trail environment for the application of innovative technology in the port. The Company will continue to implement various important smart port development action plans with the following four core aspects.



Safety

In 2022, TIPC has applied smart technology in the port area to strengthen the security management of Critical Infrastructure, promoted paperless pass measures and district management mechanisms, and continued to improve the Dangerous Goods Management System by adding a special query module for chemicals listed by the Executive Yuan. In 2023, the scheduled completion of the Ship Navigation Aid System would enhance the safety of ship navigation by providing a smart warning for actions such as speeding, yawing, drift anchoring, collision and entering dangerous areas.



Efficiency

In 2022, TIPC has completed the upgrade of 60 automated lanes to AI lanes, the construction of E-lanes in the Taiwan Ports. In addition, the company built a 3D-GIS Management System to integrate 3D public pipelines, ground equipment, building models, and water depth data to strengthen port operation and management efficiency. In response to the innovative development of unmanned vehicle, the application of underwater marine robot could assist traditional inspection operations by reducing divers' risk, improving the efficiency, and increase accuracy of inspection. It is expected that in the first half of 2023, operational verification would be carried out gradually at some terminals in the port of Anping, Hualien, Kaohsiung, and Taichung.



Quality

In order to improve the congestion problem of traffic queues in the Kaohsiung Intercontinental Container Terminal area, the completion of the Kaohsiung Port' s Smart transportation system in July 2022 has provided port operators with real-time access to road conditions and CCTV images. So as to provide convenient transportation services, the addition of AI image recognition technology further facilitated inquiries of the entry and exit time of each Container Terminal, the number of vehicles waiting outside each Container Terminal, and the round-trip time forecasts of each Container Terminal.



▲ Port 168 system provides real-time information on road conditions in the Kaohsiung port area



Sustainability

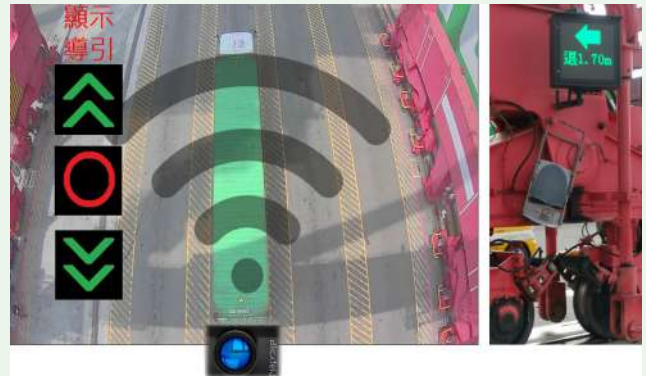
In response to the rising awareness of global environmental protection, sustainable development and the 2050 Net-Zero target, TIPC has started to promote the construction of Smart Energy Management System in Taiwan Ports in 2022. The system has aimed to grasp the energy usage in the port area and to improve management efficiency. Also, by deploying smart meter and smart water meter, the system could monitor and control water and electricity consumption. By deploying smart lighting facilities, the system could automatically adjust the optimal lighting in response to the surrounding environment and reduce inefficient lighting consumption. The system software is expected to be completed in 2023 and the other basic monitoring equipment will be completed in phases. After completion, the smart technology system will improve the management of energy consumption and enhance the port's sustainable competitiveness.

Innovative Technology Experimental Field, Combined With Incentive Programs To Create A Smart Port Ecosystem

With the concept of "Innovative Technology Experimental Field, Port Welcomes Innovative Cooperation", TIPC supports the diversified application of emerging technologies in port areas to solve port operation issues. The Company has announced the Smart Port "Innovative Technology Experimental Field Promotion Guidelines", which will open up the port as a demonstration site for innovation and technology. Moreover, Cooperation with the information and communication industry could further promote research and development. In 2022, there are five experimental projects, including the container OCR of Gantry Crane handling operations, the material transportation by drones across the sea, and the MOTC's 5G-driven Intelligent Transportation Technology, Service Innovation and Industrial Development Program(the unmanned vehicle inspection, road asset inspection, low-orbiting satellite, and intelligent travel service at Keelung Port, Taipei Port, Taichung Port, and Kaohsiung Port respectively). All projects were completed by the end of September 2022. For testing the feasible solutions through the mode of PoS (Proof-of-Service) and POB (Proof-of-Business), the relevant technology applications and services will be implemented in the port development and extended to all Taiwan Ports. The company hopes that the relevant solutions could be exported abroad in the future.

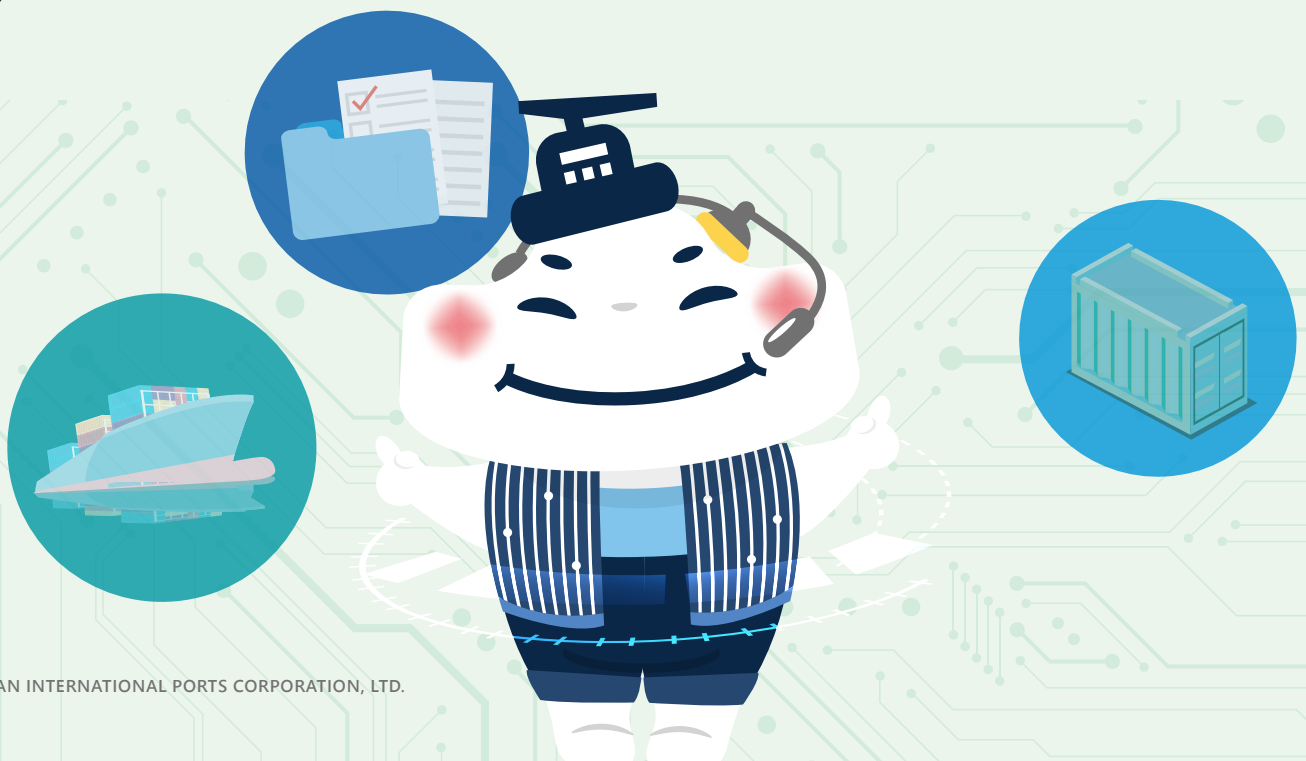


▲ Chunghwa Telecom conducts a experimental project for environmental inspection of the port area by drone at Keelung Port



▲ Chunghwa Telecom implements container OCR of Gantry Crane handling operations experimental project at Kaohsiung Port Self-operated Terminal - Provides ship-side vehicle location guidance service

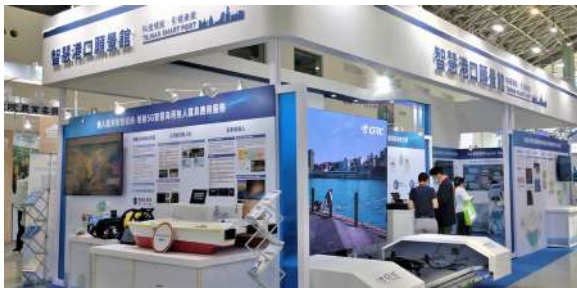
The digital transformation of the port industry requires the joint investment of all related industries in the port ecosystem. Therefore, the Incentive Program for Innovative Applications and Digital Transformation of the Port Industry, with a total incentive of NT\$ 40 million, was announced in 2022 to encourage the digital transformation of the port industry. In 2022, 15 applications were submitted, and 10 proposals were approved in the first round. The digitalization programs including terminal operations, energy management, logistics management, and tourism management, all of which are the intelligent achievements of the port industry ecosystem.



Marketing of Taiwan Smart Port Development And Establishment of a Communication Platform Between Port Industry And ICT Industry

● 2022 Kaohsiung Smart City Exhibition

The 2022 Kaohsiung Smart City Exhibition was held for the first time at the Kaohsiung Exhibition Center. TIPC chose the Smart Port Vision Gallery as the theme of the exhibition and shared the results of various action plans of the Trans-SMART project. The company also promoted the MOTC's 5G-driven Intelligent Transportation Technology, Service Innovation and Industrial Development Program and cooperated with several ICT providers and port industries. The cooperation was to jointly exhibiting smart application solutions such as the experiment of unmanned vehicle inspection with 5G technology, unmanned bus connection and low-orbit satellite environmental image monitoring at international commercial ports. By demonstrating equipment and exchanging of Smart Port innovative technology with industry representatives, the exhibition has attracted more than 4,600 visitors.



▲ 2022 Kaohsiung Smart City Exhibition - Smart Vision Gallery



▲ 2022 Kaohsiung Smart City Exhibition- Visits from Industries

● 2022 Global Smart Harbors Forum

In response to the invitation of Kaohsiung City Government, TIPC participated in the 2022 Global Smart Harbors Forum with Smart Port Vision Gallery as the theme of the exhibition. By inviting experts and scholars from the port industry and ICT industry to share their views on the Smart Port development, the company has attracted more than 1,000 industry representatives to participate in two group seminars.

The " Opportunities, Prospect and Port Digitalization" seminar has shared about the promotion of shipping industry standardization by the international maritime alliances to reduce data exchange costs and improve operational efficiency. In addition, the integration of AI OCR in terminal operations has enhanced the speed of cargo handling at Container Terminals. The seminar also shared TIPC' s promotion of Smart Port Plan to provide quality services, etc. In fact, this seminar provided an in-depth forward-looking trend of digital transformation of Taiwan's port industry and the impact of future digital transformation of ports. "5G, IoT, Port Development Foresight" seminar shared the MOTC's innovative plan to promote 5G smart transportation and the results of the port's application of 5G with AIoT for multiple applications.



▲ 2022 Global Smart Harbors Forum "5G, IoT, Port Development Foresight" Seminar - Group photo of the panelists



▲ 2022 Global Smart Harbors Forum - Chairman of TIPC and curators

Port has evolved with time, industrial development and technological advancement. The injection of digital innovation into the traditional port industry will definitely bring a new appearance. The Company undertakes the important responsibility of Taiwan's external trade and development of national gateways. With the mutual benefit concept of port industry ecosystem, TIPC will continue to promote the digital transformation of Taiwan Ports and prosper for better future.

SPECIAL ISSUE

Port Engineering Receives Gold Award

In 2022, TIPC won two Gold Award for Public Works, which is known as the Oscar of the engineering industry, for the "S07 and S08 Shore Protection and Backline Embankment Construction Project of Taipei Port South Terminal" organized by Keelung Branch and "S1~S3 Terminal Shore Protection and New Land Reclamation Project of Kaohsiung Port 7th Container Terminal Project" organized by Kaohsiung Branch. The project of Kaohsiung Port was also awarded the 16th Construction Golden Safety Awards of the Ministry of Labor, which recognized the quality of public works.

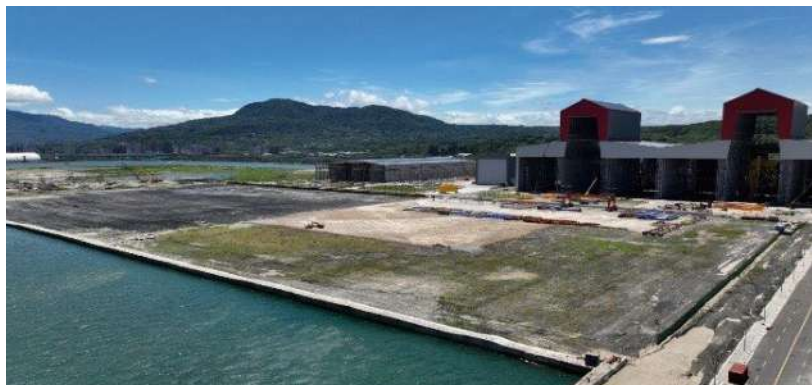


Award Winning Projects

Taipei Port South Terminal S07, S08
Shore Protection and Backline Land
Creation Project

Award Winning Features

The new temporary revetment uses the dismantled temporary embankment material for recycling, and the new land is filled with dredged earth from the boat handling area, saving about 13.9% of the project cost and achieving energy saving and carbon reduction.



▲ Taipei Port S07, S08 - 17.7 hectares of new land filling completed

Award Winning Projects

Kaohsiung Port 7th Container Terminal Project - S1~S3 Pier Shore Protection and New Land Reclamation Project

Award Winning Features

The new design is 1,230m long with a water depth of -18m for the world's largest 24,000 TEU container ships. In order to overcome the influence of waves and improve the stability of the operation, different structural types (such as gravity type, steel pipe (plate) pile type, pallet type, caisson type) are used according to the functional requirements of different areas of the terminal. The innovative use of reduced pressure steel pipe (plate) pile structure can reduce the force on the main pile, and at the same time use the recycling of the Inter-continental Phase I caisson as anchor structure to reduce the project cost. In order to widen the channel space, 13 round caissons will be moved and reused as ecological submerged dikes in the south dike, which is the first-round caisson type breakwater created by Taiwan during the initial construction of the second port of Kaohsiung Port. The action can greatly enhance the container loading and unloading capacity of Kaohsiung Port after completion.



▲ Kaohsiung Port 7th Container Terminal Project - S1~S3 Pier Shore Protection and New Land Reclamation Project

Furthermore, our other projects have also won the MOTC's Public Works Excellence Award (3 cases of Excellence and 4 cases of Honorable Mention), which is a great recognition and encouragement to our construction teams and engineering colleagues. We will continue to improve the quality of our public works by adhering to the highest guiding principles of on-time delivery, quality, environmental protection and safety.

- Taipei Port South Terminal S07, S08 Shore Protection and Backline Land Creation Project
- Taichung Port Land Navigational Overlay Reconstruction Project
- Kaohsiung Port 7th Container Terminal Project - S1~S3 Pier Shore Protection and New Land Reclamation Project

Excellence



MOTC Public Works Excellence Award

- Taichung Port Zhongnan Second Bridge Improvement Project
- New construction of Taichung Port Pier No. 42
- Keelung Port West 2 and West 3 Warehouse Passenger Center Restoration and Reuse Project
- Kaohsiung Port Passenger Transportation Zone - New Construction of Port and Travel Center - Construction

Honorable
Mention

SPECIAL ISSUE

International Cruise Unsealed

In early 2020, the spread of COVID-19 affected the global cruise industry, and the growth of Taiwan's cruise market was suspended. After nearly three years, the pandemic finally subsided, with European and U.S. countries taking the lead in opening their borders, and neighboring Asian countries such as Japan and Korea also reopening their cruise tourism. On October 24, 2022, the Central Epidemic Command Center (CECC) of Taiwan officially approved the guidelines for the operation of international cruise ships at ports of entry and homeports, symbolizing the lifting of the "postal ban" that has prohibited international cruise ships from berthing in Taiwan's ports since 2020, and officially announcing the lifting of the ban on international cruise ships coming to Taiwan. In order to strive for the resumption of international cruise ships, TIPC is eagerly promoting the following actions:



▲ Carnival Corporation & Plc Visit in Japan

Grasp the market trend - Proactive visits to cruise liners

In December 2022, the Company visited Europe, Japan, Singapore, and Malaysia to visit cruise and port-related industries, including a joint visit with Japan, Korea, Hong Kong, and other Asian countries, as well as the Maritime Port Bureau and the Tourism Bureau to study the cruise prevention policies in Malaysia and Singapore, and arranged meetings with Resorts World Cruises in Singapore, Ponant Cruises in Marseille, MSC Cruises in Geneva and Carnival Corporation & Plc in Japan to obtain cruise ships to come to Taiwan. We also negotiate with cruise liners such as Mitsui Passenger Ship (Nippon Maru) and Nippon Yusen (Asuka II) for berthing at Taiwan ports in 2023 in a port-of-call mode, and will directly explain the 2023 port promotion plan to the cruise operators' headquarters.

- We visited the Port of Barcelona, Europe's largest cruise port, to conduct a pre-survey for Asia's largest cruise ship, the Bellissima (180,000 gross tons), which will make its maiden voyage to Port of Keelung in 2023. TIPC and the Port of Barcelona discussed common issues such as cruise terminal operations, including ensuring sustainable operations, cooperation between regional ports, and the integration of port and urban transportation and tourism resources, and further discussed the cruise terminal concession model and the management of Liquefied Natural Gas (LNG)-powered cruise and yacht terminals. In addition, the Company also conducted a site visit to the Terminal E, which was franchised by the Carnival Corporation, with fruitful results.
- TIPC went to the headquarter of Ponant Cruises in Marseille, France to meet with Mr. Bories, Director of Operations, and then moved to the headquarter of MSC Cruises in Geneva, Switzerland on the 13th to meet with Mr. Onorato, President of MSC Cruises, to focus on such topics as "Taiwan's market advantages as the second largest source market in Asia," "The construction of cruise terminals in Keelung and Kaohsiung ports," "The establishment of preferential berthing rates for 2023," and "The introduction of major tourism resources in each port," with the aim of securing more cruise calls.



▲ MSC Cruises Visit in Europe



▲ Resorts World Cruises Visit in Singapore

Launch of International Cruise Concessions - Market Expansion

To strive for major international cruise ships to Taiwan, TIPC announced the 2023 Preferential Scheme for International Cruises, in which international cruise ships that call at any port in Taiwan throughout 2023 will receive a full waiving of dockage fees and a minimum 30% discount on passenger service fees. In addition, once the accumulated number of calls at same port for any specific cruise ship reaches the targets, they can also enjoy a special offer of free passenger service fee, which aims to attract the attention of international cruise operators and enhance the investment incentives.

The software and hardware of the Cruise Passenger Terminals were upgraded to provide a new look and more efficient services

During then pandemic, TIPC continued to improve its berthing capacity and service quality. The Keelung Port East Passenger Terminal and Keelung Port West Passenger Terminal was renovated in 2021 and 2022 respectively, and the Port of Kaohsiung will welcome double cruise ships for the first time on March 6, 2023, receiving cruise passengers with more efficient and higher quality services in the future.



Port of Keelung

The Port of Keelung Port East Passenger Terminal has been expanded and was opened in April 2021, with a maximum capacity of 150,000 gross tons of cruise ships and an increased speed of 2,100 passengers/hour for homeport clearance; the Keelung Port West Passenger Terminal was renovated in May 2022, with a maximum capacity of 250,000 gross tons of cruise ships and an increased speed of 2,100 passengers/hour for homeport clearance.



▲ Keelung Port East Passenger Terminal · Keelung Port West Passenger Terminal



Port of Kaohsiung

The Kaohsiung Port Cruise Terminal can berth 250,000 gross tons of large cruise ships, with a clearance efficiency of 2,100 passengers/hour at the home port. The Kaohsiung Tourism Center podium building (the main tourism operation facility) was licensed for use in August 2022 and will begin serving passengers in 2023, making it a landmark building for the Port of Kaohsiung in the future.



▲ Kaohsiung Port Cruise Terminal

To seize the first opportunity, TIPC not only improved the port facilities of cruise terminal during the pandemic, but also took the initiative to visit international cruise companies and launched international incentive programs. After a series of efforts, the amount of cruise ship forecast for 2023 at the Taiwan International Port has reached 289, almost 40% of the peak in 2019 before the pandemic and will continue to communicate with cruise related units to strive for cruise ships to berth in Taiwan.



4

Sustainable Symbiosis - Green Port

4.1 CLIMATE CHANGE RISK MANAGEMENT	110
4.2 ENVIRONMENTAL SUSTAINABILITY POLICY	113
4.3 ENVIRONMENTAL MANAGEMENT MEASURES	114
4.4 CIRCULAR ECONOMY	119
SPECIAL ISSUE: HUALIEN PORT SMART GRID	120
SPECIAL ISSUE: SALUTE TO THE SEA	122



| Port of Hualien "Water Bank 4.0" Project has saved **123,141 Metric Tons** of tap water |

| Annual generation of solar power up to **24.24 Million kWh** | Passed **ISO 14064-1 GHG verification** |

| Implementation of paperless practices, with a total of **40,298** electronic passes for port entry |

| "Salute to the Sea" Coastal Cleanup Maintenance Program has removed **2,714.3 Metric Tons** of trash |

| **60% Reduction** in energy intensity compared to 2021 |

| A total of 191 new energy-saving lighting fixtures were added, resulting in a carbon reduction of **6.73 Metric Tons of CO₂e** |

| Energy saving measures reduce carbon emissions by approximately **4,048.3 Metric Tons of CO₂e** |

| A total of 26,000 ship speed reduction counts, **annual carbon reduction of 95,522 Metric Tons of CO₂e** |

| The total number of vehicles entering the automatic checkpoint is **13.79 Million**, and the carbon reduction is about **2,043 Metric Tons of CO₂e** |

| A total of **10,271 People** was engaged to clean up the coastal environment, with **189** cleanups and a coastline length of **868.6 Kilometers** |

Material Topic : Climate-related Financial Disclosures

Major Causes	<ul style="list-style-type: none"> Under the trend of global warming, the scale and frequency of extreme weather events are gradually increasing, posing a threat to the safety of port operations. In order to cope with climate change and its impacts, it is imperative to gradually formulate adaptation measures. These actions will also have an impact on the company's budget expenditures and allocations. Potential positive impacts on the economic and environmental aspects.
Policy / Strategies	<ul style="list-style-type: none"> Taking reference from the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) proposed by the Financial Stability Board, the Company adjusted its sustainability governance framework in 2023. This includes the establishment of a Sustainable Development Strategy Committee and a Sustainable Development Promotion Committee. The Sustainable Development Promotion Committee, through its various functional teams, develops goals and action plans related to important sustainability issues. Progress is reported to the Sustainable Development Strategy Committee and the Board of Directors based on the implementation status.
Management Evaluation	<ul style="list-style-type: none"> Currently, under the leadership of the Occupational Safety and Health Department and in collaboration with external experts, the identification of climate risks faced by various ports under the jurisdiction of the TIPC is being planned. Based on the business development needs of the company and the external environment, the functional teams of the Sustainable Development Promotion Committee will assess the potential risks and scenarios that the company may face in the medium to long term. These assessments will be integrated into the jurisdiction of various business management units within the company to develop planning strategies for normal operations and environmental protection.
Performance and Adjustment	<ul style="list-style-type: none"> The Company has initiated the implementation of the Task Force on Climate-related Financial Disclosures (TCFD) program. It identifies climate-related physical and transitional risks and incorporates external expert perspectives. It also employs a quantitative approach to assess the significant impacts on the company's operations and finances.
Preventive or Remedial Measures	<ul style="list-style-type: none"> The various business management units will establish climate-related goals/indicators based on operational feasibility and regulatory requirements. In the future, these goals will be deliberated and implemented by the functional teams of the Sustainable Development Promotion Committee. Complaints can be filed through this link: https://www.twport.com.tw/chinese/Mail_Content.aspx

Material Topic : Energy

Major Causes	<ul style="list-style-type: none"> In response to the insufficient domestic energy, Taiwan's energy policy emphasizes on energy security by following three key principles of "Energy saving enhancement on demand-side," "Diverse, self-reliant, and low-carbon energy supply-side," and "Integrated and intelligent system". Positive impact on environment.
Policy / Strategies	<ul style="list-style-type: none"> The establishment of an Energy Conservation Promotion Team and the implementation of the Government Institutions and Schools Electricity Efficiency Management Program are carried out to reduce electricity consumption below the announced benchmark levels. The establishment of the Taiwan Ports Smart Energy Management System aims to monitor the energy usage status and enhance management efficiency in the port areas.
Management Evaluation	<ul style="list-style-type: none"> The Energy Conservation Promotion Team is responsible for supervising and assessing the annual energy-saving performance. At least twice a year, the team convenes meetings with relevant departments to review the energy-saving measures, effectiveness, and progress towards the set goals. The Smart Energy Management System implementation projects are coordinated by the Planning & Development Department and included in the annual KPI of each branch company.
Performance and Adjustment	<ul style="list-style-type: none"> In 2022, the Keelung, Taichung, Kaohsiung branch companies, and the Port Authority achieved electricity usage intensity (EUI) below the announced benchmark values. They will continue to make policy adjustments or equipment updates based on the nature of each location to strengthen the achievement of the set targets. The planning of the establishment of the Taiwan Ports Smart Energy Management System commenced in 2022. The system software layout will be completed in 2023, followed by the gradual installation of basic monitoring equipment in phases. The implementation will be aligned with the annual KPI of each branch company. The Company awarded the contract for the Procurement of Renewable Energy on April 24, 2023. This procurement contract will supply a minimum of 400,000 kilowatt-hours of green electricity to the headquarters' office in two years.
Preventive or Remedial Measures	<ul style="list-style-type: none"> The Energy Conservation Promotion Team convenes meetings every six months to review and propose improvement measures in response to the issues raised by various departments. Additionally, the Ministry of Transportation and Communications holds energy conservation meetings every six months to review the implementation reports of subordinate agencies and departments. The Vice President of Engineering holds the Taiwan Ports Smart Energy Management System implementation task force meeting quarterly. The meeting is aims to oversee the progress of system implementation and monitor the progress of each port. Complaints can be filed through this link: https://www.twport.com.tw/chinese/Mail_Content.aspx

Material Topic : Air Pollution and Greenhouse Gas Emissions

Major Causes

- Climate change is a global challenge that we all face, and the international community is increasingly concerned about the issue of greenhouse gas reduction. The concept of Net-zero Emissions by 2050 has become a global consensus after the 2021 United Nations Climate Change Conference. In 2023, the Environmental Protection Administration officially amended the Greenhouse Gas Reduction and Management Act to the Climate Change Response Act incorporating the goal of achieving net-zero emissions by 2050 into law, by which the greenhouse gas reduction and management have now become national policies.
- Port area air pollution emissions include major sources such as ocean liner, intra-port operational ship, cargo handling equipment, and heavy-duty vehicles. In order to reduce the impact of port operations on air quality in neighboring areas, TIPC not only complies with the Air Pollution Control Act and its subsidiary regulations to implement port air quality management, but also aligns with the air pollution prevention programs of the Environmental Protection Administration, Executive Yuan. Since 2018, the Company has established the International Commercial Port Air Pollution Control Program to actively promote control measures for mobile sources (ship, vehicles) and stationary sources (cargo handling operations, material storage) of pollution in the port area.
- Potential negative impact on the environmental aspect.

Policy / Strategies

- The International Commercial Port Air Pollution Control Plan sets out to promote various pollution control measures for port activities, including mobile sources (ships, vehicles) and stationary sources (cargo handling operations, material storage).
- Establishing a greenhouse gas inventory and management system within TIPC, and developing measures to reduce greenhouse gas emissions in the port area.

Management Evaluation

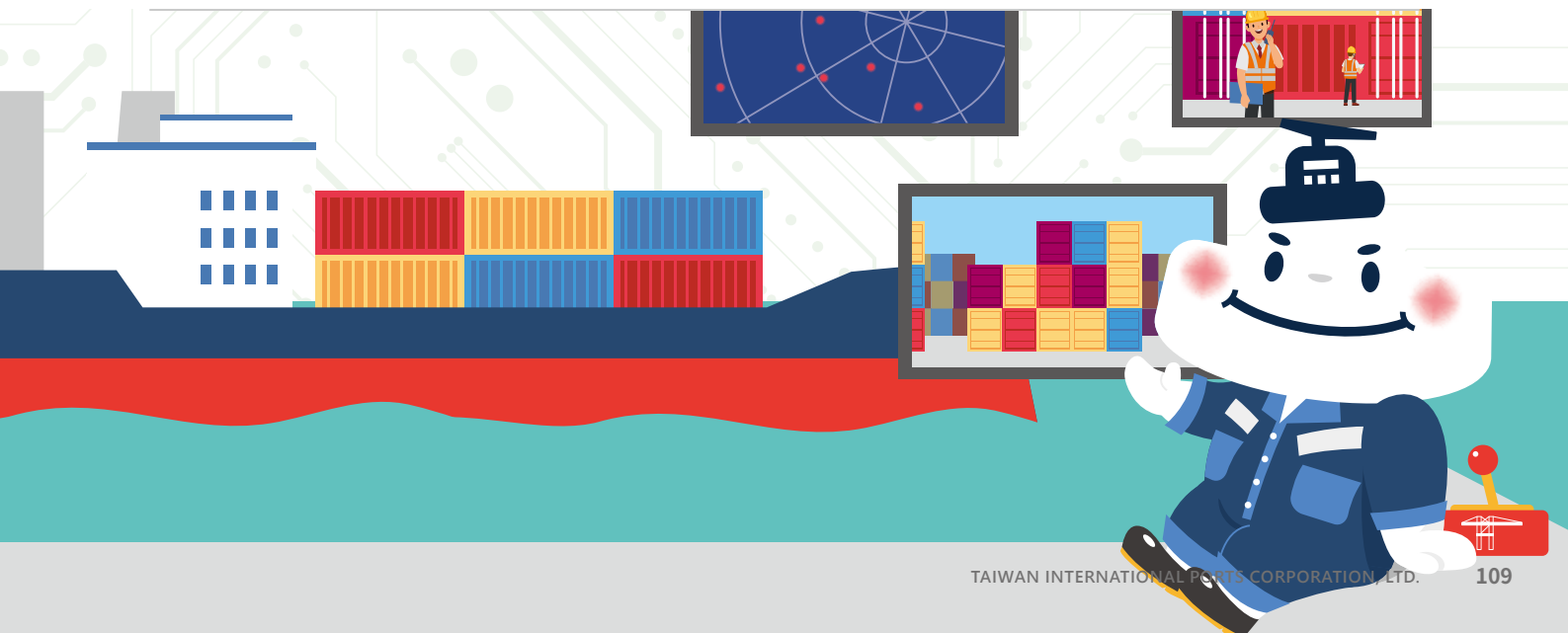
- Conducting periodic environmental inspections in each port area.
- Performing regular audits on emission management in accordance with the ISO 14064-1 management review procedure.

Performance and Adjustment

- In 2022, compared to 2021, there was a reduction of 10.9% in PM2.5 emissions, a reduction of 10.8% in SO2 emissions, and an increase of 11.1% in carbon reduction. Based on the air quality monitoring results published by the Environmental Protection Administration in 2021 for neighboring commercial port areas, the Keelung Air Quality Monitoring Station achieved a 56% reduction in SO2 emissions and a 34% reduction in PM2.5 emissions. The Kaohsiung Xiaogang Air Quality Monitoring Station achieved a 64% reduction in SO2 emissions and a 30% reduction in PM2.5 emissions. The Taichung Shalu Air Quality Monitoring Station achieved a 54% reduction in SO2 emissions and a 37% reduction in PM2.5 emissions.
- In 2022, the carbon reduction achieved through measures such as energy-efficient lighting, water-saving equipment, renewable energy, energy-saving devices, afforestation, and electric government vehicles amounted to approximately 4,048.3 metric tons.
- In 2015, the baseline year, the total Scope 1 and Scope 2 emissions were 25,713 metric tons of carbon dioxide equivalent. By October 2022, the greenhouse gas emissions for 2021 had obtained third-party verification, and the total Scope 1 and Scope 2 emissions were 23,896 metric tons of carbon dioxide equivalent, representing a reduction of 1,817 metric tons of carbon dioxide equivalent compared to the baseline year.

Preventive or Remedial Measures

- If any violations of air pollution regulations are found, immediate improvement is requested, and advisory notices are given with a specified deadline for improvement. If no substantial improvements are made, evidence will be collected and transferred to the Maritime Port Bureau. MOTC for legal actions. Regular joint inspections with local environmental bureaus and the Maritime Port Bureau will be conducted, and industry stakeholders will be invited to participate in advocacy meetings.
- Establish the TIPC Smart Energy Management System to grasp the energy usage status in the port area and enhance management efficiency, aiming to further reduce greenhouse gas emissions in the port area in the future (please refer to the Energy Management Policy).
- Complaints can be filed through this link: receiving petitions from the public or notifications from environmental protection agencies, including company suggestion mailboxes, the Environmental Protection Administration's 1999 public petition mailbox, and the Executive Yuan's suggestion mailbox.

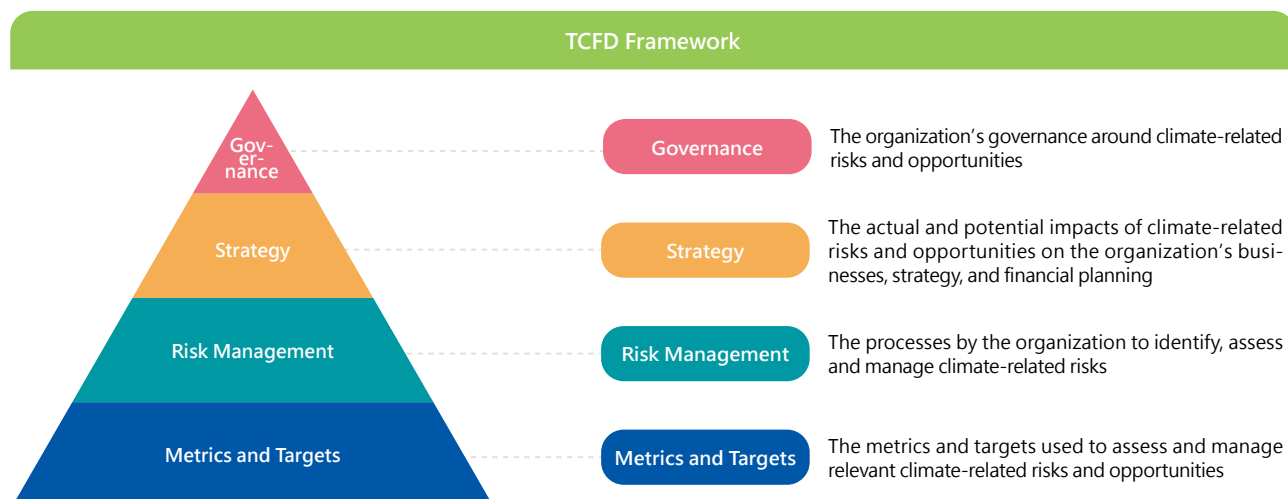


4.1 Climate Change Risk Management

4.1.1 Climate Adaptation Action

The impacts of global climate change on businesses are becoming increasingly significant, and operational transformation has become a major challenge for companies. Due to the uncertainties associated with climate change, TIPC needs to consider the variations in operational behaviors across different ports and develop corresponding climate change adaptation strategies. By gradually implementing these adaptation measures, TIPC can progress towards achieving sustainable development.

Since 2021, the Company has been gradually establishing an effective climate governance framework by referring to the core four elements of the Task Force on Climate-related Financial Disclosures (TCFD) published by the Financial Stability Board. We integrate internal and external information and conduct progressive assessments of climate-related risks and opportunities. We are also planning to incorporate TCFD into our corporate governance initiatives. This allows us to assess the financial impacts of climate change-related risks that our operations may face and makes it an integral part of our overall ESG management capabilities and performance.



TCFD Governance Framework of TIPC	
Governance	In 2023, the Company adjusted its sustainable governance framework by establishing the Sustainable Development Strategy Committee and the Sustainable Development Promotion Committee. The various functional teams within the Sustainable Development Promotion Committee develop goals and action plans for relevant important issues and submit them to the Sustainable Development Promotion Committee for drafting. The Sustainable Development Promotion Committee reports to the Sustainable Development Strategy Committee and the Board of Directors on a regular or ad hoc basis, depending on the progress of the initiatives.
Strategies	The future plan involves the Sustainable Development Promotion Committee and its respective functional teams, along with external experts, defining short-term (1-3 years), medium-term (4-10 years), and long-term (over 10 years) timeframes for addressing climate-related risks and opportunities. A prioritization process will be conducted to rank the significance of climate-related risks and opportunities, followed by a scenario-based quantitative assessment of their major impacts on the company's operations and finances. Based on this, resilience adaptation measures will be planned to address physical risks, and low-carbon transformation goals and measures will be established to address transitional risks. The action plans for subsequent implementation will be developed by the functional teams of the Sustainable Development Promotion Committee.
Risk management	In 2023, the Occupational Safety and Health Department, in collaboration with external experts, will lead the identification of climate-related physical and transitional risks for each port under the company, considering the business development needs and external environment. Starting from 2024, the functional teams within the Sustainable Development Promotion Committee, along with external experts, will identify climate risks and opportunities. They will also review existing and emerging climate change regulations (such as emission controls) and other relevant factors to determine whether a re-evaluation of climate risks and opportunities is necessary. Risk monitoring and assessment will be incorporated into the internal control systems of respective management units to ensure integration into the company's governance processes.

TCFD Governance Framework of TIPC

Risk management	Risk Aspect		Risk Explanation		Mitigation Measures/Future Plans	
	Market Risk		Shipping companies adapting to the mandatory ship emissions reduction regulations under the IMO international convention starting in 2023.		1. Formulating a clean ship incentive strategy to drive the entire supply chain in reducing pollution and emissions. 2. As part of this initiative, in 2022, a total of eight passenger bridges were electrified, including four in Keelung Port, one in Taipei Port, one in Kaohsiung Port, and two in Taichung Port. The goal is to achieve comprehensive electrification by 2023. In 2026, we plan to complete the installation of shore power facilities for cruise ships at both Keelung Port and Kaohsiung Port. The estimated cost for implementing shore power facilities at the Kaohsiung Port Terminal Passenger Center is approximately NTD 110 million.	
	Policy and regulatory risks		Climate Change Response Act and Carbon Pricing Implementation		In 2022, the total carbon emissions of the ports for Category 1 and Category 2 were 26,279.04 metric tons (based on self-assessment). If we estimate the carbon reduction target based on Taiwan's updated Nationally Determined Contribution (NDC) for 2030, which aims for a 241% reduction in emissions, and offset 25% of the emissions (6,569.76 metric tons) through the purchase of green energy certificates, then the carbon emissions in 2030 would be 19,709.28 metric tons. This would require a payment of carbon fees amounting to NTD 5,912,784 (NTD 19,709.28 * 300 assuming a carbon fee of NTD 300 per metric ton) and green energy certificate costs of NTD 38,724,000 (NTD 12,908 * 3,000 assuming a cost of NTD 3,000 per certificate). By 2050, all emissions of the ports for Category 1 and Category 2 would be offset by green energy certificates, requiring a total payment of NTD 154,887,000 (NTD 51,629 * 3,000).	
	Transition Risk		Strong gusts pose a risk to maritime navigation safety.		In 2022, the maritime meteorological warning system will be expanded to integrate wind, visibility, and wave current monitoring data, providing real-time marine weather information and warning capabilities. The planned development of the related warning system is expected to be completed by 2026, with an estimated investment of NTD 342 million.	
	Immediate risk		Earthquakes, storm surges, and surging waves can cause damage to port facilities and equipment.		The Taiwan Port 3D Operations Map has been under construction since 2022, providing information on land, buildings, and pipeline asset management. It incorporates intelligent reporting for inspections, enhancing disaster prevention capabilities. The project is expected to be completed in 2023, with an estimated investment of NTD 19.12 million.	
			Risks of property loss and public liability in the port of operation and management		<ul style="list-style-type: none"> The Company carries out annual centralized property insurance, integrating insurance categories and coverage, to transfer operational and management risks through insurance. As of now, the Company has incurred approximately NTD 26 million in property insurance expenses for the year 2023. The insurance coverage includes the following categories: <ul style="list-style-type: none"> Property Insurance: Commercial Fire Insurance, Contractors equipment Insurance, Fine Arts Insurance, Marine Vessel Insurance. Liability Insurance: Marine Pollution Liability Insurance, Protection & Indemnity Insurance, Liability Insurance for Remote-Controlled Unmanned Aircraft Operations, Public Liability Insurance for Business Premises. In 2023, four property insurance seminars will be organized to provide each department of the company with an understanding of basic insurance concepts, claims procedures, and related operational processes. These seminars aim to facilitate the promotion of insurance services within the company. 	
	Long-term risks		Operations at the port are disrupted due to flooding caused by rising sea levels.		In order to understand the changing trends in natural conditions (including wind, waves, tidal levels, and storm surges) that affect commercial ports in the face of climate change, and to assess the impact of climate change risks on existing breakwaters, piers, and port stability, our department is considering undertaking the Study on Countermeasures for Port Structures in Response to Extreme Weather Conditions in 2023, with a budget allocation of 2.5 million.	

Climate-related objectives and indicators will be developed by each operational unit based on operational feasibility and regulatory requirements. In the future, these objectives and indicators will be discussed and implemented by the respective functional teams within the Sustainable Development Promotion Committee.

Indicators and Objectives

Indicators

- In accordance with ISO 14064:2018, greenhouse gas inventory-related operations were conducted in 2021. In 2022, the company obtained third-party verification statements for the headquarters and branch offices (ports).
- The Greenhouse Gas Inventory Online Platform was established in 2019.
- In 2023, an assessment will be conducted to evaluate the physical risks associated with climate change, such as strong winds, heavy rainfall, and storm surges. A resilience adaptation pathway for the ports will be proposed.
- The implementation of the Task Force on Climate-related Financial Disclosures (TCFD) program will be promoted in 2023, focusing on risk management and financial impact disclosure.
- Efforts will be made to enhance the awareness of port sustainability. Four sessions of port industry sustainability-related lectures and workshops will be organized annually.
- The Property Insurance will be completed in 2023, and four sessions of property insurance lectures will be held.

Objectives

- The management of port operations incorporates a sustainable carbon reduction mindset. Investment regulations require businesses to commit to using a certain proportion of renewable energy or electric equipment. Major electricity consumers are expected to commit to specific carbon reduction timelines and targets. The port community will work together to achieve carbon reduction goals.
- The target is to achieve 50% carbon neutrality by 2030 and complete carbon neutrality by 2050.
- The property insurance transfers the risks associated with property damage and public liability in the port of operation and management.

4.1.2 Customer Port Emergency Response

With the increasing scale and frequency of extreme weather events, natural disasters, and potential hazards associated with global warming, the safety of port operations is being threatened. Additionally, the gradual transformation of port operations in recent years, such as electrification, unmanned systems, automation, and scale enlargement, has also increased the complexity of emergency response procedures. Therefore, it is crucial to reduce the impact of these potential disasters and strengthen emergency response processes to mitigate the safety risks associated with port operations.

In addition to internal preparedness and organizational coordination during normal operations, the Company has established a robust emergency notification mechanism with various public and private stakeholders within the port, including government agencies, CIQS (Customs, Immigration, Quarantine, and Security), central and local disaster response units, and local authorities. We also conduct regular disaster response drills to enhance mutual support and cooperation, aiming to effectively strengthen emergency response processes, mitigate the threat of disasters, and prevent the escalation of incidents that could impact port operations.

To establish a comprehensive disaster prevention and response system for international and domestic commercial ports, enhance disaster prevention, emergency response, and recovery measures during occurrences, and consider issues such as changing disaster environments, social structures, and climate change, the Taiwan International Ports Corporation (TIPC), based on relevant regulations including Article 41 of the Commercial Port Law, Article 19 of the Disaster Prevention and Protection Act, and the Disaster Prevention and Response Basic Plan, has formulated the "TIPC Disaster Prevention and Rescue Plan." This plan defines disaster preparedness, emergency response, and post-disaster recovery procedures for various potential disasters in port operations. It also establishes reporting processes and organizational responsibilities based on different types of disasters. Through port disaster preparedness drills, all disaster response resources within the port are mobilized, validating the early warning and emergency response mechanisms in the face of sudden events and enhancing the ability to handle complex disasters.



▲ Process of live military exercise



▲ Process of tabletop wargame simulation

Emergency response for passenger services

For the passenger services provided during the berthing of cruise ships or ferries at various port areas, TIPC ensures the safety of the services by conducting pre-berthing safety inspections of facilities and customs clearance environments. During the berthing period, TIPC maintains and manages the customs clearance order and promptly handles any unforeseen incidents on-site while providing timely reports. There are on-site personnel available to assist passengers during the customs clearance process, ensuring smooth operations and passenger safety. In case of accidents or injuries to passengers within the terminal premises, TIPC guarantees the rights and benefits of passengers under the public liability insurance coverage.

The passenger service facilities and on-site services provided at the Penghu Commercial Port under TIPC's management comply with government laws and regulations. The provision and use of products and services do not violate any laws or regulations that could result in significant fines. The port facilities and services also adhere to the regulations of the product and service information-related act and voluntary standards, with no incidents of non-compliance. Moreover, TIPC ensures that regulated and controversial products or services are not sold by operators within the port area under its supervision.

4.2 Environmental Sustainability Policy

The Company's vision is "taking innovation as the core, going global and becoming an excellence of global port group." It is involved in the planning, construction, operation, shipping-related services, free trade port zones, and tourism development and investment of various international ports in Taiwan. While pursuing business growth, the Company recognizes the importance of balancing environmental sustainability as part of its corporate social responsibility. The Company proactively identifies environmental risks associated with its services and activities, manages them independently, and minimizes potential environmental impacts. Its goal is to achieve a green and sustainable port, and it is committed to implementing the Green Port Program, building an international quality port, complying with environmental regulations, fulfilling its corporate environmental responsibilities, conducting environmental monitoring and pollution control, improving port environmental quality, promoting environmental awareness and education, cultivating employees' environmental consciousness, strengthening communication platforms with local communities, and contributing to the sustainable development of the port city.

TIPC regularly conducts joint inspections with local environmental protection bureaus and the Maritime Port Bureau of the Ministry of Transportation and Communications and organizes promotional meetings involving stakeholders. The Environmental Protection Administration and environmental protection bureaus also increase their presence in the ports for inspections. Multiple project-based inspections were carried out, and in 2022, there were a total of six environmental violations under the jurisdiction of the company, resulting in a total fine amounting to NTD 987,500.

Inspection Period	Causes of the occurrence of the deficiency	Response and improvement measures
March 17	Port of Kaohsiung, in the jurisdiction of this county, carried out the Budai Port Passenger Terminal Renovation General Contracting Project. The project commenced on October 20, 2021, but the declaration for air pollution prevention fee was not submitted until December 6, 2021, which exceeded the prescribed deadline by 47 days. This violation is in contravention of Article 5 of the Regulations Governing the Collection of Air Pollution Control Fee, resulting in a penalty of NTD 100,000.	The incident occurred due to negligence on the part of the construction contractor, who failed to declare the air pollution prevention fee before commencing the construction work. The construction contractor paid the penalty of NTD 100,000 on April 7, 2022. To prevent similar incidents in the future, improvement measures will be implemented. Before commencing any future projects, there will be enhanced communication and education during pre-construction coordination meetings, informing the construction contractors about the necessary pre-construction control measures. The supervising unit will be responsible for tracking and addressing the compliance issues in the weekly construction coordination meetings.
June 13	Based on the violations of the Management Regulations for Construction Project Air Pollution Control Facilities by the construction project owner, a total of 40 demerit points were identified due to the deficiencies. These deficiencies have had an impact on the effectiveness of pollution prevention measures. As a result, a penalty of NTD 142,500 has been imposed in accordance with the handling principles.	In this violation case, the construction company has complied with the required improvements, and the supervising unit has been requested to strengthen on-site environmental inspections and patrols. If any violations of environmental regulations are found, immediate or time-limited improvements are required. The entire project was completed on August 31, 2022.
July 12	The violation of the Air Pollution Control Act resulted in a fine of NTD 240,000.	In this violation case, all construction contractors have made improvements in accordance with regulations. The supervising units have been requested to strengthen on-site environmental inspections and patrols. If any violations of environmental regulations are found, immediate or time-limited improvements are required. The entire project was completed on August 31, 2022.
August 12	The violation of the Air Pollution Control Act resulted in a fine of NTD 100,000.	In this violation case, the construction companies have all completed the required improvements in accordance with the regulations. Going forward, the supervising units will be requested to strengthen on-site environmental inspections and patrols. If any violations of environmental regulations are found, immediate improvements, improvements within a specified period, or penalties as stipulated in the contract will be enforced.
September 27	According to the Rules for Handling Deficiencies and Penalty Points for Construction Project Owners Violating the Management Regulations for Construction Project Air Pollution Control Facilities, a total of 34 deficiencies affecting the effectiveness of pollution control were found in the Construction of Taipei Port Logistics and Warehouse Area Phase III and IV Embankment Project organized by Port of Keelung. As a result, a penalty of NTD 240,000 has been imposed.	All the listed deficiencies in the inspection have been addressed and rectified, and after re-examination by the Environmental Protection Bureau, no repeated deficiencies have been found, nor have any other violations occurred. In the future, we will include these items in the occupational safety management control measures to prevent the recurrence of previous deficiencies.
November 12	According to the Rules for Handling Deficiencies and Penalty Points for Construction Project Owners Violating the Management Regulations for Construction Project Air Pollution Control Facilities, the bureau has found that the company, as the main organizer of the Taipei Port Logistics and Warehousing Area Phase 2 Land Reclamation Project :Earthwork Exchange Control and Professional Service (Second Contract), has accumulated 24 violation points due to deficiencies that have affected the effectiveness of pollution control measures. As a result, a fine of NTD 165,000 has been imposed.	In this violation case, the construction contractors have all completed the necessary improvements in accordance with the regulations. Moving forward, we will request the supervising units to strengthen on-site environmental inspections and patrols. If any violations of environmental regulations are discovered, immediate improvement, improvement within a specified period, or actions based on contractual penalties will be required.

4.3 Environmental Management Measures

4.3.1 Energy Consumption

TIPC primarily utilizes electricity, gasoline, and diesel as its main sources of energy. In 2022, the energy consumption decreased by 59% compared to 2021, and the energy intensity decreased by 60% compared to the previous year. In addition to implementing energy-saving measures in various port areas to promote environmental protection, the office also adopts energy-saving and emission reduction practices.

Quantitative indicators	Unit	2020	2021	2022
Electricity usage	kWh	33,145,000	28,228,000	5,195,160
	GJ	119,322	101,620	18,703
Gasoline consumption	L	93,000	85,000	91,170.20
	GJ	3,035	2,773	2,975
Diesel fuel consumption	L	904,000	528,000	821,686.84
	GJ	31,771	18,556	28,879
Total energy consumption	GJ	154,128	122,951	50,557
Annual revenue	ten thousand NTD	2,077,444	2,253,217	2,372,335
Energy intensity	GJ per ten thousand NTD	0.07	0.05	0.02

Note:

1. The conversion factor for electricity is 1 kWh = 0.0036 GJ. This means that one kilowatt-hour of electricity is equivalent to 0.0036 gigajoules of energy.
2. The conversion factors for fuel heat values are sourced from the Environmental Protection Administration's Gas Emission Factor Management Table 6.0.4 version. The heat values used for calculation are as follows:

Gasoline: 7,800 kcal/L

Diesel: 8,400 kcal/L

Natural gas: 8,000 kcal/m³

1 kcal=4.184 KJ

The Company is committed to implementing various energy-saving initiatives. In order to effectively monitor the energy usage in the ports and improve management efficiency, we have initiated the planning for the development of the TIPC Smart Energy Management System since 2022. The project aims to complete the software architecture development in 2023 and gradually deploy the basic monitoring equipment over the following years.

Replacing energy-efficient lighting fixtures

In 2022, a total of 191 energy-efficient lighting fixtures were installed, resulting in an estimated reduction of approximately 6.73 metric tons of CO₂e (based on the carbon reduction rate of 0.0352 metric tons of CO₂e per year per energy-efficient lighting fixture, as published by the Bureau of Energy in 2020).

Automated gate sentry system

By instantly comparing transport order data (automatically capturing license plate and RFID personnel access card data), the automated gate sentry system accelerates the entry and exit procedures in the port area, significantly improving operational efficiency. The average waiting time per vehicle for manual paper-based clearance, which was previously 4 minutes, has been reduced to just 20 seconds. This has effectively reduced exhaust emissions by 91.6%. Additionally, the system has achieved a 100% paperless conversion rate with the use of electronic form transmission. In 2022, a total of 13,795,966 vehicles passed through the automated gate sentry, resulting in a carbon reduction of approximately 2,043 metric tons of CO₂e.

The total carbon reduction amount is 2,049.73 metric tons of CO₂e

Other carbon reduction measures

Office energy-saving program

- Installation of timed devices for exhaust fans in restrooms to avoid continuous operation after office hours.
- Complete replacement of office lighting with LED fixtures, reducing the number of lights as needed, and installing motion sensors in corridors and restrooms.
- Adjustment of air conditioning operating hours to delay startup and early shutdown.
- Gradual replacement of expired split type air conditioners with inverter models.
- Setting water dispensers to shut down during the night to reduce power consumption.
- Setting computers and office equipment to enter sleep mode after a certain period of inactivity.
- Promoting the habit of turning off lights when not in use and encouraging employees to periodically inspect public areas for any instances of wasteful electricity usage.

Automated lanes and E-lanes

In 2022, a total of 60 automated lanes were equipped with AI recognition devices, enabling the identification of vehicles and container trucks passing through the lanes. This implementation has significantly improved the efficiency of personnel, vehicles, and cargo movement within the port, reducing vehicle transit time and minimizing fuel consumption associated with personnel inspection. These measures have effectively achieved energy savings and carbon reduction. Furthermore, to enhance traffic management and monitor the road conditions within the port area, TIPC implemented the Harbor 168 system in Kaohsiung Port in 2022. This system enables real-time monitoring of traffic conditions, arrival times, and access to CCTV footage, thereby alleviating waiting times for container truck traffic in the container yard.

Green Construction Methods

- Energy-saving and carbon reduction planning for the Port of Kaohsiung 7th Container Terminal Project: This project aims to recover the existing sunken wave-dissipating blocks from the seabed by lifting them for recycling. Complete wave-dissipating blocks will be reused by redeploying them, while incomplete ones will be crushed and used for subbase leveling in container yards and roads.
 - Installation of pressure-relief wave-dissipating chambers in the pier structure - Green environment.
 - Recycling of existing sunken containers as anchoring facilities - Green construction methods.
 - Recycling of dismantled embankment stones for stone throwing works in the pier - Green construction methods.
 - Dredging of harbor channels for land reclamation and geotechnical improvement materials - Green construction methods.
 - Shore power facilities at the pier - Green environment.
 - Selection of low-energy-consuming machinery and equipment for pier and container yard operations - Green environment.
 - Selection of environmentally friendly vehicles and machinery with high energy efficiency and low pollution.
 - Green building planning for ancillary structures.
- Energy-saving and carbon reduction planning for the Port of Penghu Magong Terminal 1 Extension Project: The project involves the extension of a cruise terminal with a steel pipe pile pier. The use of steel materials in this project is a recyclable material with high strength to save material usage and help reduce carbon emissions.



4.3.2 Water Resources

TIPC primarily uses tap water to supply the office areas and open spaces for employees and visitors, resulting in 1,277.80 million liters of water withdrawal in 2022. In addition, to control dust in the port area and for road flushing, irrigation of plants, and other needs, TIPC also utilizes surface runoff water or applies for the use of recycled water (secondary water).

Year	2020	2021	2022
Water intake (million liter)	1047.560	1303.980	1277.800
Water displacement (million liter)	830.048	1,043.184	1,022.240
Water consumption (million liter)	217.512	260.796	255.560
Revenue (million NTD)	2,077.444	2,253.217	2,372.335
Water intensity	0.50	0.58	0.54

Note:

1. The data for tap water consumption is sourced from the headquarters and branch offices, based on the total annual water fee settlement data, converted at a rate of NTD 11 per unit.
2. Water intake does not include surface runoff water used for flushing or irrigation, as well as the use of recycled water.
3. Water intensity = Water consumption / Organizational metric = Million liters / Revenue (in million NTD).

Water-saving measures involving the use of recycled water



Taichung Port

Dragon Steel Co., Ltd. utilizes a significant amount of water for iron and steel refining processes. The water used in these processes is then cooled and discharged. To promote water conservation and recycling, the water discharge is intercepted and collected in storage tanks through the installation of relevant equipment at Taichung Port. This collected water is then utilized by businesses within the port area for street cleaning, dust suppression, and irrigation purposes, aiming to improve water circulation. It is estimated that approximately 90,540 metric tons of discharged water will be utilized in 2022.



Hualien Port

In order to cherish and conserve water, the Hualien Port Water Bank 4.0 Program has been implemented. This program focuses on collecting surface water to increase the overall water-saving rate of tap water usage within the port area and achieve water resource reuse (for more details, please refer to the special issue : Hualien Port Smart Grid). In 2022, a total of 123,141 metric tons of surface water were used and collected as part of this initiative.



Suao Port

To enhance the efficiency of water resource utilization, a water usage policy was formulated to tap into the water resources from the Central Mountain Range. In 2015, a plan was put in place to access spring water from the mountain range, with a daily flow rate of approximately 1,200 metric tons. This involved the establishment of one 500 metric ton ecological water pond and the diversion of water to three 200 metric ton reservoirs. In 2022, the water usage from the mountain springs amounted to 278,924 metric tons.



Anping Port

The Tainan City Government Water Resource Recycling Center has established a reclaimed water supply pipeline in the Anping Port area. This pipeline provides recycled water for port-area businesses to clean the surfaces of the docks or to use for dust suppression during loading and unloading operations, thereby preventing the spread of dust. In 2022, the usage of recycled water amounted to 6,263 metric tons.

TIPC, as a port operator, takes a proactive approach to green port and environmental development, aligning with international shipping trends and government environmental policies. They outsource water quality monitoring to continuously assess the ecological and habitat conditions. They also establish an Environmental Quality Monitoring Report Review Committee, inviting experts and scholars to evaluate the water quality status of each port and strengthen environmental monitoring operations within the port areas.

In addition to water quality monitoring, a water resource recycling center has been established in the southern pier area of Taipei Port, which was completed in 2022. After obtaining the necessary wastewater discharge permits from the local competent authority, the center is expected to process 1,500 metric tons of wastewater daily. This initiative aims to prevent water pollution, improve environmental quality, and treat domestic and industrial wastewater through tertiary treatment for reuse. The recycled water can be used for purposes such as toilet flushing and irrigation, contributing to water resource conservation, enhancing the image and competitiveness of Taipei Port.

In Kaohsiung Port, after the wastewater enters the treatment plant, it undergoes various processes including primary settling, coagulation, aeration, filtration, activated carbon adsorption, and disinfection. Once the treated wastewater meets the required discharge standards, it is released into the receiving water body. In 2022, the total volume of treated wastewater amounted to 2,738.1 metric tons, with 1,075.3 metric tons discharged and 1,662.8 metric tons reclaimed for reuse in irrigating green areas within the port area. This helps achieve water conservation objectives and reduce water consumption.

4.3.3 Port Waste

The implementation of waste recycling and classification in the port area aims to reduce resource consumption and waste generation. Regular inspections and cleaning of floating waste in the water area are conducted to maintain a clean environment. In accordance with the government's Tribute to The Sea policy, efforts are made to actively maintain the cleanliness of the coastal and water areas of the managed commercial ports, creating a high-quality working environment. In 2022, a total of 4,640.64 metric tons of waste were removed. TIPC itself does not generate hazardous industrial waste, but the combined total of municipal solid waste and vessel waste generated by its subsidiaries amounts to 4,992.46 metric tons.

2022 Taiwan Port Group's Waste Clearance Volume

Item		Clearance volume (metric tons)
General industrial waste	Incineration	4,640.64
	Recycling	351.82
Hazardous industrial waste		0.00
Total		4,992.46

In 2022, as part of the government's epidemic prevention policy, Kaohsiung Port cleared 763.6 kilograms of hazardous industrial waste under the waste code "C-0599 Infectious Waste Mixture".

Additionally, the Company requires the receivers of waste oily water generated by port ship to report their monthly collection amounts to respective branch offices. This is done to monitor the relevant data for reconciliation by local environmental protection agencies. Through the establishment of a port collection pipeline, the total amount of waste oily water collected from ship in 2022 was 7,569.17 metric tons.

4.3.4 Greenhouse Gas and Air Pollution Emissions

Climate change is a global challenge that requires collective efforts. The international community has been increasingly concerned about reducing greenhouse gas emissions. In order to implement the relevant policies and targets for greenhouse gas reduction as stipulated in the Greenhouse Gas Reduction and Management Act, TIPC has monitored the greenhouse gas emissions generated from its operations since 2015. Following ISO 14064-1 guidelines, when historical data on greenhouse gas emissions or removals is not available, the organization may use the first greenhouse gas inventory cycle as the base year. TIPC selected 2015 as the base year, and the total Scope 1 and Scope 2 emissions were 25,713 metric tons of carbon dioxide equivalent. In 2021, TIPC established the greenhouse gas emissions inventory for its seven major international commercial ports based on the ISO 14064-1:2018 standard. In October 2022, it obtained third-party verification, and the total Scope 1 and Scope 2 emissions were 23,896 metric tons of carbon dioxide equivalent. This represents a reduction of 1,817 metric tons of carbon dioxide equivalent compared to the base year. TIPC has also conducted meetings and provided education and training programs related to greenhouse gas inventory, aiming to enhance the knowledge of its employees regarding greenhouse gas inventory and reduction. It has established a management system for greenhouse gas inventory and developed greenhouse gas reduction measures in port areas to continuously promote greenhouse gas inventory and reduction activities.



▲ TIPC ISO14064-1 : 2018 Certificate

The greenhouse gas emissions from TIPC can be divided into direct emissions and indirect emissions. Direct emissions mainly come from diesel and natural gas, while indirect emissions are from purchased electricity. In 2022, measures such as energy-efficient lighting fixtures, water-saving equipment, renewable energy, energy-saving devices, afforestation, and electric vehicles resulted in a carbon reduction of approximately 4,048.3 metric tons.

Greenhouse gas (GHG) emissions

Unit: Metric tons of CO₂e

	2020	2021	2022
Scope 1: Direct GHG emissions	3,444.33	2,444.26	5,396.72
Scope 2: Indirect GHG emissions	21,077.21	21,424.99	20,882.32
Scope 3: Other GHG emissions	5,474,318.07	5,880,343.34	5,677,330.71
Total emissions = Scope 1 + Scope 2 + Scope 3	5,498,839.61	5,940,212.59	26,279.0
Annual revenue (million NTD)	2,077,444	2,253,217	2,372,335
Scope 1+Scope 2 GHG emission intensity	0.01	0.01	0.01

1. Greenhouse gas (GHG) emission intensity (metric tons CO₂e/organization-specific metric) = total emissions / revenue (million NTD).
2. The greenhouse gas emissions for Scope 1 and Scope 2 in 2022 are preliminary internal estimates, while the emissions for Scope 3 are estimated based on the average values of the previous two years. The inventory includes business travel, employee commuting, visitor travel (vehicles and ship), purchased goods, solid and liquid waste disposal, and downstream leased assets. The final inventory is expected to be completed in October 2023 and undergo third-party verification.
3. The information for 2020 and 2021 has been recompiled based on the results of third-party verification to update the emission levels.
4. No biofuels were used.
5. The greenhouse gas inventory follows the Operational Control Approach, and the emission factors used are based on the Environmental Protection Administration's Greenhouse Gas Emission Factor Management Table 6.0.4 version. The Global Warming Potentials (GWP) are based on the IPCC Fifth Assessment Report (AR5), and no carbon offset projects were utilized.

To enhance air quality in the port area and minimize the impact of port operations on the neighboring environment, TIPC has implemented various measures in accordance with the Air Pollution Control Act and its regulations, aligning with the air pollution prevention plans of the Environmental Protection Administration. Since 2018, TIPC has established the International Commercial Port Air Pollution Control Program to promote control measures for both mobile sources (vessels, vehicles) and stationary sources (cargo handling, material storage) in the port area. In 2022, significant achievements were made in reducing air pollutants, with the following specific measures and outcomes:

Shore Power Usage for Vessels

A total of 196 low-voltage shore power connections were installed in international and domestic ports. These connections were primarily used by government vessels, TIPC's own port service vessels, and passenger-cargo ships during berthing. TIPC's port service vessels utilized low-voltage shore power when on standby, achieving a 100% usage rate. Additionally, TIPC actively assisted vessels in utilizing 13 high-voltage shore power connections. In 2022, a total of 79 instances of high-voltage shore power usage were recorded in Port of Kaohsiung and Port of Taichung, representing an increase of 42 instances compared to 2021 and achieving a utilization rate of 82.3%.

Promotion of Vessel Speed Reduction

Within the port area, 93.6% of vessels achieved speed reduction. Outside the port area, within a 20-nautical-mile radius, the speed reduction rate reached 47.6%, showing a 1.5% improvement compared to 2021. These efforts resulted in 26,000 instances of vessel speed reduction, leading to a reduction of approximately 95,522.2 metric tons of CO₂e emissions.

Automated Gate Sentry System

To expedite customs clearance for vehicles entering and exiting the port area and reduce waiting times at the gate (reducing from 4 minutes to 10 seconds), TIPC actively expanded the automated gate sentry system in the container terminals. In 2022, a total of 13,795,966 vehicle entries and exits were processed through the automated gate sentry system, resulting in an estimated reduction of approximately 2,043 metric tons of CO₂e emissions.

2022 Pollution Reduction Measures

Unit: Metric Tons

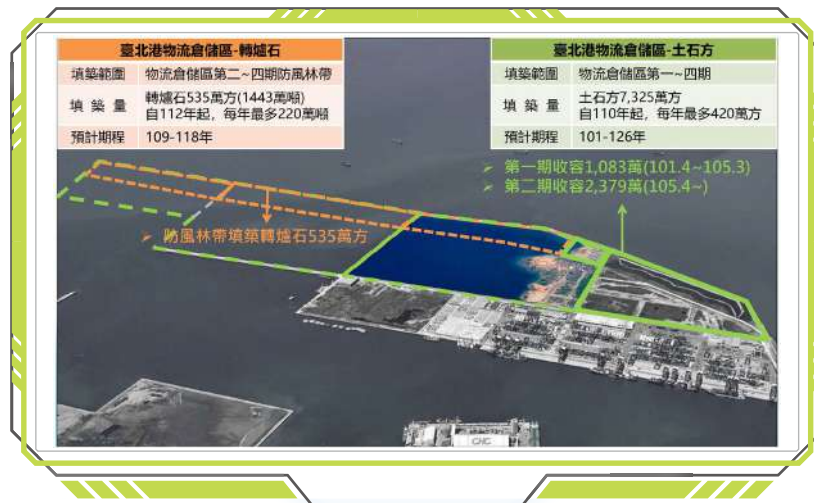
	PM _{2.5}	PM ₁₀	SO ₂	NO _x	Carbon reduction (CO ₂ e)
High-voltage shore power	0.6	0.7	4.2	12.9	754.4
Vessel Speed Reduction	135.7	169.6	887.9	1,544.2	95,522.2
Automated Gate Sentry	—	—	—	—	2,043
Total	136.3	170.3	892.1	1,557.1	98,319.6

1. The above calculations are estimates and the data sources cited are from the Environmental Protection Administration (EPA).
2. No persistent organic pollutants (POPs), hazardous air pollutants (HAPs), or volatile organic compounds (VOCs) are included.

4.4 Circular Economy

To effectively address the disposal of earthwork materials from public construction projects and align with the government's circular economy policy, TIPC has been accommodating surplus soil from public construction projects in the logistics and storage area of Taipei Port. Additionally, dredged materials from river channels, reservoirs, coastal areas, and nearby commercial and fishing ports are utilized for land reclamation. As of February 2023, approximately 34.62 million cubic meters of material have been filled, and the land reclamation is expected to be completed by 2037, with a total capacity of approximately 73.25 million cubic meters and the creation of 339 hectares of reclaimed land for future port development.

Furthermore, in support of the government's circular economy and zero-waste policies, TIPC has assisted in the utilization of slag from steel mills - BOF Slag (Basic Oxygen Furnace Slag). Since July 1, 2020, slag has been designated as a material for land reclamation following an environmental impact assessment and difference review, which can be used to replace earthwork for reclaimed land. According to the annual allowable acceptance limit stipulated in the environmental assessment, approximately 482,000 cubic meters of BOF Slag can be used for land reclamation in the windbreak forest areas of Phases 2, 3, and 4 of the logistics and storage area in Port of Taipei. Construction began on November 11, 2020, and by the end of 2022, approximately 1.035 million cubic meters (2.796 million metric tons) had been filled. As of the first quarter of 2023, a total of 1.223 million cubic meters (3.302 million metric tons) had been filled. The overall planned filling amount is expected to reach approximately 5.35 million cubic meters.



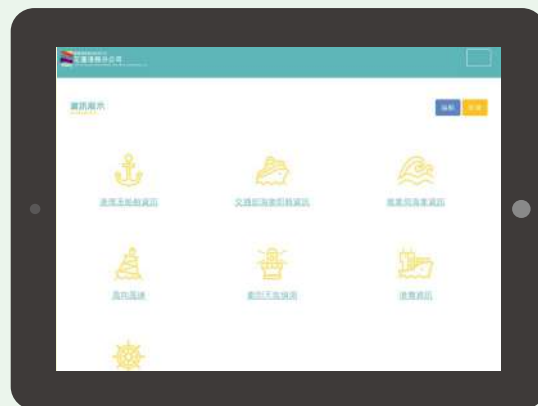
In addition to the ongoing land reclamation projects in Port of Taipei, TIPC is also evaluating and planning the use of slag in other projects. In 2022, 1,551.58 metric tons of slag were used in the Pavement Repair Project in Port of Taichung for road resurfacing in the port's western wharf area. Furthermore, on February 18, 2022, it was approved in the Engineering Review Meeting that 40% of slag will be used as aggregate for the AC pavement of the Public Facilities and Permanent Shore Protection at the South Pier C Filling Area and S04~S05 Piers Project in Port of Taipei.



SPECIAL ISSUE

Hualien Port Smart Grid

Since 2015, Port of Hualien has been implementing a three-year project to establish a smart power grid and fiber optic backbone throughout the entire port area. The smart grid system has been integrated into various aspects of the port, including terminal and road lighting, CCTV video transmission, wireless network (WIFI) at the terminal, and centralized control management for self-operated or publicly used building equipment. This implementation has effectively improved operational efficiency and service quality. Starting from 2020, Port of Hualien has been progressively expanding the application of the smart grid to meet practical management needs. The fourth to sixth phases of the Port of Hualien smart grid project have been initiated to provide an operational platform for lighting control, surface water reservoir capacity scheduling, and water and electricity billing besides an information display platform with a web interface. These enhancements aim to improve operational management efficiency and enhance the overall operational efficiency of the port.



The first to third phases focused on the construction of power and network infrastructure

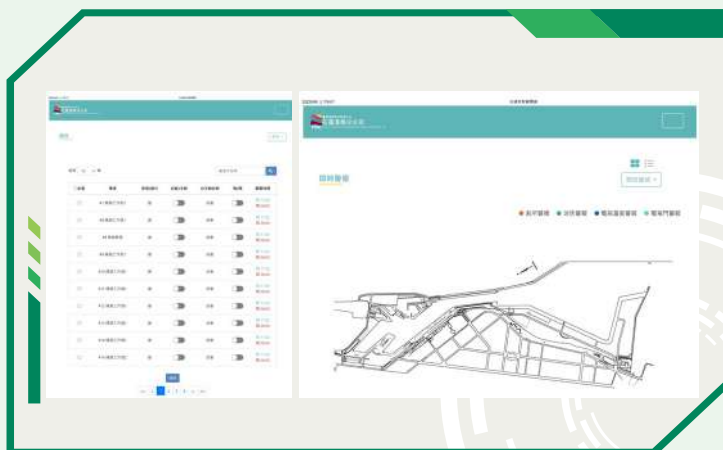
The first to third phases of the Port of Hualien Smart Grid primarily focused on constructing the power and fiber optic network systems within the Port of Hualien area. This involved the installation of conduits and power distribution boxes to meet the electricity and networking needs of various infrastructure facilities within the port. The first phase covered the outer port area, the second phase covered the inner port area, and the third phase covered the connecting road area between the inner and outer ports.

The fourth to sixth phases focus on smart port applications

Phases four to six of the smart grid focus on developing smart port applications using the previously deployed infrastructure such as power, network, conduits, and hardware equipment. The aim is to enhance port operation efficiency through various measures including underground water reservoir level monitoring and control, establishment of electricity and water usage statistics and billing management for different zones, integration of real-time data from the Institute of Transportation, MOTC's Harbor Environmental Information Network, Central Weather Bureau's marine weather information, and Port of Hualien's VTS (Vessel Traffic Service) wind direction and speed data for supporting work pages (marine conditions, earthquakes, tsunamis), installation of features such as fire detection in port buildings, emergency assistance in toilets, and intelligent network device status alarm feedback. Furthermore, the efforts are made to improve the cooling effect of power distribution cabinets in all port areas and integrate fixed pollution monitoring data for transmission to the Green Port platform.

Energy Monitoring, Alarm Systems & Equipment Management

The lighting equipment of the pier is integrated into the central control system, allowing the management personnel to remotely operate the light switches through computers, tablets, or mobile phones without the need to physically go to the specific pier for control. The fire protection, restroom facilities, and temperature of the electrical boxes in the port area are also equipped with alarm functions, which can send notifications via SMS or LINE Notify to promptly inform the monitoring center and dispatch personnel to inspect and report the situation for further handling.



Water Resource Allocation and Management System

The water resource utilization in the port area is based on the 12 water banks, creating the "Port of Hualien Water Bank Allocation System." It utilizes ultrasonic water level sensors to detect water levels and determine the surface runoff water supply. Through motorized automatic allocation, water resources are fully utilized. Additional water replenishment control points are installed to increase usage and water supply stability. This system was recognized as the Outstanding Water Conservation Unit: Government and Organization Category in the national 2021 Water Conservation Awards and received an award at the 2022 Water Conservation Awards Ceremony organized by the Ministry of Economic Affairs. Furthermore, digital electronic water meters have been installed at various water inlets to improve management efficiency and reduce water loss through monitoring.



Overall benefits of the Hualien Water Bank System

Water quantity	Save approximately 150,000 tons per year of tap water.
Economic benefits	Save approximately NTD 1.8 million per year on water bills.
CO ₂ emissions	Reduction of approximately 24,150 kilograms per year
Manpower	<ul style="list-style-type: none"> Using 4G wireless transmission signals can reduce the manpower required for control line inspection and maintenance between the water sprinklers by approximately 22 person-times per month. The smart water meter readings can be instantly obtained and statistically analyzed on the graphical control computer, reducing the manpower required for on-site meter reading by approximately 22 person-times per month. The climate-controlled sprinkler system can reduce the manpower required for on-site switch operation by approximately 64 person-times per year. The reduction of high-risk confined space operations is approximately 3 person-times per year. Abnormal water levels in the water bank can be directly monitored through the graphical control computer, reducing the manpower required for patrol inspection by approximately 150 kilometers per month.

In the future phases, the smart devices in Port of Hualien will be integrated with the smart grid system, incorporating features such as traffic flow monitoring, power monitoring, water usage monitoring, air pollution monitoring, cybersecurity system effectiveness (cybersecurity alerts, abnormal network notifications), smart energy management system for the port area, and monitoring of electricity consumption for electric vehicle charging stations. These integrations will continue to propel Port of Hualien towards its goal of becoming a smart port.

Number of Smart Devices Installed in Port of Hualien

Item	Until Year 2021	2022 Project Plans
Water Bank Allocation System	1 Set	Installation of water reservoir replenishment control.
Smart water meters	Tap water (14 units) Surface water (12 units)	9 additional units for tap water. Smart water meters will be installed on the main pipes for supplying water to vessels in the port area to monitor and detect water leaks.
Smart electricity meters	71 units	One set of additional power metering reports will be added.
Security management	Toilet alarm system, electrical box temperature alarm system, electrical box door open alarm system - each set.	Adding 1 set of street light circuit abnormality alarm notification. Adding 1 set of NFB (No Fuse Breaker) trip fault alarm notification. Adding 1 set of network disconnection alarm notification.
Smart lighting	1 set	Total of 24 lamp posts and fixtures.

SPECIAL ISSUE

Salute to the Sea

TIPC, as part of its corporate social responsibility efforts, has been actively involved in public welfare activities, particularly in promoting marine education. In 2022, TIPC organized a total of 19 marine education events, which included site visits, port introductions, and port tours. These activities aimed to enhance public awareness and understanding of ports and the maritime industry, as well as to foster a deeper appreciation for the ocean and its related industries. In alignment with the government's Salute to the Sea policy, TIPC is committed to environmental protection and the preservation of marine ecosystems. The Company actively participates in coastal clean-up and maintenance activities, contributing to the maintenance and enhancement of coastal areas. By adhering to the principles of ESG (Environmental, Social, and Governance), TIPC ensures the sustainable development of port areas and implements various port development projects.

Yacht Berths

Taiwan has a significant advantage in the development of the yacht industry, being the leading producer of large yachts in Asia and ranking fourth globally, which the annual export value of yachts can reach USD 200 million (about NTD 6 billion). The coastline of Taiwan is 1,566 km long and has abundant marine resources and environment compared with other island-type countries such as Japan and Korea, the ratio of coastline to country area (km/ m²) is 41.4, 79.4 and 24.6 respectively. However, compared to the number of yachts owned by Japan and Korea respectively (ships/ten thousand people), Taiwan has only 0.5 ships, Japan and Korea have 35 and 3 ships respectively. From the above analysis, it is prominent that yachting activities in Taiwan should be built on a solid industry foundation, creating conditions and environment for development to drive the growth of yachting activities. Currently, there are a total of 251 yacht berths in the port areas, including 142 berths in Port of Kaohsiung, 103 berths in Port of Anping, and 6 berths in Port of Hualien.



Harbor Fishing

Recognizing the popularity of recreational fishing, TIPC has opened 14 designated fishing areas in commercial ports to provide free access to fishing enthusiasts since January 2022. These fishing areas, located within regulated zones, are managed by fishing associations and professional security companies to ensure the safety of visitors. TIPC has also improved the facilities and amenities in these areas to enhance the fishing experience. As of April 2023, around 0.25 million people have visited these fishing areas, providing them with safe and enjoyable recreational spaces along the coast, which has been well-received by the public.



Anglers Service

Security management



Coastal Environmental Cleaning

In accordance with the Tribute to the Sea policy initiated by the Executive Yuan, the Company has planned different cleaning frequencies within the jurisdiction of the commercial ports to maintain the cleanliness of the coastal environment of international and domestic commercial ports. We continuously carry out coastal cleaning activities within our responsibility, regularly reviewing our cleaning capabilities. These efforts align with the Tribute to the Sea: Coastal Cleanliness and Maintenance Program established by the Environmental Protection Administration, aiming to uphold the cleanliness of the coastal environment. We have implemented a system for regular cleaning, immediate response cleaning, and emergency cleaning. In 2022, a total of 10,271 personnel were mobilized for coastal cleaning activities, conducting 189 cleaning operations along a coastline measuring 868.6 kilometers.



Environmental Cleaning Achievements

Total Garbage Cleaned
2,714.3 tons

Recyclable Waste
467.5 tons

Non-Recyclable Waste
2,191.9 tons

Driftwood Weight
54.9 tons





| Conducted **365** staff communication activities | **100%** employees received assessment | **0** major occupational disasters |

| **51** gender equality events | Campus Recruitment Orientation **40** Sessions | Satisfaction rate of training courses averaged **90% ↑** |

| 1,044 employees participated in health checkups, with a **97.3%** acceptance rate | **113** applications for expanded flexible working hours |

| Contribution to employee benefit amount of **NTD 32.66 Million** | **19** Labor-Management Meeting |

| Professional license and language certification subsidies for **344 People** |

| **92%** of employees in companies covered by enterprise unions collective bargaining agreement |

| Organized health promotion activities for **Over 2,000** participants |



5

Human Resources & Workplace Inclusion

5.1 TALENT RECRUITMENT	128
5.2 HAPPY WORKPLACE	141
5.3 HEALTH AND SAFETY	147
SPECIAL ISSUE: EMPLOYEE FRIENDLINESS AND CARE	156

- | **Passed** ISO/CNS 45001 international and Taiwan dual system certification to obtain dual system certificate |
- | Investment in Education and Training is approximately **NTD 21.68 Million** |
- | **Passed** ISO/CNS 45001 international and Taiwan dual system Annual Compliance Audit |
- | Set up **workplace mutual aid education and childcare service centers** in Keelung, Taichung and Kaohsiung |
- | Conducted human rights-related training for **1,965** trainees |
- | **NTD 4.96 Million** in subsidies to encourage staff training and further education | Total training hours: **76,670 Hours** |

Material Topic : Training and Education

Major Causes	<ul style="list-style-type: none"> Business sustainability relies on the foundation of talent development and retention to drive the development of TIPC's business. Ensuring training quality and performance is vital to effectively enhance employees' workplace competitiveness. Without training and education, future difficulties in driving business growth may arise, impacting operations and profitability. Training and education can enhance the company's competitiveness in sustainability matters. Actual positive impacts on individuals (including human rights) include personal career development. Actual positive impacts on the economy include increased opportunities for employee career advancement and salary increments.
Policy	<ul style="list-style-type: none"> For the issue of training and education, the Company has established key guidelines for implementing training and professional development. A diverse range of professional training programs will be planned, along with providing multiple digital learning platforms. The focus is on facilitating the learning process for employees to acquire the necessary technical skills, abilities, knowledge, and attitudes required for their job roles. Additionally, support will be provided for personal development, certifications, and professional training course subsidies as part of talent retention measures. A robust performance evaluation and talent development system will be implemented to enhance employee performance, motivate self-improvement, and improve workplace competitiveness. These efforts aim to effectively enhance the company's sustainability, steady growth, and overall success.
Management evaluation	<ul style="list-style-type: none"> Regarding the issue of training and education, a post-training satisfaction survey is conducted for all courses.
Year 2022 Performance and Adjustment	<ul style="list-style-type: none"> The total training hours amounted to 76,670 hours, with an investment of approximately NTD 21.68 million in education and training. An allocation of NTD 4.96 million is made to encourage employee training and professional development. The average satisfaction rate for training courses exceeds 90%. Subsidies for professional certifications and language proficiency tests are provided to 344 individuals. A post-training effectiveness tracking survey is conducted three months after the completion of internal functional courses, with a total of 682 responses received. Among them, 554 individuals reported applying the attitudes, concepts, knowledge, or skills learned in the course to their work.
Preventive or Remedial Measures	<ul style="list-style-type: none"> Based on the feedback from the satisfaction survey, participant opinions are taken into consideration and adjustments are made to improve the content of future courses. Appeal Channel: Post-training satisfaction survey.

Material Topic : Employee Diversity and Equal Opportunities, Labor-Management Relations, Employee Engagement

Major Causes	<ul style="list-style-type: none"> Employees are the most valuable asset of a company. In order to ensure the company's thriving development and continuous growth, it is essential for the company to fulfill its responsibilities in caring for and supporting its employees. This includes providing a fair working environment, protecting their rights, and fostering their development. The company should assist colleagues in resolving various challenges related to their physical and mental well-being, work-life balance, and other aspects, enabling them to fully dedicate themselves to their work without any worries. By facing their work in the best possible state, the company can strive to become a happy workplace and sustain its business development. Potential positive impacts (future opportunities) on individuals (including human rights) include equal opportunities for career advancement.
Policy	<ul style="list-style-type: none"> The "4F Happy Enterprise" initiative aims to create a work environment that is diverse, fair, and inclusive. Our talent policies are centered around the principles of the "4F Happy Enterprise" and promote the Employee Assistance Program (EAP). From top to bottom, a commitment and support for a friendly workplace are demonstrated, respecting and valuing the diversity and individuality of each employee. We support employees to fully utilize their strengths in suitable positions, fostering a sense of achievement and belonging. Additionally, we establish open communication channels, create a safe and harmonious workplace environment, and protect employees' rights. The goal is to cultivate good labor-management relations and build a culture of diversity, fairness, and inclusivity.
Management evaluation	<ul style="list-style-type: none"> Regular (quarterly) labor-management meetings are held. Holding industry collaboration and coordination meetings from time to time. Holding employee forums/seminars from time to time. Annual surveys such as "Gender-Friendly Environment Satisfaction" and "Employee Assistance Program Satisfaction and Needs" are conducted.

Material Topic : Employee Diversity and Equal Opportunities, Labor-Management Relations, Employee Engagement

Year 2022 Performance and Adjustment	<ul style="list-style-type: none"> 19 labor-management meetings conducted, with a difference of 1 meeting from the target of 20. The deviation occurred because there was no proposal for one meeting, which resulted in its cancellation. Establishing a "TIPC Learning Map" to plan comprehensive competency-based courses, ranging from guidance and training for new employees to leadership development for senior executives. Organize annual gender awareness training to break gender stereotypes, and periodically promote diversity and inclusivity through various means such as call for submissions, gender-themed film screenings, and discussions. These efforts aim to create a diverse and inclusive friendly workplace environment. Starting from June, employees with childcare needs for children under 3 years old are eligible to apply for a reduction of 1 working hour per day. This arrangement allows them to maintain full pay without affecting attendance, performance evaluations, or bonuses. Additionally, the range of flexible working hours is expanded to accommodate their needs. During the COVID-19 pandemic, employees who have childcare needs due to school closures have the option to apply for remote work from home or choose to bring their children to the workplace. The company provides temporary accommodation services to support this arrangement. Starting from August, workplace mutual aid education and childcare service centers have been established in Keelung, Taichung, and Kaohsiung. These centers are fully operational and provide childcare services to employees. Approximately 92% of the company's employees are covered by the collective agreement with the enterprise labor union. The results of the 2022 EAP service survey showed that since 2021, the "EAP awareness rate" has increased by approximately 1.21%, the "EAP satisfaction rate" has increased by approximately 2.68%, and the proportion of individuals who have not used the EAP service has decreased by approximately 1.91%. This indicates that the company's efforts in promoting and implementing the EAP service have been beneficial and effective.
Preventive or Remedial Measures	<ul style="list-style-type: none"> In the future, we will continue to create a diverse, equitable, and inclusive work environment, respecting the differences of each individual. We will provide personalized solutions through the EAP service, promote harmonious labor relations, and continuously adjust the content of our programs to assist colleagues in achieving work-life balance and working with peace of mind. Appeal channels: The company has established the "Guidelines for Prevention, Investigation, and Disciplinary Actions Against Sexual Harassment" and a complaint channel for sexual harassment. Employees can file complaints with their respective HR departments. Additionally, if passengers encounter incidents of sexual harassment at transportation stations, they can also file complaints at various transportation service centers.

Material Topic : Occupational Safety and Health

Major Causes	<ul style="list-style-type: none"> Based on occupational safety and health regulations, efforts are made to promote and enhance various aspects of occupational safety and health management and performance, aiming to create a safe and healthy work environment. The concept of caring for colleagues, contractors, and port operators in occupational safety and health is upheld, actively improving knowledge and capabilities in occupational safety to prevent accidents and achieve the goal of zero incidents in occupational safety and health policy. Actual negative impacts on individuals (including human rights).
Policy	<ul style="list-style-type: none"> Actively prevent occupational accidents and incidents to provide a safe and healthy working environment for employees and stakeholders. Continuously foster a culture of safety and health, where everyone is involved, and actively promote a safety, healthy and friendly workplace culture. Achieve the ultimate goal of zero occupational accidents and shape the image of an internationally recognized company with excellent workplace safety and health.
Management evaluation	<ul style="list-style-type: none"> Establish an Occupational Safety and Health Committee, and hold meetings every 3 months chaired by the President. Conduct internal management reviews and internal/external audits according to ISO/CNS45001 standards and evaluate the effectiveness through the PDCA cycle annually. Implement the Occupational Safety and Health Management Plan for the year 2021. Develop a supervisory inspection plan for occupational safety and health to strengthen the frequency of supervision, and conduct annual assessments of the performance of each subsidiary. Implement occupational accident prevention plans to effectively reduce operational hazards. Conduct regular or ad hoc health assessments, health management, and health tracking for employees. Organize a series of activities for Workplace Safety and Health Week to enhance safety and health awareness.
Year 2022 Performance and Adjustment	<ul style="list-style-type: none"> The entire company has successfully undergone revalidation for ISO/CNS 45001 and obtained a new certificate. There were zero major occupational accidents involving employees and contractors. The Occupational Safety and Health Project Team conducted 4 coaching visits and organized 1 year-end sharing session. The employee participation rate for health check-ups reached 97.3%, including special health examinations for a total of 106 individuals. An intelligent e-platform for occupational safety and health has been established, utilizing big data analysis to propose workplace safety improvement plans. The VR (Virtual Reality) occupational safety and health system, including both software and hardware components, has been fully implemented.
Preventive or Remedial Measures	<ul style="list-style-type: none"> Regular internal and external audits, as well as management system reviews, are conducted to ensure timely adjustments and evaluations through the Occupational Safety and Health Committee. Appeal channel: https://www.twport.com.tw/chinese/Mail_Content.aspx

5.1 Talent Recruitment

5.1.1 Talent Policy

The Company strives to create a work environment (4F Happy Enterprise) that embodies the values of "Future: Visionary Future," "Flexibility: Adaptive Management," "Friendly: Supportive Workplace Environment," and "Family: Treating Employees like Family." By demonstrating commitment and support for the principles of a friendly workplace, the Company aims to build a diverse, fair, and inclusive environment. Additionally, the Company respects and values the unique qualities and differences of each employee. Through providing suitable training and development opportunities, employees are empowered to contribute their strengths in positions that suit them best, fostering a sense of achievement and belonging in their work. To realize the goal of a friendly workplace, the company has implemented specific plans and action guidelines that provide a clear direction for creating a work environment that is future-oriented, flexible, friendly, and family-oriented.

Future

The Company has established a comprehensive salary and promotion system and constructed the Titec Port Learning Map to support each employee's career growth in stages, establishing a systematic and hierarchical development blueprint for employees.



Flexibility

The Company provide employees with the flexibility to choose their time and place of work. such as flexible commmuting, expanded leave flexibility, relocation system, etc. We give employees the right to make their own decisions at work and help them manage their lives more effectively by taking care of both work and family.



Friendly

The Company places special emphasis on smooth communication channel. We try our best to listen to employees' voices, and continuously encourages employees to participate, propose and voice their opinions.



Family

The ultimate goal of TIPC is to provide supportive measures for different employees' needs, to face the existence of differences, and to provide the best resources for our employees, so that the company can become the strongest backup for them.



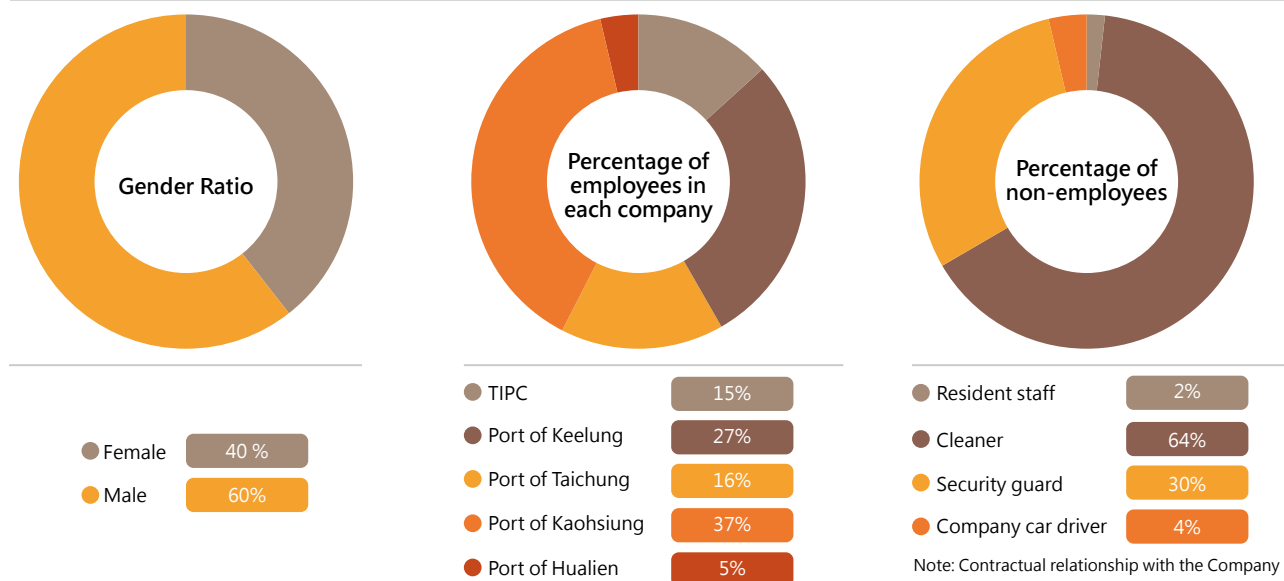
5.1.2 Human Resource Structure

The Company fully complies with the relevant laws and regulations concerning civil servants and labor. When hiring employees, professional competence and experience are the criteria considered, without any discrimination based on race, ideology, religion, political affiliation, birthplace, gender, sexual orientation, marital status, appearance, disability, or past membership in a labor union. The Company does not employ child labor. As of the end of 2022, the total number of employees in the Company is 2,116, all of whom are full-time employees. The average age of employees is 44.8 years. Due to the nature of port operations, there are more male employees than female employees. All employees are 100% recruited from the Taiwan region. There are 343 non-employee workers stationed within the company, mainly contracted workers who assist the company in carrying out related tasks.

TIPC has entrusted Jung Kuo Security Co., Ltd. with the responsibility of on-site security. The outsourcing contracts explicitly stipulate compliance with the relevant provisions of the Labor Standards Act. If there is any violation of the contractual terms, it will be handled in accordance with Articles 101 to 103 of the Government Procurement Act. Outsourced security personnel shall be required to comply with Article 10-2 of the Private Security Service Act: "When a security company hires security guards, it shall offer them pre-service professional training of one week or above. For serving security guards, it shall provide them with in-service training at least four hours for every month." In addition, they shall receive relevant training and education on a monthly basis.

2022 Employee Hiring Statistics

Region/Type		Female	Male	Total
Taiwan	Number of full-time employees	826	1,273	2,099
	Number of temporary employees	12	5	17
	Total employees	838	1,278	2,116







Note: Temporary employees are work-study students and interns

Distribution of Non-Employees		
Type	Contractual Relationship with the Company	Number of people
Cleaner	Outsourcing	220
Security guard	Outsourcing	103
Company car driver	Outsourcing	15
Resident staff	Contracting	5
Total		343

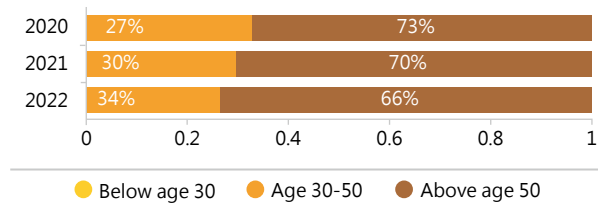
Note: The above personnel statistics include the headquarters and four subsidiary companies (including affiliated ports)

Employee distribution in the last 3 years

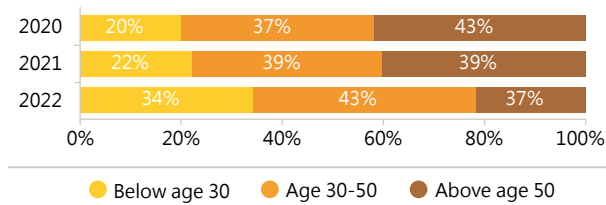
Year			2020	2021	2022
Supervisory staff	 Male	Below age 30	0	0	0
		Age 30-50	48	56	56
		Above age 50	154	145	114
	 Female	Below age 30	0	0	0
		Age 30-50	26	26	27
		Above age 50	46	46	50
Non-supervisory staff	 Male	Below age 30	122	151	134
		Age 30-50	436	443	455
		Above age 50	640	565	519
	 Female	Below age 30	266	281	250
		Age 30-50	286	300	347
		Above age 50	202	183	164
Total				2,116	

Note: Supervisory staff includes managers, directors, and other higher-level supervisory positions.

Age ratio of supervisory staff at manager level or above in the last 3 years







Age ratio of non-supervisory staff in the last 3 years



To fulfill corporate social responsibility, as of the end of 2022, the Company has employed a total of 62 individuals with disabilities in compliance with the provisions of the People with Disabilities Rights Protection Act. Additionally, in accordance with the relevant provisions of the Indigenous Peoples Employment Rights Protection Act, the Company has exceeded the employment quota by hiring 8 indigenous people, including 5 males and 3 females. The company will continue to increase employment opportunities for individuals with disabilities and indigenous people. In the recruitment of new employees, the Hualien Branch, located in an indigenous area, adopts a regional-based selection process to increase the chances of recruiting individuals with indigenous backgrounds. Furthermore, in the recruitment of part-time workers, individuals with disabilities and indigenous backgrounds are given priority consideration.

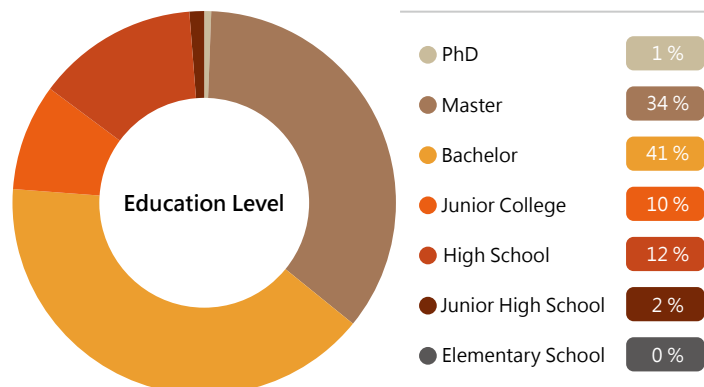
Distribution of employment of indigenous people and individuals with disabilities in 2022

Category			Individuals with disabilities	indigenous people	Total
Supervisory staff	 Male	Below age 30	0	0	0
		Age 30-50	0	1	1
		Above age 50	0	0	0
	 Female	Below age 30	0	0	0
		Age 30-50	0	0	0
		Above age 50	1	0	1
Non-supervisory staff	 Male	Below age 30	1	0	1
		Age 30-50	10	2	12
		Above age 50	27	2	29
	 Female	Below age 30	2	1	3
		Age 30-50	4	2	6
		Above age 50	17	0	17
Total			62	8	70

Note: According to Article 38, Paragraph 1 and Paragraph 6 of the People with Disabilities Rights Protection Act, the company employed 46 individuals with mild to moderate disabilities and 8 individuals with severe disabilities. However, for statistical purposes, the total number of individuals with disabilities is calculated as 16 (8 * 2), resulting in a total of 62 individuals.

The distribution of employee educational levels in 2022







Educational level	Number of people	Percentage
PhD	20	0.9%
Master	724	34.2%
Bachelor	861	40.7%
Junior College	212	10%
High school	264	12.5%
Junior High School	32	1.5%
Elementary School	3	0.1%
Total	2,116	100%



Turnover Rate

TIPC has consistently followed the relevant regulations such as the Labor Standards Act, Act of Gender Equality in Employment, and Employment Service Act in recruiting new employees. With numerous ports and a wide range of operational areas throughout Taiwan, the Company attracts talents from various fields. In 2022, 102 new employees were hired while 182 employees left the company. Job transfers and retirements are carried out in accordance with regulations, and regular employees can work until the age of 65 as stipulated by the Labor Standards Act or choose to retire early voluntarily in accordance with the law.







New Hire Rate

Year	2020				2021				2022			
Age Gender	 Male		 Female		 Male		 Female		 Male		 Female	
	Number	new hire rate	Number	new hire rate	Number	new hire rate	Number	new hire rate	Number	new hire rate	Number	new hire rate
Below age 30	67	3.0%	90	4.0%	58	2.6%	61	2.8%	33	1.6%	36	1.7%
Age 30-50	42	1.9%	37	1.7%	31	1.4%	18	0.8%	19	0.9%	11	0.5%
Above age 51	6	0.3%	0	0.0%	3	0.1%	2	0.1%	3	0.1%	0	0.0%
Total number of new hires	242				173				102			
Total employee	2,226				2,196				2,116			
New hire rate(%)	10.9%				7.9%				4.8%			

Note:

- 1.New hire rate for each category (%) = Number of new hires in that category in the current year / Total number of employees at the end of the current year.
- 2.Overall new hire rate (%) = Total number of new hires in the current year / Total number of employees at the end of the current year.
- 3.The number of new hires does not deduct employees who left during the year.

Turnover rate

Year	2020				2021				2022			
Age Gender	 Male		 Female		 Male		 Female		 Male		 Female	
	Number	Turnover rate	Number	Turnover rate	Number	Turnover rate	Number	Turnover rate	Number	Turnover rate	Number	Turnover rate
Below age 30	18	0.8%	27	1.2%	25	1.1%	31	1.4%	21	0.9%	15	0.7%
Age 30-50	21	0.9%	8	0.4%	6	0.3%	9	0.4%	14	0.7%	8	0.4%
Above age 51	78	3.5%	22	1.0%	104	4.7%	28	1.3%	102	4.8%	22	1.0%
Total turnover	174				203				182			
Total employee	2,226				2,196				2,116			
Total turnover rate(%)	7.8%				9.2%				8.6%			
Voluntary turnover rate	79%				79%				87%			
Non-voluntary turnover rate	21%				21%				13%			

Note:

- 1.The turnover rate for each category (%) = Number of employees who left in that category during the year / Total number of employees at the end of the year.
- 2.Overall turnover rate (%) = Total number of employees who left during the year / Total number of employees at the end of the year.
- 3.The number of departing employees includes those who left voluntarily, were dismissed, or retired.
- 4.Voluntary resignation includes resignations, in-service deaths, and retirements. Non-voluntary resignation includes dismissals, layoffs, and non-renewal of contracts.

Job Transfers and Promotions

TIPC provides a clear path for career advancement to motivate and reward outstanding employees. Promotion evaluations are conducted twice a year, following the principles of fairness, impartiality, and transparency. The aim is to effectively promote talented individuals and cultivate the company's human capital. To maintain workforce stability and enhance service quality, annual job transfers are carried out. Employees who have served in the same position for at least 2 years are eligible to apply for transfers according to the prescribed procedures and timelines. Additionally, recruitment and selection processes are conducted on a regional basis, and employees who have completed 3 years of service in their assigned institutions may also apply for transfers. In 2022, there were 302 promotions and 19 job transfers.

Notice Period for Operational Changes

According to the collective agreement, if there is a change in an employee's position that makes it difficult for them to perform their duties, they can file a complaint within 30 days from the effective date of the notification. If the complaint is rejected, they can submit a request to terminate the labor contract or retire to Party A (TIPC) within 7 days after the rejection. Alternatively, within 30 days from the effective date of the notification, they can submit a request to terminate the labor contract or retire to Party A (TIPC). In the case of significant operational changes, the notice period is determined according to the provisions of the Labor Standards Act.

1. Where a worker has worked continuously for more than three months but less than one year, the notice shall be given ten days in advance.
2. Where a worker has worked continuously for more than one year but less than three years, the notice shall be given twenty days in advance.
3. Where a worker has worked continuously for more than three years, the notice shall be given thirty days in advance.

5.1.3 Recruitment and Talent Retention

To enhance the competitiveness of the port, efforts are made to implement relevant recruitment plans to find qualified talents. Through industry-academia collaboration, professional port talents are cultivated. In order to ensure the stable development of the organization, the Company continues to promote various talent retention measures, including employee education and training, job development planning, incentive systems, and communication and care, to provide a stable growth environment for talents within the company.

Talent Recruitment

TIPC conducts various initiatives to recruit talents. Through programs such as industry-academia collaboration and specialized personnel selection, the company establishes relationships with different entities to attract professional talents.

Recruitment of Practitioners

Recruitment of employees is conducted to address the company's personnel attrition and business expansion needs. In 2022, a total of 1 recruitment test was conducted, and 57 individuals were recruited.

Industry-Academia Collaboration Projects

To integrate academic studies with employment, a collaboration system has been established for 3rd-year university students from schools that have signed industry-academia cooperation agreements with TIPC. In 2022, two 4th-year students were recruited to intern at the TIPC's Vessel Traffic Service (VTS) for a duration of 10 months. The Company provides business guidance and internship allowances, and upon graduation, the students have the opportunity to join the team.

Campus Recruitment Orientation

In order to promote the recruitment of our employees, we will hold campus recruitment orientations at universities and colleges, and we have held 40 orientations in 2022.

Campus Recruitment Orientation ►



Career Development Planning

The Company implements regional recruitment planning and a mechanism for employees in remote areas to return home, reducing the need for remote assignments, ensuring smooth channels for career advancement. Furthermore, the company provides employees with a Career Development Path to help them understand their career development trajectory and provide clear direction for their efforts. It encourages employees to continuously enhance their abilities and embrace the career development blueprint in the port industry, gradually achieving long-term commitment to the company.



Incentive System

Planning incentive bonus system and adding outstanding performance assessment, TIPC strengthens the effective linkage between performance assessment, bonuses, training, and promotion development systems, ensuring the continuity of incentives and enhancing the intention of excellent employees to stay with the company for its development. In addition, to encourage employees to strive and contribute to the company with their expertise, and to establish role models among the staff, the port company has established Criteria for Selecting Exemplary Employees. Approximately 20-22 employees are selected each year based on the company's employee ratio. Selected exemplary employees are publicly recognized, awarded a medal, and given an incentive bonus.



▲ Group photo of the exemplary employees 2022

Employee Assistance Program

To assist employees in overcoming difficulties and promoting a healthy work-life balance, TIPC provides an Employee Assistance Program (EAP). This program aims to support employees in facing career-related challenges (such as job adjustments, first-time supervisors, etc.) or important life stages (such as marriage, childbirth, illness, retirement, etc.) with the best possible state of mind to enhance their work performance. In 2022, we commissioned Newmind EAP Consultation Co., Ltd. to provide free counseling services to employees. Employees can engage in discussions with professional consultants through a dedicated helpline to address their concerns, receive initial consultations or clarification, or be referred to specialized professionals (such as psychologists, lawyers, etc.) for further individual counseling services. In addition to assisting employees in resolving personal issues, the consulting company can also collaborate with the company's HR department and relevant management personnel to provide management consulting services, guiding the company in addressing and managing specific cases as needed.

In 2022, a budget of NTD 344,400 was allocated for the Employee Assistance Program counseling services. Additionally, a budget of NTD 250,000 was allocated for organizing related courses or seminars for the Employee Assistance Program. For TIPC's Family Day and the Health Promotion Activities, a total budget of NTD 522,500 was allocated.

Promotional activities		
Categories	Projects	
 Professional training	Caregiver professional training and sensitivity training for supervisors.	
 Special lectures	Health seminars, financial seminars, legal seminars.	
 Various Activities	TIPC Family Day, Singles Meetup, Weight Loss Competition, Health Promotion Activities.	
 Friendly workplace	Care Station, Nursery Room, Clinic.	
 Work support	Port Partners, Job Skills Training, Manager Stress Reduction Course, High-stress Worker Stress Reduction Course.	
 Consulting services	Legal Consultation, Financial Consultation, Health Consultation, Retirement Pension Calculation Consultation.	



▲ 2022 TIPC Family Day



▲ 2022 Singles Meetup Day



▲ Nursery Room



▲ Care Station

The company also provides tailored programs for retiring employees. In addition to offering retirement pension calculation services, a retirement care program was implemented in 2022 to assist retiring employees in developing their interests. Various courses and seminars were organized, such as photography, gardening, and sports, to promote lifelong learning and self-development. These initiatives aim to help retiring employees cope with potential lifestyle adjustments after retirement.

Apart from organizing physical courses and seminars, TIPC encourages self-learning and promotes reading among employees. Multiple online learning resources have been procured for employees to freely access. These resources include platforms like "CommonWealth Magazine Knowledge Base," "Hami Bookstore Monthly Reading Package," "M School," and "Business Weekly e-Magazine."

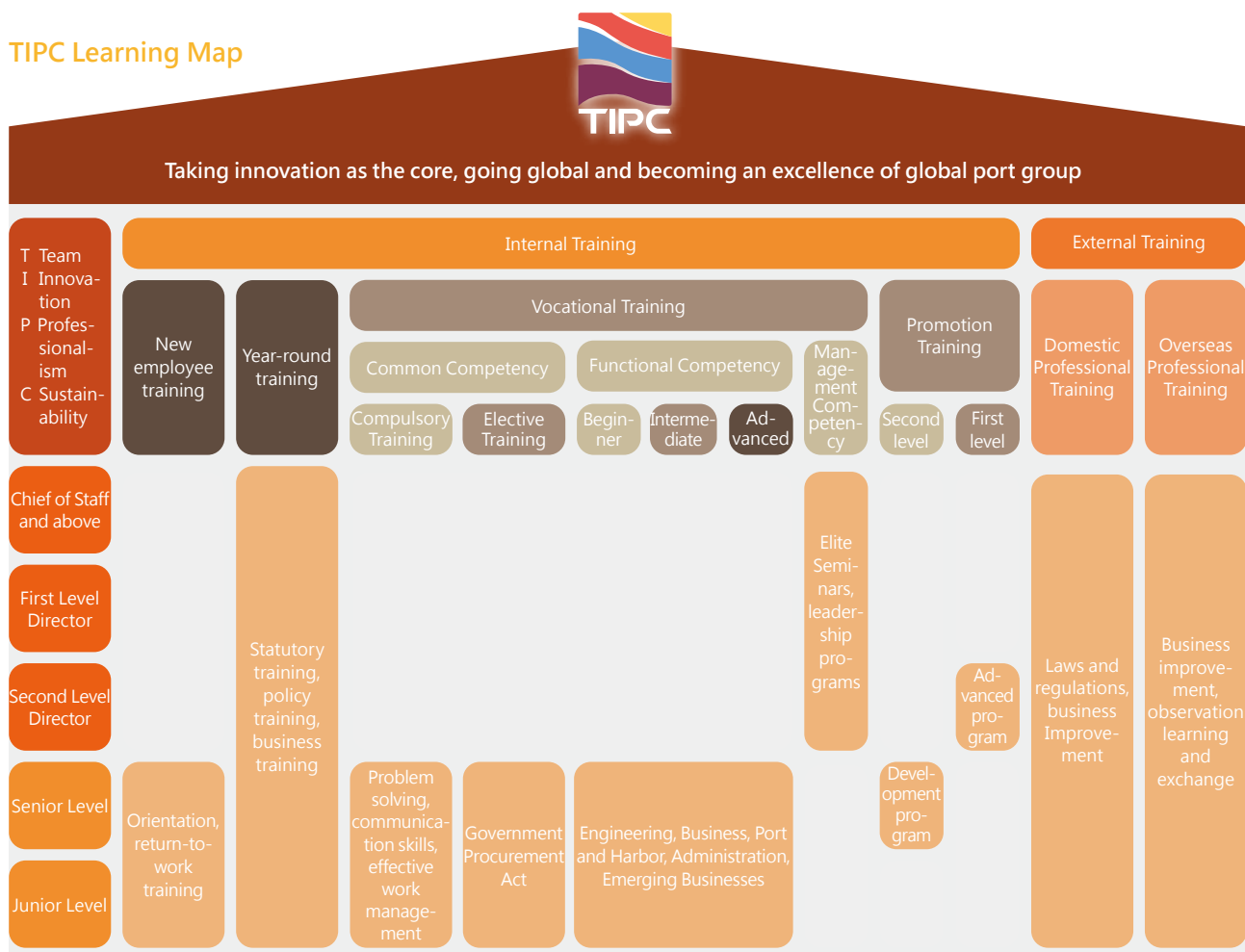
2022 Usage of Online Learning Platform

Common Wealth Magazine Knowledge Base	3,643 entries and 57,547 articles were read.
Hami Bookstore Monthly Reading Package	A total of 83,223 minutes and 43,943 chapters were read.
M School	A total of 10,332 minutes and 2,501 articles were read.
Business Weekly e-Magazine	A total of 19,920 minutes and 2,526 articles were read.

5.1.4 Employee Training and Development

TIPC is committed to providing employees with a work environment that promotes growth and learning. It has developed the TIPC Port Learning Map based on job roles, business needs, and career development. This map encompasses core, professional, and managerial competencies, providing a systematic and hierarchical training and development blueprint for employees. It offers job-specific training, continuously enhances employees' skills, establishes a fair performance evaluation system, and implements talent development programs. Each year, opportunities and channels for job promotion and salary advancement are provided. In terms of cultivating and developing supervisors, the company organizes talent development programs and advanced leadership training courses, and establishes a pool of potential managerial talents to ensure a smooth succession plan for future leadership positions at all levels.

TIPC Learning Map



Employee Competency Training

The Company values employees' career planning and arranges comprehensive competency development and training to ensure that each employee can be placed in positions that suit their abilities and unleash their full potential. Human resource development in the Company focuses on enhancing professional expertise, management skills, and strengthening personnel training. To conduct professional competency training, curriculum planning groups have been established, divided into 5 categories, with personnel of Chief of Staff rank or above serving as conveners. After the planning groups design the courses, meetings are held with the President presiding to confirm the course content and implementation methods. Satisfaction surveys are conducted after each course, with an average satisfaction rate of over 90%. The survey results serve as a reference for future course planning, and the company will continue to organize training and education initiatives. In 2022, the total training hours amounted to 76,670 hours, with an average of 36.2 hours per person. The total training cost was NTD 21.68 million, with an average training cost of NTD 10,247 per person.

Trained staff training hours




Projects/Categories	Management Position		Non-management position		Total
Units/Genders	Male	Female	Male	Female	
Total number of people <small>People</small>	170	77	1,108	761	2,116
Total training hours <small>Hour</small>	5,874	3,812	35,901	31,083	76,670
Average training hours <small>Hour/People</small>	34.6	49.5	32.4	40.8	36.2

Internal Training

To enhance employees' business knowledge and skills, the Company independently plans and conducts various training courses.

• New Hire Training

To enable new employees to quickly understand the organizational overview, work environment, business philosophy, and operations of TIPC, and to strengthen the connection between new employees and the company, enhancing their sense of belonging.

Newcomers		
 New employee training	<ul style="list-style-type: none"> ● Arrange a 4-day comprehensive foundational course to develop an initial understanding of the company's operational environment. 	<ul style="list-style-type: none"> ● In 2022, a total of 3 training sessions were conducted for new employees, with a total of 85 new colleagues participating.
 Re-entry training	<ul style="list-style-type: none"> ● Approximately 3 to 6 months after the initial training, a 1-day re-entry training is arranged to focus on the work experience of new employees. The training is conducted through activities and discussions to pay attention to the feelings of new employees towards their work. 	<ul style="list-style-type: none"> ● In 2022, a total of 2 rounds of re-entry training for new employees were conducted, with a total of 71 participants.
 TIPC partners Implementation Plan	<ul style="list-style-type: none"> ● Select experienced partners before the new employees' onboarding to guide them in acquiring the necessary professional knowledge, skills, and experience for their work. Provide consultation and assistance to enhance their learning efficiency and facilitate their integration into the team. 	<ul style="list-style-type: none"> ● In 2022, a total of 3 training sessions for senior partners were conducted, with 72 participants. Additionally, 8 exchange activities for senior partners were organized, with a total of 124 participants.



▲ Training for Newcomers

• Year-round Training

To comply with government regulations, align with national policies, and meet the business needs of the company, various year-round training courses for employees are conducted. In 2022, a total of 42 courses were offered, with 2,928 participants. Furthermore, to enrich employees' perspectives, enhance their understanding of emerging trends in the port industry, and fulfill corporate social responsibility, the Company has planned to organize outlook seminar courses since 2022. These courses are open to both company employees and a limited number of participants from the port industry. In 2022, one session was held, featuring a lecture by Tony Hsieh, General Manager of Google Cloud. The total number of participants was 98, including 18 participants from the port industry.

• Competency Training

To enhance employees' professional knowledge and skills, the Company has designed and conducted internal functional training courses, which are categorized into three types: common functional training (required), common functional training (elective), and professional functional training.

Common Functional Training

It focuses on the key abilities required in the workplace and offers both mandatory and elective courses for employees in various job positions.



• Common Functional Training Required

It includes three courses: Problem Solving, Communication Skills, and Efficient Work Management. All employees are required to participate, and the courses are conducted in multiple sessions throughout the year. In 2022, a total of 19 sessions were held, with 477 participants.

• Common Functional Training Elective

It is divided into two categories: Procurement Law Series and Workplace Skills. The course offerings are planned based on the common functional needs of employees and the feedback collected from post-course surveys of the previous year's training. The course plan is reviewed and updated annually. In 2022, a total of 31 sessions were conducted, with 597 participants.



Professional Functional Training

It aims to continuously enhance employees' professional knowledge and skills. It is categorized based on the nature of the business, including Engineering, Port Operations, Operations, Emerging Businesses, and Administration. Additionally, the training is further divided based on the employees' length of service, with entry-level courses for new employees, intermediate-level courses for those with more than one year of experience, and advanced-level courses for those with more than three years of experience. In 2022, a total of 16 sessions were conducted, with 424 participants.



▲ Professional Functional Training

Management Functional Training

It aims to enhance the management abilities of supervisors and refine their leadership skills. Various training programs are conducted, including Supervisor Consensus Camp, Elite Lectures, International Affairs Talent Development, Six-Star Supervisor Training, and Promotion Training.



● Supervisor Consensus Camp

It is organized to enhance organizational cohesion and a sense of belonging, fostering a positive and innovative corporate atmosphere. The camp is conducted for middle and senior-level supervisors. In 2022, there were 10 sessions of Supervisor Consensus Camp (Taiwan's Baiyue Challenge), with a total of 296 participants.

● Elite Lectures

These are periodic lectures designed to expand the cross-domain knowledge of senior executives. Distinguished speakers from various fields are invited to share their experiences and innovative insights on business success. In 2022, a total of 9 sessions were conducted, with 390 participants.



● International Affairs Talent Development

This program aims to enhance employees' professional competence in handling international affairs, improve their English proficiency, and develop skills in hosting foreign dignitaries. Since 2021, the International Affairs Talent Development Program has been planned, consisting of a 5-day course conducted entirely in English. Participants are required to complete designated professional and English oral presentations, and their performance is evaluated by external assessors. In 2022, one session was conducted with 20 participants.

● Six-Star Supervisor Training

This training is designed to enhance management capabilities and leadership skills specifically for second-level supervisors. It consists of six training courses, with two themes selected each year to be completed over a three-year period. In 2022, the courses "Team Building and Morale Boosting" and "Attitude and Skills in Delegation" were introduced for the first time and conducted in different regions (north, central, and south), with a total of 12 sessions and 263 participants.



● Promotion Training

To groom managerial talents, promotion training programs are conducted for second-level supervisors through the Talent Development Class and for first-level supervisors through the Advanced Talent Class. In 2022, a total of 2 sessions were conducted, with 37 participants.

External Training

To enhance employees' business expertise and keep up with the latest trends, employees are selected to attend various training programs offered by domestic and international training institutions.

• Domestic Professional Training

In addition to conducting internal professional training, employees are selected to attend training programs conducted by private training institutions to comply with legal requirements or improve their business skills. In 2022, a total of 330 employees were selected to participate in such training programs.

• International Professional Training

To enhance employees' professional knowledge, expand their understanding of port-related expertise, and broaden their international perspectives, outstanding employees are selected to participate in short-term training programs at renowned maritime training institutions abroad. Due to the global pandemic in 2022, the training activities in this category were postponed to prioritize national epidemic prevention policies and ensure the health and safety of employees.

Advanced Study Incentives

To encourage employees to pursue further education during their spare time, in 2022, TIPC provided subsidies for employees to pursue higher education at colleges and universities. Employees were eligible to apply for a maximum subsidy of NTD 20,000 for tuition and credit hour fees or up to 8 hours of paid time off per week for part-time education. This initiative aimed to enhance the quality of talent within the company. A total of 95 employees applied for the subsidy, and 33 employees applied for part-time education. To encourage active language learning among employees, subsidies were provided for certification training, professional development, and language proficiency exams. A total of 344 employees applied for the subsidies and a total of NTD 4.96 million was allocated for these incentives in 2022.

Digital Learning Platform

To enrich learning opportunities and provide employees with additional resources for self-improvement during their spare time, the Company established the ALOHA online learning platform. This platform digitizes internal courses for employees to access online. The main courses cover emerging trends, job-related skills, ongoing training, employee assistance programs (EAP), gender equality, foreign language learning, and expert insights. As of the end of 2022, 91 digital courses have been made available on the platform, and a total of 4,051 employees have engaged in online learning. Moreover, starting from July 2022, the Company also purchased online learning accounts from two leading domestic online learning platforms, HAHOW and YOTTA for employee use. A total of 407 employees have applied for the use of these accounts.



5.2 Happy Workplace

5.2.1 Communication and Diversity Inclusion

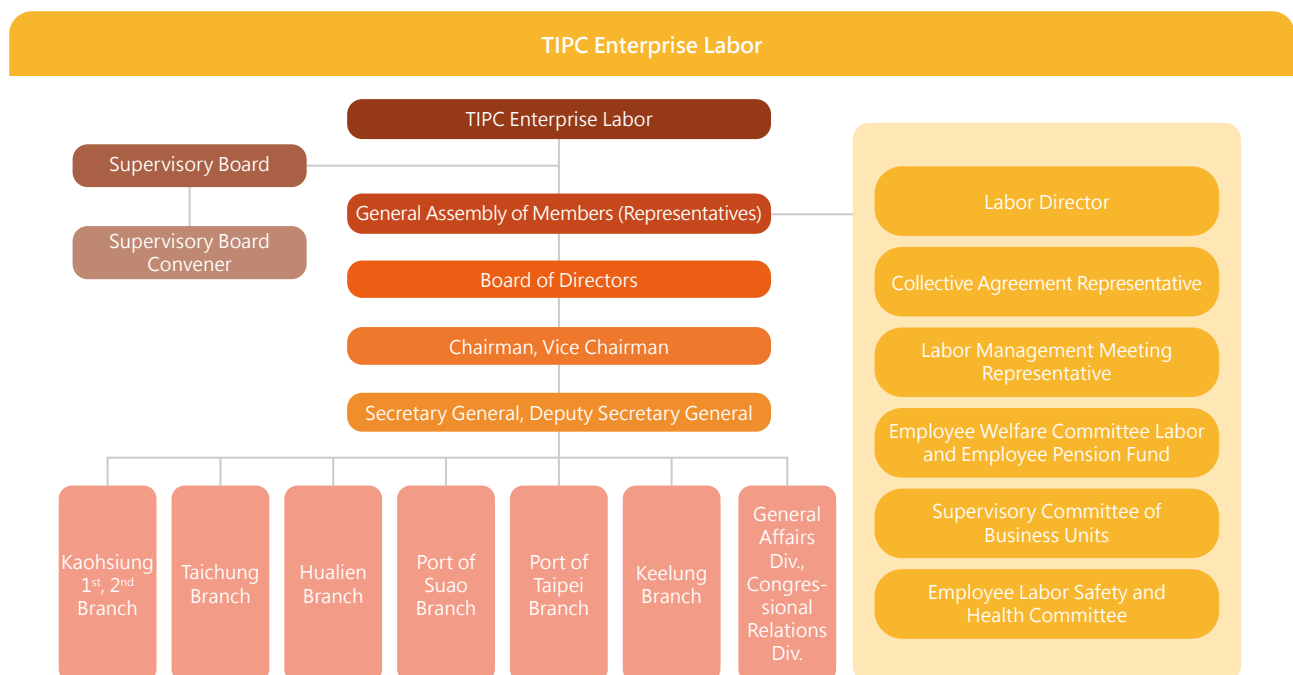
TIPC values and cares about employee rights, adopts humane management practices, strictly complies with relevant laws and regulations for public servants and labor, and establishes a complaint mechanism to provide employees with a means to address issues when their rights are infringed upon or improperly handled and cannot be resolved reasonably. Internally, the Company has established diverse communication channels to safeguard employee rights. In 2022, there were no incidents of human rights violations or discrimination involving hired employees.



Enterprise Labor Union

TIPC enterprise labor union was established in 2012 and is composed of the head office and employees from various ports. Its purpose is to develop the production industry from the perspective of the laboring class, promote member solidarity, protect member rights, improve member's lives, and enhance their knowledge and abilities. In November 2017, a collective agreement was signed between the company and the labor union. The collective agreement not only covers personnel rights such as personnel transfers, rewards and penalties, and assessments but also includes provisions for occupational accident compensation, safety, and health, ensuring comprehensive protection of employee rights. Currently, 92% of company employees are covered by the collective agreement. For those not covered, their rights and benefits are still protected according to the company's regulations. The company and the labor union will continue to work together to enhance labor rights.

The highest governing body of the labor union is the General Assembly of members (representatives), consisting of 45 representatives elected by members from various units. The Board of Directors is the highest authority during the recess of the General Assembly, with 17 director seats elected by representatives. The Supervisory Board serves as the oversight body of the Board of Directors, with 5 supervisors (including the convener) elected by representatives. The Chairman of the Board represents the union and handles daily affairs, elected directly by all members. Below the Chairman, there is a General Affairs Division and six task groups responsible for the daily operations of the union. According to Article 14 of the Labor Union Act, all male and female employees over the age of 18 who work within the jurisdiction of the labor union are required to join the union, except for the Chairman of the Board, the President, and other management personnel exercising employer's management rights.



The Company's enterprise labor union regularly participates in labor-management meetings and board meetings. Through "Cooperative Coordination Meetings" with the Chairman of the Board and the President, labor-management meetings, and discussions with the Board of Directors and management departments, they advocate for employee rights, participate in company decision-making, and provide the labor perspective for the consideration of management departments and the Board of Directors. Since March 1, 2012, there have been five labor representatives in the Board of Directors. The union also participates in the Corporate Governance Committee, actively contributing to corporate governance. In 2022, a total of 19 labor-management meetings were held, with 302 participants. These meetings discussed and explained various issues related to labor conditions, labor-management relations, and worker welfare. In addition to advocating for member rights and improving the quality of services provided to members, the union also regularly organizes exchanges and visits with domestic unions, maintaining frequent communication with major domestic unions.



Employee Communication Service Channel

Service Email
human@twport.com.tw

Human Rights and Gender Equality

In 2022, TIPC organized three meetings of the Gender Equality Working Group, with a total of 63 participants. The company also conducted training sessions on human rights and related topics, including gender mainstreaming, prevention and analysis of workplace bullying and sexual harassment, gender awareness in technology, information, and media, division of household chores and gender stereotypes, understanding diverse genders, creating a gender-friendly work environment, and the application of examples related to diverse families and the Same-Sex Marriage Act. These training sessions amounted to 51 sessions, reaching a total of 1,965 participants (with an average employee participation rate of 92.9% out of a total of 2,116 employees), with a total training duration of 5,485 hours.



▲ Gender Friendly Environment Visit (Port of Taipei)

To promote and achieve gender equality, TIPC implemented the Gender Mainstreaming Implementation Plan in 2022. Internally, the Company conducted gender mainstreaming courses, organized promotional activities for a friendly work environment, reviewed mechanisms for gender equality participation (based on the 1/3 principle), and conducted internal reviews of company regulations based on the CEDAW regulations. Externally, the company conducted promotional activities for gender equality in business, including 40 physical campus recruitment events (25 company briefings and 15 job fairs), one employment event for the general public, and 10 gender equality promotion booths integrated into company events. At these events, homemade gender equality badges and posters were distributed to promote the concept of gender mainstreaming.

TIPC also invited gender equality scholars to visit the Taipei Port Passenger Service Center, office spaces, and signal stations to inspect facilities such as nursery rooms, toilets (including accessible toilets), elevators, immigration pathways, passenger waiting areas, and parking lots, ensuring that they meet the needs of users.

Gender Mainstreaming Implementation Program

- ① Organizing gender mainstreaming courses
- ② Gender equality questionnaire survey
- ③ Engagement mechanisms to ensure gender equality
- ④ Advocacy of gender equality
- ⑤ Invitation to visit the Company and passenger service centers
- ⑥ CEDAW Regulations Review



Complaint Mechanism

The Company has established a Complaints and Investigation Procedure for the Prevention and Handling of Sexual Harassment. The investigation process for sexual harassment cases is conducted in a confidential manner to fully protect the privacy of the parties involved. The investigation is carried out with objectivity, fairness, and professionalism, providing the parties involved with ample opportunity to express their opinions and defend themselves. When the company receives a formal complaint, a task force is formed within 7 days to conduct the investigation. The findings of the investigation are then presented to the company's Sexual Harassment Complaint Review Committee for evaluation. Additionally, there are specific channels and procedures for handling sexual harassment complaints in the Passenger Service Centers, with relevant information posted at each center.

TIPC Internal channels for reporting sexual harassment

Company	Telephone	Fax	Email address
Headquarters	07-5219000#6113	07-5311860	sos885@twport.com.tw
Keelung Branch	02-24206209	02-24206525	sos885_kl@twport.com.tw
Taichung Branch	04-26642786	04-26642799	sos885_tc@twport.com.tw
Kaohsiung Branch	07-5622436	07-5326008	sos885_kh@twport.com.tw
Hualien Branch	03-8325131#2513	03-8333757	sos885_hl@twport.com.tw

Complaint channel for sexual harassment in the Passenger Service Center

Commercial Port Facilities	24-hour Contact Center Telephone	Port police telephone
Keelung Port -East Passenger Terminal	02-24206597	02-24248033 02-24248030
Taipei Port - Temporary Customs Clearance Center, Passenger Service Center	02-26196010	02-26196161
Suao Port - Passenger Service Center	03-9954957	03-9972016
Hualien Port - Passenger Customs Service Center	03-8357938	03-8222701
Taichung Port - Passenger Service Center	04-26642299	04-26562394
Kaohsiung Port - Passenger Service Center	07-5622127	07-5622313
Anping Port - Passenger Service Center	06-2627449	06-2632696
Penghu Port - Magong Port Terminal Passenger Service Center	06-9272303	06-9270151
Budai Port - Passenger Terminal	05-2949251#3009	05-3475280

Personnel Business Complaint System

To comply with Article 77 of the Civil Service Protection Act, which states that "A civil servant may file an appeal and/or re-appeal pursuant to this Act against the management measure or relevant working condition rendered by the agency where he/she serves, which, he/she thinks, is improper and causes the damage to his/her rights or interests.", the company has established the TIPC Personnel Management Complaint Handling Guidelines as the basis for handling employee complaints (re-complaints) cases. Additionally, according to Article 19 of TIPC Assessment Guidelines for Employees, which states that "After the assessment case is approved, the examinee should be notified in writing. If the examinee disagrees with the assessment result, they may submit a written defense to the employing organization within 30 days after receiving the approved case." , the company's reward letters and appointment letters also include relevant instructions. Therefore, the Company provides avenues for employees to file complaints (re-complaints) regarding their work, assessment, rewards, disciplinary actions, appointments, etc., which can be submitted in writing to the Complaints (Re-complaints) Handling (Evaluation) Panel.

5.2.2 Salary, Benefits and Retirement System







Salary Evaluation

TIPC is a state-owned enterprise, and all salary and bonus payments should comply with relevant regulations and laws. The salary consists of basic salary (position-based) and job-based salary, while bonuses include performance-based bonuses and assessment-based bonuses. The maximum salary in 2022 is 3.2719 times the median annual salary. In 2022, the company conducted a salary adjustment, with a uniform increase of 4% for all employees. The ratio of the percentage increase in total annual compensation for the highest individual salary to the median percentage increase in total annual compensation for other employees (excluding the highest individual salary) is 1.

Employee salary adjustments are based on job positions and are not affected by differences in race, religion, political affiliation, gender, marital status, or union membership. Performance evaluations are divided into four levels: Excellent, A, B, and C, and are linked to the salary structure, affecting bonuses and salary adjustments. Proposals regarding employee salary adjustments are presented by the Human Resources Department to the Board of Directors for approval and then reported to the Ministry of Transportation and Communications for review. The starting salary for new employees in 2022 is determined based on the selection and employment criteria of the company, with the salary for employees at the junior level being approximately 1.338 times the minimum wage and the salary for employees at the senior level being approximately 1.935 times the minimum wage. The salaries of new entry-level employees in the company are higher than the local minimum wage in Taiwan.

Note: The starting salary multiples for junior and senior level new employees in the company are calculated based on the basic wage approved by the Executive Yuan for 2023.

The ratio of basic salaries and compensation between female and male employees in the same department, seniority, position, and rank is 1:1, adhering to the principle of "equal pay for equal work" in society. The gender pay gap within TIPC is primarily due to differences in job positions, seniority, and performance.

Salary ratio by job category	Total number of people		Total annual salary (NTD)		Salary ratio	
	 Female	 Male	 Female	 Male	 Female	 Male
Management position	77	170	130,188,507	291,667,302	1.0	1.0
Non-management position	761	1,108	583,039,085	1,060,595,499	0.8	1.0

Note: The gender pay ratio (annual salary ratio) for women to men = average annual salary of women in a category/the average annual salary of men in the same category.




The participation and performance of employees in various training programs and further education will be considered in performance evaluations, promotion assessments, and as references for future recommended training and education. These initiatives are aligned with the employees' job responsibilities to maximize the benefits of training and development. Regular performance evaluations are conducted for all employees in the company, and the results are not influenced by gender. As of the end of 2022, 100% of employees underwent performance evaluations.

Note: The calculation of the evaluation ratio is based on the company's performance evaluation regulations. The aforementioned ratio does not include employees who have served for less than 6 months in the current year or employees with less than 180 cumulative days of employment (excluding temporary employees).

Employee Benefits

As a state-owned enterprise, TIPC provides certain employee benefits similar to those enjoyed by public servants. These benefits include insurance (group accident insurance for public servants), national public servant health check-ups, access to a public servant online bookstore, and discounts at designated stores. Additionally, employees are entitled to maternity leave, 7 days of paid family care leave (in compliance with Act of Gender Equality in Employment), and 12 days of paid menstrual leave.

To administer various welfare measures, the Company has established an Employee Welfare Committee. The committee allocates welfare funds in accordance with the Organizational Charter of the Employee Welfare Committee of TIPC and formulates guidelines for subsidies through the Subsidy Guidelines of the Employee Welfare Committee of TIPC. Furthermore, the Company organizes labor education and activities on an annual basis. In 2022, TIPC allocated a total of NTD 32.66 million for employee welfare expenses.

Welfare Categories	Description
 <p>Employee Travel and Activities</p>	<p>Employees are allowed to organize recreational activities on their own each year, with subsidies provided by the company. The company also organizes regular or irregular events such as Port Family Day, Singles Networking, and visits for new employees and their families. Employees participating in these activities are granted official leave as long as it does not affect their work. In addition, the TIPC Enterprise Union and Employee Welfare Committee regularly organize various educational and recreational activities for laborers, with subsidies provided by the union and the welfare committee. The company also grants official leave to employees participating in these activities.</p>
 <p>Consolation fund/ Subsidies</p>	<ul style="list-style-type: none"> ● Consolation funds/subsidies for employees' work-related injuries hospitalization ● Consolation funds/subsidies for employees' illness/injury hospitalization ● Consolation funds/subsidies for employees and their family members' funeral/mourning ● Consolation funds/subsidies for employees' retirement ● Consolation funds/subsidies for employees during festive seasons (Chinese New Year, Dragon Boat Festival, Mid-Autumn Festival) ● Consolation funds/subsidies for employees' birthday celebrations ● Subsidies for employees' marriage and childbirth ● Respect for elderly employees (direct relatives) activities ● Subsidies for children's education ● Subsidies for club activities ● Group insurance (accident insurance, medical insurance)
 <p>Childcare</p>	<p>The Company has established workplace mutual aid education and childcare centers at Keelung, Taichung, and Kaohsiung ports, with 2 classes each, catering to children aged 2 to 6. Priority is given to employees' children and grandchildren, and if there are vacancies, external children may also enroll.</p>



▲ Employee Traveling Photos



▲ Kaohsiung Education and Childcare Center Christmas Tree Decorating



▲ Family Day



▲ Family Day Market

Retirement Training





The Company follows the Civil Servants Retirement, Severance, and Compensation Act, TIPC Retirement Compensation and Severance Guidelines, Labor Standards Act and Labor Pension Act for its employees' retirement matters. A total of NTD 143,114,193 was allocated for retirement benefits, accounting for 8.8% of the company's total annual salary expenses of NTD 1,631,134,483. Additionally, as of the end of 2022, the balance of the Labor Retirement Reserve Fund was NTD 245,715,224.

In 2022, the Company planned a series of retirement care measures to assist retiring employees in planning for their retirement life, fostering their self-development, and increasing their participation in an aging society. Relevant information on retirement life arrangements was provided, and diverse experiential courses, seminars, and measures were organized for employees nearing retirement within the past three years to help address potential health, family, and financial concerns they may face after retirement. These measures aimed to alleviate employees' physical and mental stress and enhance workplace well-being. The Company also engaged in dialogue with retired personnel, providing continuous sponsorship of the "Port and Harbor Retired Personnel Association" by supporting their activities and meeting expenses with a sponsorship of NTD 350,000 in 2022. The Company offered office space free of charge within its premises to assist the association in establishing a contact point.

To support the government's initiative to activate volunteer resources and fulfill corporate social responsibility, TIPC prioritizes the employment of retired personnel for various service roles and grants them volunteer service certificates.

Maternity and Childcare Benefits

The Company has established Regulations on Leave without Pay for Civil Servants and Provisions on Leave without Pay for Employee to regulate employees' applications for leave without pay. The company also supports employees in applying for maternity leave without pay. In 2022, a total of 31 employees applied for maternity leave without pay, including 23 females and 8 males.

Maternity Leave Statistics						
Unit : Number of people	Year 2021			Year 2022		
Gender/Total	 Male	 Female	Total	 Male	 Female	Total
Number of eligible employees for maternity leave A	92	96	188	86	86	172
Actual number of employees applied for maternity leave in the current year B	1	15	16	8	23	31
Number of employees should return to work after maternity leave in the current year C	1	13	14	5	22	27
Actual number of employees should return to work after maternity leave in the current year D	1	13	14	5	22	27
Actual number of employees returned to work after maternity leave in the previous year E	3	12	15	1	13	14
Number of employees continued working for one year after returning from maternity leave F	3	12	15	1	13	14
Return-to-work rate after maternity leave in the current year D/C	100%	100%	100%	100%	100%	100%
Retention rate after maternity leave in the current year F/E	100%	100%	100%	100%	100%	100%
Note: The number of employees eligible for maternity=the total number of employees who took maternity and paternity leave from 2019 to 2022.						

5.3 Health and Safety

5.3.1 Occupational Safety and Health Management

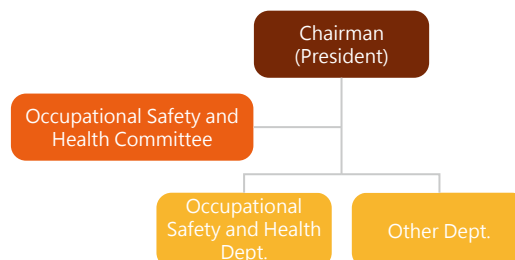
TIPC is committed to enhancing the performance of occupational safety and health management besides promoting workplace safety and health. We uphold the values of caring for our employees, contractors, port operators, and implementing occupational safety and health measures. We work hard to prevent occupational accidents and strive to provide a safe and healthy working environment for our employees and stakeholders. We foster a culture of safety and health where everyone is involved and actively promotes a "safe and healthy" friendly workplace culture. Our ultimate goal is to achieve zero occupational accidents and establish an excellent international corporate image in terms of workplace safety and health. To achieve this goal, TIPC has implemented and continues to uphold an occupational safety and health policy.



Occupational Safety and Health Committee

To ensure the effective implementation of the occupational safety and health management system and achieve organizational effectiveness, communication channels are established between units to reach a consensus on occupational safety and health management. This allows for the commitment of employees or their representatives and external stakeholders to be established, along with effective two-way communication channels. In accordance with Article 23 of the Occupational Safety and Health Act, Article 10 of the Occupational Safety and Health Management Regulations, and the TIPC Guidelines for the Establishment of the Occupational Safety and Health Committee, the Occupational Safety and Health Committee is established. The committee is chaired by the President and meets regularly every three months. Its responsibilities include making recommendations on the Company' s occupational safety and health policy, coordinating, advising, reviewing, and assessing the Company's implementation of statutory occupational safety and health management, and other related matters.

TIPC Occupational Safety and Health Organization

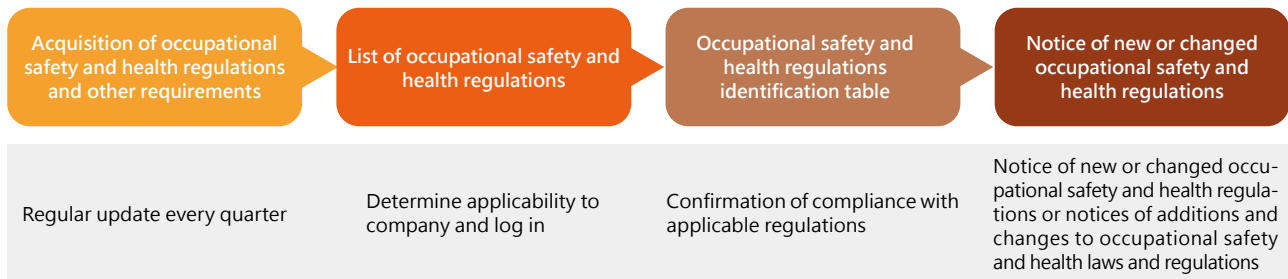


Occupational Safety and Health Management System

The formulation of the procedures and contents of the occupational safety and health management system in TIPC is based on the occupational safety and health policy of the Company, with reference to the principles of ISO/CNS 45001 standard, and further developed based on actual operational procedures. The occupational safety and health management system of the company covers a total of 2,116 employees, accounting for 100% of the workforce. The number of contracted vendors is approximately 608, accounting for about 34.8% of the employee workforce, subject to changes based on the execution of labor contracts.

To stay updated on the trends of occupational safety and health regulations and address occupational safety and health issues and requirements from stakeholders, TIPC implements a regulatory compliance management procedure as part of its occupational safety and health management system, ensuring that the company's operations fully comply with the basic requirements of regulations.

Occupational safety and health regulations identification management procedures



TIPC has implemented the ISO 45001 Occupational Health and Safety Management System to enhance the awareness and importance of safety and health among all levels of personnel. In 2019, it became the world's first port management company to have all its commercial ports certified for compliance with the international standard ISO 45001 Occupational Health and Safety Management System, obtaining the national standard CNS 45001 certification and achieved dual-system verification in 2020-2021 at the same time. To continuously validate the effective implementation of the dual occupational safety and health management systems in the Company, all departments including the head office and branches in Keelung, Taichung, Kaohsiung, and Hualien were successfully verified for ISO/CNS 45001 dual-system compliance by the end of May 2022 (validity of certificate is from 2022/6/12~2025/6/11), demonstrating the company's commitment to implementing workplace safety and health measures.



▲ Certificate of ISO/CNS 45001 :
ISO45001(2018) and TOSHMS of TIPC



◀ Certification Ceremony of ISO/CNS45001 Occupational Safety and Health Management System





5.3.2 Workplace Safety

Through the Hazard Identification and Risk Assessment Procedure of the ISO 45001 Occupational Health and Safety Management System, the company identifies hazards and assesses risks for critical or high-risk tasks. Annually, prior to the management review meeting, all hazards and risk assessments within the Company are periodically reviewed and confirmed. Additionally, periodic re-identification of hazards is conducted for relevant operational activities. When necessary, updates are made to serve as the basis for annual objectives and management plans, aiming to continuously improve the safety and health management system. Necessary control measures are implemented to keep risks at a tolerable level and enhance occupational safety and health performance, ultimately striving for zero accidents.

According to Article 9 of the Company's Safety and Health Work Guidelines, if an imminent danger arises, each department or unit is required to immediately stop operations, report to the superior, and ensure the evacuation of employees to a safe location. Furthermore, in accordance with Article 18 of the Occupational Safety and Health Act, employees performing their duties who identify an immediate danger may independently stop operations, evacuate to a safe location without jeopardizing the safety of others, and promptly report to their immediate supervisor. This grants employees the right to self-evacuation.

In order to establish a robust system for reporting and responding to major disasters and incidents, as well as to ensure that relevant units can promptly report and contact the necessary parties in the event of a major occupational accident involving port facilities, personnel, or ongoing construction projects (including sporadic projects), the Guidelines for Reporting and Responding to Major Occupational Disasters have been established. These guidelines provide a framework for reporting, emergency response, handling, and subsequent investigation and review to mitigate the impact of major occupational accidents, facilitate the swift restoration of normal workplace operations, and minimize loss. In 2022, non-employee workers (contractors) accumulated a total working time of 4,326,464 hours without any recorded incidents of serious or reportable occupational injuries.

2022 Occupational Injury Statistics

Total Working Hours		Total Female Working Hour	2,124,000
		Total Male Working Hours	2,960,000
		Total Working Hours	5,084,000
Death Rate from Occupational Injuries (%)			0
Injury rate of Severe Occupational Injury (%)			0
Recordable Occupational Injury Rate (%)			0
Remark : The hours of work of employees are counted by the company's personnel swipe card system, and the number of non-employee workers are counted by the number of factory merchants in each project, but since the number of workers is adjusted with the progress of the project, the number of non-employee workers are estimated by average.			



To control and achieve disaster reduction and mitigation, TIPC is implementing the following occupational safety and health management initiatives:

Utilizing VR (Virtual Reality) technology for sensory education and training in occupational safety and health. This allows individuals to experience the risks and hazards associated with unsafe environments or behaviors, thereby enhancing training impressions and increasing safety awareness.

Developing the occupational safety and health management plan for the year 2022, maintaining safety and health management goals/programs, and implementing measures to achieve occupational safety and health performance control for the company's employees and contractors.

Conducting occupational safety and health supervision and audits in TIPC and utilizing electronic occupational safety and health cloud systems for data analysis to identify high-risk occupational safety and health issues.

- Unannounced inspections of high-risk operations on a quarterly basis.
- Supervising the subsidiary branches' implementation of Guidance on Safety and Health Management for Loading and Unloading at Harbor Terminals.
- Establishing a project team for occupational safety and health supervision in ongoing construction projects. This team supervises the safety of construction sites and loading/unloading operations at various subsidiary branches, strengthening the occupational safety and health units and the responsible parties for ongoing construction projects. They ensure that construction contractors comply with contractual requirements and are monitored by auditing and supervisory units to prevent occupational accidents.

Implementing an occupational disaster prevention plan to effectively reduce operational hazards. This plan includes five execution programs: risk assessment and control, safety education and promotion, self-management capabilities, construction safety control, and performance evaluation. It aims to ensure occupational safety and health practices in the Company's units and to supervise contractors' construction safety and health management operations, while enhancing various measures for occupational accident prevention.

Using the PDCA (Plan-Do-Check-Act) management cycle mechanism of the occupational safety and health management system to identify potential hazards in the working environment. Through continuous improvement, risks are reduced to an acceptable level and compliance with relevant regulations is achieved, ultimately enhancing safety and health management performance.

Furthermore, hazard identification and risk assessment are conducted for the work environment, and operational environment monitoring is implemented for hazardous operations to ensure the safety of contractor operations. Additionally, the Guidance on Safety and Health Management for Loading and Unloading at Harbor Terminals has been established to ensure the safety of terminal operations and prevent safety-related hazards in port operations.

Occupational Safety and Health Training

To enhance the knowledge and skills of employees in occupational safety and health management systems, the Company implements educational training and awareness programs to improve management effectiveness. The focus is on workplace safety and health, promoting a series of activities that demonstrate the company's commitment to occupational safety and health. Through proactive care, communication, and safety observation procedures within the organization, the Company builds employee safety awareness, safe behaviors, and emphasizes the importance of self-care for health. It also provides guidance to branches, contractors, and port operators to independently promote workplace safety and health management, aiming to enhance employees' safety and health knowledge, instill a culture that values life, and shape an organizational atmosphere of safety and health. This aligns with the strategic goals of workplace safety and health development and contributes to the excellent image and sustainable development of the company as a quality international port enterprise.

Based on the needs and current situation of each department, the Company plans and consolidates the educational training and awareness requirements proposed by relevant units. An annual training plan is developed, primarily focusing on business-related units and colleagues within the company. If necessary, considerations can be given to involve port operators from public and private sectors, external stakeholders, interest groups, and contractors. This includes both in-house training conducted throughout the year and external training provided by professional instructors.

Occupational Safety and Health Training Statistics

Training Program	Number of trainees	Training Fee (NTD)
General safety and health education training (New/working employees, supervisors, OSHC members, work-study/interns)	180	50,500
Safety and health promotion for loading and unloading operators and contractors	190	30,000
On-the-job education and training for dangerous machine operators and hangers	55	12,000
On-the-job education and training for forklift operators	55	12,000
Occupational safety and health construction risk assessment and risk management	180	37,000
CPR+AED Training	170	64,500



▲ Occupational safety and health education and training for newcomers

▲ Occupational disaster prevention and traffic safety seminar on terminal loading and unloading safety



▲ Occupational safety and health construction safety and risk management education and training

▲ CPR+AED Training

▼ General safety and health education training



E-management Platform Assisting Occupational Safety Management Work

TIPC utilized the cloud-based software tools for data integration and statistical functions, and providing real-time records of occupational safety inspection results and integration of ISO/CNS 45001 Occupational Safety and Health Management System Documents. Through the use of electronic tools for management and visualization charts, it enables monitoring of the Company's occupational safety and health management performance, enhancing operational efficiency and ensuring proactive management. Electronation projects and functionalities include:



Regulation Identification

Intelligent filtering of regulations, notification of updates, and data analysis for task assignment.



Hazard Identification and Risk Assessment

Task assignment and data analysis.



Inspection and Visits

Support for mobile devices, task assignment, and data analysis.



Composite Indicators

Integration of the three important statistical tables or charts and display on a unified interface.



▲ E-management Platform

5.3.3 Employee Health Management

To implement the employee health policy of TIPC and create a healthy workplace environment, a mechanism for workplace health management and a health information management system are in place to provide comprehensive workplace health services to all employees. The goal is to achieve appropriate and balanced care, enhance employee productivity, and achieve the objectives of workplace health service performance. The company has established an Employee Health Management Procedure and an Employee Health Service Plan, with an annual budget allocated for health check-ups, which are provided to employees free of charge. The scope and frequency of the check-ups exceed the current legal requirements, demonstrating our care for employee health. Additionally, a Health Management Service Center is established, staffed by occupational health nurses who provide health consultation services for employees.



Health Promotion

TIPC plans annual health check-ups, management, and promotion activities for its employees. It formulates an Employee Health Service Plan and implements five major health protection plans, including those for human factors, illegal acts, excessive workloads, workplace maternity, and middle-aged and elderly workers. The company also employs dedicated occupational health nurses to conduct regular or periodic health assessments, health management, and tracking for employees. Specialized occupational medicine physicians and on-site health service doctors from medical institutions are engaged to provide on-site health consultation services to employees. Additionally, the company has established the Occupational Safety and Health Management Regulation for Contractors to ensure that contractors employ insured workers and implement health check-ups (physical examinations or on-the-job health examinations). Access control data is recorded and monitored for the implementation of health management and health promotion. In 2022, there were no occupational disease incidents among the company's employees and non-employee workers (contractors) (Note: Occupational diseases are defined according to the Labor Health Protection Regulations).

Employee Health Management Program

Execution content	Execution Results	Execution content	Execution Results
Health Checkup	1,073 visits	Health Service Program (Including Health Consultation, Health Guidance, etc.)	382 visits/18 sessions
Special Health Checkup	94 visits	Health Management and Health Promotion for High-Risk Cases	287 visits/21 sessions
Urinalysis Procedure for Specific Personnel in Maritime Shipping	57 visits	Psychological Health Services	499 visits/16 sessions
Return-to-Work Health Management Program	176 visits	Workplace Health Environment	1,156 visits/7 sessions
Infectious Disease Prevention and Healthcare	42 visits	Port Epidemic Prevention Operations	2,004 visits/26 sessions
Analysis of Health Examination Results and Health Management	499 visits/62sessions	Emergency Medical Assistance	549visits/21 sessions
On-Site Health Services and Health Management	759 visits	Health Data Management and Preservation	50 visits/27 sessions

Health Check-ups and Health Consultation

To take care of the employees of TIPC, regular general health check-ups and special operation health check-ups (for noise, dust, abnormal air pressure, and long-term night shifts) are conducted annually, surpassing regulatory requirements. Based on the health check-up report results, dedicated occupational health service physicians are arranged to provide 1-on-1 consultation and health tracking services, as well as care. The occupational health nurses then input the results into the Health Management Information System for analysis, conducting workplace employee health risk classification and health management. In 2022, a total of 1,044 employees participated in the on-the-job health check-ups, resulting in a participation rate of 97.3%.

Employee Health Check-up Statistics and Costs

Examination Items	General Health Check-up Items	Special Health Check-up Items
	Conducted in accordance with the Labor Health Protection Regulations	Noise, Dust, Abnormal Air Pressure, etc.
Number of people inspected (people)	1,044	94
Inspection fee (NTD thousands)	4,698	67

Health Management

The headquarters and branch offices promote diverse and multifunctional health promotion activities (including mental health lectures) based on the analysis of health check-up report results and the management needs of health risk classification. In 2022, various workplace health promotion activities were held, such as healthy eating, muscle taping, aerobic exercises, yoga stretching, physical fitness testing, hiking, and more. These activities aimed to enhance employees' health knowledge and were attended by over 2,000 participants.



▲ Weight Loss Course Series



▲ Employee Fitness Test



▲ Sculpt Ball Workout Courses



▲ Leather Sculpture Charity Event



▲ Health Seminar - Traditional Chinese Medicine Weight Loss and Prevention of Muscle Soreness



▲ Health and Nutrition Program



▲ Health Event - Bouldering External Training Course



▲ Health Promotion Activity - Embracing Uncertainty Course

SPECIAL ISSUE

Employee Friendliness and Care

TIPC recognizes that employees are the cornerstone of sustainable business operations. Therefore, creating a work environment where employees feel a sense of belonging and can fully unleash their potential is not only an indicator of a happy workplace but also a crucial factor for the company's long-term sustainability and development. Over the years, TIPC has been promoting a friendly workplace, following the footsteps of multinational corporations in building a "diverse, equitable, and inclusive" (DEI) work environment. It respects and values the diversity and individuality of each employee, supporting them in leveraging their strengths in suitable positions and fostering a sense of accomplishment and belonging.

In 2022, TIPC was honored with the Annual DEI Corporate Influence Gold Award and the Best Companies to Work for in Asia Award at the 2022 DEI Diversity for Better Tomorrow Awards hosted by Womany, showcasing its commitment to creating a diverse and inclusive workplace. Additionally, it received the 1111 Job Bank's 1111 Job Bank Happiest Employees Gold Award in 2022, further demonstrating its long-standing dedication to building a friendly workplace, gaining recognition from employees and various evaluators.



1111 Job Bank
Happiest
Employees Gold
Award



Received the Annual DEI
Corporate Influence Gold Award
and Best Companies to Work for
in Asia Awards

Family-Friendly Measures

Education and Childcare Centers

To implement the President's "National Child Care Policy for ages 0-6" and align with the Executive Yuan's "Measures for Addressing Low Birth Rate in Taiwan," as well as to show appreciation to employees and society, starting from August 2022, workplace mutual aid education and childcare service centers have been established in Keelung, Taichung, and Kaohsiung. These centers are operated by external non-profit organizations with professional experience in early childhood education. They prioritize facility safety and the procurement of innovative and diverse teaching equipment, aiming to alleviate the burden of parenting for parents and provide better care for children. This initiative strengthens the company's family-friendly environment and support for families.



Employees with Children Under 3 Years Old Enjoy 1 Hour of Flexible Working Hours

To create a family-friendly workplace and accommodate employees' childcare needs, starting from June 1, 2022, the Company has implemented a policy that exceeds the regulation of Article 19 of the Act of Gender Equality in Employment. Employees with children under 3 years old are entitled to reduce their daily working hours by 1 hour, while still receiving full salary and without facing any adverse consequences. Additionally, we have expanded the flexible working hours from 8:00 AM to 10:00 AM for starting work and from 4:00 PM to 6:00 PM for ending work, providing greater flexibility to our colleagues to support their family and childcare needs. As of the end of December 2022, a total of 113 applications have been approved for this policy.

Temporary Childcare Services and Work-from-Home Application in Response to the Pandemic

In response to government measures to prevent the spread of the pandemic, local authorities may announce the implementation of remote learning or suspend classes for entire classes due to confirmed cases among students. To assist employees in balancing work and childcare responsibilities, our company implemented the Temporary Childcare Services During Pandemic Measures in 2022. If physical classes are suspended, employees are allowed to bring their children to the workplace and take care of them on their own, helping employees balance their work and childcare responsibilities. In addition to the temporary childcare services, employees can also choose to apply for work-from-home arrangements to take care of their children under 12 years old. In 2022, a total of 57 applications were approved for work-from-home arrangements.

Project Relocation

To assist employees who have relocation needs but do not yet meet the eligibility requirements, the Company has established regulations for project relocations. Individuals who have special circumstances such as "the need to personally care for immediate family members with a serious illness," "being personally affected by a serious illness and requiring family care," or "sudden incidents or major accidents at home" may submit relevant supporting documents to apply for project relocations based on their actual needs. In 2022, a total of 5 employees successfully applied for project relocations, providing them with the maximum support to achieve a balance between their personal and professional lives. This approach ensures a win-win situation for both the company and employees, as we continue to strive towards creating a happy and fulfilling workplace.



Health Promotion Measures

Building Consensus among Supervisors, Climbing the Top 100 mountains in Taiwan Together

To enhance organizational cohesion and a positive and innovative corporate culture, we organized consensus-building retreats for mid- to high-level supervisors. In 2022, the consensus-building retreat was designed not only to achieve the goal of promoting supervisor health but also to challenge the Top 100 mountains in Taiwan. Five routes, including Yushan, Xueshan, Qilai South Peak, Nanhua Mountain, and Hehuan Mountain, were selected, totaling 10 events with a participation of 296 individuals led by high-level supervisors.

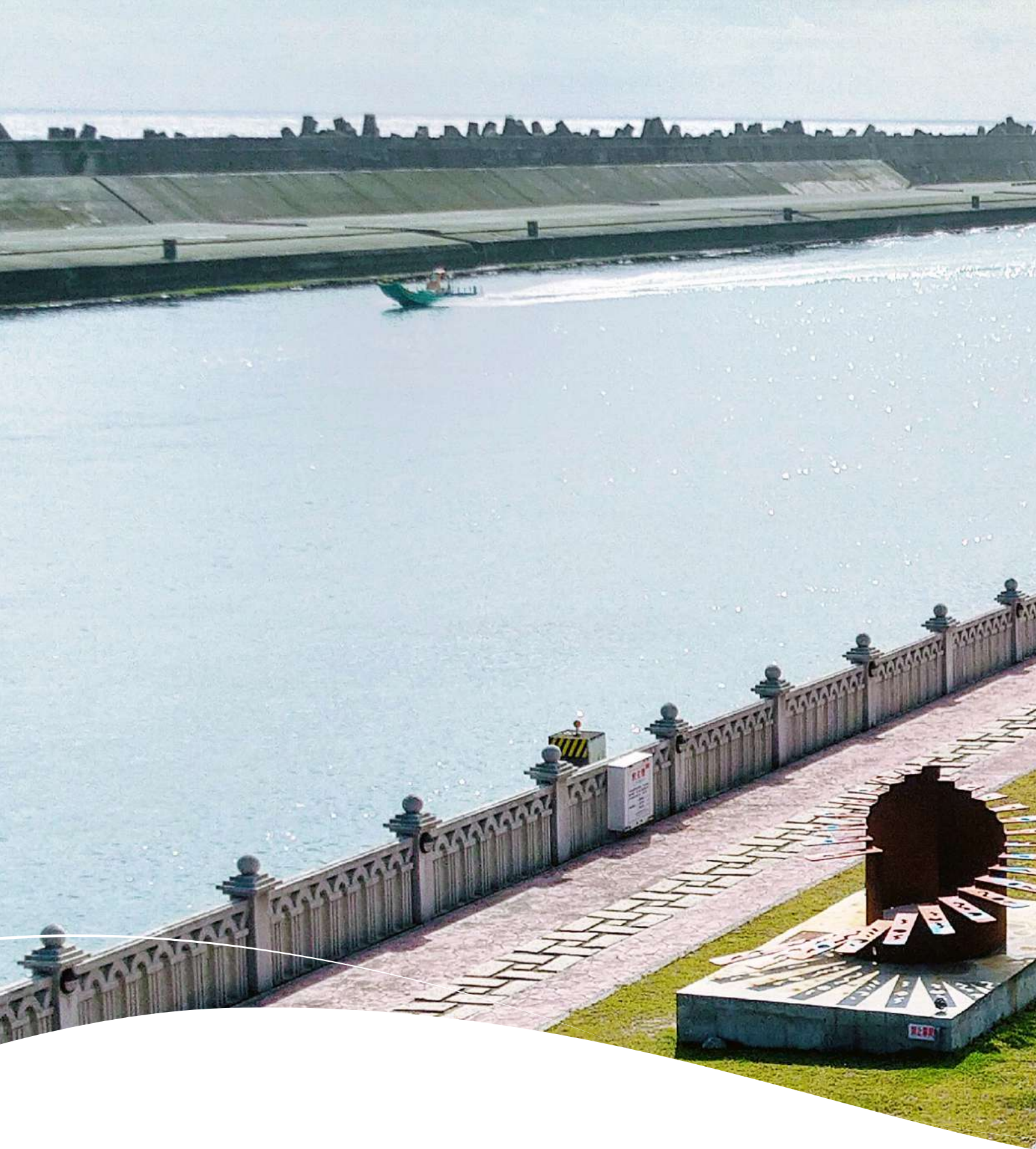
After the activities, a satisfaction survey was conducted, and the overall satisfaction rate reached 90%, indicating a high level of satisfaction with the event. Among the participating supervisors, 89% started to improve their physical fitness or increase their exercise frequency before the event. Additionally, 99% of the participants believed that through this activity, they gained a deeper understanding of Taiwan's mountains and forests, as well as a stronger identification with the concepts of "leave no trace" and "sustainable environment." Through this event, supervisors deeply felt the emotional cohesion and mutual support among colleagues and experienced the cultural value of "mutual benefit" in the company.



Health Promotion Activities

To assist employees in cultivating healthy lifestyle habits and encourage them to make good use of their time to engage in physical activities, our company organized the Fit and Healthy Promotion Campaign in 2022. A total of 740 people participated in the campaign, which took place from June 1 to November 30, 2022. During the campaign, participants collectively burned a total of 26,500,370 kilocalories, recorded through a mobile app. On average, each participant burned 196 kilocalories per day.

TIPC recognize the importance of "from the society and for the society". In the future, we will continue to advocate for DEI (Diversity, Equity, and Inclusion) and fulfill our corporate social responsibility through community engagement. We aim to spread the love of TIPC to every corner of society, create a diverse and inclusive workplace culture, and provide every employee with a sense of security, belonging, and happiness. By fostering open communication and promoting collaboration among employees, we aim to unleash their unlimited potential. We want our employees to fully devote themselves to their work with confidence and peace of mind, maximize their abilities, and generate the greatest productivity, as we strive together towards mutual success.



6

SOCIAL INTERACTION & EDUCATION FOR THE COMMON GOOD

6.1 PUBLIC WELFARE SUBSIDY	163
6.2 ECOLOGICAL CONSERVATION	166
6.3 WATERFRONT TOURISM AND ART HARBOR	172
SPECIAL ISSUE: 720 FAMINE EVENT	174
SPECIAL ISSUE: PROMOTING ENVIRONMENTAL EDUCATION	176



| 4 Times of wild bird ecological surveys | 119 public welfare activities were held | Donation to 173 Units |

| Estimated annual carbon reduction of about 11,203.2 Metric Tons for green belt of ports |

| More than 1,000 People enrolled in the 100K-Port & the New Wave (Penglai Arts and Culture Party) series |

| Port of Taichung Environmental Education Center certified as the first environmental education place of ports |

Material Topic : Local communities

Major Causes

- To fulfill community care and enhance local value, we are committed to corporate social responsibility and integrated into the local community. We strive to revitalize local sentiments by continuously spreading warmth and love to every corner of society, without any time difference. We are actively promoting goals such as environmental protection, corporate sustainability, social welfare, and maritime cultural heritage. We adhere to the concept of "from the society and for the society" to convey our love and ensure that the love of the company reaches every vulnerable individual in need.
- Potential positive impact regarding the economic and human aspects (including human rights).

Policy / Strategies

- The Company aims to achieve the policy goal of sustainable development by promoting harmonious development between the company, society, local communities, and the environment.

Management Evaluation

- Public welfare activity performance is included in the annual KPI evaluation mechanism, which involves reviewing the number and effectiveness of public welfare activities on a rolling basis.

Performance and Adjustment

- A total of 119 public welfare activities were organized.
- A total of 173 units of assistance (donation) provided to private organizations.

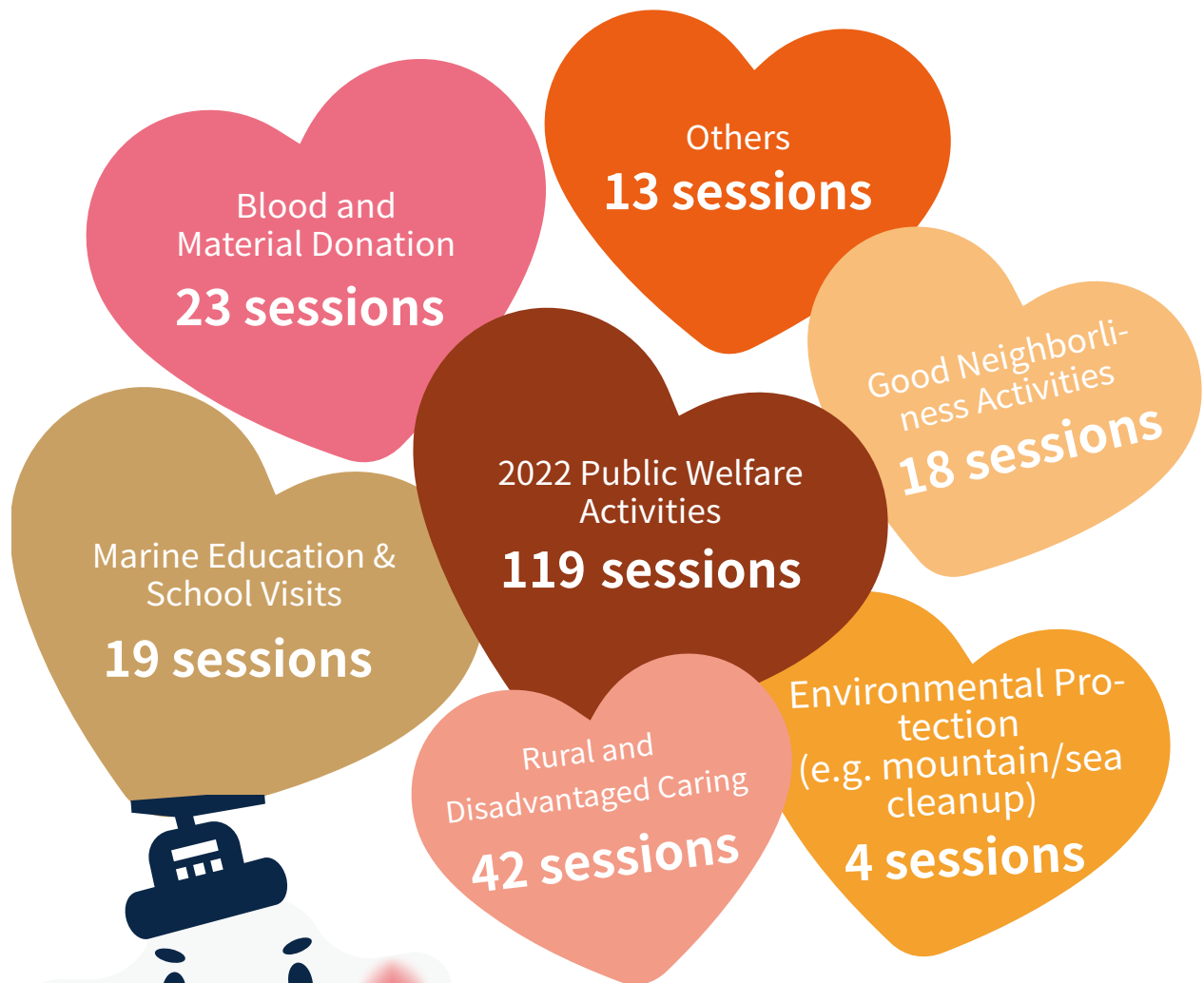
Preventive or Remedial Measures

- If there are issues or insufficient resources in implementing the public welfare activities, it may be necessary to revise the plans and adjust the action steps, timelines, budgets, and other aspects. Collaborating with other organizations can also be considered to enhance promotion and outreach efforts, ensuring better achievement of the goals.
- Appeal Channel: Opinion mailbox (Global Info Net/Web Services/ Opinion Mailbox)



6.1 Public Welfare Subsidy

Since its establishment, TIPC has been actively involved in public welfare activities and committed to corporate social responsibility. In addition to ongoing donations of daily necessities and other charitable activities, the Company has also organized numerous volunteer service events. In 2022, Taiwan continued to be affected by the COVID-19 pandemic, and vulnerable groups faced even greater challenges. The social atmosphere was heavy with a sense of difficulty. In response, TIPC had stepped forward, hoping to uplift the spirit of the community through warm care and the companionship of port volunteers. They aimed to boost the morale in the face of adversity and assist those in need to overcome the difficulties together with the love and support from TIPC, amidst the battle against the pandemic.



Environmental Protection

- 1.Planting Trees Together, Cherish the Earth
- 2.Salute To The Sea, Towards a Clean Port



Marine Education and School Visits

3. I am King of the Sea & Port Experience
- 4.Beibin Primary School Cross-disciplinary Ocean Experience Program



Rural and Underprivileged Care

5. Port Welfare Pudu, Bringing Warmth to People
- 6.One-Day Volunteer Charity Event



Good Neighborliness Activities

7. Wu-Nan Elementary School "Commendation for Exemplary Children and Environmental Flea Market, along with TIPC Port of Taichung's Love Spreading Event"
- 8.Good Port Life Festival

In 2022, TIPC provided assistance (donation) to private organizations under the Good Neighborliness program. The assistance was granted to local activities of residents in the surrounding areas (townships, towns, districts) under the jurisdiction of the company or its subsidiary ports. It also included support for legally established unions, fishery associations, trade associations, sports clubs, or educational, cultural, and social welfare organizations with charitable projects approved by the competent authorities. In total, assistance was provided to 173 units, amounting to a total of NTD 2,757,380.

Blood and Material Donation

9. Happy Blood Donation Day

10. "Enthusiastic TIPC Workers. Inviting You to Spread Love" Used Clothing Collection Campaign



- 11. "Warm Voices Accompany Your Happiness" Public Welfare Flash Mob Event
- 12. Parent-Child DIY Clothing Creation
- 13. Hualien "Fenglin Township - Marine Education Promotion Activities"
- 14. Harbor City Lantern Festival, reminiscing the Yaguchi Lanterns
- 15. Shalu's Jade Emperor Winter Charity for Social Welfare and Port Advocacy
- 16. Marine Ecological Conservation Activities







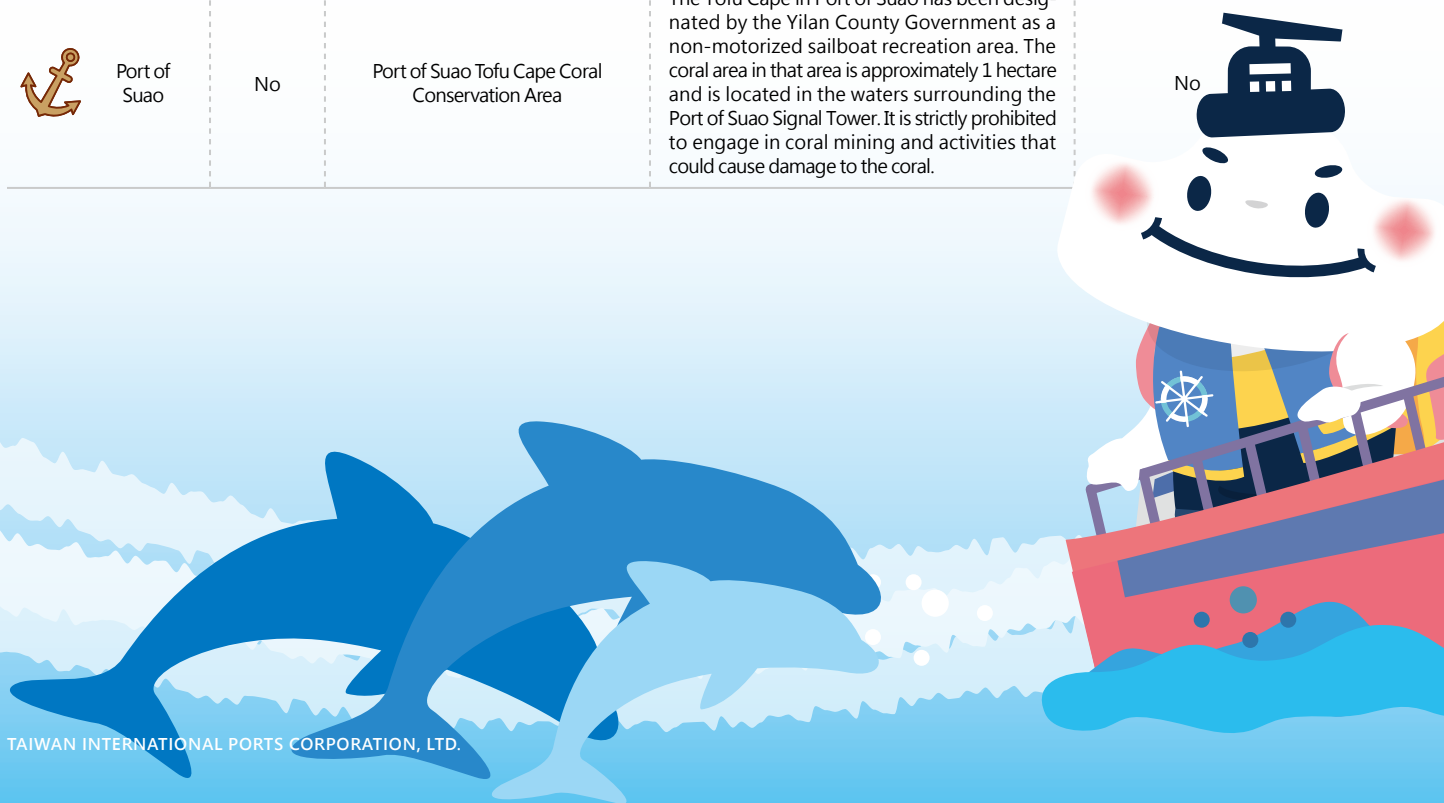
6.2 Ecological Conservation

While constructing and managing various ports, TIPC places great emphasis on marine and terrestrial ecological conservation. In addition to annual beach nourishment and protection efforts, ecological engineering methods are incorporated into coastal projects. For example, Port of Anping's Yuguang Island beach is protected through artificial nourishment and dual-arm breakwaters, which help prevent beach erosion. The approximately 300-meter-long ecological sub-reef created between the dual-arm breakwaters promotes algal growth and creates habitats for marine organisms. In terms of terrestrial conservation, TIPC completed the planting of a total of 106,782 trees in 2022, including 21,875 trees of tall species and 84,907 shrubs. As of 2022, the total afforested area of the port group is approximately 748 hectares, equivalent to 28.8 Daan Forest Parks. The estimated annual carbon reduction is about 11,203.2 metric tons. Regular tree pruning and weed control activities are also carried out to maintain a green and beautified environment within the port area.

Note : Daan Forest Park absorbs approximately 389 metric tons of CO₂ annually.

Source : https://ghgregistry.epa.gov.tw/Information/Information_Infor.aspx?r_id=1748

Areas located in, adjacent to, or encompassing protected areas		Name	Actions related to ecological conservation.	Protecting species on the IUCN Red List
 Port of Taichung	Yes	Important habitats for the Indo-Pacific Humpback Dolphin in the wild	Conducting environmental impact assessment and development permit applications, commissioning professionals to assist in conducting ecological and environmental surveys of the Indo-Pacific Humpback Dolphin population in the waters of Port of Taichung, and developing conservation plans. Additionally, coordinating with the expansion project's environmental impact assessment to formulate relevant conservation measures for the dolphin.	Indo-Pacific Humpback Dolphin
 Port of Kaohsiung	No	Nansing Wild Bird Reserve	Nansing Project Area preserves the windbreak forests and surrounding green spaces that serve as important stopover sites for migratory birds. The area is landscaped using native species, and measures such as setting up green buffer zones and restricting vehicle speeds are implemented to protect the area and its wildlife.	No
 Port of Taipei	Yes	Port of Taipei North Breakwater Wetland (located near Port of Taipei).	The wetland covers an area of 357 hectares and is classified as a coastal natural wetland and a designated coastal protection area under legal status.	No
 Port of Suao	No	Port of Suao Tofu Cape Coral Conservation Area	The Tofu Cape in Port of Suao has been designated by the Yilan County Government as a non-motorized sailboat recreation area. The coral area in that area is approximately 1 hectare and is located in the waters surrounding the Port of Suao Signal Tower. It is strictly prohibited to engage in coral mining and activities that could cause damage to the coral.	No

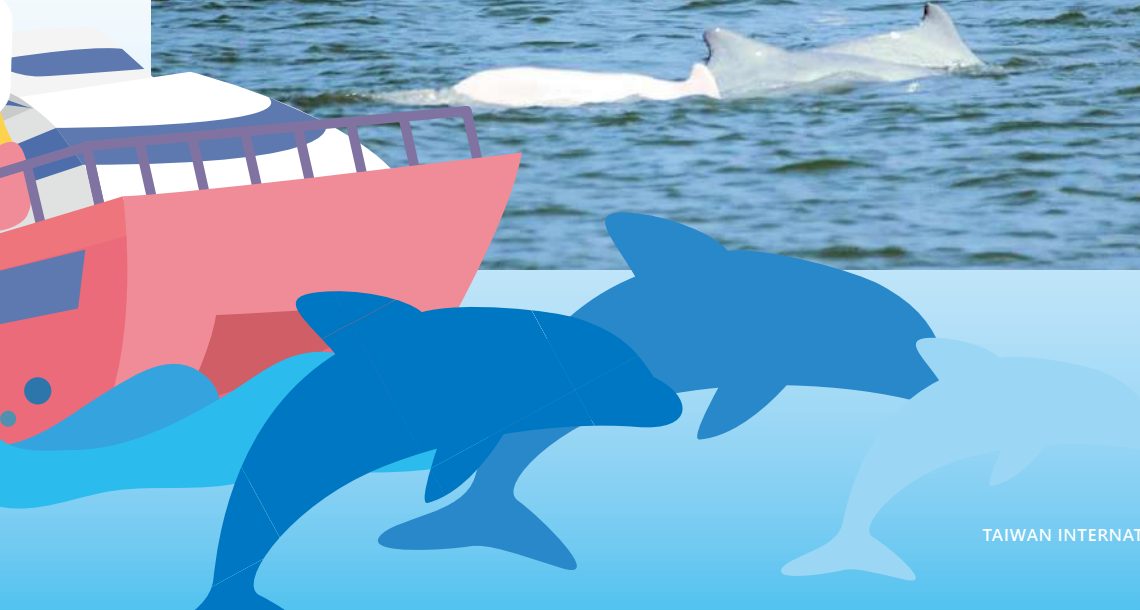


Dolphin Conservation

To continue the goal of maintaining high-quality ports and green harbor development, TIPC has been conducting ongoing ecological and environmental surveys and conservation planning for the Indo-Pacific Humpback Dolphin population from 2018 to 2022. The National Taiwan Ocean University and National Taiwan University have been commissioned to conduct observations of Indo-Pacific Humpback Dolphin in the sea and on land, as well as to investigate their feeding habits and conduct underwater acoustic surveys. The surveys have revealed that Port of Taichung is a transit area for the dolphins, with the dolphins exhibiting foraging behaviors in areas with favorable environmental conditions and prey availability near river mouths. The survey data also indicate that the waters south of Dadu River estuary, including the measurement lines, have higher prey abundance for the dolphins. Based on acoustic monitoring analysis, it is inferred that the waters south of Port of Taichung are foraging areas for the dolphins. According to the 2021 database of the Ocean Affairs Council, there were 67 recorded dolphins, which increased to 69 in 2022.

The area near Port of Taichung overlaps with the "Categories and Ranges of Important Habitat for Indo-Pacific Humpback Dolphins in the Wild" announced by the Ocean Affairs Council on September 1, 2020. By overlaying the important habitat for Indo-Pacific Humpback Dolphins, the area from the north breakwater to the outer sea of the southern reclamation area covers an area of approximately 23 square kilometers. Currently, the expansion plan for the outer port area of Port of Taichung (Phase 1) has undergone Environmental Impact Assessment in accordance with Article 8, Paragraph 1 of the Wildlife Conservation Act, and the subsequent development and utilization activities will be handled in accordance with Article 8, Paragraph 2. Specific conservation measures for the dolphins will be formulated. This includes the measures for the construction phase, such as careful selection of suitable piling equipment and methods at the appropriate berth and the installation of pollution prevention facilities and air curtains that are commercially available and suitable for the site. During the piling construction period at the unloading terminal, marine and land observations will be conducted within a 750-meter radius from the piling location. One monitoring vessel with two Taiwan Cetacean Observer (TCO) members will be stationed in the sea surveillance area, and one TCO member will be stationed in the land observation area on the south side. An underwater noise monitoring station will be established in the 750-meter sea area around the piling location. Conservation measures include selecting suitable locations outside the project area for releasing fish fry to increase food sources for the dolphins, designing ecological seawalls with rough and grooved surfaces or step-like designs for certain sections of the outer breakwater, placing eco-blocks for biofouling protection on the outer breakwater foundation, regulating the speed of entering vessels, conducting Indo-Pacific Humpback dolphin-related research and surveys, and allocating budget funds to support the promotion of white dolphin conservation efforts.

During the operation phase, emergency response measures for marine pollution will be implemented in accordance with the "Marine Pollution Emergency Response Plan" to prevent, eliminate, or minimize the impact of pollution. Control and management of ship discharges, such as sewage and waste oil, will be strengthened. Video cameras or underwater acoustic monitoring facilities will be installed at the head of the outer breakwater. In the event of dolphins mistakenly entering the port area, relevant authorities will be notified according to the established procedures to assist in handling the situation. Conservation measures include harbor environmental management and monitoring to enhance the competitiveness and efficiency of the port. Budget funds will be allocated to support the promotion of Indo-Pacific Humpback Dolphin conservation efforts.



Nansing Wild Bird Reserve

The "South Star Free Trade Zone" is one of the most important stopover habitats for migratory birds in Kaohsiung. During the implementation of the first phase of the South Star land development project by TIPC, the management center of the project area was relocated to the south, and measures such as a 20-meter isolation green belt and speed restrictions for vehicles were implemented to mitigate the impact of development on bird habitats, preserving a total of 10 hectares of bird habitats.

In 2022, four ecological surveys were conducted, which recorded mainly common resident birds such as House Swift, Cattle Egret, Little Egret, Black-crowned Night Heron, Little Ringed Plover, Common Sandpiper, Common Kestrel, Spotted Dove, Kingfisher, Red-Collared Dove, Common Moorhen, Yellow-bellied Prinia, Plain Prinia, , Magpie, Grey Treepie, Indian silverbill, Scaly-Breasted Munia, Striated Swallow, Barn Swallow, Pacific Swallow, Black-Naped Monarch, Taiwan Barbet, and Gray-headed Pigmy Woodpecker. There were also a few wintering/transit birds such as Barn Swallows and Daurian Redstart. Among them, there are three species of precious and rare conservation birds (PII level): Crested Goshawk, Black Kite, and Common Kestrel, as well as two other birds that should be conserved (PIII level): Brown shrike and Oriental Pratincole.



▲ Red-bellied thrush



▲ Brown Shrike



▲ Magpies



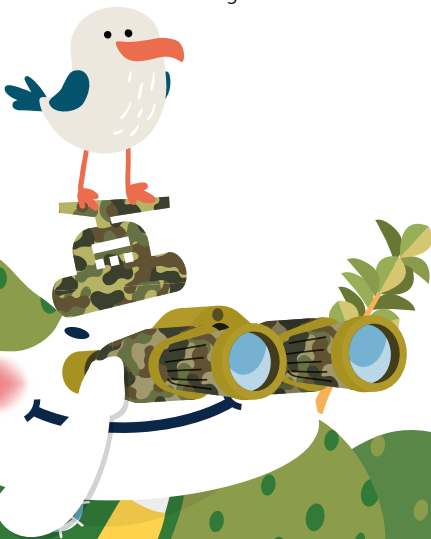
▲ Cattle Egret



▲ Black-crowned Night Heron



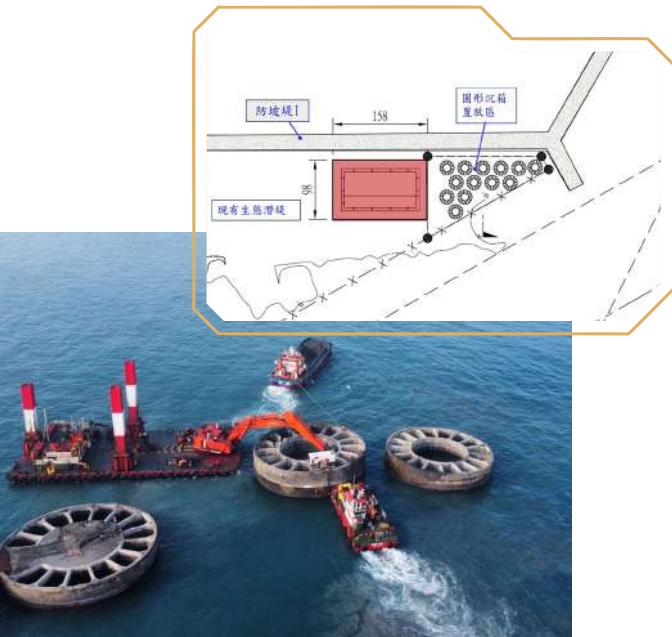
▲ Common moorhen



▲ Black-naped Blue Monarch



▲ Indian Silverbill



Ecological Submerged Breakwater

Thirteen circular sunken caissons at the second port of Port of Kaohsiung are being dismantled. These caissons were built in 1975 and have been in use for over 46 years. Each caisson weighs 5,000 metric tons and was originally designed to facilitate the safe entry and exit of large container ships from the port. The plan is to remove and process the caissons. The resulting concrete debris and boulders will be prioritized for reuse in the construction of anchor box foundations and slope protection stones for the pressure relief chamber of the project. Through multiple discussions and collaborations between the Port of Kaohsiung and an excellent construction technical team, various technical challenges in underwater construction have been overcome. On January 29, 2022, the re-excavation, cleaning, and refloating operations were successfully completed. The circular caissons, for the first time in Taiwan's harbor breakwater engineering, are being reused and placed in suitable areas within the Kaohsiung Port area with relatively minor stability changes. They will be used as ecological submerged dikes to increase ecological porosity, enhance ecological diversity in the harbor area, and serve as ecological compensation. The aim is to create a green port model that promotes an environmentally friendly environment.

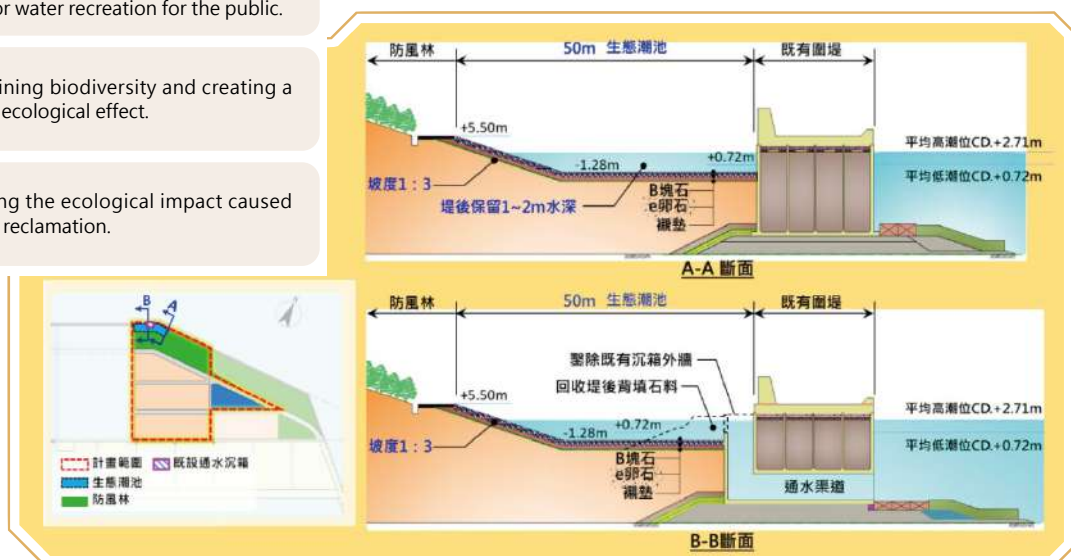
Ecological Tidal Pool

Since 2017, the Port of Keelung has been implementing land reclamation projects in the first phase of the 48-hectare Port of Taipei Logistics and Warehousing Zone. Along the outer dike of the area, a 200-meter-wide green belt has been established, with a 150-meter-wide windbreak forest covering an area of approximately 19 hectares. In the subsequent phases of the land reclamation project, a similar 200-meter-wide green belt will be set up along the outer dike. In addition to the 150-meter-wide windbreak forest, ecological tidal pools will be introduced (expected to be completed by 2025) to enhance ecological diversity.

The ecological tidal pools in the Port of Taipei Logistics and Warehousing Zone will be formed naturally within the windbreak forest area without any artificial stocking. Four outlets will be created in the surrounding dike caissons to facilitate seawater exchange. The design of the tidal pools considers the average daily tidal difference of approximately 2 meters in the Taipei Port area. During high tide, organisms will stay or forage in the tidal pools, and during low tide, they will remain within the pools, creating a diverse ecological effect and utilizing the seawater conditions to create a habitat for marine species. The relationship between the marine environment and the structures will be utilized to create a suitable living environment for marine organisms, thereby attracting marine species to the ecological tidal pools.

Effectiveness/benefits

- 1 Creating harmonious coexistence with marine ecology and providing opportunities for water recreation for the public.
- 2 Maintaining biodiversity and creating a diverse ecological effect.
- 3 Reducing the ecological impact caused by land reclamation.



Windbreak Forest

From 2020 to 2024, there is a reforestation project in collaboration with Tse-Xin Organic Agriculture Foundation at Port of Taichung Protection Forest in Taiwan. The project involves planting various tree species such as coastal she-oak (*Casuarina equisetifolia*), sea hibiscus (*Hibiscus tiliaceus*), Chinese tamarisk (*Tamarix chinensis*), and beach cabbage (*Scaevola taccada*), totaling 35,000 trees with an approximate area of 20.7 hectares. As for TIPC, in 2022, a total of 106,782 trees were planted (21,875 trees as tall trees and 84,907 trees as shrubs). As of 2022, the total area of green belts reached 748 hectares, accounting for approximately 12% of the total port area. This is equivalent to about 28.8 Daan Forest Parks. The estimated annual carbon reduction from these efforts is about 11,203.2 metric tons.

Note : Daan Forest Park absorbs approximately 389 metric tons of CO₂ annually.

Source : https://ghgregistry.epa.gov.tw/Information/Information_Infor.aspx?r_id=1748

Planting Species

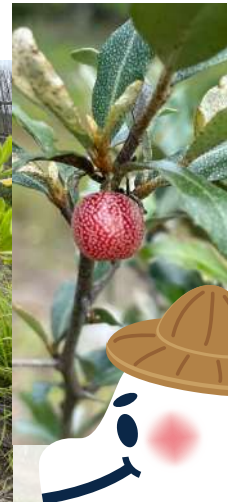
▼ Sea Mango



▼ Chinaberry



▼ Elaeagnus oldhamii



▲ Pongame oiltree



▲ Sea Hibiscus



▲ Beach Cabbage



Port of Anping Mangrove Forest

The mangrove forest, including the Port of Anping mangrove forest, serves multiple functions such as windbreak, embankment protection, pollution purification, ecological conservation, academic education, and economic benefits. Since 1988, TIPC has been planning and implementing the mangrove conservation area, carrying out ecological transplantation and restoration projects. As a result, it has become the most comprehensive restoration area for mangroves in Taiwan.

▲ Port of Anping Mangrove Forest



Ecological Assessment and Promotion for Engineering Projects

In 2022, TIPC organized the 2022 Quality Improvement and Public Works Ecological Assessment Seminar, which lasted for a total of 7 hours. The seminar invited professional speakers to deliver lectures on topics such as "Analysis of Common Construction Deficiencies", "Review Practices for Supervision Plans", "Development, Key Points, Implementation Status, and Future Directions of Ecological Assessments," "Common Ecological Issues in Engineering Projects," and "Case Studies on Ecological Assessment Practices." The participants of the seminar included personnel responsible for engineering projects from the TIPC headquarters and various branch offices, including those involved in occupational safety and related tasks, with a total of approximately 40 attendees.



▲ Teaching situation and presentation gifts

Surrounding Environment Conservation

Before commencing construction on our projects, the Company takes the initiative to understand the local culture and residents' habits, and assesses the surrounding environment to establish a good neighborliness policy. We review the project plans and evaluate whether an environmental impact assessment is necessary. For each project, we implement site management and conduct relevant outreach activities. We periodically carry out sediment removal in the nearby community drains and perform voluntary watering and cleaning operations around the construction site roads on a weekly basis to maintain cleanliness in the vicinity of the construction area. In 2022, all projects were subject to pre-construction briefings and occupational safety and health discussions as required. Additionally, no new projects requiring environmental impact assessments were initiated.

Water spraying operations on roads around the construction site



▲ Port of Taipei



▲ Port of Taichung

Performing cleaning operations on roads around the construction site



▲ Port of Kaohsiung

6.3 Waterfront Tourism and Art Harbor

In response to the recent development opportunities in waterfront tourism, efforts have been made to promote the development of the tourism industry, optimize travel and customs facilities, and learn from successful international port experiences in waterfront development. Collaboration with local government tourism development plans, nearby tourist attractions, and local industries has been sought to promote the development of port waterfront tourism. Subsequently, depending on the Commercial Port Law, investment construction or land leasing for development rights are adopted for investment solicitation. The selection of investment models is based on market demand, development scale, operational duration, and other conditions.

1.Strengthen transportation facilities

The east and west coasts of Port of Keelung have completed expansion and renovation, significantly improving customs clearance efficiency. The Port of Kaohsiung Passenger and Freight Transport Center has obtained licenses for educational and operational purposes and started serving passenger transportation in March 2023. Port of Suao conducted a new construction project for the passenger clearance station in the 2022 fiscal year, with an expected completion date before the end of August 2023.

2.Waterfront tourism business development and art presentation

Port of Keelung

In 2022, Port of Keelung continued to implement the overall development plan for cruise tourism on the West and East sides. This included the construction and commercial development of West 2-3 Cruise Terminal, West 4-6 Mixed-Use Commercial Building, and East 3-4 Cruise Terminal. Among them, the first floor of West 2-3 Cruise Terminal serves as a cultural and creative business district, which was completed in April 2022, in which the leasing process will be conducted in 2023. The East 3-4 passenger service facilities and parking lot were successfully leased and handed over to operators in June 2022, and are expected to open in the first half of 2023.



Port of Taichung

The development of the tourism and recreational commercial zone in Port of Taichung focuses on the Mitsui Outlet Park, which is invested and constructed by Mitsui Group from Japan. The plan includes designating the northwest side #20A and #20B piers as yacht piers. The relevant investment operations were carried out in June 2022 and will continue in 2023. In addition, land along Zhonger Road is being developed through investment and commercial activities. It is expected to connect with attractions along the route such as Wuchi Fishing Port, Marine Ecology Museum, and Sustainable Green Energy Museum, thereby enhancing the land development value.



Port of Hualien

In order to facilitate the establishment of the Marine Resources Museum in Port of Hualien and promote the co-construction of surrounding industrial corridors and the development of water-based tourism, TIPC signed a memorandum of cooperation with the Hualien County Government in March 2022 to jointly promote the revitalization of land in the Port of Hualien area. In November 2022, the #14 Pier in Port of Hualien was completed, providing facilities for whale watching and embarkation/disembarkation of yacht passengers. The renovation project for the passenger clearance area of the #14 Warehouse is scheduled to be completed in November 2023. In the future, it will accommodate whale-watching boats, yachts, and exploratory cruises, connecting the nearby #1 to #4 warehouses' waterfront recreational area, and driving the development of local tourism industry.



Port of Kaohsiung

- The Kaohsiung Harbor Museum reopened in September 2021. In 2022, it was utilized as a link to public art installations and tourist attractions around Port of Kaohsiung. Various events like "100K-Port & the New Wave-Penglai Arts and Culture Party", "TIPC's 10th Anniversary Exhibition" and "Entering the Great Port Exhibition" Connecting various tourist hotspots nearby such as the Warehouse No.2, Water Park, and Great Harbor Bridge, revitalize the tourism in the Penglai Commercial Port area. Taking the Penglai Art and Cultural Party series as an example, the themes covered port history, architectural space, art creation, and historical site preservation. It invited interdisciplinary creators, historians, and the general public to participate and exchange ideas, attracting more than 1,000 participants.
- The Love River Bay Yacht Pier Zone A in Port of Kaohsiung was successfully leased in December 2021, and the construction was completed in December 2022. It provides 87 yacht berths and as for Zone B, the leasing process will be carried out in accordance with the overall assessment and progress of the Kaohsiung City Government's operations.
- "Echo Across the Harbor" is located in the Penglai Commercial Port area of Port of Kaohsiung. It was awarded to studio HOU x LIN through an open selection process. The project includes a 23-meter deep pile foundation, steel structure, yacht-building techniques for constructing the framework, 38 music bronze bells, landscape design, and international promotion. The aim is to recreate the glory of the Age of Discovery from 400 years ago. It houses a collection of 72 musical compositions, and through automated electronic scheduling, it performs and chimes every hour. Visitors can also play the electronic organ on-site. Additionally, before the rotation of the Great Harbor Bridge, the classic song "Happy Sailing" is played, accompanied by the sound of the swinging bells, creating a far-reaching sound landscape for the harbor.
- The optimization and renovation project of the existing warehouses in the Penglai Port area of Kaohsiung is divided into Phase 1 and Phase 2. In line with the overall land development needs, the "Optimization and Renovation Project of Existing Warehouses" is carried out. Through roof renovation and functional improvement, the original function of temporary storage for goods stacking is updated to be used for commercial space operation, achieving asset activation and utilization benefits. The "Kaohsiung Port Depot 410" shopping mall (Warehouses 7-10, a total of 4 warehouses) was completed at the end of January 2022. The Phase 2 project, which involves the roof renovation of 10 warehouses, commenced on May 10, 2022, and is expected to be completed in the second half of 2023. It will connect the Great Harbor Bridge, Warehouse No.2, Pier2 Art Center, and Kaohsiung Music Center, forming a leisure, recreational, and tourism corridor in the Kaohsiung Asia New Bay Area.



Port of Anping

- The Port of Anping Yacht Terminal in Tainan has completed the first and second phases of yacht berths in June 2021. In the year 2022, the related projects and constructions are continued, aiming to complete the Villa area construction by Sep 2023. The third phase, which includes the construction of a resort hotel and 87 additional berths, and the fourth phase, which involves the construction of apartment-style hotels and commercial buildings, are expected to be completed by 2026.
- The waterfront mixed-use tourism and recreational area development project in the Anping area has completed its investment and development plan in August 2021, in which the project is planned to be implemented in five phases. The environmental impact assessment process is scheduled to commence in 2022. After obtaining the necessary approvals, the project will be carried out in stages, with completion expected between 2027 and 2031. The goal is to create the largest waterfront integrated resort city in Taiwan.





SPECIAL ISSUE

720 Famine Event

On July 20, 2022, TIPC, led by Chairman Li Hsien-Yi and President Chen Shao-liang, personally organized a one-day famine event for all 454 employees. They also responded to World Vision's Hunger Relief fundraising campaign by donating 2,000 portions of one-day's food. The goal was to raise awareness and support for hunger relief efforts in society and promote the concept of humanitarian aid and care for children worldwide.

The one-day famine event not only helped reduce carbon emissions by 28.8 metric tons, equivalent to the carbon sequestration of 2,880 trees in a year, achieving the United Nations' SDGs 13 of "Climate Action," but also supported a vulnerable child in overcoming nearly six years of hunger, contributing to SDG 2 of "Zero Hunger."



In the face of the impact of the pandemic, vulnerable families need support from all sectors. TIPC, fulfilling its corporate social responsibility, demonstrated the concept of "putting yourself in the place of another". All employees enthusiastically participated in the event despite their busy schedules, persistently completing the one-day famine event, and showcasing the company's tradition of willingness and dedication to public welfare.

In the future, TIPC will continue to uphold its commitment to public welfare and strive to exert a positive influence, inspiring more people to care for and support vulnerable individuals in society, ensuring that those in greatest need receive the assistance they require.

SPECIAL ISSUE

Promoting Environmental Education

International ports have been increasingly focusing on sustainable development in recent years. In addition to basic pollution prevention measures, they have been reducing their adverse impact on the environment and ecosystems through management, construction, and regulatory requirements. In response to the global trends of green ports and ecological harbors, TIPC has been promoting the Ecoports certification since 2014. By 2017, all seven major international ports under its jurisdiction had obtained the Ecoports certification, demonstrating their commitment to continuously improving the environmental conditions in port areas and practicing the concept of green ports.



Furthermore, in line with the Environmental Education Act, TIPC has delved into understanding the ecological resources of Taichung Port and its surrounding areas. They conduct regular ecological surveys of the port area every six months and integrate the abundant natural ecology, cultural history, and environmental technology of Taichung Port to implement environmental education initiatives. These efforts aim to deepen public understanding of port facilities, renewable energy, and marine environments, and garner greater support for energy conservation, carbon reduction, and environmental protection. The company also incorporates environmental education into port operations, adhering to the principles of "green ports, coexistence with ecology, technology for pollution prevention, and sustainable resources." This helps raise environmental awareness among the public and port stakeholders, encouraging them to incorporate environmentally friendly practices into their daily lives, thereby achieving sustainable environmental development.

Environmental Education Activities

Date	Program	Participants	Total number of people
2022/10/04	Stories of Taichung Port	Taichung City Heping District Tbulan Elementary School	35
2022/11/11	Stories of Taichung Port	Taichung Municipal Long-Jin Senior High School	32
2022/12/02	Stories of Taichung Port	Taichung City Employment Services Office	17
2023/01/09	Stories of Taichung Port	Washington High School	20
2023/02/24	Stories of Taichung Port	Hydraulic Engineering Office, Public Works Department, Taipei City Government	30
2023/03/17	The Wonders of Green Port	Taichung City Suu Chang Li Junior High School	33
Total			167

After more than a year of dedicated efforts, Port of Taichung, TIPC officially obtained the certification for the "Port of Taichung Environmental Education Center" facility on June 15, 2022, approved by the Environmental Protection Administration of the Executive Yuan. It became the first international port in Taiwan to apply for certification as an environmental education facility. Based on the unique characteristics of Taichung Port and the different target groups, three sets of environmental education courses were developed: "Stories of Taichung Port" for elementary school students (grades 5-6), "The Wonders of Green Port" for junior high school students, and

"Unveiling Offshore Wind Power" for college students. The course content covers Taichung Port's cultural history, ecological harbor development, and offshore wind power industry. The company also recruits and trains volunteers to deliver professional explanations of the environmental education courses, ensuring a comprehensive documentation of Taichung Port's past, present, and future. The courses are designed to make learning about environmentally friendly concepts enjoyable for participants. As of March 2023, a total of six environmental education activities have been organized.



▲ Taichung Port Environmental Education Center Inauguration Ceremony



Taichung Municipal Long-Jin Senior High School ►





Appendices

APPENDIX I: GRI SUSTAINABILITY REPORTING STANDARDS (GRI STANDARDS) CONTENT INDEX	180
APPENDIX II: SUSTAINABLE DEVELOPMENT GOALS (SDGS) CONTENT INDEX	186
APPENDIX III: SASB SUSTAINABILITY ACCOUNTING STANDARD CONTENT INDEX	187
APPENDIX IV: RECOMMENDATIONS OF THE TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) CONTENT INDEX	188
APPENDIX V: DISCLOSURE OF CLIMATE-RELATED INFORMATION BY TWSE AND TPEX LISTED COMPANIES CONTENT INDEX	189
APPENDIX VI: EXTERNAL VERIFICATION STATEMENT	190

Appendix I: GRI Sustainability Reporting Standards (GRI Standards) Content Index

The following contents have been verified by SOCIETE GENERALE DE SURVEILLANCE S.A. (SGS), a third-party impartial organization, and the results of the verification are shown in the warranty statement in Appendix 6.

[*] Material Topics [●] External Assurance

Statement of Use	This Report has been prepared in accordance with the GRI Sustainability Reporting Standards (GRI Standards) issued by the Global Sustainability Standards Board (GSSB), which will disclose the information from January 1, 2022 to December 31, 2022.
GRI 1 in use	GRI 1: Foundation 2021
Applicable GRI Industry Standards	N/A

Item	GRI Standards Disclosure	External Assurance	Corresponding Chapter	Page	Omissions/Remarks
GRI2: General Disclosures 2021					
The organization and its reporting practices					
2-1	Organizational details	●	1.1.1 Company Profile	18	
2-2	Entities included in the organization's sustainability reporting	●	About this Report	04	
2-3	Reporting period, frequency, and contact point	●	About this Report	04	
2-4	Restatements of information	●	About this Report	04	
2-5	External assurance	●	About this Report	04	
Activities and workers					
2-6	Activities, value chain and other business relationships	●	1.1.1 Company Profile	18	
2-7	Employees	●	5.1.2 Human Resource Structure	129	
2-8	Workers who are not employees	●	5.1.2 Human Resource Structure	129	
Governance					
2-9	Governance structure and composition	●	1.1.3 Sustainable Development Promotion Committee 2.1 Organizational Structure 2.2 Board of Directors Operations	22 57 58	
2-10	Nomination and selection of the highest governance body	●	2.2 Board of Directors Operations	58	
2-11	Chair of the highest governance body	●	2.2 Board of Directors Operations	58	
2-12	Role of the highest governance body in overseeing the management of impacts	●	2.2 Board of Directors Operations	58	
2-13	Delegation of responsibility for managing impacts	●	1.1.3 Sustainable Development Promotion Committee	22	

Item	GRI Standards Disclosure	External Assurance	Corresponding Chapter	Page	Omissions/Remarks
2-14	Role of the highest governance body in sustainability reporting	●	1.1.3 Sustainable Development Promotion Committee	22	
2-15	Conflicts of interest	●	2.2 Board of Directors Operations	58	
2-16	Communication of critical concerns	●	1.1.3 Sustainable Development Promotion Committee	22	
2-17	Collective knowledge of the highest governance body	●	2.2 Board of Directors Operations	58	
2-18	Evaluation of the performance of the highest governance body	●	2.2 Board of Directors Operations	58	
2-19	Remuneration policies	●	2.2 Board of Directors Operations 5.2.2 Salary, Benefits and Retirement System	58 144	
2-20	Process to determine remuneration	●	2.2 Board of Directors Operations 5.2.2 Salary, Benefits and Retirement System	58 144	
2-21	Annual total compensation ratio	●	5.2.2 Salary, Benefits and Retirement System	144	
Strategy, policies and practices					
2-22	Statement on sustainable development strategy	●	Message from Chairman	06	
2-23	Policy commitments	●	1.2 Direction of Corporate Sustainability	24	
2-24	Embedding policy commitments	●	1.2 Direction of Corporate Sustainability	24	
2-25	Processes to remediate negative Impacts	●	2.3 Ethics and Integrity 5.2.1 Communication and Diversity Inclusion	72 141	
2-26	Mechanisms for seeking advice and raising concerns	●	2.3.1 Regulatory Compliance 5.2.1 Communication and Diversity Inclusion	72 141	
2-27	Compliance with laws and regulations	●	2.3.1 Compliance with laws and regulations	72	
2-28	Membership associations	●	3.3.3 Participation in External Organizations and Associations	95	
Stakeholder engagement					
2-29	Approach to stakeholder engagement	●	1.3.2 Stakeholder Communication	28	
2-30	Collective bargaining agreements	●	5.2.1 Communication and Diversity Inclusion	141	
GRI 3: Material Topics 2021					
3-1	Process to determine material topics	●	1.4 Material Topic Identification and Management	32	
3-2	List of material topics	●	1.4.1 Arrangement of Material Topic	33	

Item	GRI Standards Disclosure		External Assurance	Corresponding Chapter	Page	Omissions/Remarks
Material Topics						
Topic-specific GRI Standards – 200 (EconomicTopics)						
*ECONOMIC PERFORMANCE						
GRI 3: Mate- rial Topics 2021	3-3	Management of material topics	●	Chapter 3 Port Operations: Leading the Future Chapter 4 Sustainable Symbiosis - Green Port	88 108	
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	●	3.3.1 Business Performance 3.3.2 Performance and Earnings	93 94	
*INDIRECT ECONOMIC IMPACTS						
GRI 3: Mate- rial Topics 2021	3-3	Management of material topics	●	Chapter 3 Port Operations: Leading the Future	88	
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	●	3.2 Investment in Infrastructure 6.1 Public Welfare Subsidy	92 163	
	302-3	Significant indirect economic im- pacts	●	3.2 Infrastructure Investment	92	
Topic-specific GRI Standards – 300 (Environmental Topics)						
*ENERGY						
GRI 3: Ma- terial Topics 2021	3-3	Management of material topics	●	Chapter 4 Sustainable Symbiosis - Green Port	108	
GRI 302: Energy 2016	302-1	Energy consumption within the organization	●	4.3.1 Energy Consumption	114	
	302-3	Energy intensity	●	4.3.1 Energy Consumption	114	
*EMISSIONS						
GRI 3: Ma- terial Topics 2021	3-3	Management of material topics	●	Chapter 4 Sustainable Symbiosis - Green Port	108	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	●	4.3.4 Greenhouse Gas and Air Pollution Emissions	117	
	305-2	Energy indirect (Scope 2) GHG emissions	●	4.3.4 Greenhouse Gas and Air Pollution Emissions	117	
	305-3	Other indirect (Scope 3) GHG emissions	●	4.3.4 Greenhouse Gas and Air Pollution Emissions	117	
	305-4	GHG emissions intensity	●	4.3.4 Greenhouse Gas and Air Pollution Emissions	117	

Item		GRI Standards Disclosure	External Assurance	Corresponding Chapter	Page	Omissions/ Remarks
Topic-specific GRI Standards – 400 (Social Topics)						
*LABOR-MANAGEMENT RELATIONS						
GRI 3: Material Topics 2021	3-3	Management of material topics		Chapter 5 Human Resources & Workplace Inclusion	126	
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes		5.1.2 Human Resource Structure	129	
*OCCUPATIONAL HEALTH AND SAFETY						
GRI 3: Material Topics 2021	3-3	Management of material topics		Chapter 5 Human Resources & Workplace Inclusion	126	
	403-1	Occupational health and safety management system		5.3.1 Occupational Safety and Health Management	147	
	403-2	Hazard identification, risk assessment, and incident investigation		5.3.2 Workplace Safety	149	
	403-3	Occupational health services		5.3.3 Employee Health Management	153	
	403-4	Worker participation, consultation, and communication on occupational health and safety		5.3.1 Occupational Safety and Health Management	147	
	403-5	Worker training on occupational health and safety		5.3.2 Workplace Safety	149	
	403-6	Promotion of worker health		5.3.3 Employee Health Management	153	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		5.3.2 Workplace Safety	149	
GRI 403: Occupational Health and Safety 2018	403-8	Workers covered by an occupational health and safety management system		5.3.1 Occupational Safety and Health Management	147	
	403-9	Work-related injuries		5.3.2 Workplace Safety	149	
	403-10	Work-related ill health		5.3.3 Employee Health Management	153	
*TRAINING AND EDUCATION						
GRI 3: Material Topics 2021	3-3	Management of material topics		Chapter 5 Human Resources & Workplace Inclusion	126	
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee		5.1.4 Employee Training and Development	136	
	404-2	Programs for upgrading employee skills and transition		5.1.4 Employee Training and Development	136	
	404-3	Percentage of employees receiving regular performance and career development reviews		5.2.2 Salary, Benefits and Retirement System	144	




Item		GRI Standards Disclosure	External Assurance	Corresponding Chapter	Page	Omissions/Remarks
*DIVERSITY AND EQUAL OPPORTUNITY						
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 5 Human Resources & Workplace Inclusion	126	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	●	5.1.2 Human Resource Structure	129	
	405-2	Ratio of basic salary and remuneration of women to men	●	5.2.2 Salary, Benefits and Retirement System	144	
*CUSTOMER HEALTH AND SAFETY						
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 2 Corporate Governance: Integrity and Prosperity	52	
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	●	2.7 Customer Service	82	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	●	4.1.2 Customer Port Emergency Response	112	
*CUSTOMER PRIVACY						
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 2 Corporate Governance: Integrity and Prosperity	52	
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	●	2.3 Ethics and Integrity	72	
Customized Material Topics						
*Information Security						
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 2 Corporate Governance: Integrity and Prosperity	52	
*Compliance with Laws and Regulations						
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 2 Corporate Governance: Integrity and Prosperity	52	
*Management of Customer Service						
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 2 Corporate Governance: Integrity and Prosperity	52	
*Occupational Integrity						
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 2 Corporate Governance: Integrity and Prosperity	52	
*Risk Management						
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 2 Corporate Governance: Integrity and Prosperity	52	

Item		GRI Standards Disclosure	External Assurance	Corresponding Chapter	Page	Omissions/ Remarks
*Smart Port						
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 3 Port Operations: Leading the Future	88	
* Business Model and innovation						
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 3 Port Operations: Leading the Future	88	
*Task Force on Climate-related Financial Disclosures						
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 4 Sustainable Symbiosis - Green Port	109	
*Employee Engagement						
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 5 Human Resources & Workplace Inclusion	126	

Appendix II: Sustainable Development Goals (SDGs) Content Index

Item	Goals	Details	Corresponding Chapter
Goal 1	End poverty in all its forms everywhere	1.4 Equal rights to ownership, basic services, technology and economic resources.	6.1 Public Welfare Subsidy
Goal 2	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	2.1 Universal access to safe and nutritious food.	Special issue :720 Famine Event
Goal 3	Ensure healthy lives and promote well-being for all at all ages	3.3 Fight communicable diseases. 3.4 Reduce mortality from non-communicable diseases and promote mental health 3.9 Reduce illnesses and death from hazardous chemicals and pollution.	Chapter 6 Social Interaction & Education for the Common Good
Goal 4	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	4.3 Equal access to affordable technical, vocational and higher education. 4.4 Increase the number of people with relevant skills for financial success.	5.1 Talent Recruitment
Goal 5	Achieve gender equality and empower all women and girls	5.1 End discrimination against women and girls 5.5 Ensure full participation in leadership and decision-making	2.2 Board of Directors Operations 5.1 Talent Recruitment
Goal 6	Ensure availability and sustainable management of water and sanitation for all	6.3 Improve water quality, wastewater treatment and safe reuse	4.3.2 Water Resources
Goal 7	Ensure access to affordable, reliable, sustainable and modern energy for all	7.2 Increase global percentage of renewable energy 7.3 Double the improvement in energy efficiency	Chapter 3 Port Operations: Leading the Future
Goal 8	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	8.3 Promote policies to support job creation and growing enterprises 8.5 Full employment and decent work with equal pay	5.1 Talent Recruitment
Goal 9	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	9.5 Enhance research and upgrade industrial technologies	3.2 Investment in Infrastructure
Goal 10	Reduce inequality within and among countries	10.2 Promote universal social, economic and political inclusion	5.1 Talent Recruitment
Goal 11	Make cities and human settlements inclusive, safe, resilient and sustainable	11.6 Reduce the environmental impact of cities	Chapter 4 Sustainable Symbiosis - Green Port
Goal 12	Ensure sustainable consumption and production patterns	12.5 Ensure sustainable consumption and production patterns	4.4 Circular Economy
Goal 13	Take urgent action to combat climate change and its impacts	13.1 Strengthen resilience and adaptive capacity to climate related disasters 13.3 Integrate climate change measures into policies and planning	Chapter 4 Sustainable Symbiosis - Green Port
Goal 14	Conserve and sustainably use the oceans, seas and marine resources for sustainable development	14.1 Reduce marine pollution 14.2 Protect and restore ecosystems	6.2 Ecological Conservation
Goal 15	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.	15.4 Ensure conservation of mountain ecosystems 15.5 Protect biodiversity and natural habitats	4.3.2 Water Resources
Goal 16	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.	16.5 Substantially reduce corruption and bribery 16.6 Develop effective, accountable and transparent institutions 16.7 Ensure responsive, inclusive and representative decision-making	6.2 Ecological Conservation
Goal 17	Strengthen the means of implementation and revitalize the global partnership for sustainable development	17.16 Enhance the global partnership for sustainable development 17.17 Encourage effective partnerships	2.4 Supply Chain Management

Appendix III: SASB Sustainability Accounting Standard Content Index

Topics	Code	Activity Metric(s)	Nature	Content of the Report/ Summary of Description
 Information Security	SV-PS-230a.1	Description of approach to identifying and addressing data security risks	Discussion and Analysis	The risk assessment and management procedures of Information security management system (ISMS) are used to regulate the Company's data operation process to control information security risks.
	SV-PS-230a.2	Description of policies and practices relating to collection, usage, and retention of customer information	Discussion and Analysis	The Company has "Personal Information Protection Management Guidelines" to regulate personal data measures.
	SV-PS-230a.3	(1) Number of data breaches (2) percentage involving customers' confidential business information (CBI) or personally identifiable information (PII) (3) number of customers affected	Quantitative	There were no verified incidents of information leakage, theft, or loss of customer information in 2022.
 Workforce Diversity and Engagement	SV-PS-330a.1	Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees	Quantitative	Ration of male to female for employees at the level of executive management is 69% and 31% ; Ration of male to female for all other employees is 59% and 41%.
	SV-PS-330a.2	(1) Voluntary and (2) Involuntary turnover rate for employees	Quantitative	Voluntary turnover rate for employees: 87% ; Involuntary turnover rate for employees: 13%.
	SV-PS-330a.3	Employee engagement (%)	Quantitative	The overall Employee Assistance Program service satisfaction rate is 95%. The average satisfaction level of the training courses is 95%. Short-term goal: Employee engagement questionnaire return rate is expected to reach 60% or higher.
 Professional integrity	SV-PS-510a.1	Description of approach to ensuring professional integrity	Discussion and Analysis	<ul style="list-style-type: none"> The directors shall comply with Article 22 of Taiwan International Ports Corporation Rules of Procedure for Board of Directors Meetings in handling the motions listed in the Board of Directors' meetings. For transactions by related parties (including directors, supervisors, chairman and president), there is a control mechanism of "Related Party Transaction Management Guidelines" . To ensure that all employees are engaged in operational activities with the highest ethical standards, TIPC complies with the "Operating Guidelines for Inspection by the Executive Yuan and Affiliated Agencies" and the "Code of Ethics Guidelines for Civil Servants."
	SV-PS-510a.2	Total amount of monetary losses as a result of legal proceedings associated with professional integrity	Quantitative	There have been no monetary losses in 2022 as a result of legal proceedings associated with professional integrity


Appendix IV: Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) Content Index

Core Elements	TCFD Recommended Disclosures	Corresponding Chapter	Page
Governance	a) Describe the board's oversight of climate-related risks and opportunities.	4.1.1 Climate Adaptation Action	110
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	4.1.1 Climate Adaptation Action	110
Strategy	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.	4.1.1 Climate Adaptation Action	110
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	4.1.1 Climate Adaptation Action	110
Risk Management	a) Describe the organization's processes for identifying and assessing climate-related risks.	4.1.1 Climate Adaptation Action	110
	b) Describe the organization's processes for managing climate-related risks.	4.1.1 Climate Adaptation Action	110
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	4.1.1 Climate Adaptation Action	110
Metrics and Targets	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	4.1.1 Climate Adaptation Action	110
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	4.1.1 Climate Adaptation Action	110
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	4.1.1 Climate Adaptation Action	110

Appendix V: Disclosure of Climate-Related Information by TWSE and TPEX Listed Companies Content Index

Item	Corresponding Chapter	Page	Omission/ Remarks
1. Describe the oversight and governance of climate-related risks and opportunities by the Board of Directors and management.	4.1.1 Climate Adaptation Action	110	
2. Describe how identified climate risks and opportunities affect the business, strategy, and finances of the enterprise in the short, medium, and long term.	4.1.1 Climate Adaptation Action	110	
3. Describe the financial impacts of extreme weather events and transition actions	4.1.1 Climate Adaptation Action	110	
4. Describe how the identification, assessment, and management process of climate risks are integrated into the overall risk management system.	4.1.1 Climate Adaptation Action	110	
5. If scenario analysis is used to evaluate resilience to climate change risks, explain the scenarios, parameters, assumptions, analysis factors, and major financial impacts used.	4.1.1 Climate Adaptation Action	110	
6. If there is a transition plan to manage climate-related risks, describe the plan, indicators, and targets used to identify and manage physical and transition risks	4.1.1 Climate Adaptation Action	110	
7. If internal carbon pricing is used as a planning tool, explain the basis for price determination	4.1.1 Climate Adaptation Action	110	
8. If climate-related goals are set, describe the activities, GHG emissions scope, planning period, annual progress, and, if carbon offsets or renewable energy certificates (RECs) are used to achieve the goals, explain the source and quantity of carbon offsets or RECs.	4.1.1 Climate Adaptation Action	110	
9. Inventory and verification of GHG emissions.	4.1.1 Climate Adaptation Action	110	

Appendix VI: External Verification Statement



ASSURANCE STATEMENT

SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE Taiwan International Ports Corporation, LTD.'s ESG REPORT FOR 2022

NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION
 SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by Taiwan International Ports Corporation, LTD. (hereinafter referred to as TIPC) to conduct an independent assurance of the ESG Report for 2022 (hereinafter referred to as the ESG Report). The scope of assurance is based on the SGS Sustainability Report Assurance methodology and AA1000 Assurance Standard v3 Type 1 Moderate level to assess whether the text and data in accompanying tables contained in the report presented and complies with the GRI Universal Standard (2021) and AA1000 Accountability Principles (2018) during verification (2023/5/12~2023/5/31) in TIPC headquarter. The assurance process did not include the evaluation of specific performance information outside the scope, such as climate-related financial disclosures (TCFD) and sustainability accounting standards (SASB).

SGS reserves the right to update the assurance statement from time to time depending on the level of report content discrepancy of the published version from the agreed standards requirements.

INTENDED USERS OF THIS ASSURANCE STATEMENT
 This Assurance Statement is provided with the intention of informing all TIPC's Stakeholders.

RESPONSIBILITIES
 The information in the TIPC's ESG Report of 2022 and its presentation are the responsibility of the directors or governing body (as applicable) and management of TIPC. SGS has not been involved in the preparation of any of the material included in the ESG Report.

Our responsibility is to express an opinion on the report content within the scope of verification with the intention to inform all TIPC's stakeholders.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE
 The SGS ESG & Sustainability Report Assurance protocols used to conduct assurance are based upon internationally recognized assurance guidance and standards including the principles of reporting process contained within the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) GRI 1: Foundation 2021 for report quality, GRI 2 General Disclosure 2021 for organization's reporting practices and other organizational detail, GRI 3 2021 for organization's process of determining material topics, its list of material topics and how to manages each topic, and the guidance on levels of assurance contained within the AA1000 series of standards.

The assurance of this report has been conducted according to the following Assurance Standards:

Assurance Standard Options	Level of Assurance
A	SGS ESG & SRA Assurance Protocols (based on GRI Principles and guidance in AA1000)
B	AA1000ASv3 Type 1 Moderate (AA1000AP Evaluation only)

TWLPP 5008 Issue 2305

SCOPE OF ASSURANCE AND REPORTING CRITERIA

The scope of the assurance included evaluation of adherence to the following reporting criteria:

Reporting Criteria Options

2	GRI Universal Standard (2021) (In Accordance with)
4	AA1000 Accountability Principles (2018)

- AA1000 Assurance Standard v3 Type 1 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2018) at a moderate level of scrutiny; and
- evaluation of the report against the requirements of Global Reporting Initiative Universal Standard 2021 (GRI 2, GRI 3, 200, 300 and 400 series) claimed in the GRI content index as material and in accordance with.

ASSURANCE METHODOLOGY

The assurance comprised a combination of pre-assurance research, interviews with relevant employees, superintendents, Sustainable Development Promotion committee members and the senior management in Taiwan; documentation and record review and validation with external bodies and/or stakeholders where relevant.

LIMITATIONS AND MITIGATION

Financial data drawn directly from independently audited financial accounts, Task Force on Climate-related Financial Disclosures (TCFD) and SASB related disclosures has not been checked back to source as part of this assurance process.

STATEMENT OF INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirm our independence from TIPC, being free from bias and conflicts of interest with the organization, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with ISO 26000, ISO 20121, ISO 50001, SA8000, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance service provisions.

FINDINGS AND CONCLUSIONS

ASSURANCE/VERIFICATION OPINION

On the basis of the methodology described and the verification work performed, we are satisfied that the disclosure with inclusivity, materiality, responsiveness, and impact information in the scope of assurance is reliable, has been fairly stated and has been prepared, in all material respects, in accordance with the reporting criteria.

We believe that the organization has chosen an appropriate level of assurance for this stage in their reporting.

ADHERENCE TO AA1000 ACCOUNTABILITY PRINCIPLES (2018)**INCLUSIVITY**

TIPC has demonstrated a good commitment to stakeholder inclusivity and stakeholder engagement. A variety of engagement efforts such as survey and communication to employees, government, customers, investors, suppliers, sustainability experts, and other stakeholders are implemented to underpin the organization's understanding of stakeholder concerns. For future reporting, TIPC may proactively consider having more direct two-ways involvement of stakeholders during future engagement.

MATERIALITY

TIPC has established effective processes for determining issues that are material to the business. Formal review has identified stakeholders and those issues that are material to each group and the report addresses these at an appropriate level to reflect their importance and priority to these stakeholders.

RESPONSIVENESS

The report includes coverage given to stakeholder engagement and channels for stakeholder feedback.

IMPACT

TIPC has demonstrated a process on identify and fairly represented impacts that encompass a range of environmental, social and governance topics from wide range of sources, such as activities, policies, programs, decisions and products and services, as well as any related performance. Measurement and evaluation of its impacts related to material topic were in place at target setting with combination of qualitative and quantitative measurements.

GLOBAL REPORTING INITIATIVE REPORTING STANDARDS CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

The report, TIPC's ESG Report of 2022, is adequately in accordance with the GRI Universal Standards 2021 and complies with the requirements set out in section 3 of GRI 1 Foundation 2021, where the significant impacts on the economy, environment, and people, including impacts on their human rights are assessed and disclosed following the guidance defined in GRI 3: Material Topic 2021, and the relevant 200/300/400 series Topic Standard related to Material Topic have been disclosed. The report appropriately discloses information about TIPC's contribution to sustainable development. For future reporting, TIPC is recommended to have more descriptions on how the organization has applied due diligence as a method for the identification and the evaluation of its impacts on the economy, environment, and people. In addition, more systematic processes are encouraged for data collection and performance disclosure.

Signed:

For and on behalf of SGS Taiwan Ltd.



Stephen Pao
Knowledge Deputy General Manager
Taipei, Taiwan
12 June, 2023
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