

Taiwan International Ports
Corporation, Ltd.

2023 ESG REPORT





Taiwan International
Ports Corporation, Ltd.

2023





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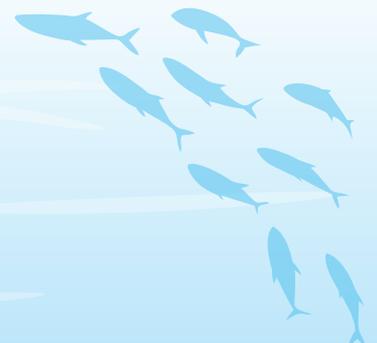
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About this Report

This report is the 2023 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 2 ESG Reports. This report is the ninth sustainability report issued by the Company, and we will continue to communicate with our stakeholders about our CSR and sustainable development through the issuance of this report annually.

The 2023 ESG 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 our 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 "With Innovation at its Core, Expand Globally, and Become a Leading Port Management Group".

The 2023 ESG Report of TIPC will be sent to the authorized level of executives for review in accordance with the Company's administrative procedures before finalizing it for publication. The relevant information will be disclosed in "Information Boundary and Scope of Disclosure".

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 (including Keelung, Taichung, Kaohsiung and Hualien), in which the period of information disclosure is mainly from January 1 to December 31, 2023. To ensure the completeness of project and performances, some of the contents cover the period before January 1, 2023 and after December 31, 2023. 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 President (with director status) 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.



Should you have any queries or suggestions about this report, please feel free to contact us.

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[TIPC Official Website](#)



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



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

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 September, therefore the information will be slightly adjusted. Detailed information is described in the section "Appendix III: ESG Information Disclosure" under "Environmental Protection Information".

In terms of financial information, some financial data for 2023 differs from that in the 2022 report due to revisions to audited financial statements. The detailed information is disclosed in the section Appendix III "Appendix III: ESG Information Disclosure" under "Financial Operating Information".

Internal Audits and External Audits

The accuracy of the content of each chapter and related information in this report is reviewed by the chief of each department before being submitted to the Sustainability Development Executive Committee for the composition of the sustainability report. 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 department to ensure continuous progress in realizing the corporate sustainability concept.

This report was verified in May 2024 and conducted in accordance with Type1 of AA1000AS v3 sustainability assurance engagement at moderate level by a third party, SGS Taiwan Ltd., which 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 2023

Current publication: September 2024

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

Message from Chairman

2023 was a year challenged with political and economic turmoil and sluggish demand due to inflation, industrial inventory adjustments, China's economic slowdown, the U.S.-China technological conflict, as well as the Russo-Ukrainian and Israeli-Palestinian wars, etc. Yet, Taiwan International Ports Corporation, Ltd. (TIPC) still struggled to move forward against the storm. The cargo and container lifting of the port group reached 666 million revenue tons and 13.6 million TEU, with more than 400 cases of investment solicitations and NT\$ 26.7 billion. The corporation generated a total revenue of NT\$28.2 billion (Actual: NT\$28,182,583,039), hits a record high.

Low Carbon

In addition to our operational achievements, TIPC has also continued to work on sustainable development issues such as environmental, social and governance, with a view to responding promptly to the impacts of climate change on the corporation, our ports and related stakeholders. In terms of sustainability governance structure, TIPC has established Sustainable Development Steering Committee, Sustainable Development Executive Committee and seven working groups, as well as Sustainable Development Executive Office to serve as staff unit of Sustainable Development Executive Committee. As part of the environmental aspect of sustainable development, TIPC has been focusing on "low carbon", continuously reviewing environmental issues and implementing best practices, and is committed to building green ports with all seven international ports accredited with EcoPorts Certifications after re-evaluation. The ports' plantation has covered an area of 773 hectares, promoting vessel speed reduction, development of renewable energy equipment, introduction of Smart Energy Management System, ramp up of electric vehicles, implementation of Green Port Incentive Scheme, promotion of recycling use of water and materials, and the adoption of low-carbon and environmentally friendly work practices. All these actions bring TIPC progressively towards the goal of reducing carbon emissions, demonstrating the port's determination to be environmentally friendly.

"Common Prosperity" is TIPC's goal in sustainable development with our stakeholders. We implement our corporate social responsibilities, such as promoting marine education and charity programs like caring for remote villages and underprivileged groups, etc. Besides, TIPC strengthens exchange with domestic and overseas partners through participation in local and international organizations and associations, so as to keep abreast of industry trends and cultivate cooperative relationships. In order to secure workplace safety at ports and harbors, TIPC acquires ISO45001 and TOSHMS dual-system certifications, generating a safe working environment for employees and partners. We also emphasize on the cultivation of human resources and provide professional training. TIPC has organized more than 50 vocational trainings and provide employees with considerate benefits and childcare-friendly measures, such as reducing working hours by one hour for employees with children under the age of three, creating a happy workplace in TIPC.

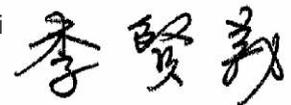
Common Prosperity

Resilience

In terms of governance, TIPC takes "resilience" as our core. Besides upholding the concepts of open integrity and operational transparency, we have also made efforts towards sustainable governance through digital transformation, for instance construction of climate-resilient wharf, introduction of Smart Security Management System in key infrastructures, and incorporation of Business Intelligence Platform in operational analysis and forecasting, etc., meanwhile consolidating cybersecurity defense in order to enhance the ability to respond and flexibly adapt to emergencies or disasters. In terms of the port facilities construction, the first phase of 7th Container Terminal of Port of Kaohsiung has come into operation in May 2023, which is the most advanced automated and intelligent terminal in Taiwan, capable of providing berthing services for 24,000 TEU container ships. The completion of Taichung Port Pier No.42 and Anping Port Pier No.11 provide space for the assembly and temporary storage of offshore wind power parts and components.

TIPC's remarkable revenue is attributed to the efforts of stakeholders, including the dedication of our employees, participation of the business partners, support of the Ministry of Transportation and Communications (shareholders), and the assistance of the government agencies where the ports are located. TIPC has the responsibility to care for the neighboring communities and maintain cooperation, as well as the goal of creating a safe and growing port. Therefore, it is duty bound to continue to invest in the sustainability of the environment, society, and corporate governance. We look forward to working side by side with our stakeholders to build a low-carbon, common prosperity and resilient port of sustainable value.

Chairman Lee Hsien-Yi



2023 ESG



Performance & Highlights



Received the 16th TCSA Taiwan Corporate Sustainability Awards - **Gold Award for Sustainability Report & Circular Economy Leadership Award**



Received the 2023 **Central Government Award for Promoting Employee Learning Systems - Excellent Award**



Received the 2023 **BSI Sustainable Resilience ESG Practice Award**



Received **"Family Friendly Workplace Award"** by Commonwealth Education Media and Publishing.



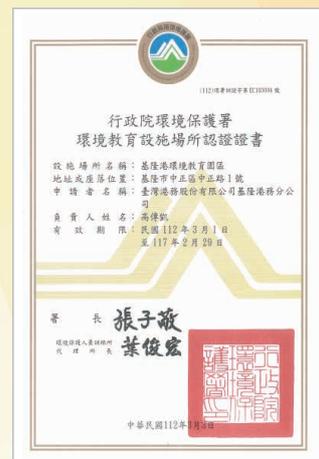
Received the 2023 **TSAA Taiwan Sustainable Action Awards - Bronze Award in the SDG 9: Industry, Innovation, and Infrastructure category**



Received **"Best Companies to Work for in Asia 2023"** Award by HR Asia.



Keelung branch was honored with **1st ESG Logistics Sustainability Award- Gold Award**



Port of Keelung at Keelung branch was accredited with **Environmental Education Facility And Field (EEFF) Certification**



Environmental Aspect

Saved up to **426,000 metric tons** of tap water

Four wild bird ecological surveys

3,292.8 metric tons of garbage removed under the "Salute to the Seas" Coastal Cleanup Maintenance Program.

The area of green belts in the harbor cluster has reached 773 hectares, accounting for **13% of the total area** of the harbor, effectively protecting ecological habitats and biodiversity.

A total of **12,595 people** were engaged in cleaning up the coastal environment.

Energy intensity **reduced by 29%** compared to 2020.

The carbon reduction of energy-saving lighting fixtures and energy-saving devices was about **521.54 metric tons** in 2023.

194 cleanups were conducted, and the length of the coastline was **960.8 kilometers**

Annual generation of solar power up to **104.53 million kWh** with carbon reduction of about **51,743 metric tons.**

Promote vessel speed reduction and the use of shore power equipment with a total of **61,000 ship** speed reduction counts in the port area (3-5 nautical miles).

Passed **ISO 14064-1 GHG verification.**

Implementation of paperless practices with the issuance of a total number of **43,721** electronic passes for users.

Certified as EcoPorts (Keelung Port, Suao Port, Taichung Port, Anping Port)



Social Aspect

41 sessions
of physical talent
recruitment in campus

157
public welfare activities
were conducted.

Donation to
215 units,
total NT\$2,870,173

Domestic procurement
rate of about
99.98%.

A total of 74
ESG self-assessment questionnaires
were collected from suppliers.

Total training
hours was
73,696 hours.

Invested approximately
NT\$24.57 million
in education and training.

NT\$4.76 million
in subsidies to
encourage staff training
and further education.

Satisfaction rate of
training course
averaged **90%↑**

Professional license and
language certification
subsidies for
303 people

Conducted human
rights-related training for
1,884 trainees.

Qualified by
**ISO 45001/TOSHMS International and Taiwan
Dual System Certification.**



Social Aspect

3,800 certificates

issued for GWO-related courses.

91.3%

of employees covered by enterprise unions bargaining collective agreements.

Zero

major occupational accidents

1,071 employees

enrolled in health checkups with **98.1%** of attendance rate.

Organized **31** health promotion activities.

Set up **education centers**

in Keelung, Taichung, Kaohsiung, prioritizing employees' children (grandchildren) between the ages of 2 and 6. Open for outside children if there is surplus enrollment quota.

127 applications

for extending flexible working hours.

41 sessions

of outreach gender equality events.

Provision for employee's benefit up to

NT\$35.77 million



Governance Aspect

23
major topics on sustainability.

13 categories
of stakeholders identification.

2,071
employees.

An average of **9.8 hours**
of education and training for directors and supervisors.

"Integrity Ethics" lecture and educational training for **78 newcomers**, along with **37 sessions** of anti-corruption training.

100%
of staff appraised

408.69 hectares
of green energy-related land (including LNG, offshore and onshore wind power, photovoltaic power or other renewable energy) were leased, with an **addition of 23.09 hectares.**

Financial income of **NT\$714 million.**

Annual consolidated revenue of **NT\$23.771 billion.**

TIPC successfully recruited over **NT\$26.7 billion** of investment.

Received **ISO/IEC 27001 Certification**
by international accreditation body.

Achieved **100%**
in suppliers' performance audit

Compliant to indicators in **ISMS(IS-TW-04-003)**
validity measure.

The new construction project of Kaohsiung Port Passenger and Cruise Center of TIPC was awarded the 23rd **Public Construction Golden Quality Award-Excellence** by Public Construction Commission of the Executive Yuan.

Taichung Port "Land Navigational Overlay Reconstruction Project" won **Excellent Award in Facilities Engineering Category of 2023 "Public Construction Golden Quality Award"** hosted by Public Construction Commission, Executive Yuan.

Establishment and Achievement of Material Topic Goals

Chapter 1: Building Port Sustainability and Resilience

Relevant Topic	2023 Goals	Achievement (completion) Status for 2023 Goals
Economic Performance	Estimated consolidated total revenue for 2023 determined during annual budget examination is NT\$26.195 billion, an increase of 18.55% over revenue budget target for 2022.	Achieved
	The budget target for equity investment business of 2023 is NT\$451 million revenue, which is 8.87% higher than target in 2022.	Achieved
Green Investment	Set up a new equity investment company related to green power retailing business.	Not achieved
	Expand the land for investment in green energy-related industries by at least 5 hectares.	Achieved
	In line with National Energy Conservation Policy, gradually construct offshore wind power terminals. Construct Taichung Port Pier No.42 (heavy cargo terminal): The 250-meter-long terminal will be completed on March 14, 2023, in line with the planning of general cargo handling at Taichung Port and the government's offshore wind power development.	Achieved
Information Security, Customer's Privacy	Corrective and preventive actions based on audit findings.	Achieved
	Continuous implementation of cyber security education and training.	Achieved
	Achieve indicators in (IS-TW-04-003)ISMS validity measure	Achieved
	No case of customer's privacy violation	Achieved
Regulatory Compliance	Complies with all laws and regulations and has no major legal violations.	Achieved
	Conduct the "Contract Execution Enhancement Course" and "Labor Relations Promotion Course" as part of the education and training initiatives.	Achieved
	Organize 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." outlook seminar and "2023 ESG Sustainable Governance" forum series.	Achieved
	Regulatory audit (quarterly) enforcement rate of one audit per quarter.	Achieved
	For new employees, conduct the "Introduction to Basic Laws" program of newcomer training-including Civil Code and civil contract, with a total of three sessions to and enhance basic knowledge of legislation to ensure compliance with the law.	Achieved



Short-term Goal (2024)

Medium and Long Term Goals (2025 onwards)

- Achieve the target of NT 25.361 billion of consolidated total revenue as determined in annual budget.
- To achieve annual budget target of NT\$ 492 million revenue for equity investment business.

- To achieve annual budget targets of total consolidated operation revenue and equity investment business.

- Expand 10 hectares of land for investment in green energy-related industries
- Completion of the 210-meter-long Anping Port Pier No. 11 (heavy duty terminal for the green energy industry).
- Invest at least 5% of the total bond portfolio in ESG bonds approved by FSC and agree not to invest in "controversial" industries.

- To explore business models related to green shipping corridors.
- Rolling review of green energy-related industrial land expansion.
- Completion of the 330-meter Terminal A6 of Port of Kaohsiung Intercontinental Container (heavy duty terminal for green energy industry).
- Completion of 580-meter Terminal 37 and 38 of Taichung Port Intercontinental Container (heavy duty terminal for green energy industry).
- Invest at least 5% of the total bond portfolio in ESG bonds approved by FSC and agree not to invest in "controversial" industries.

- Accomplish 100% for each work element of cyber security maintenance plan.
- Certified to the new version of ISO 27001: 2022.
- No case of customer's privacy violation

- Accomplish 100% for each work element of cyber security maintenance plan.
- Maintain the validity of ISO27001 international certification, and apply for third-party audit certification.
- No case of customer's privacy violation

- Zero major violations.
- Zero penalty cases of public servants' property declaration.
- Organize at least two lectures and educational training on " Integrity Ethics", and at least three sessions of "Lecture on Legal Compliance" for newly recruited staff.
- Participate in the 2nd "Transparent Award" by the Executive Yuan.

- Zero major violations.

Relevant Topic	2023 Goals	Achievement (completion) Status for 2023 Goals
Integrity Governance	Continuous education and training for new recruits - "Integrity Ethics" seminar.	Achieved
	To organize one special seminar on legal compliance (case studies on public servants' integrity ethics or education on legal discipline) per year.	Achieved
	Consistently promote integrity awareness through various platforms and activities for 15 times.	Achieved
	Propagates "Ethics Guidelines for Civil Servants" three times annually, and advises colleagues that in case they receive gifts or invitations from persons with an interest in their duties, they should, except in exceptional circumstances, refuse them and file log entry.	Achieved
	Conduct "Public Opinion Survey on Integrity" (5 companies) to actively collect suggestions on integrity risks and business reforms from the vendors.	Achieved
Operational Risk Management	Comply with regulations, establish an effective risk management and internal control system, enhance business management operations and achieve the corporate annual targets.	Achieved
	Organize one risk management training session in 2023 to build up and strengthen employees' risk management knowledge.	Achieved
Climate Change Risks and Opportunities	Propose port resilience adaption approaches by 2023.	Achieved
Supplier Management	No cyber security incidents involving suppliers.	Achieved
	Implementation of outsourced audits.	Achieved
	Regulatory audit (quarterly) implementation rate of one audit every quarter.	Achieved

Short-term Goal (2024)

- The actual attendance rate of each director and supervisor of the board for the whole year is more than 2/3, which enhances the board operation.
- Information on the final accounts, business statistics, progress of public constructions, and the maintenance and management of public facilities in the port area are regularly published on the corporate's website.
- Provide subsidies for directors and supervisors to attend training courses and hold two corporate governance seminars totaling six hours.

Medium and Long Term Goals (2025 onwards)

- The actual attendance rate of all directors and supervisors for the year is over 2/3.
- Regular open disclosure on corporate-related information.
- With reference to "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies", new directors and supervisors are required to take at least 12 hours of training in the year of their appointment, and at least 6 hours of training per year starting from the following year of their appointment.

- Regularly conduct risk management and control, review and revise internal control operations, organize and formulate internal control self-assessment and implementation plans in accordance with "Handbook for Risk Management and Crisis Handling of the Executive Yuan and affiliated agencies", and implement high-risk project management.

- Regularly conduct risk management and control, review and revise internal control operations, organize and formulate internal control self-assessment and implementation plans in accordance with "Handbook for Risk Management and Crisis Handling of the Executive Yuan and affiliated agencies", and implement high-risk project management.

- In response to the external expert study report on climate change risk assessment, the key risks are strong winds, storm surges and dense fog, which will be controlled by the following measures: Complete regular inspections of 10 bridges in Keelung, Kaohsiung and Hualien ports.

- Ongoing enhancement of disaster prevention and relief facilities, equipment, and contingency measures.
- Continued reinforcement of disaster mitigation measures in accordance with policy and environmental changes.
- A total of 11 bridges in Taichung, Hualien, Kaohsiung and Suao ports are expected to be completed by the end of 2025.

- Proportion of procurement cases with CSR points included in the procurement evaluation (audit): 50% for the headquarter and 20% for each branch.
- As per the relevant provisions of the Government Procurement Act, check the list of rejected vendors before opening the bidding to avoid unscrupulous vendors from participating in the procurement, and implement contract management according to the contract.
- Carry out on-site audits of suppliers' occupational safety and health.
- Conduct one Occupational Safety and Health Act audit every quarterly to verify the compliance of operations with the act.
- Zero cyber security incidents by suppliers.

- Continue to increase the proportion of procurement cases with CSR points in the procurement evaluation (audit) to 60% for the headquarter and 30% for each branch.
- Implementation of high-risk supplier audits.
- As per the relevant provisions of the Government Procurement Act, check the list of rejected vendors before opening the bidding to avoid unscrupulous vendors from participating in the procurement, and implement contract management according to the contract.
- Carry out on-site audits of suppliers' occupational safety and health.
- Conduct one Occupational Safety and Health Act audit every quarterly to verify the compliance of operations with the act.
- Zero cyber security incidents by suppliers.

Chapter 2: Enhance Diversified and Innovative Services

Relevant Topic	2023 Goals	Achievement (completion) Status for 2023 Goals
Customer Service Quality	Continue to safeguard customer information with no incidents of information leakage, theft or loss of customer information.	Achieved
	Promotional campaign period: From mid-April to November, the campaign focuses on the goals declared during the Workplace Safety and Health Week, as well as the identified hazards and risk levels, so as to take preventive and control measures, and improve safety and health facilities, health environment, and management functions of workplaces through "education and training," "diagnosis and counseling," and "auditing" in order to safeguard their workplace safety and health.	Achieved
Business Mode Optimization and Innovation	The first phase of the 7th Container Terminal at the Port of Kaohsiung has been operational since May 2023. The second phase began gradual delivery in September 2023 and started operating in July 2024.	Achieved
	Upgrade port software and hardware to increase service competitiveness.	Achieved
	"Trans-SMART2.0+ Upgrade Plan" draws up the development blueprint of smart ports in 2030, taking 'operational safety, operational efficiency, service quality, and sustainable development' as the four major goals. It is expected to complete the smart systems for vessel navigation assistance, introduction of smart monitoring and control management to the key infrastructure facilities in ports, introduction of AI image recognition and the construction of E lanes for automated gates and whistles, the intelligent business platform, the dynamic monitoring center and the Smart Energy Management System in ports, and other important projects. Intelligent Business Information Platform, Port Dynamic Monitoring Center, and Smart Energy Management System.	Achieved
Safety Management of Port Operations	Enhance the performance of occupational safety and health (OSH) management through ISO 45001/TOSHMS (Taiwan Occupational Safety and Health Management System) tracking and auditing.	Achieved
	Organize 4 training sessions on OSH education, exchange seminars or observations.	Achieved
	Reinforcement of the safety of cargo handling at ports and the implementation status of "Guidelines for Safety and Health Management at Guided Ports" are carried out once every quarter for a total of 16 times, and once every six months for a total of eight publicity sessions.	Achieved
	Conduct two training sessions for Vessel Traffic Service (VTS) commanders. Attend one training session each for the Vessel Traffic Service Operators (VSTO) of the friendship ports.	Achieved

Short-term Goal (2024)

- No major customer complaints.
- Pursuant to "Points for Handling Petitions by the Executive Yuan and its Subordinates" and "Points for Handling Petitions by TIPC", the survey result of people's satisfaction with people's petitions reaches 70%.
- Pay attention to the trends and demands of related industries in port area and expect to make 300 visits to industry operators.
- Conduct at least four port business seminars.
- Achieve case closure rate of 95% for operational issues raised by the shipping operators.

Medium and Long Term Goals (2025 onwards)

- No major customer complaints.
- Pursuant to "Points for Handling Petitions by the Executive Yuan and its Subordinates" and "Points for Handling Petitions by TIPC", the survey result of people's satisfaction with people's petitions reaches 75%.

- Promote the establishment of a port dynamic monitoring center (tentative name) to provide real-time information on port dynamics and implement a contingency mechanism.
- Configure Business Intelligence Platform 2.0 and construct knowledge base.
- Scheduled operation of second phase of 7th Container Terminal of Port of Kaohsiung
- The online application system for port operations will be completed by 2024, and other ports will be gradually promoted.

- CCTV equipment and system development are deployed according to the needs of commercial ports to capture the image dynamics of vessels in the harbor.
- Completion of online application system for port-wide operations.

- Maintain ISO 45001/TOSHMS (Taiwan Occupational Safety and Health Management System) system certification and acquire international and national certificates
- The International Ship and Port Facility Security (ISPS) will meet at least once a year to deliberate on the overall port facility security assessment and security plan.
- Organize one port facility security drill every quarterly, with a total of at least 36 drills for all ports.
- Complete the optimization of dangerous cargo system to ensure accuracy of dangerous cargo information across the entire port group.
- Each branch organizes at least one educational training for VTS personnel.
- The frequency of inspections and audits for under construction projects is at least once a month, and once a quarter for the headquarter to visit the branches.
- Carry out 64 counseling visits to cargo handling operations and 8 publicity campaigns.

- Maintain ISO 45001/TOSHMS (Taiwan Occupational Safety and Health Management System) system certification and acquire international and national certificates.
- Continuously review and revise preventive and protective measures to enhance operational safety.
- Each branch organizes at least one educational training for VTS personnel to empower the ability to respond to various disasters.
- The under construction projects of each branch are inspected and audited at least once monthly, while the headquarter visits the branches once every quarter.
- Carry out 64 counseling visits to cargo handling operations and 8 publicity campaigns.

Relevant Topic	2023 Goals	Achievement (completion) Status for 2023 Goals
Indirect Economic Impact	Boost the development of waterfront tourism and recreation.	Achieved
	Provision of green energy-related properties and services.	Achieved
	The highlighted investments for port facilities are as follows: 1.Logistics <ul style="list-style-type: none"> Terminal S17 of Phase II of Port of Kaohsiung Intercontinental Container and hinterland of Terminal S16 and S17 Hinterland 1-4 of Taipei Port Logistics and Storage Area Phase 2-1 Warehouse Specialized Zone for Port Service (II) of Taichung Port 2.Expand at least 5 hectares of land for investment in green energy-related industries.	Achieved
	"Adjustment of Upper Limits of Rates and Charges for Taiwan International Commercial Ports" has been effective since January 1, 2023. The new rate plan is based on the principle of 10% rise, and adjusts the relevant port fee scale in response to the large-scale ships. As for the terminal business fee, it is adjusted by 10% of the existing scale rate in the hope of improving the operating environment and driving port service providers to improve service quality and grassroots' wage level, so as to enable sound development of our port industry and lay the foundation for sustainable port operations.	Achieved

Chapter 3: Create a Low-Carbon Environment in the Port Area

Relevant Topic	2023 Goals	Achievement (completion) Status for 2023 Goals
Energy Management	Achieve the cumulative electricity saving target by 2023 and complete the software structure construction of each port's Smart Energy Management System.	Achieved

Short-term Goal (2024)

- In order to facilitate waterfront tourism and asset revitalization, the following projects were completed:
 - ✓ Renovated Waiting Room of Kaohsiung Port into a hotel and into operation.
 - ✓ Taipei Port Tourism, Recreation and Commercial Zone.
 - ✓ Taichung Port Terminal 20A and 20B waters and tourism and recreation business.
- The key investment opportunities in port facilities are listed below:
 1. Logistics
 - ✓ Hinterland 1-4 of Taipei Port Logistics and Storage Area Phase 2-1 Warehouse
 - ✓ Investment for construction and operation of 79,000 square-meter land of Specialized Zone for Port Service (II) of Taichung Port
 - ✓ B2 land of Southern Star Project Area of Port of Kaohsiung
 2. Expand at least 5 hectares of land for investment in green energy-related industries

Medium and Long Term Goals (2025 onwards)

- Completed second phase of Kaohsiung Port Depot investment recruitment, Former Banana Warehouse development and investment recruitment for new Penglai warehouses.
- The key investment opportunities in port facilities are listed below:
 1. Logistics: Zone B hinterland of 4th Container Center of Port of Kaohsiung
 2. Rolling review on the land expansion for green energy-related industries

Short-term Goal (2024)

- Build Smart Energy Management System in 4 branches and complete Keelung, Taichung, and Hualien branches by 2024.
- Complete the demonstration of energy storage facilities at 7th Container Terminal of Port of Kaohsiung and plan energy storage facilities at other ports.
- Completion of the first phase of the 7th Container Terminal of Port of Kaohsiung Solar Power Plant Construction Project (installation capacity 3111.3KW) and installation of energy storage facilities at (or in) Kaohsiung Port Cruise Terminal.

Medium and Long Term Goals (2025 onwards)

- Build Smart Energy Management System in 4 branches and finish Kaohsiung branch by 2025, thus all completed.
- Demonstration of full-scale energy storage equipment at Taiwan port clusters.
- Complete solar power plant and energy storage construction projects of 7th Container Terminal of Port of Kaohsiung by 2025 (installation capacity of 2099.7KW and 2MW respectively).
- Complete solar power plant and energy storage construction projects at Keelung West Warehouse No.27 (installation capacity of 558KW and 500KW respectively).

Relevant Topic	2023 Goals	Achievement (completion) Status for 2023 Goals
Air Pollution and GHG Emissions	Upgrade the air quality in the port area and reduce the impact of port operations on the air quality of the neighboring areas.	Achieved
	Keep abreast of the greenhouse gas emission status in the port area to avoid the impact of relevant regulations on future operations.	Achieved
	Green Power Procurement Status: Cumulative wheeling capacity of 150,956 kWh in 2023.	Achieved
Circular Economy	Recycled inorganic aggregates to reclaim new land in port area - 600,000 cubic meters of BOF slags are used to reclaim Taipei Port.	Achieved
	Dredging for beach maintenance-Taipei Port dredged 14,000 cubic meters of earthwork for beach maintenance operations.	Achieved
	Dredging for land reclamation - 1.5251 million cubic meters of earthwork was dredged from different ports and reclaimed to the new lands.	Achieved
Biodiversity	Establish cetacean notification management record, with a total of 15 times.	Achieved
	A total of four wild bird ecological surveys at Port of Kaohsiung Southern Star Project Area.	Achieved
	Suao Port completes benthic coral coverage survey at Tofu Cape in Nanfang'ao.	Achieved



Short-term Goal (2024)

Medium and Long Term Goals (2025 onwards)

- Regular monitoring of 168 points of air quality and 136 points of noise.
- A total of 164 automated air quality monitoring stations (including micro-sensors) and 10 automated noise monitoring stations have been installed at all ports.
- Carbon reduction of Scope 1 and 2 reaches 1,030 metric tons (4.2% of the baseline year).
- Reinforce the management of Scope 3 GHG emissions and revise the model commercial contract to include the management of GHG emissions.
- Renewable power wheeling of approximately 110,000 kWh.

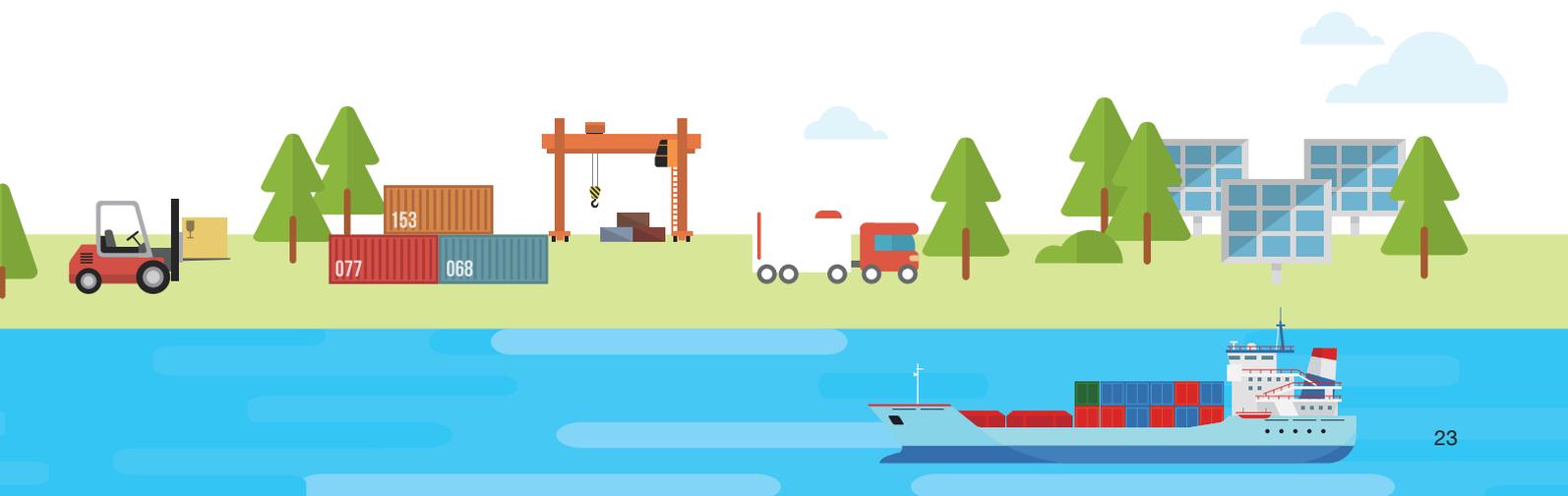
- Continuous monitoring to maintain air quality.
- Continuous rolling review of investment promotion documents in accordance with the environmental protection -related practice regulations.
- Taking 2020 as baseline and SBTi as reference, target for 21% of GHG reduction by 2025 and 50% by 2030.

- Recycled inorganic aggregates to reclaim new land in port area - The Port of Taipei is expected to use up to 400,000 cubic meters of BOF slags for filling.
- Dredging for beach maintenance-Taipei Port is estimated to dredge 30,000 cubic meters of earthwork for beach maintenance operations.
- Dredging for land reclamation – 628,100 cubic meters of earthwork are expected to be dredged from different ports and reclaimed to the new lands.

- Recycled inorganic aggregates to reclaim new land in port area - The Port of Taipei is expected to use up to 700,000 cubic meters of BOF slags for filling.
- Dredging for beach maintenance-Taipei Port is estimated to dredge 70,000 cubic meters of earthwork for beach maintenance operations.
- Dredging for land reclamation – 703,100 cubic meters of earthwork are expected to be dredged from different ports and reclaimed to the new lands.

- 3 training sessions on ecological audit of port projects
- A total of four wild bird ecological surveys at Port of Kaohsiung Southern Star Project Area.

- Launching of the ecological audit survey for the port and establishment of ecologically sensitive areas map in the port area to facilitate smooth implementation of subsequent projects and to take into account ecological conservation.



Chapter 4: Establish Friendly and Co-prosperous Relationship

Relevant Topic	2023 Goals	Achievement (completion) Status for 2023 Goals
Human Resource Development	The in-house professional training program is expected to offer 30 courses with the satisfaction rate of employee education and training reaching 90%.	Achieved
Employee Dedication	The overall employee rating of friendly workplace is over 80 points.	Achieved
Employee Benefits	Flexible working hours.	Achieved
	Employees with children under the age of 3 may apply for a one-hour reduction in working hours and greater flexibility in commuting.	Achieved
	Employees with infertility issues, undergoing fertility treatments, or requiring bed rest due to pregnancy are provided paid leave.	Achieved
	Salary structure adjustment for employees, effective January 1, 2023.	Achieved
Occupational Safety and Health (OSH)	Improve the performance of OSH management through ISO 45001/TOSHMS (Taiwan Occupational Safety and Health Management System) tracking and auditing.	Achieved
	Organize 4 training sessions on OSH education, exchange seminars or observations.	Achieved
	Participate in the programs of Occupational Safety and Health Week by Occupational Safety and Health Administration of Ministry of Labor and get a certificate of participation after assessment.	Achieved
	Zero cases of workplace accidents and occupational diseases among employees.	One case of occupational injury
	Plan and organize 31 diversified health promotion campaigns.	Achieved
	The company-wide employee health check rate reaches 97%.	Achieved
	The Occupational Safety and Health Supervisory Team carries out one session in each branch and conducts a year-end sharing meeting.	Achieved
	Participate in the programs of Occupational Safety and Health Week by Occupational Safety and Health Administration of Ministry of Labor and get a certificate of participation after assessment.	Achieved
	Reinforcement of the safety of cargo handling at ports and the implementation status of "Guidelines for Safety and Health Management at Guided Ports" are carried out once every quarter for a total of 16 times, and once every six months for a total of eight publicity sessions.	Achieved
Local Community	Organize more than 100 public welfare activities for the disadvantaged.	Achieved
	Process 150 applications from community organizations/charity groups for grants to support neighbor-friendly activities in accordance with the corporate's "Social Responsibility Funding Guidelines".	Achieved

Short-term Goal (2024)

Medium and Long Term Goals (2025 onwards)

- The in-house professional training program is expected to offer 31 courses with the satisfaction rate of employee education and training reaching 91%.

- Maintain satisfaction rate of employee education and training at 92% in average.

- Maintain an overall rating of 80 or above for the employees of friendly workplace.

- The overall employee rating of friendly workplace is over 85 points.

- The corporate offers remuneration based on the pay scale and job hierarchy, regardless of gender.
- The corporate's pay adjustment amounts to 4%.
- The company provides each employee with 2 free Meridian Massage sessions (1 hour in total) per year.

- Reinforce the integration of welfare, benefits and performance, and establish a competitive compensation system.

- Maintain ISO 45001/TOSHMS (Taiwan Occupational Safety and Health Management System) dual system certification and acquire international and national certificates.
- The Frequency Rate (FR) of serious occupational accidents and diseases*disabling injuries among employees is zero.
*Serious Occupational Accidents and Diseases: Occupational injuries resulting in death or unrecoverable health within 6 months.
- Complete the setup of gym at Kaohsiung Port Cruise Terminal to enhance employees' health and productivity.
- A total of 600 workplace events for our employees.
- Promote the safety of cargo handling operations at international commercial ports: plan for biannual promotion and 12 annual audits (individual and joint audits).
- Employee participation rate in multi-faceted health promotion campaigns achieves 65%.

- Achieve zero occupational accidents among employees in accordance with the company's OSH policy.
- Maintain ISO 45001/TOSHMS (Taiwan Occupational Safety and Health Management System) dual system certification and acquire international and national certificates.
- Employee participation rate in multi-faceted health promotion campaigns achieves 70%.

- Organize more than 80 public welfare activities for the disadvantaged.
- Process 150 applications from community organizations/charity groups for grants to support neighbor-friendly activities.

- Organize more than 80 public welfare activities for the disadvantaged.
- Continue to process 150 applications of grants annually for neighbor-friendly activities.

Implementation of SDGs

SDGs comprise 17 goals and 169 targets, which will be the main pillar of global development from 2016 to 2030. TIPC echoes the 17 goals in the SDGs with sustainability.



2023 Implementation Practices



End poverty in all its form everywhere

- In order to help the poor and disadvantaged groups, 48 donations of financial aids, preloved items (winter clothes, quilts, computers), invoices, basic living necessities (rice, oil, dry food, fruits, warm packs), books, etc. were made to cater for seasonal needs.
- Called upon colleagues to serve as corporate volunteers to serve disadvantaged groups, in total 10 cases.



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

- One-Day Famine fundraising program provides 2,794 children with adequate energy and nutrition required for a day.
- In response to the Ministry of Transportation and Communication (MOTC)'s campaign to promote the purchase of Atemoya, TIPC organized charity donations, purchased Atemoya from farmers and donated them to various social welfare organizations.

2023 Implementation Practices

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

- A total of 34 people received special health checks, while no other branches had any special health hazard operations.
- The blood bank has frequently ran out due to the epidemic, therefore TIPC called upon colleagues and public to engage in charity and carried out blood donations. A total of 1,613 bags of blood had been collected.
- Organized a series workplace health and weight management programs to promote employees' knowledge of self-health management, with more than 2,900 participants
- The employee assistance program consultation service commissions an external professional organization to provide free consultation services to employees and select internal staff as mentors.
- Organized hiking activity, in which the overall satisfaction rate was as high as 90%. 89% of the supervisors stated they had a boost of stamina prior to the event to improve their physical strength.
- Encourage colleagues to participate in activities such as hiking, biking, and leading colleagues in aerobics to improve employees' health.

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.
- Encourage employees to use their spare time for on-the-job trainings by providing subsidies for individuals to study at colleges and universities. A total of 91 people have applied for subsidies and 42 have applied for partial-time training. In order to motivate employees to take up foreign languages, subsidies are provided for license and professional trainings as well as proficiency tests. 303 people have applied for the subsidies with total grant up to NT\$4.76 million.
- Organized three marine educational training camps, inviting tutors from Keelung Compulsory Education Counseling Group-Marine Education Group to participate in the camp, in which they get to learn about Keelung Port, understand basic port operations, and at the same time share the outcomes of the port's environmental protective measures, further disseminating Keelung branch's concepts on marine protection and corporate image.
- Keelung Port Choir Group was invited to join Keelung Junior Choir in a concert and has sponsored NT\$20,000 in professional musical training for children and teens aged between 5 and 17. Besides, scholarships were made available for underprivileged families to provide them with proper musical training.
- Taichung Port Environmental Education Center conducted 10 sessions of environmental education activities, with approximately 240 participants in total.

Achieve gender equality and empower all women and girls

- The percentage of female board members was 23%, while the percentage of female supervisors was 20%. Female directors at managerial level and above took up to 31%.
- Regularly offered courses on distribution of household chores to steer the reflection on gender division of responsibilities within family and to advocate for sharing household chores.
- Conducted Gender Mainstreaming implementation program, which is committed to implementing gender equality by providing diverse education and trainings, and reviewing the gender equality participation mechanism (the 1/3 principle).

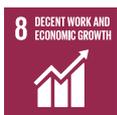
2023 Implementation Practices

Ensure availability and sustainable management of water and sanitation for all

- Suao Port has set up a Suao Mountain spring water pumping facility next to Yishan Road and introduced spring water for watering, sprinkling and handling dust control in the port. The amount of spring water used by Suao Port was 217,117 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 sprinkle water during cargo handling operations to avoid dust emission, with a capacity of 11,147 metric tons.
- The total wastewater influent treatment capacity of the Kaohsiung Port wastewater treatment facility is 3,375.1 metric tons, of which 1,923.8 metric tons are discharged and 1,391.4 metric tons are reused for watering.
- The Port of Taichung reclaims discharged water to provide Taichung Port Authority and other operators within port area with water for the purpose of sprinkling on roads, loading and unloading at terminals, and dust suppression in construction projects. The amount of water withdrawn is approximately 76,120 metric tons.
- Hualien Port's "Water Bank 4.0" project, combined with the Smart Grid Project, strengthens the water resource allocation system, flexibly utilizing surface water and increasing the overall tap water saving rate in the port area, collectively using (collecting) 121,152 metric tons of surface water.
- In terms of water resources management, the use of reclaimed water reached 426,000 metric tons, resulting in a carbon reduction of 66.46 metric tons. (Water and carbon reduction coefficient of Taiwan Water Corporation: 0.156 kg CO₂/metric ton).

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

- The carbon reduction of energy-saving lighting fixtures and energy-saving devices was about 517.66 metric tons.
- TIPC has released the port capacities to strengthen the infrastructures and continued to provide port resources required for offshore wind power industry.
- TIPC has adopted "Science-Based Carbon Reduction, Green Power Leads" as its carbon reduction initiative, setting up a Smart Energy Management System, building 207 shore power plants (11 high voltage and 196 low voltage) at terminals, and using renewable energy, etc. We have also actively developed renewable energy sources, such as solar and wind power, and installed solar photovoltaic power generation devices on the rooftops of existing buildings in Hong Kong. Taichung Port has been approved by the Executive Yuan as a home port for wind power operations, continuously providing high-quality offshore wind power port facilities and resources.

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

- "Taiwan International Windpower Training Corporation (TIWTC)" introduced the Global Wind Organization (GWO) training program to promote wind power crew training, and issued more than 3,800 certificates for related courses with a significant increase in number of issued certificates for three consecutive years.
- In conjunction with Women's Day on March 8, Sweetheart Workshop of The Garden of Hope Foundation (GOH) produced 400 handmade soaps to encourage development of women-related public welfare organizations.
- Taichung Port initiated a campaign to purchase "charity rice" from local small farmers and collected 360 packs, which were donated to Taichung City Dadu District Ho Fong Charity Elderly Care Association's Food Bank and Huashan Social Welfare Foundation Wuqi Angel Station.

2023 Implementation Practices

- Effective January 1, 2023, "Adjustment of Upper Limits of Rates and Charges for Taiwan International Commercial Ports" was implemented with a view to improving the operating environment, driving port service providers to improve service quality and grassroots' wage level, enabling the sound development of our port industry and laying the foundation for sustainable port operation.
- The headquarter of TIPC and its subsidiaries in Keelung, Taichung, Kaohsiung, and Hualien cities employed 2,071 local workers, accounting for 100% of the total.

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



- For the construction of new heavy duty cargo terminals and backline storage and transportation sites, TIPC offered wind power operators to build essential offshore wind power infrastructures to enhance the operation and maintenance of exclusive services.
- The real-time marine meteorological system integrates wind, wave, tide, and current monitoring data to provide instant marine meteorological information and predictive warning functions.

Reduce income inequality within and among countries



- TIPC employed 52 people with physical and mental disabilities, and also a surplus of 8 indigenous people, including 5 men and 3 women.
- Organize charity arts and cultural activities, inviting disadvantaged communities and colleagues from every port to watch insightful humanistic films, striving for the elimination of inequality and discrimination, and thus the creation of an inclusive society.

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



- Echoing the "Salute to the Seas" policy, TIPC maintains the cleanliness of the coastal and land and water areas of the commercial ports under its jurisdiction, removing 2,537.4 metric tons of general waste, 325.9 metric tons of recycled waste, and collecting 8,021.53 metric tons of waste oil and water from vessels.
- Optimize the transport links between port and town area, and complete the expansion of Taichung Port Nanheng 2nd Road to consolidate the port's external transport system, enhance transportation safety, and relieve congestion of container trucks on Zhongnan 1st Road and the shared use of Taiwan Boulevard by tourists' vehicles and trucks at Mitsui Outlet.
- Develop recreational and water-friendly areas, put Port of Kaohsiung Warehouse No.2 Hostel into operation and complete investment for the second phase of Kaohsiung Port Depot (Warehouse No.4 and No.6).

Ensure sustainable consumption and production patterns



- The ports implement the government's policy of promoting circular economy. In 2020, TIPC entered into a contract with China Steel Corporation (CSC) to take in approximately 482,000-815,000 cubic meters of basic oxygen furnace (BOF) slags produced by CSC Group per year, which were reclaimed in the windbreaks and shelterbelts of Phase II, III and IV of Taipei Port Logistics and Storage Area, with a total filling volume of approximately 5,350,000 cubic meters. Since November 11, 2020, 1,745,854 metric tons (646,612 cubic meters) of BOF slags have been reclaimed, with a cumulative total of 4,542,282 metric tons (1,682,326 cubic meters).

2023 Implementation Practices

- Focusing on the application of renewable energy, circular economy and other issues, and promoting the use of recycled materials, Taipei Port Logistics and Storage Area accommodates the remaining earthwork from public works in the northern region, as well as reclaimed land from maintenance and dredging of rivers, reservoirs, coastlines, neighboring business and fishing port waters, with a total reclamation of approximately 73.25 million cubic meters and 39.12 million cubic meters already filled in.

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



- The "Famine 24" experience reduces carbon emission by 28.8 metric tons, which is equivalent to carbon sequestration of 2,880 trees in a year.
- TIPC has formulated the "Disaster Prevention and Response Operation Plan" to enhance disaster prevention, emergency response, and recovery.
- In order to implement the repair and maintenance mechanism for the life-sustaining infrastructures and to enhance the adaptive capacity under the effect of climate change, 12 climate-proofing wharves with higher carrying capacity was installed in 2023.

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 Contingency Plan", we prevent, remove or reduce the impact of pollution, and enforce the control and management of the discharge of sewage and waste oil from vessels.
- For any cetacean that enters port area by any chance, it will be notified to the relevant authorities for assistance according to the procedures, so as to facilitate the cetacean out of the port safely.
- Conservation strategies include environmental management and monitoring of the port area, and enhanced maintenance of marine and aquatic organisms to secure ecological health and development.
- Echoing World Oceans Day, TIPC co-organized the "Protect the Ocean, Lead the Way" beach cleanup activity with Heping Island Geopark to foster a sustainable vision.

Protect and promote sustainable use of terrestrial ecosystems, secure biodiversity and combat land degradation



- The first phase of Port of Kaohsiung Southern Star Land Development Project Free Trade Zone preserves about 10 hectares of wild bird habitat to minimize the impact on wild bird habitat, as well as mitigating the impact of development by conserving the existing windbreaks, greening with native species, establishing green belts, and restricting the speed of vehicles accessing the port.
- In order to alleviate the impact of the development of Anping Port on the existing mangroves, a mangrove restoration area is planned at the development stage. About 4.6 hectares of mangrove forests are restored by using PVC pipes and viviparous seedlings or saplings at suitable locations in the port area, which have now turned into mature forests and become a recreational place.
- 99% of the participants in the hiking activity agreed that they had gained a deeper understanding of Taiwan's mountains and forests, and recognized the concepts of "Leave No Trace" and "Sustainable Environment".

2023 Implementation Practices

- Taiwan port groups planted 117,676 trees, with a total green belt area of 773 hectares and a carbon reduction of 7,730 metric tons/year. (According to Ministry of Environment, one hectare of forestation yields about 10 metric tons of carbon sinks per year.) In order to protect and emphasize the importance of ecological conservation of leopard cats, and to disseminate the concept of environmental friendliness, TIPC participated in Leopard Cat Rice Contract Farming Project at leopard cat rice fields in Miaoli, where the corporate's logo was placed on the package as a gift for customers. A total of 1,200 kilograms of leopard cat rice was purchased.

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 through multiple communication channels, and responds to stakeholders with concrete operational results.
- The corporate provides relevant complaint system and channels, and complaints can be made through the company's online platform.
- Committed to implementing anti-corruption policy and has established an "Anti-Corruption Agreement".
- TIPC branches held 10 port business seminars, of which 39 issues were related to "customer health and safety", and 39 issues were improved or solved, with an improvement rate of 100%.

Consolidate the implementation measures and revitalize the global partnership for sustainable development



- Awarded EcoPort certification and participated in the World Ports Sustainability Program (WPSP) organized by International Association of Ports and Harbors (IAPH) to communicate with international ports for sustainability.
- All participants of the 100 Mountains hiking program agree that throughout the process of route selection, gear preparation, hiking, and sharing of hiking experience, they appreciate the emotional bonding and mutual support among colleagues and realize the value of the corporate culture of "Common Good".
- TIPC signed a "Sister Port Agreement" with the Port of Busan on August 29 to expand trade between the two ports and establish a long-term friendly relationship.
- Presentation on "Offshore Wind Power Development and Sustainable Planning for the Taiwan Port Group" at the 109th Annual Meeting of the Association of Pacific Ports.
- Taiwan Foundation International Co., Ltd. and Busan Port Authority signed a Letter of Intent on the ceremony of TIPC's 11th anniversary, declaring future mutual cooperation in Southeast Asia.
- TIPC signed a Memorandum of Understanding (MOU) with Associated British Ports for the exchange of information and sharing of experiences in developing floating offshore wind power related to port infrastructures, thereby expanding the global partnerships.
- Collaborated with Ministry of Foreign Affairs to organize the "Pacific Alliance Maritime and Port Authority Personnel Training Cooperation Program", inviting a total of 15 participants from Pacific Alliance countries to Taiwan to participate in a six-day training program at the Port of Kaohsiung, thereby enhancing exchanges between Taiwan and the allied countries in the areas of maritime affairs, port operations, and personnel training.

CHAPTER 01





Building Port Sustainability and Resilience

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Material Topic: Economic Performance

<p>Major Causes</p>	<ul style="list-style-type: none"> As international trade gradually shifts from multilateralism to protectionism due to the political situation, the transnational supply chain and regional division of labor have changed, which also affects the amount of marine cargo handled in each region. In addition, as a state-owned enterprise, TIPC is tasked with assisting in the energy transition and promoting tourism. TIPC is responsible for the operation and management of international commercial ports in Taiwan and plays an important role in the construction of national ports and economy growth. The corporate's capital holdings should be appropriately planned and deployed to invest in the ports construction. Besides, the corporate should maintain a sound financial structure and appropriate liquidity, and plan for modest investment in financial assets after making adjustments in line with the corporate operations, business development plans and port construction needs, in order to create extra-occupational financial income.
<p>Effects and Impacts</p>	<p>Positive impact:</p> <p>Facing the impacts of international trade and political trends, TIPC has continued to strengthen its port facilities through diversified operations, supporting the development of port industrial chain and energy industry, and enhancing the overall operating performance of port group, which has had a real positive impact on the economy.</p>
<p>Policy/ Strategy</p>	<ul style="list-style-type: none"> In accordance with the five-year plan approved by the Executive Yuan (Master Plan for Future Development and Construction of International Commercial Ports 2022-2026), TIPC is developing towards a diversified business model, expanding the business scope of port operations, consolidating the competency of Taiwan international business ports in the maritime transportation market, and promoting the development of Taiwan ports in line with government policies. An annual capital utilization management plan was formulated in accordance with the corporate's "Key Points in Financial Assets Utilization and Management" and "Financial Assets Utilization and Management Operating Procedures", which was submitted to Board of Directors for approval to execute relevant financial assets operation matters. TIPC keeps abreast of IFRSs, tax laws and regulations to prepare financial reports that present fairly and disclose significant financial information.
<p>Preventive or Remedial Measures</p>	<ul style="list-style-type: none"> Every five years, the Institute of Transportation of MOTC submits a report on the "Comprehensive Master Plan for Development of Commercial Ports" which analyzes the trends and challenges in the development of port sector. The future development direction and strategy of the commercial port will also be studied, and will be served as a superior guideline for the construction plans of Maritime Port Bureau and TIPC. If equity investment businesses occurred major changes, unsatisfactory operational performances, or any inconsistency with TIPC's investment target, TIPC would request equity investment businesses or representative directors to submit an explanation and improvement plan promptly. TIPC executes the related investments in accordance with the annual capital utilization and management plan. If the financial returns are not as expected, the corporate will review and adjust the investment strategy through weekly capital utilization group meetings. Provide multiple appeals channels, such as company mailbox: https://www.twport.com.tw/chinese/Mail_Content.aspx

Material Topic: Economic Performance

<p>Evaluation Management System</p>	<ul style="list-style-type: none"> • Regularly report to MOTC on the work and administrative performances. MOTC uses the annual financial report to evaluate the corporate’s budget for upcoming year and 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. Besides, in order to keep abreast of the schedule and progression of Master Plan for Future Development and Construction of International Commercial Ports 2022-2026, TIPC regularly reviews the execution of previous plans and conducts annual audit to promote and implement the master plan for international commercial ports. • Compile monthly financial reports to keep the management team informed on the corporate’s financial status and to control over budget execution. • The corporate establishes its capital planning, earnings target, financial assets allocation limits and transaction authorization levels through its annual capital management plan.
<p>Performance and Adjustment</p>	<ul style="list-style-type: none"> • Consolidated operation revenue was NT\$23.771 billion, representing a growth of 7.58% compared to annual budgeted revenue target of NT\$22.095 billion. • 100% achievement rate of budgeted target for main operations of berthing, tugging, cargo handling and storage services. • Equity investment business recognized NT\$496 million revenue, achieving budget target of NT\$451 million. • Convene weekly capital utilization group meetings to review and adjust investment strategies. Prepare monthly capital utilization analysis report to track financial performance in order to achieve the financial income target of NT\$420 million. • Financial income of NT\$714 million, which meets the financial income target as stipulated in the annual capital utilization and management plan.

Material Topic: Green Investment

<p>Major Causes</p>	<p>Environmental protection is emerging as a prominent issue. In addition to enterprises taking initiatives to invest in resources to improve the environment, TIPC has also engaged in green investment through inventory of capital and land corresponding to the port demand, including investment in bonds related to sustainable development, provision of land for the stationing of green energy industries, as well as investment in offshore wind power related green energy industries.</p>
<p>Effects and Impacts</p>	<p>Positive impact: Green investment has a positive impact on the environment and economy as it helps to minimize carbon emission, protect the environment and combat climate change.</p> <ul style="list-style-type: none"> • Invest in sustainability-related bonds (hereinafter referred to as ESG bonds) approved by Financial Supervisory Commission (FSC), which help companies to develop sustainable environment projects such as green energy, energy-saving projects, clean transportation, and ecological protection. • Provide land to encourage green energy-related industries to move in. • The equity investment companies were involved in offshore wind power related businesses such as operation and maintenance, cargo handling, and professional crew training.

Material Topic: Green Investment

Policy/ Strategy	<ul style="list-style-type: none"> • Promoted the development of renewable energy industry by integrating equity investment businesses to participate in offshore wind power business. Provided counselling and assistance in driving equity investment businesses in order to maintain stable operation. • TIPC Marine Corporation, Ltd. (TIPM) set Taichung Port as offshore wind power operation and maintenance base, running and managing facilities like commercial buildings, storage and warehouses, and berths, further providing offshore wind power O&M services such as crew transfer vessels and barge transportation. • In offshore wind power operation and maintenance services, Taiwan International Ports Heavy-Machinery Corporation Ltd. (TIPH) provided turnkey transportation services for wind turbine components that were "extra long, extra wide and extra heavy", such as integrated services of lifting and transportation for large offshore wind turbine components. • Taiwan International Windpower Training Corporation (TIWTC) had established an international standard 'Taiwan Wind Energy Training Center' in Taichung Port, introducing the training courses of Global Wind Organization (GWO) to provide localized and high quality training services for wind power industry. • Treasury funds can be invested in sustainability-related bonds (hereinafter referred to as ESG bonds) approved by the FSC, which are conducive to the realisation of sustainability targets.
Preventive or Remedial Measures	<ul style="list-style-type: none"> • Incorporate into the model investment document in line with the environmental sustainability requirements. • Provided relevant resources through equity management to guide and assist each equity investment business to improve operational performance in order to maintain the investment rights and interests. • If equity investment businesses occurred major changes, unsatisfactory operational performances, or any inconsistency with TIPC's investment target, TIPC would request equity investment businesses or representative directors to submit an explanation and improvement plan.
Evaluation Management System	<ul style="list-style-type: none"> • TIPC regularly tracked the operational performance of each equity investment company and executed equity management according to corporate governance procedures, discussing and supervising their significant businesses through pre-meetings of Board of Directors or meetings of the business communication platform. • Due to the rapid changes in the financial markets, TIPC will immediately review its holding of ESG bonds against market changes and will continue to look for opportunities to invest in ESG bonds in the future. • Perform investment promotion operations for commercial ports in line with the "Commercial Port Law" and its sub-laws, such as the "Regulations Governing the Investment to Build, or Lease to Operate the Commercial Port Facilities For State-Run or Private Enterprises", and other relevant superior investment promotion laws and regulations.
Performance and Adjustment	<ul style="list-style-type: none"> • Issued more than 3,800 certificates for wind power crew related courses, ranking first in the market in terms of certificates issued for 5 consecutive years (2019~2023). • ESG bond holdings account for approximately 10.45% of the total bond portfolio, an increase from year 2022 (6.21%)

Material Topic: Information Security, Customer's Privacy

<p>Major Causes</p>	<ul style="list-style-type: none"> • TIPC plays a dual role of maintaining national port operations and providing port operations services. Through construction of a environment for cyber security, the corporate can effectively maintain the safety of port facilities and enhance the operational quality. • Specific non-government agency is established for critical infrastructure providers under Article 16 (1) of the Cyber Security Management Act. • TIPC needs to rely on the proper functioning of core information and communication system for smooth operation of their core business. Therefore, the corporate needs to focus on the risk management related to the cyber security of the core information and communication system.
<p>Effects and Impacts</p>	<p>Negative Impact:</p> <p>Actual negative impact on economy and human rights (including people), commonly demonstrated as vulnerability of systems or virus embedded in information and communication devices.</p>
<p>Policy/ Strategy</p>	<ul style="list-style-type: none"> • TIPC has always emphasized on "Customer-Oriented" as its core value, concerned about customers' opinions and needs, and provided a flexible operation model to strengthen port facilities and services, as well as constructed a environment for cyber security to protect customers' information. • As time has changed, the window service and paperwork between port and its customers, as well as the operation applications and billings between port operators and TIPC have been converted to electronic systems (e.g., TPNet). In regard to customer's privacy, the collection, processing, and utilization of customers' information are compliance with the Personal Data Protection Act and Cyber Security Management Act. • TIPC's cyber security policy aims to implement management procedures, ensure adherence to regulations and standards, focus on prevention and maintain cyber security. • TIPC introduces Information Security Management System (ISMS) in line with the legislation. • Acquisition of ISO 27001:2022 version (new version) certification • Establish a Chief Cyber Security Officer and dedicated personnel to handle cyber security operations. • Consistently implement cyber security practices to comply with the relevant regulations of the Cyber Security Management Act.
<p>Preventive or Remedial Measures</p>	<ul style="list-style-type: none"> • In response to cyber security incidents that may affect the functioning of the information system and constitute a threat to the cyber security policy, TIPC has established the reporting and responding mechanism. • The ISMS (IS-TW-02-014) Correction and Prevention Management Procedures are followed for the prevention and improvement of all findings and deficiencies. • Conduct social engineering drill in conjunction with MOTC and additional self-organized social engineering drill. • Organize cyber security education and training for dedicated personnel, information personnel, general user and supervisor following ISMS (IS-TW-02-005) Personnel Security and Education and Training Procedures. • Provide multiple appeal channels, such as Global Information Network/Web Services/Opinion Mailbox.

Material Topic: Information Security, Customer's Privacy

<p>Evaluation Management System</p>	<ul style="list-style-type: none"> • According to ISO 27001, TIPC re-evaluates the risk assessment annually, and also conducts internal 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 Chief Cyber Security Officer. The meeting reviews outcomes of the implementation of indicators set in the present year's (IS-TW-04-003-ISMS) validity measure, and also determines the indicators for coming year.
<p>Performance and Adjustment</p>	<ul style="list-style-type: none"> • Passed the third party verification and acquired ISO 27001: 2013 international information security certification. • In order to control cyber security risks in the rental area, TIPC has incorporated cyber security regulations into the model contract. • Chief Cyber Security Officer hosted one management review meeting, in which various indicators of ISMS(IS-TW-04-003) validity measure were met, and indicators for 2024 were decided as well. • No case of customer's privacy violation

*Note: Source: Topics collected from the 2023 Port Business Seminar.



Material Topic: Regulatory Compliance

<p>Major Causes</p>	<ul style="list-style-type: none"> • Improve corporate governance system through adherence to national laws and regulations is one of the basic requirements for being a state-owned enterprise. • Providing a safe working environment is the primary criteria to allow workers to be consistently productive. It is necessary to understand OSH-related laws and regulations as well as stakeholders' demand on related issues, followed by appropriate adjustments to meet the basic legal requirements and stakeholders' needs.
<p>Effects and Impacts</p>	<p>Negative impact: Failure to create employees' awareness of legal compliance and complete internal management systems exposes the corporate to the risk of legal infringement, which may result in damage to the corporate's social image, reduced stakeholders' confidence level, and poor overall business performance, which in turn has a negative impact on the economy and human rights (including people).</p>

Material Topic: Regulatory Compliance

Policy/ Strategy

- Regarding socioeconomic regulations and sustainability issues, TIPC is responsible for the operation and management of international commercial ports in accordance with the Commercial Port Law. It adopts measures for information disclosure and transparency, gathers relevant laws and regulations, implements internal controls to secure operational effectiveness and efficiency, carries out risk assessments and audits to prevent potential temporary or specific risks, complies with regulations and by-laws, and practices integrity in operation.
- There are internal work rules that require employees to comply with relevant laws and regulations and to fulfill professional ethics when performing duties.
- In terms of integrity risk management, TIPC has 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. Civil Service Ethics Department executes relevant risk management and internal control systems based on results of risk assessment.
- Establish proper concepts of the rule of law for employees and plan thematic education and training programs.
- Formulation of OSH policies.

Preventive or Remedial Measures

- Based on the annual integrity work plan, review the effectiveness of the plan every other year to evaluate its achievement.
- The current management system for legal compliance is summarized as follows:
 - 1.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.
 - 2.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
 - Signed the "Annual Legal Consultation Service Contract" to facilitate the provision of immediate legal services by outside counsel in location of each branch office.
 - Signed "Dispute Case Open-end Contract and Consultation Service Contract" to engage outside counsel to provide services in handling dispute cases
 - 3.Preparation of sample pleadings, procedure flow chart, and regulatory compliance self-checklist:
 - Flowchart, manuals and sample pleadings related to compulsory enforcement matters procedures
 - Flowchart and sample pleadings for preventive proceeding and lodgment procedures
 - The Self-Checklist of Government Procurement Tendering Procedures
 - Guidelines for Legal Affairs
 - Notes on the preparation of regulations
 - Reference examples of legal affairs documents draft
 - 4.Training, seminars and forums
 - Provide year-round training courses on "the beauty and sadness of contract dispute expert testimony" and "the responsibility and case analyzation of occupational accidents".
 - Offer a course on "Introduction to Basic Laws" in conjunction with the newcomer training.
 - Project analysis seminar on dispute mediation or litigation refinement
- Provide multiple appeal channels, such as Global Information Network/Web Services/Opinion Mailbox. Non-conformities are detected in accordance with Occupational Safety and Health Management Procedures for Prevention and Control Measures.

Material Topic: Regulatory Compliance

Evaluation Management System

- Periodic review of changes and conformity of regulations and other requirements at management review meetings or Occupational Safety and Health Committee in accordance with the "Management Review Procedures".
- All operations related to regulations and other requirements shall be documented and handled in accordance with the "Documentation and Record Management Procedures".
- Follow the risk management and internal control system to evaluate, inspect, and improve.
- Performance appraisal system has been established for the promotion of corporate integrity and integrity ethics, and regular integrity meetings are held to review the status of annual integrity operations.
- Relevant Management System: Internal Control System (Harbor Operation Management Office), Internal Audit System (Auditing Office), Procurement Audit System (Civil Service and Ethics Department, Procurement Audit Group of MOTC).
- Periodic review of changes and conformity of regulations and other requirements at management review meetings or Occupational Safety and Health Committee in accordance with the "Management Review Procedures".

Performance and Adjustment

- Organized one "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 two "2023 ESG Sustainable Governance" forum series. The participants are government agencies, port industries, members of the legal profession, employees and the general public.
- Conducted 4 courses of "Contract Execution Enhancement" , 7 courses of "Labor Relations Promotion Course - Employee Evaluation and Termination Issues" , 2 year-round training courses of "Introduction to Government Procurement Dispute Resolution Mechanisms and the Operating Procedures of TIPC", and 1 session of "Notes on Handling of Engineering Disputes - Taking Case of Sheng Rong as an Example" in "Practical Training on Administration of Contract Performance in Government Procurement". The target participants are the relevant business personnel of our company.
- Offer "Introduction to Basic Laws" program in conjunction with the newcomer training for 18th new recruits.



Material Topic: Integrity Governance

<p>Major Causes</p>	<ul style="list-style-type: none"> • "Integrity" is fundamental for sustainable corporate development. Only by upholding a decent management philosophy, adhering to legal regulations and a sound corporate governance system can we build the trust among our stakeholders and successfully promote the development of various businesses. • The operation of the Board of Directors' affairs is subject to the legality of its meetings and resolutions, which helps to improve the performance of corporate governance.
<p>Effects and Impacts</p>	<p>Negative impact: Failure to adopt an integrity management philosophy may result in a decline in the corporate's reputation, damage to its social image, loss of trust from its stakeholders, and poor overall business performance, which will have a negative impact on the economy and human rights (including people).</p>
<p>Policy/ Strategy</p>	<ul style="list-style-type: none"> • Regular open disclosure of information on issues of stakeholders' concern related to the corporate's finance, business operation, investment recruitment, tendering, and progress of project execution. • 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 motions listed in the Board of Directors' meeting and shall not exercise his/her voting rights on behalf of other directors in the following circumstances: <ol style="list-style-type: none"> 1.Any person who has an interest in their own that may be detrimental to the interests of the company 2.The directors consider that they should recuse themselves. 3.Recusal by resolution of the Board of Directors. <p>If a director violates the provision on avoidance in the preceding paragraph and joins voting, his/her vote shall be invalid.</p> • The Directors' Obligations of Prohibition on Business Competition: In accordance with Article 209 of the Company Act, each director is required to declare his or her position as director of other business organizations when he or she assumes office, and to check if the business organizations in which he or she has concurrent duties are in competition with corporate's business. And when convening the shareholders' meeting on behalf of the board of directors, the directors' non-competition restrictions will be lifted. • Policies related to the operation of the Board of Directors are based on the following rules and regulations, including: <ol style="list-style-type: none"> 1.The Taiwan International Ports Corporation, Ltd. Establishment Act 2.Rules and regulations governing TIPC 3.Rules and regulations governing Board of Directors of TIPC 4.Rules of Procedure of the Board of Directors of TIPC 5."Management and Assessment Guidelines for the Selection of Representatives of State-Run Enterprises and Foundations Assigned by MOTC and its Affiliated Institutions". • There are internal work rules that require employees to comply with relevant laws and regulations and to fulfill professional ethics when performing duties • In terms of integrity risk management, TIPC has 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. Civil Service Ethics Department executes relevant risk management and internal control systems based on results of risk assessment. • Build up proper concepts of the rule of law among employees and plan thematic education and training programs.

Material Topic: Integrity Governance

Preventive or Remedial Measures

- An annual integrity work plan is formulated for each integrity operation, and an executive review is conducted in the following year to evaluate its goals achievement.
- The Board of Directors routinely convenes an agenda committee (a committee under the Board of Directors) prior to the board meeting to review the conformity of proposals submitted with respect to the resolutions to be made by the board, in order to enhance the functions of the Board of Directors and to promote the efficiency of decision-making. The agenda committee was convened four times.
- In the event that a resolution of the Board of Directors violates relevant laws and regulations and causes damage to the company, the directors who have expressed their disagreement shall be exempted from liability if such disagreement is evidenced by a record or a written statement. (Extracted from Article 20 of the Rules of Procedure of the Board of Directors of TIPC)
- Provide multiple appeal channels, such as Civil Service Ethics Department Hotline: 07-2136963 and mailbox: ethic@twport.com.tw.

Evaluation Management System

- Follow the risk management and internal control system to evaluate, audit, and improve.
- A performance appraisal system has been established to promote corporate integrity and ethics.
- 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 Section 10 of "Management and Assessment Guidelines for the Selection of Representatives of State-run Enterprises and Foundations Assigned by the MOTC and its affiliated institutions".
- Evaluate, audit, and improve in accordance with the corporate's risk management and internal control system. A performance appraisal system is in place for specific operations, and an annual integrity meeting is regularly held to review annual integrity actions.

Performance and Adjustment

- A total of 4 Board of Directors' meetings were held, and the agenda consisted of 22 reports, 25 discussions and 1 temporary motion. In addition, the resolutions of the Board of Directors' meetings are tracked on a regular basis, and the managerial department is requested to keep reporting on the status of the resolutions.
- The corporate's "2022 Annual Business Report", "2022 Annual Financial Statements" and "2022 Distribution of Earnings" have been reviewed by the supervisors in accordance with the Company Act and were submitted to the Board of Directors for approval upon acting on behalf of the shareholders at the 10th meeting of the 4th Board of Directors on June 6. The minutes of the meeting of the Board of Directors acting on behalf of the shareholders have been submitted to the MOTC in accordance with the Articles of Association for record keeping.
- At the 11th meeting of the 4th Board of Directors on September 12, it was approved to amend Article 7 of the Rules and regulations governing Board of Directors of TIPC.

Material Topic: Operational Risk Management

Major Causes

- The establishment and implementation of risk management and internal control practices reduce the corporate’s operational risk, enhance operational efficiency and maintain competitiveness to facilitate sustainable operation.
- Climate change is a common global challenge and the international community is increasingly concerned about the issue of greenhouse gas emissions reduction. "Net Zero Emissions by 2050" after United Nations Climate Change Conference in 2021 has been a global consensus. Ministry of Environment has formally amended "Greenhouse Gas Reduction and Management Act" to "Climate Change Response Act", and integrates target of global net zero emissions by 2050 into the law. Greenhouse gas reduction and management has become a national policy.
- Identify the corporate environment and stakeholders, and perform collection of issues of concern and risk management in response to possible risks organizational environment changes, evaluate and manage risks, and take early countermeasures or control measures, so as to achieve sustainable management and consistent yet effective operation of the safety and health management system.

Effects and Impacts

Negative impact:
 Through the rolling review of risk management and internal control, each unit conducts risk assessment of the operations under its authority and responsibility, formulates risk response strategies and implements operational procedures, so as to achieve the overall goals of respective units, such as enhancing operational performance, accounts and asset management, human resource management and services, consolidating port facilities, information security and disaster prevention and relief mechanisms, complying with legal requirements and promoting environmental sustainability, etc., and to avoid negative impacts, such as disruption in operation, reduction in revenue, loss of property, violation of laws or damage to corporate image.

Policy/ Strategy

- The corporate's "Risk Management and Internal Control System" was established in accordance with the "Operating Principles for Risk Management and Crisis Handling of the Executive Yuan and its Affiliated Agencies", "Handbook for Risk Management and Crisis Handling of the Executive Yuan and Affiliated Agencies" and "Highlights of the Government Internal Control and Surveillance Operations".
- Based on the corporate vision, key operating goals, as well as overall and operation-level objectives, each unit reviews the importance and vulnerability of its operations, identifies and evaluates risk tolerance, analyzes the degree of risk impact and likelihood of occurrence, and formulates various risk assessment items and internal control priorities.
- In order to ensure continuous and effective corporate risk management and internal control, the corporate conducts annual self assessment, rolling review and improvement based on the results of the assessment, so as to identify the priorities of control and assessment of operating procedures for each unit.
- In line with green energy development program initiated by the Executive Yuan in 2016, we are committed to achieving the goal of 20% renewable energy power generation by 2025, and taking into account energy security, green economy and environmental sustainability, implementing the goals of renewable energy and nuclear-free homeland in order to cope with climate-related operational risks.
- Manage risks based on corporate policies, internal and external issues related to OSH in operations and services, and stakeholders’ concerns.

Material Topic: Operational Risk Management

Preventive or Remedial Measures

- Addressing risk response strategies, we have strengthened our risks inspection and handling, conducted project audits and inventories, and enhanced preventive measures, in order to minimize incidents of internal risks.
- Risk assessors in each unit should propose countermeasures for material topics in the "Organizational Environmental Issues and Risk Management Countermeasures Table" in order to capture opportunities for improvement and reduce operational risks. The progress and results of the implementation of countermeasures proposed for material topics shall be discussed in the management review meeting in accordance with the "Management Review Procedures".
- Provide multiple appeal channels, such as company mailbox: https://www.twport.com.tw/chinese/Mail_Content.aspx

Evaluation Management System

- Based on the results of the preceding year's self-assessment, rolling review and improvement are conducted to determine the control and evaluation priorities for the current year that are closely aligned with the operating procedures of each responsible unit.
- Review the implementation of internal controls in each unit from time to time by internal control staff, internal and external auditing units, and take relevant actions if any improvement is needed.
- Every unit reviews the key points of each control in the current year and conducts self evaluation based on the effectiveness or implementation level, which is signed by the first-level supervisor of each unit, reported to the head of the department for approval, and followed by signing of the internal control statement by the Chairman of the Board of Directors, President, and Chief Auditor.
- Conduct regular audits on emissions management in accordance with ISO14064-1 management review procedures.
- Implement measures consistent with the annual goals of the "International Commercial Port Air Pollution Control Action Plan".
- Each port conducts environmental inspections in the port area from time to time. In case of any violations, those who are responsible will be required to make immediate improvements, or given an advice sheet with a deadline for improvement. If no definite improvement is made, the case will be sent to Maritime Port Bureau, MOTC, to be adjudicated by law. Additionally, ports regularly conduct joint audits with the local environmental protection administrations and Maritime Affairs Center, Maritime Port Bureau, MOTC, as well as inviting the operators to convene advocacy meetings.
- Based on the organization's environmental issue identification and risk management procedures, the assessor determine the material issues based on severity, occurrence, and detection, and the following criteria are met to be classified as material issues.
 - Issues with a risk score of ≥ 30 are considered to be critical and should be proposed with measures to improve, prevent or enhance the opportunities, and performance management targets should be set for the measures.

Material Topic: Operational Risk Management

Performance and Adjustment

- The results of the risk assessment showed 8 high-risk items, 47 medium-low risk items, with a total of 55 risk items. The risk value of each item is indicated in the risk image distribution, and the acceptable risk value range of the corporate is below 2. All items with risk value greater than 2 are categorized as high risk, and the risk value of high-risk items will be reduced to a tolerable range through risk management.
- The self-assessment report of the risk management and internal control system for 2023 was completed in March 2024. The assessment and audit results showed that the establishment and implementation of the overall internal control 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, President, and Chief Auditor.
- The risk response measures selected by each unit based on the organization's environmental issue identification and risk management procedures should be effective in achieving the desired results of the OSH management system, preventing or reducing the occurrence of undesired outcomes, or improving the performance of the OSH management system on a sustainable basis.



Material Topic: Climate Change Risks and Opportunities

<p>Major Causes</p>	<ul style="list-style-type: none"> • As global warming trends, the scale and frequency of extreme weather events are increasing, which pose a threat to the safety of port operations. Potential disasters such as natural and human-caused disasters may affect port operations. In recent years, ports have been undergoing a transformation of operations such as electrification, automation and mass production, which has further complicated the hazards. • The impacts of climate change on ports vary according to operational characteristics such as geography, purpose and type of cargo handling. In addition to differences in hazards due to geographic location, factors such as the nature of port development, size, and type of cargo handled are also major sources of variation. • Artificial harbors require more funding for construction and maintenance due to the lack of natural protection. Large international commercial ports are equipped with container areas and large-scale handling equipment to cater for large commercial vessels, resulting in greater impact of strong gusts. Due to the characteristics of some of the cargoes, the speed of cargo handling may be affected or operations may have to be halted by rainfall and strong gusts, which will in turn cause an impact on the port operation.
<p>Effects and Impacts</p>	<p>Positive and negative impacts:</p> <ul style="list-style-type: none"> • The nine major port entity risks mainly come from storm surges, strong winds, inundation (storm surge inundation and rainstorm inundation), high temperatures, and dense fog, which affect port preservation targets such as port operation-related hardware (including substations, buildings, Vessel Traffic Service (VTS) centers, large-scale cargo handling equipment, server rooms, containers, and other hardware related to port operations), wharves, breakwaters, and outdoor cargo handling operations (affecting the safety of personnel in outdoor operations). The port needs to plan and invest in long-term construction and maintenance to build up resilience and capacity to avoid the negative impact of operational disruptions. • In terms of policy and regulatory risks, in light of the 50% carbon reduction target by the 2030, TIPC will need to invest more resources from 2020 to 2030 to achieve this target, which will have a negative impact on its finance due to higher costs. • In terms of reputation risk, the overall effectiveness of its marketing efforts is favorable, which will have a positive economic impact on the financial development of the company in the long run.
<p>Policy/ Strategy</p>	<ul style="list-style-type: none"> • In view of the unforeseen nature of disasters, a "Disaster Prevention and Relief Operation Plan" has been formulated with the aim of augmenting disaster prevention, emergency response and recovery work. This plan takes into account the disaster environment, changes in social structure, climate change, and the spread of epidemics in order to effectively carry out mitigation, prevention, response, and reconstruction work at all stages so as to minimize the loss of life and property due to disasters, and therefore to move towards the goal of the port's sustainable operation and development. • TIPC will continue to evaluate the strategies related to entity and transition risks by referring to the research reports conducted by the corporate in collaboration with experts and scholars, and then develop and implement the strategies.
<p>Preventive or Remedial Measures</p>	<p>In order to minimize the incidence of disasters and loss of lives and properties, we have established a disaster prevention and relief plan that incorporates all phases of disaster prevention and relief from mitigation, preparation, emergency response to reconstruction.</p>

Material Topic: Climate Change Risks and Opportunities

<p>Evaluation Management System</p>	<ul style="list-style-type: none"> • With regard to disaster prevention and relief, port facility maintenance, and mobilization preparation and execution, we continue to review the plans on a rolling basis through regular and irregular education and training, drills (exercises), and audits, thus revising the plans as appropriate. • Establish a risk management and internal control system and the "Implementation of Disaster Prevention and Relief Operation Plan - Disaster Contingency Plan". Annually review the standard operating procedures for crisis management, tests or drills to evaluate the effectiveness of contingency plans, internal and external real-time notification systems, establishment of an emergency response team to perform contingency operations, as well as the documentation of crisis management projects and other key internal control points, in order to assess the risk analysis, adopt mitigation strategies and track improvement status. After setting safety goals, we track the safety hazard risk items and measures the effectiveness of the improvement measures, and then establishes, implements, maintains, and continuously improves the related strategies and operating procedures to meet the safety performance goals of the port area.
<p>Performance and Adjustment</p>	<ul style="list-style-type: none"> • Conduct one seminar and seven briefing sessions on climate change risks, and four typhoon and flood control drills. • Pursuant to Article 19 of Disaster Prevention and Protection Act and Article 7 of its enforcement regulations, and Article 41 of Commercial Port Law, TIPC shall design a disaster prevention and relief plan for approval from MOTC, and shall conduct surveys and evaluations every two years according to the basic plan for disaster prevention and relief, related disaster mitigation, preparation, disaster response, and recovery, etc., which may be conducted at any time when necessary. The headquarter and branches have completed the review of the disaster prevention and relief plans.

Material Topic: Supplier Management

<p>Major Causes</p>	<p>As a state-owned enterprise, all purchases of TIPC are handled in accordance with the Government Procurement Act. The selection of suppliers is governed by the Government Procurement Act to ensure a fair and open process. In order to keep abreast of the trends in occupational safety and health legislations and the stakeholders' demands, the corporate collects and registers the relevant legislations and requirements to guarantee its regulatory compliance.</p>
<p>Effects and Impacts</p>	<p>Negative Impact: TIPC selects suppliers through fair and equitable procurement procedures, and improves the management of suppliers in terms of quality, efficiency, service and sustainability-related performance to minimize the variations in service quality. If there is no proper management of the safety of suppliers and contractors, incidents of occupational accidents in the port area which will be widely reported may damage the company's image and have a real negative impact on the economy and human rights (including people).</p>

Material Topic: Supplier Management

<p>Policy/ Strategy</p>	<p>As part of the company's efforts to implement the concept of ESG sustainability and to guide manufacturers to fulfill their corporate social responsibility, the company has included corporate social responsibility (CSR) indicators as part of the evaluation (audit) process for some of its procurements.</p>
<p>Preventive or Remedial Measures</p>	<ul style="list-style-type: none"> • Prior to the opening of the bidding process, TIPC verifies if the bidding vendor is not under suspension of rights in accordance with Article 50 of Procurement Act. • Pursuant to Article 101 of Procurement Act, if a vendor is found to have one of the following circumstances, and if no objection is raised, the vendor will be published in the Government Procurement Gazette. • For suppliers who have been providing information services to TIPC for more than 6 months, their team members should receive at least 3 hours of cyber security training within the current contract period. • Suppliers are required to sign a vendor assurance agreement and team members are required to sign a confidentiality consent form prior to the execution of the contract. • For suppliers who have not implemented the cyber security standards, TIPC will impose a deadline for rectification in accordance with the provisions of the contract. • Contractors self-conduct safety and health education training/promotion and record for reference, or participate in the safety and health education training/ promotion courses organized by TIPC. • If an occupational disaster occurs during construction or operation within TIPC, the contractor must immediately notify the corporate in accordance with "Major Occupational Disaster Notification and Contingency Practice Points", and the contractor must unconditionally accept the investigation and attend the incident review meeting.
<p>Evaluation Management System</p>	<ul style="list-style-type: none"> • TIPC constantly introduces the "Supplier ESG Self-Assessment Questionnaire" to evaluate the ESG status of suppliers whose procurement reaches NT\$5 million or more. The questionnaire covers five major aspects, namely environmental protection, labor practices, labor rights, business ethics, and product responsibility. Analysis of the assessment results provides the corporate with an understanding of the supplier's current status and serves as a reference for the corporate's supplier management. • TIPC conducts annual supplier cyber security audits to verify the compliance with corporate's cyber security standards through on-site or written audits. • Through the contract performance management mechanism, we ensure that suppliers provide proof of their professional competence in cyber security, relevant test reports or backup security documents in accordance with the terms and conditions for outsourced information security. • Occupational Safety and Health Management Regulations for Contractors.
<p>Performance and Adjustment</p>	<ul style="list-style-type: none"> • 100% of the suppliers have signed the vendor assurance agreement prior to the execution of the contract and 100% of the team members have signed the confidentiality consent form. • Achieved 100% in suppliers' performance audit. • Issued 202 questionnaires on "Supplier ESG Self-Assessment" with 74 questionnaires being retrieved and passing rate of 100%.

1.1 Knowing TIPC

The administration and management of ports in Taiwan were originally combined, in which there were four harbor bureaus, including Keelung Harbor Bureau, Taichung Harbor Bureau, Kaohsiung Harbor Bureau, and Hualien Harbor Bureau under the Ministry of Transportation and Communications. In March 2012, in order to enhance the competitiveness of the port, and in line with the government's organizational reengineering process and the introduction of entrepreneurship into the operation of the port, the Maritime Port Bureau, MOTC was established to handle public affairs of shipping and port administration. Under the direction of "corporatization", the four harbor bureaus were transformed into the Taiwan International Port Corporation (TIPC). TIPC specializes in port operations to enhance the efficiency and flexibility of port operations, promote the development of port area, and drive the economic prosperity of regional industries.

Taiwan International Ports Corporation, Ltd.



Headquarter Address	No.10, Penglai Rd., Gushan Dist., Kaohsiung City 804004
Date of restruction	March 1, 2012
Total Assets	NT\$ 138.292 billion as of December 31, 2023
Paid-in capital	NT\$ 66,456,671,200
Shareholder Structure	State-owned company 100% owned by the Ministry of Transportation and Communications
Number of Employees	2,071 people (as of December 31, 2023)
Chairman	Lee Hsien-Yi

Port distribution

Port of Taichung

No.2, Sec. 10, Taiwan Blvd., Wuqi District, Taichung City

Magong District Office

No. 36-1, Linhai Rd., Magong City, Penghu County

Budai District Office

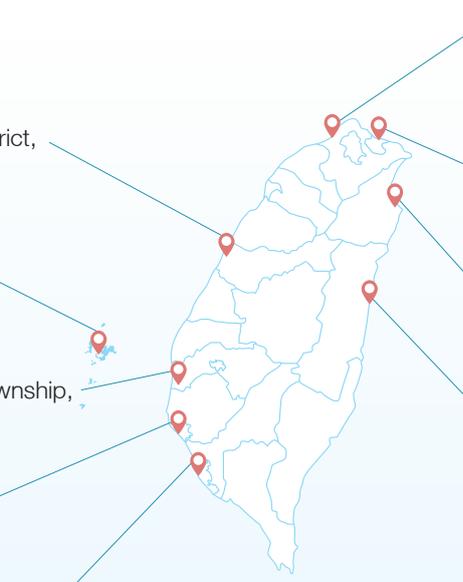
No. 334-61, Zhongshan Rd., Budai Township, Chiayi County

Anping Port Branch Office

No. 25, Xingang Rd., South District, Tainan City

Port of Kaohsiung

No.62, Linhai 2nd Rd., Gushan District, Kaohsiung



Taipei Port Branch Office

No.123, Shanggang Rd., Bali Areas New Taipei City

Port of Keelung

No.1, Chung-Cheng Rd., Keelung

Suao Port Branch Office

No.1, Gangcyu, Su-ao Township, Yilan County

Port of Hualien

No.66, Hai-an Rd., Hualien City, Hualien County

According to TIPC's development strategy and goals, we mainly focus on existing port core services. Additionally, in line with international port operation trends, we are expanding into asset development, equity investment, and internationalization to explore business diversification.



TIPC's 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.



TIPC continued to manage each equity investment plan and business in accordance with the relevant government and TIPC's regulations and bylaws. As of the end of 2023, TIPC held more than 20% shares of the equity in a total of 7 equity investment businesses.



1.1.1 Introduction to each port

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. TIPC manages its international commercial ports including 30,156.5 hectares of water area and 5,988.9 hectares of land area. Additionally, TIPC are entrusted with the operation of two domestic commercial ports, Budai Port and Penghu Port. In 2023, the total number of inbound vessels in the Taiwan ports was 39,653, the cargo throughput was 215,973,393 metric tons, and the cargo handling was 666,328,840 revenue tons.

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 Business Performance

Major Operating Items

TIPC has continued to work hard in the cargo transportation industry, upgrading various port and providing better services to clients such as carriers, stevedoring, warehousing and logistics related businesses. Meanwhile, through cooperation with the private sectors and relevant government agencies, TIPC are actively developing into a diversified operation mode and expanding the business scope of port operations.

Trends of Major Operating Businesses		
	Berthing Services	Affected by the upsizing of vessels, TIPC continues upgrading hard and soft facilities in port and providing high-quality operation environment and efficiency for vessels.
	Tuging Services	Through the dispatching method of rolling-wave planning, 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	In response to the development of new technology, TIPC continuously upgrades port facilities to enhance safety and efficiency of cargo handling operations. TIPC also introduces incentive schemes to cope with the evolution of shipping alliances aiming to attract port calls and maintain steady growth of cargo volume.



Storage services

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



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.



Achievement Rate of Main Operating Items

Unit: NT\$ thousand

Main Operating Items	2022 Financial Statements	2023 Budget (Target)	2023 Financial Statements	Target Achievement Rate (%)
Berthing Services	1,549,275	1,437,886	1,596,282	111.02
Tugging Services	1,757,348	1,707,169	1,942,544	113.79
Cargo Handling Services	7,336,223	7,148,405	7,175,656	100.38
Storage Services	732,969	636,582	767,185	120.52
Development Investment	134,519	212,009	177,310	83.63

Equity Investment Items

TIPC's business had extended its scope to logistics, tugboat services, land development, crew training, offshore wind power operation and maintenance, and overseas investment. Additionally, TIPC and the local government are working together to promote waterfront business and recreational development. In line with the government's energy transformation policy, TIPC was offering port facilities to build an offshore wind power industry cluster and an LNG offloading base, aiming to make domestic ports a leading force in the international green energy industry. In 2023, TIPC had recognized NT\$ 496 million in revenue from the equity investments with positive benefits.

Performance of investment in enterprises for 2023

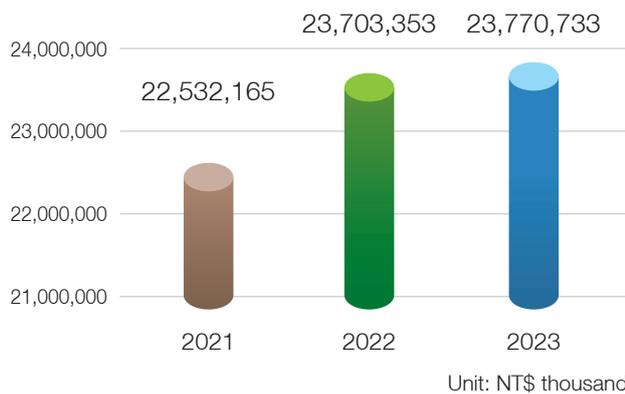
Unit: NT\$ thousand

Items	2021	2022	2023
Share of the profit of subsidiaries and associates	469,151	478,303	495,580

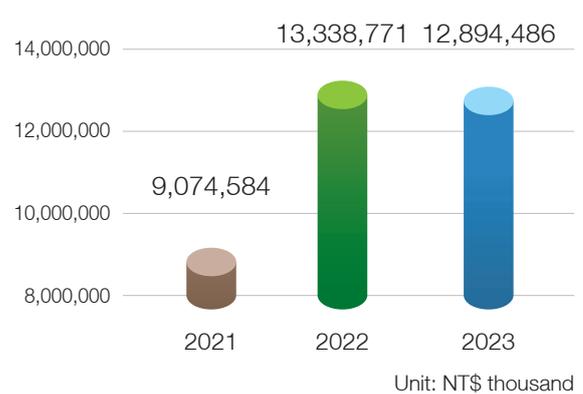
Overall Financial Performance

Confronted with climate change, the impacts of COVID-19 epidemic and external environment such as the port congestion, TIPC's investment performance continues to grow. In terms of assets activation, the corporate has been actively consulting potential investors in view of favorable land conditions for development and planning for investment that meets market demand. Among which, part of the land of Keelung City Dongnuan New Village Project was leased out for use as a parking lot in 2023, while Lot No. 335-6 in Dade Section of Zhongshan District in Keelung City has been completed investment recruitment. TIPC will continue to negotiate for the remaining lands with potential investors to upraise income from asset utilization. Before that, the lands will be used for temporarily lease. In addition, the development of diversified businesses, such as offshore wind power and waterfront recreation business in line with environmental sustainability and port transformation, has also been successful, which has driven an increase in overall revenue. In 2023, TIPC achieved an overall operating revenue of NT\$23.77 billion, and net profit of NT\$ 10.96 billion, representing an increase of 0.28% and -3.04% from 2022, respectively.

Operation Revenue



Profit before Income Tax



The company complies with the provisions of the Income Tax Act, ensuring that its annual income tax returns are audited by an independent certified public accountant. Oversight of these responsibilities rests with the Finance Department.



The Amount of Income Tax over the Years

Unit: NT\$

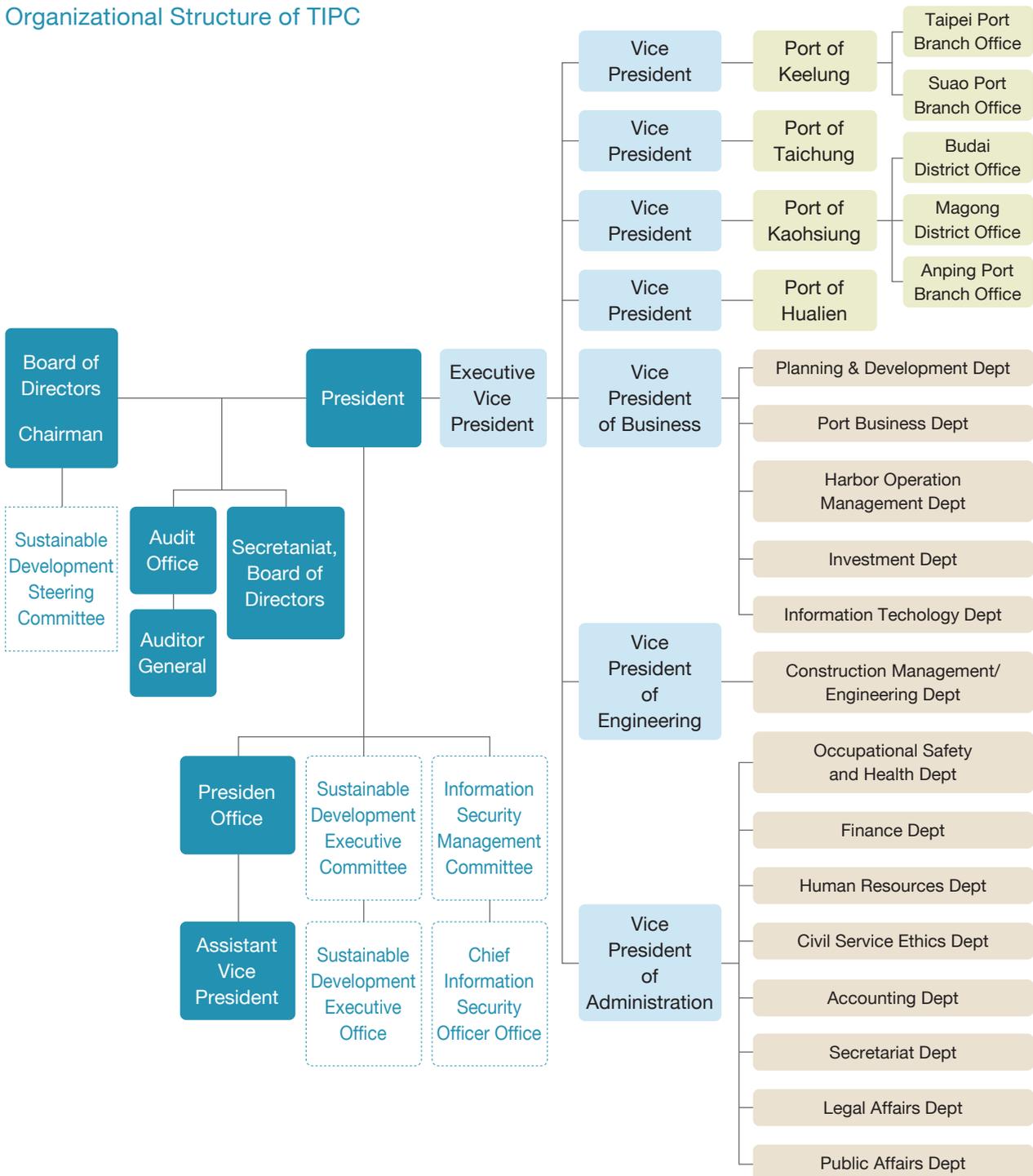
2018	1,549,540,300
2019	1,614,382,801
2020	1,499,379,224
2021	1,777,367,658
2022	1,912,380,016
2023	1,842,079,970

The disclosure includes income tax payments for 2018 to 2022 and income tax accruals for 2023, based on the audited financial statements.

1.2 Corporate Governance

The Board of Directors is the highest governing body of the corporate. In order to meet the needs of emerging businesses, regulations and business development, the Board of Directors has set up divisions and branches under management team to take charge of individual businesses as well as the operation and management of international ports.

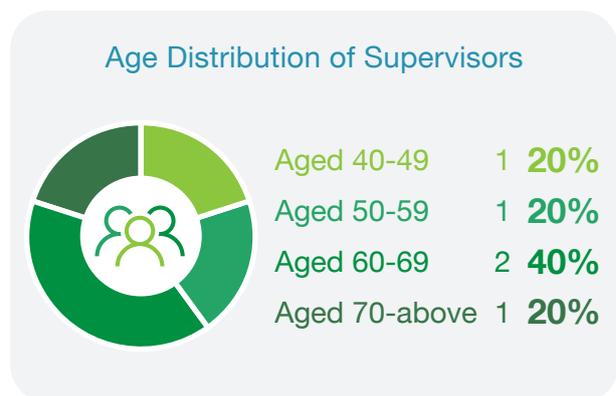
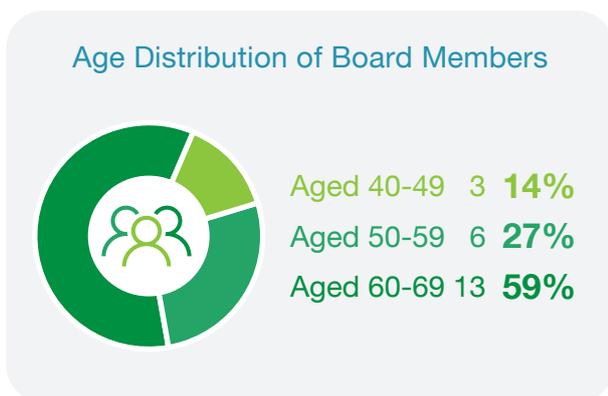
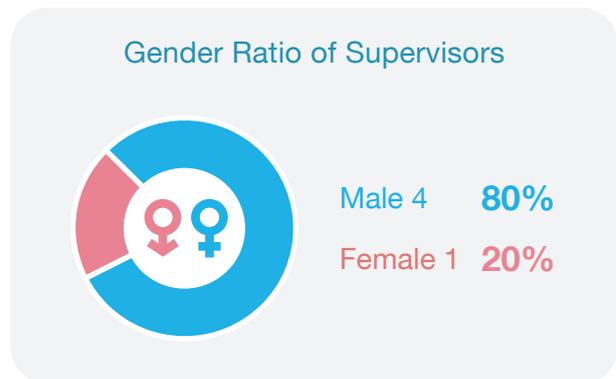
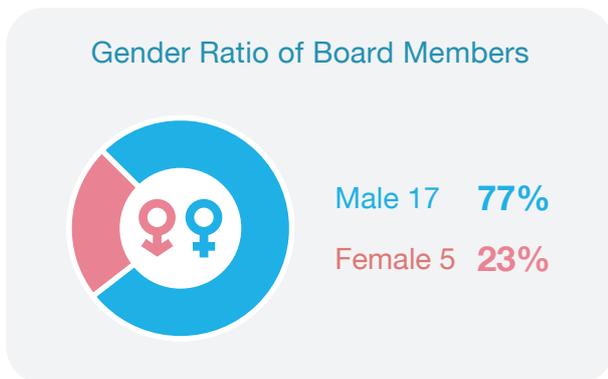
Organizational Structure of TIPC



1.2.1 Composition of Board of Directors

MOTC is the sole government corporate shareholder of the TIPC. All directors and supervisors are appointed by MOTC. In accordance with Article 4 of "The Taiwan International Ports Corporation, Ltd. Establishment Act", TIPC establishes a board of directors with 15 to 23 directors, with at least one-fifth elected by labor unions, and 3 to 5 supervisors. The term of directors and supervisors is three years, and they are eligible for re-election. If a representative of the government or legal entity is elected as director or supervisor, he or she may be reappointed at any time to complete the original term, depending on his or her duties.

The Board of Directors consists of experts in the fields of transportation, business management, accounting and taxation, risk management, law, engineering, sustainability, etc. Some of them are nominated by the federal government ministries and agencies, as well as the county and municipal governments of the port location in addition, 5 labor directors have an average of more than 31 years of service (including service in the port bureau) and are familiar with different port operations. Please refer to Appendix 5.3.1 for details of the board members.



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.

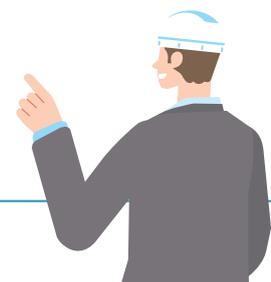
Annual Self-Assessment of Directors and Supervisors

The Chairman, President, Directors, and Supervisors of TIPC, excluding Labor Directors, 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 their duties. 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 2023, a total of one Chairman, one President (who also serves as a director), 15 directors, and 5 supervisors participated in the self-assessment. The MOTC approved the assessment results, confirming that all 22 individuals were suitable.

Assessment Criteria for the Selection of Representatives of State-run Enterprises and Foundations Assigned by the MOTC and its affiliated institutions		
Chairman, President	Directors	Supervisors
<ul style="list-style-type: none"> ✓ Attendance times. ✓ 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. 	<ul style="list-style-type: none"> ✓ Attendance times. ✓ 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. 	<ul style="list-style-type: none"> ✓ Attendance times. ✓ Inspection of the Board of Directors' Form. ✓ Inspection of business operations. ✓ Other specific events.



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.

In order to inspire employees with remarkable performances in terms of major task accomplishment, business administration system, efficiency, finance, and operations, TIPC has formulated the "Notes on Approval of Performance Bonus" in accordance with the "Key Points for Implementing Performance Bonus for Employer-Rate Business Institutions under MOTC" to provide incentive bonuses.

1.2.2 Operation of the Board of Directors

The Board of Directors' meetings are convened once every three months, except for those annually convened by law, and ad hoc board meetings may be convened when necessary. To strengthen the functions of the Board of Directors and to promote the efficiency of decision-making, an agenda committee will be convened before each board meeting as a rule. The committee will submit the approved proposals to the Board of Directors for resolution, while unsuccessful proposals are referred to the management for consideration or participation. In 2023, a total of four board meetings have been conducted the motions considered included 22 reports, 25 discussions and 1 temporary motion, with an average attendance rate of 91 %.

According to regulations, Secretariat of the Board of Directors shall prepare minutes of meeting and report to MOTC within 20 days after the meeting, and document them as important files for permanent and proper record keeping. Their distribution shall be limited to directors, supervisors, and the corporate's managerial staff, unless otherwise agreed by the Board of Directors. Furthermore, important resolutions of the Board of Directors' meeting that should be reported to MOTC for approval as required by the law shall be separately submitted to MOTC for approval.

Training status of directors and supervisors

Refer to the regulation of "Implementation Guidelines for Directors and Supervisors of Listed Companies", 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. The average number of training hours for directors and supervisors in 2023 is 9.8 hours (266 (total hours)/ 27 persons = 9.8 hours). The detailed information about training participation is described in Appendix 4.2.1.

To enhance the professional knowledge of directors and supervisors, subsidies for course fees will be provided, allowing them to 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.

Obligations of Directors for Conflict of Interest Avoidance

The new directors and supervisors are required to complete the oath of office and sign an anti-corruption declaration within 3 months. 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:

- (1) Any person who has an interest in their own that may be detrimental to the interests of the Company.
- (2) The directors consider that they should recuse themselves.
- (3) Recusal by resolution of the Board of Directors.

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.

2023 Board of Directors Conflict of Interest Avoidance	
Date of Board Meeting	Avoidance of the Cause of Action
4th Board of Directors Meeting 10th meeting on June 6, 2023	The proposal of change of Executive Vice President in view of corporate needs is hereby for discussion.
4th Board of Directors Meeting 12th meeting on December 5, 2023	The evaluation of the corporate's Auditor General on independency, competency and performance is hereby submitted for discussion.

Supervisors' Meeting

Besides attending the Board of Directors meetings, the supervisors are also required to fulfill their role of supervisory review each year by convening supervisors' meetings with the internal auditors, certified public accountants and relevant units to discuss and communicate on business- and finance-related matters, as well as to review documents. The supervisors' meeting was convened in May 2023 and had completed the review of the "2022 Annual Business Report", "2022 Annual Financial Statements" and "2022 Distribution of Earnings" and issued an audit report.

1.3 Operational Risk Management

TIPC abides by domestic and international laws and regulations, and has established an internal control system to ensure open trade and competition, and to prevent unfair competition, monopoly, and other unauthorized conducts. In the event that any related business operator or public organization violates The Commercial Port Law, the relevant evidence will be preserved and submitted to Maritime Port Bureau MOTC for the purpose of imposing penalties on the public authority. Along the year, TIPC complied with the relevant regulations and there was no incident of illicit marketing and publicity.

Related Regulations	Occurrence
Corruption	No violation
Child labor risk	No violation
Discrimination	No violation
Environmental regulations	3 cases
Political Donations	No violation
Customer privacy or loss of customer information case	No violation
Forced labor	1 cases
Various social and economic regulation	No violation

1.The above mentioned are not major violations. According to the "Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities", major fine is defined as an administrative fine of at least NT\$1 million for a single event.

2.The penalties for environmental, economic and social regulations are NT\$480,500 in total.

3.Labor laws and regulations impose a total fine of NT\$20,000.

Regarding the penalty for forced labor, Labor Affairs Bureau has conducted a labor inspection on April 19, 2023. TIPC was found violated Article 40 of the Labor Standards Act by failing to provide employees with compensatory time off within 7 days after work due to leave suspension on February 3, 2022 (the third day of Lunar New Year) because of natural disaster, sudden changes, or unforeseen incident, and failing to report to Labor Affairs Bureau within 24 hours after incident. On July 4, 2023, the corporate was fined NT\$20,000.

Moreover, port operations have recently become more electrified, unmanned, automated, and large-scale, which will inevitably increase cyber security risks and also complicate disaster relief procedures. Therefore, ways to reduce the impacts of risks during transformation and improve the contingency procedures for emergencies are also important issues for port operations.

Tribunal Date: September 7, 2023

Causes of the occurrence of the deficiency

On June 6, 2023, vehicles from Kaohsiung Branch entered the control area of Phase II of Kaohsiung City Air Quality Maintenance Zones. They were found to be in violation of Article 40 (3) of Air Pollution Control Act for not having a qualified record of smoke emission for more than two years prior to the date of inspection, and were sanctioned with a fine of NT\$500 in accordance with Article 76 (2) of Air Pollution Control Act.



Response and improvement measures

In this violation case, the vehicles have gone through emission inspection at the parking lot of Taiwan Sugar Corporation on July 5, 2023, and the result was a pass (supporting information such as the certificate of smoke emission compliance). Subsequent inspection on the old vehicles will be conducted, as well as emission inspection according to the regulations.



Tribunal Date: August 23, 2023

Causes of the occurrence of the deficiency

The "Phase III and IV New Seawall Construction for Reclamation Project in Logistics and Warehouse Area of Taipei Port" organized by Keelung Branch violated Article 23 (2) of the Air Pollution Control Act on May 17, 2023, and was found to have 44 deficiencies according to the guidelines in "Management Regulations for Construction Project Air Pollution Control Facilities", in which effectiveness of prevention and control were affected. The branch was subjected to a fine of NT\$ 240,000 and a four-hour environmental lecture.



Response and improvement measures

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 is expected to be completed by September 27, 2025.

Tribunal Date: June 17, 2023

Causes of the occurrence of the deficiency

On May 17, 2023, "Construction Site of Taipei Port at Bali District, New Taipei city" under construction project of Keelung Branch violated Article 23 (2) of the Air Pollution Control Act. According to the guidelines in "Management Regulations for Construction Project Air Pollution Control Facilities", 24 deficiencies were found which affected the effectiveness of the prevention and control. The branch was subjected to a fine of NT\$240,000 and a four-hour environmental lecture.

**Response and improvement measures**

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 March 31, 2024.

1.3.1 Internal Control System

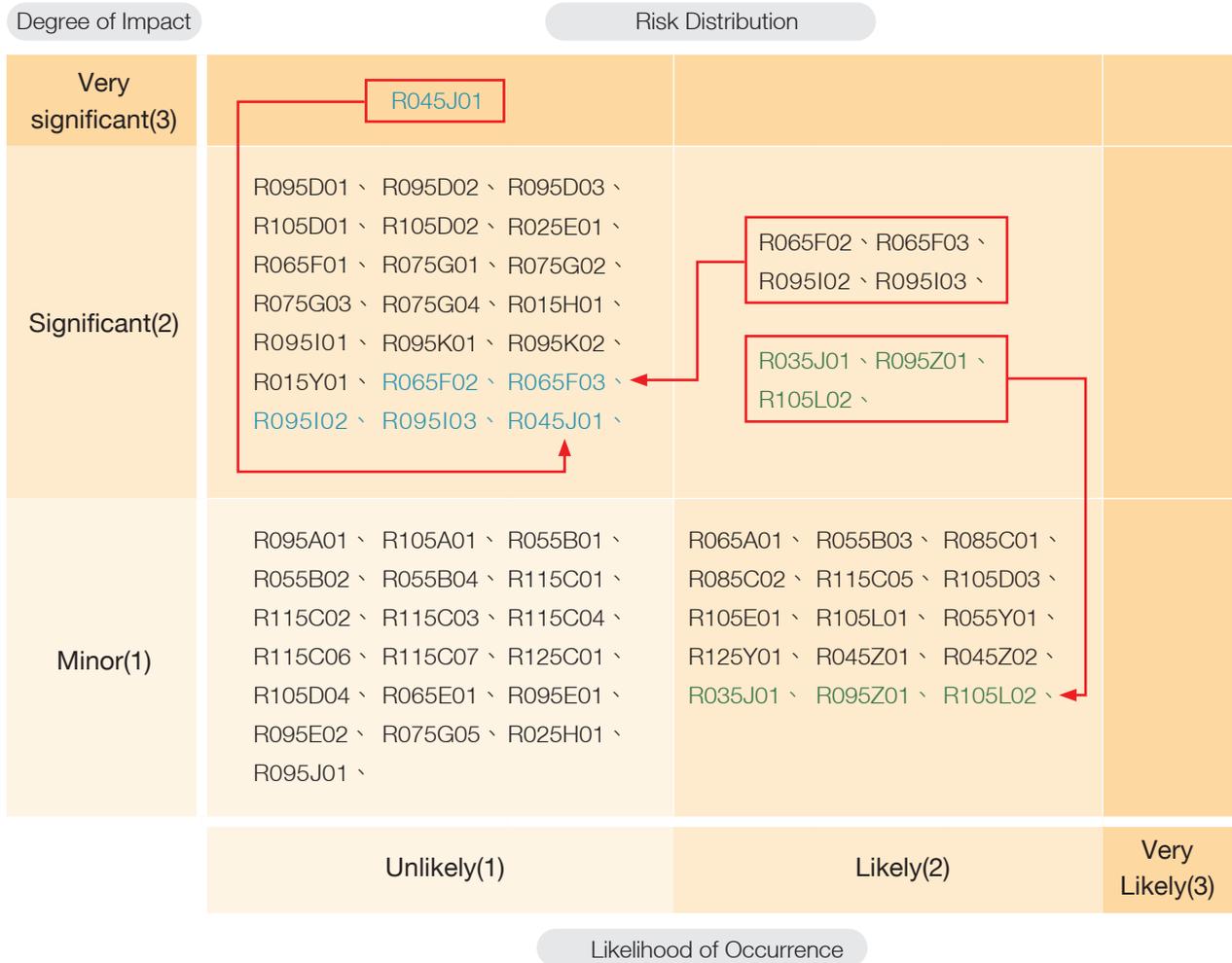
In order to implement corporate governance, TIPC annually performs business operation risk assessment through the "Risk Management and Internal Control Promotion Team", reviews and revises internal control operations on a rolling basis. Besides, we also conduct self evaluation and implement plans for internal control to ensure that the system design can be executed effectively to achieve operational efficiency, with the Chairman, President, and Auditor General signing the internal control statement.

Risk Assessment

TIPC adopts the risk assessment tools in "Handbook for Risk Management and Crisis Handling of the Executive Yuan and Affiliated Agencies" to categorize the degree of impact and likelihood of occurrence into Level 1 to 3. The risk value is the product of degree of impact and likelihood of occurrence (i.e., Risk Value = Impact Level * Likelihood of Occurrence), in which the acceptable risk value range is below 2, and items with risk value greater than 2 are categorized as high-risk. The risk management will reduce the risk value of high-risk items to tolerable range, and each risk value location is labeled as a risk image distribution.

There was a total of 55 risk assessments in 2023 with the results of 8 high-risk and 47 medium-low risk items.

Risk Image Distribution Map of 2023



In March 2024, the Company completed a self-assessment report on the risk management and internal control system for the year 2023. 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.

Internal Audit

At the end of each year, Auditing Office drafts an audit plan for the subsequent year based on the corporate's operational goals, results of the management's risk assessment, After submission to Board of Directors for review and approval, the new year's internal audit will be conducted to assist the Board of Directors and management in reviewing the effectiveness of the implementation of internal control system, so as to reasonably ensure the operational effectiveness and efficiency, credibility of the financial reports, and compliance with relevant laws and regulations. Auditing Office also provides recommendations for improving the internal

control system as a reference for ongoing reviews. If there are additional business needs, the audit plan's content may be adjusted, or special audits may be conducted upon approval by the Chairman.

In order to review that high-risk items comply with key requirements of internal control, Auditing Office conducts at least two audits per year on the headquarter and every branch, and follows up on the items to be improved to ensure that the audit recommendations or opinions approved by the Board of Directors are implemented. The audit results will eventually be compiled into an internal audit report, which discloses the audit findings, recommendations for improvement, and the implementation status of previous improvement recommendations. The audit report will be submitted to the Board of Directors every quarterly after approval by the Chairman.

In 2023, Auditing Office audited a total of 54 internal control operations, of which 44 were high-risk internal control operations, which were selected in accordance with the definition of high-risk operations listed in the "Risk Management and Internal Control System", approved by the corporate and every branch after ongoing reviews.

The categories mainly included operations and collections cycle, investment cycle, port and warehouse operation cycle, procurement and payment cycle, information security cycle, and the other management system cycles. The audit results complied with the key requirements of internal control. Additionally, two special audits were conducted upon Board of Directors' decision, including "Implementing Effectiveness of Smart Port" and "Effectiveness of Implementing Sustainable development towards Goals of Low Carbon, Net Zero", which were issues of concern to the Board of Directors.

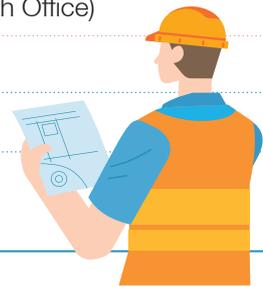
1.3.2 Ethics and Integrity

In order to enforce internal integrity management and to encourage employees to engage in operational activities with the highest ethical standards, TIPC, with reference to the "Operating Guidelines for Inspection by the Executive Yuan and Affiliated Agencies" and the "Ethics Guidelines for Civil Servants", has formulated in-house "work rules" to regulate employees' ethics and responsibilities in conducting business practices. We also reinforce disciplinary requirements for employees and strictly prohibit employees from accepting improper hospitality, gifts, rebates or other inappropriate benefits, and from engaging in improper establishments, in order to consolidate the corporate culture of integrity, creating a credible reputation and positive image, as well as to establish a stable mutual partnership with our stakeholders.

Corruption Risk Management

TIPC is fully committed to promoting Integrity Action Plan and has 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. Through various risk assessments, Civil Service Ethics Department has gained an in-depth understanding of businesses that are prone to malpractice, and accordingly has implemented relevant risk control and internal control mechanisms to serve as early warning.

Civil Service Ethics Department in each operational base	
TIPC	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)
	The Port of Hualien Civil Service office
TIPC Marine Corp	The Civil Service Ethics Officer
the Kaohsiung Port Land Development Co.	The Civil Service Ethics Office



Corruption Risk Assessment

TIPC integrity risk assessment is conducted by Civil Service Ethics Department with reference to the time point of occurrence of past cases, current status of duties, letters of investigation, questions from public representatives, impeachment by the Control Yuan, correction, investigation of administrative responsibility, or transfer (suspension) of duties, etc., to evaluate the likelihood of corruption occurring in each operation, and the impact level. The "Integrity Risk Assessment Report" in 2023 listed a total of 53 risk events, with zero high-risk events (e.g., corruption and profanity cases).



In addition, in order to establish a communication channel with business operators and to create a fair, just, and open bidding (business) environment, TIPC conducted a public opinion survey focusing on shipping companies that have participated in the company's procurement cases and have business dealings in 2023, to study the operators' perception and evaluation of the company's "service effectiveness", "ethics and integrity", and "overall integrity indicators", as well as to provide feedback on the business revolutions, with the aim of providing specific recommendations as a reference basis for future progress.

In 2023, a total of 45 valid samples were completed, of which 7 were interviewed face-to-face and 38 were surveyed by the representatives of shipping companies attending the Corporate Compliance and Integrity

Governance Forum. Results revealed that the operators highly affirmed the company's "overall integrity" performance and indicated no incidents of staff implicitly soliciting for bonuses, kickbacks, or bids with restrictive specifications.

Corruption and Profanity Cases Report

TIPC has set up multiple reporting channels, which are announced on the Global Information Network/Main Theme "Integrity Set Sailing", and assigns a specialized staff from Civil Service Ethics Department to take charge of accepting complaints from employees and the public. The "Regulations on the Confidential Handling of Whistleblowers' Identities of TIPC" is also established, plus a secure and strict confidential reporting and complaint mechanism for employees (citizens). In 2023, there was no lawsuits or corruption cases related to professional integrity or media coverage.

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	Fax 07-531-8755
Written report	Email: ethic@twport.com.tw	

Integrity Work Plan

In compliance with anti-corruption regulations in Article 12 of the United Nations Convention against Corruption (UNCAC) on private sector, " Strengthen corporate integrity and build an anti-corruption consensus in the private sector" as stipulated in the National Integrity Building Action Plan, TIPC has set up Civil Service Ethics Department to promote the policy requirements of "Integrity in Government" and formulated annual "Integrity Work Plan", and subsequently carried out integrity operations and campaigns. We also promote integrity and Ethics Guidelines for Civil Servants, and encourage our colleagues to make record entry through the online registration system in the event of public servants' integrity incidents. In 2023, we have implemented measures to optimize the Integrity Ethics Registration System, aiming to improve the efficiency of front- and back-end registrations and increase employees' willingness to register by establishing a registration process control and error-proofing mechanism*1. Besides notifying the Chief Executive of respective units and Civil Service Ethics Department, the registration process will be completed only after the President's approval.

*1The following table shows the integrity ethics event log for 2021-2023

Year	2021	2022	2023
Number of entries	509	613	933

The event log has increased significantly in the past three years, indicating that our colleagues are empowered to implement the Ethics Guidelines for Civil Servants, and have taken the initiative to make incident reports. Plus, the system has been improvised and optimized with good outcomes.

Besides making use of opportunities such as supervisors' reports and labor education organized by labor unions and Employees' Welfare Committees to continuously educate employees on the use of the registration system, TIPC also enhanced the promotion of integrity ethics guidelines during the three festivals, and organized integrity awareness campaigns through multiple channels, such as TIPC intranet, "Integrity Window" column of TIPC e-newsletter, "Integrity Set Sailing" of Global Information Network, and "Integrity Prize Quiz" of on-the-job training program. TIPC also broadcasted short videos and slogans through media devices such as news ticker and TV walls.

Newcomers

Conduct education and training for newcomers:

- We conducted 3 sessions of "Integrity Ethics" training to propagate the Ethics Guidelines for Civil Servants and work rules-related requirements, regulations and log-in methods. 78 newcomers have participated in the training (100% of new recruits were trained).
- Two courses on "Protection of Official Secrets and Personal Data Protection": To educate on the scopes and notes on Personal Data Protection Act, and to remind colleagues of their obligations in collecting, processing, and utilizing personal data while performing official duties. 71 new recruits enrolled in the training (100% training rate).

Colleagues

- Pursuant to the corporate's policy, integrity education and training courses are held annually, with priority given to unit supervisors, administrators, or those who have never participated in the training. The course content involves the promotion of integrity laws and regulations, as well as case study explanations and topics on integrity management, with the purpose of improving the professional knowledge and cultivating integrity among colleagues so as to jointly safeguard the integrity of TIPC and therefore lead Taiwan ports in sustainable development.
- Organized 8 courses on integrity and law, with a total of 393 employees participating in the courses.
 - ▶ March 2023-Three levels of "How to Avoid Law Breach - Reminders and Care" course
 - ▶ April 24, 2023 - Seminar on "Procurement Act Breach Cases and Regulations-Profit Risk during Performance of Procurement Contract"
 - ▶ July 21, 2023 - Talk on "Introduction to Personal Data Protection Act and Practical Case Studies Analysis"
 - ▶ September 1, 2023 - "2023 Briefing on Act on Property-Declaration by Public Servants and Act on Recusal of Public Servants Due to Conflicts of Interest"
 - ▶ September 28, 2023 - "Lecture on Integrity and Rule of Law - Recognizing the Risks of Workplace Law Violations"
 - ▶ October 20, 2023 - "2023 Briefing on Act on Recusal of Public Servants Due to Conflicts"

Supervisors

- We make use of the supervisors' meeting to promote the concept of integrity laws such as the Act on Property-Declaration by Public Servants and Act on Recusal of Public Servants Due to Conflicts of Interest, and to conduct case studies on operations that are prone to malpractice (e.g., "Review of Public Servants' Legal Liability Cases and Prevention of Malpractice", "Highlights and Case Illustrations of Act on Recusal of Public Servants Due to Conflicts of Interest", "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 in order to prevent illegal cases in advance, keeping them vigilant and compliant while performing operations. (100% of supervisors are trained).
- According to the scheduled timeline of the corporate's "Directions for Establishment of Integrity Reporting", an annual integrity reporting meeting is held, presided over by each company's senior executive (President or Vice President) and attended by first-level supervisors of each unit, to review the corporate integrity status (propagation of integrity laws and regulations, project audit status, and integrity reporting statistics) and implementation of anti-corruption preventive measures in each unit. All subsidiaries hold meetings on schedule with all the supervisors (including proxy) attended (100% of supervisors participated).

Spreading Anti-Corruption Awareness

We have set up a dedicated webpage focusing on major issues of public concern and other rights-related issues to disclose important information to minimize information asymmetry and enhance the accessibility of public supervision. In order to implement major policies such as the "United Nations Convention Against Corruption" and "U.S.-Taiwan Initiative on 21st Century Trade", and to promote the consensus on anti-corruption, integrity, and legal compliance among public and private sectors, we have provided a channel of communication and experience sharing among industry, government, and academia by organizing large-scale forums and activities, with the outcomes disseminated to general public, civil society organizations, shipping operators and our colleagues. We hope to earn public support and raise interest in joining the corporate's anti-corruption awareness programs, as well as establish a good partnership to build a high-quality shipping operation and management environment.

In 2023, we organized 37 sessions of integrity promotions (including educational training and theme-based lectures) and community participation, with a total of 8,513 participants. Two corporate integrity forums were held in 2023 to convey the importance of integrity governance in conjunction with benchmark corporations and government agencies, and to provide a channel of communication between stakeholders in the port area through multiparty forums, aiming to reach a consensus on anti-corruption and create a clean yet quality operating environment in the port area.



Group photo of chief executives at "ESG Corporate Regulatory Compliance and Integrity Governance Forum" at headquarter.



"2023 Occupational Safety and Health Regulatory Compliance and Corporate Sustainability Forum" at Taichung Branch.



Taichung branch launched the first "Integrity Experience Judicial Series Activities"

Taiwan Taichung District Prosecutor's Office - Prosecutor Huang Yu-Feng was invited to give a lecture on the topic of "Knowledge and Rights of Colleagues Facing Litigation Cases in the Performance of Their Duties" to educate them on laws and relevant procedural regulations of criminal investigation, with the hope that in case of criminal investigation, interviews, summonses, etc., they would be able to cooperate and assist in investigations with a rational mind, and to understand the ways of utilizing resources and channels to protect their own rights and interests (500 copies of brochures on "Colleagues' Knowledge and Rights of Criminal Investigation" were distributed to every unit at all levels and forwarded to every colleague for reference). Visits to Taiwan Taichung District Court were organized in order to enhance knowledge of the court, understand the operation of the judicial affairs and adjudication process, and to eliminate the stereotypes of litigation with positive concepts.

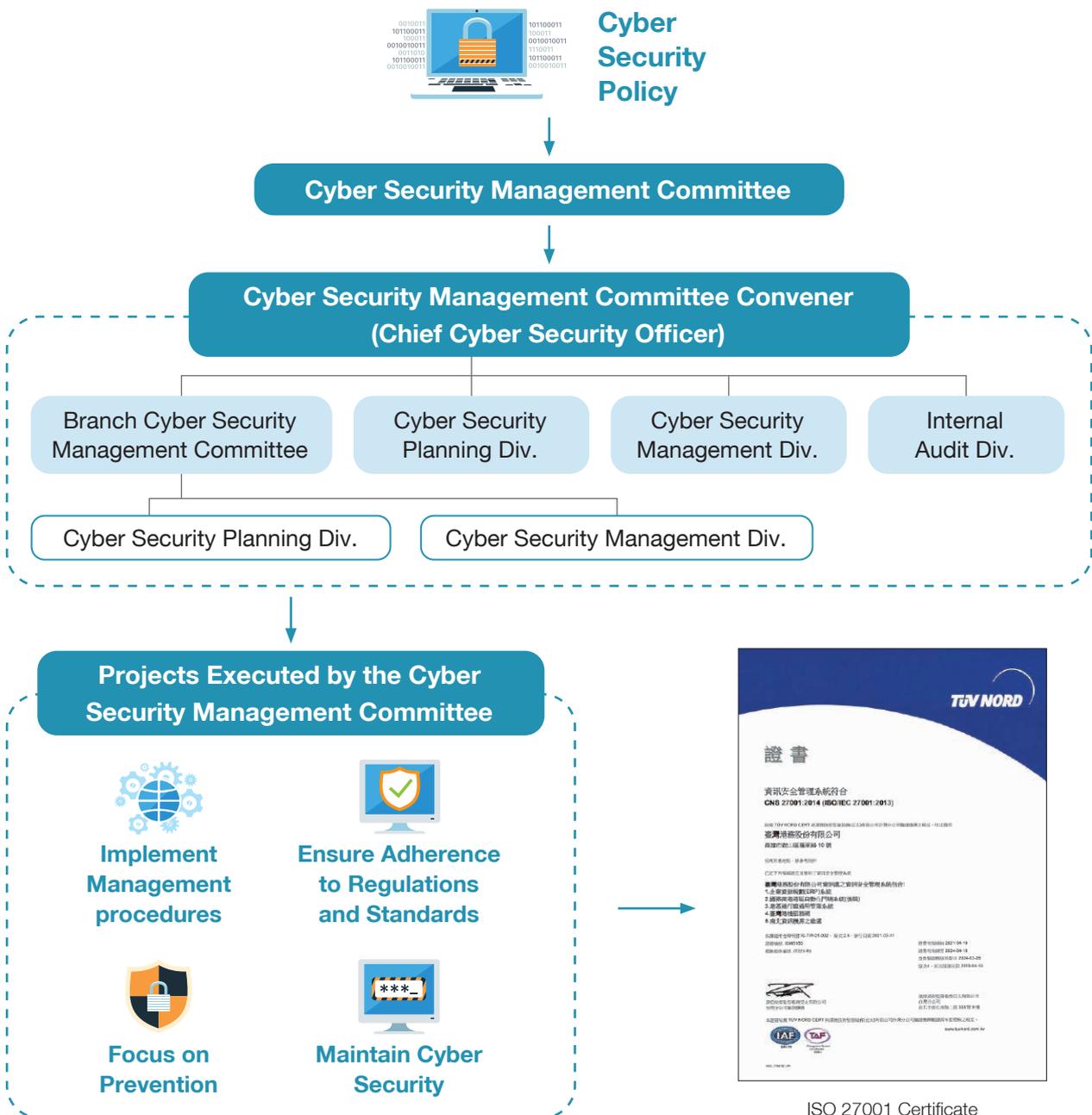


Taiwan Taichung District Prosecutor's Office - Prosecutor Huang Yu-Feng gave a lecture on the topic of "Knowledge and Rights of Colleagues Facing Litigation Cases in the Performance of Their Duties"

1.3.3 Cyber Security Control

TIPC is a specific non-public authority according to the 'Cyber Security Management Act'. To control the cyber security risk of the leased space in the international (domestic) commercial port area under the management of the port, TIPC incorporated the cyber security regulations into the model contract in 2022.

Corresponding to the trend of digitalization of port operations and billings, TIPC keeps on strengthening its cyber security protection and defense capability, establishes a comprehensive cyber security policy, appoints dedicated personnel, and organizes Cyber Security Management Committee. Through the implementation of ISO 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.



Cyber Security Risk Assessment

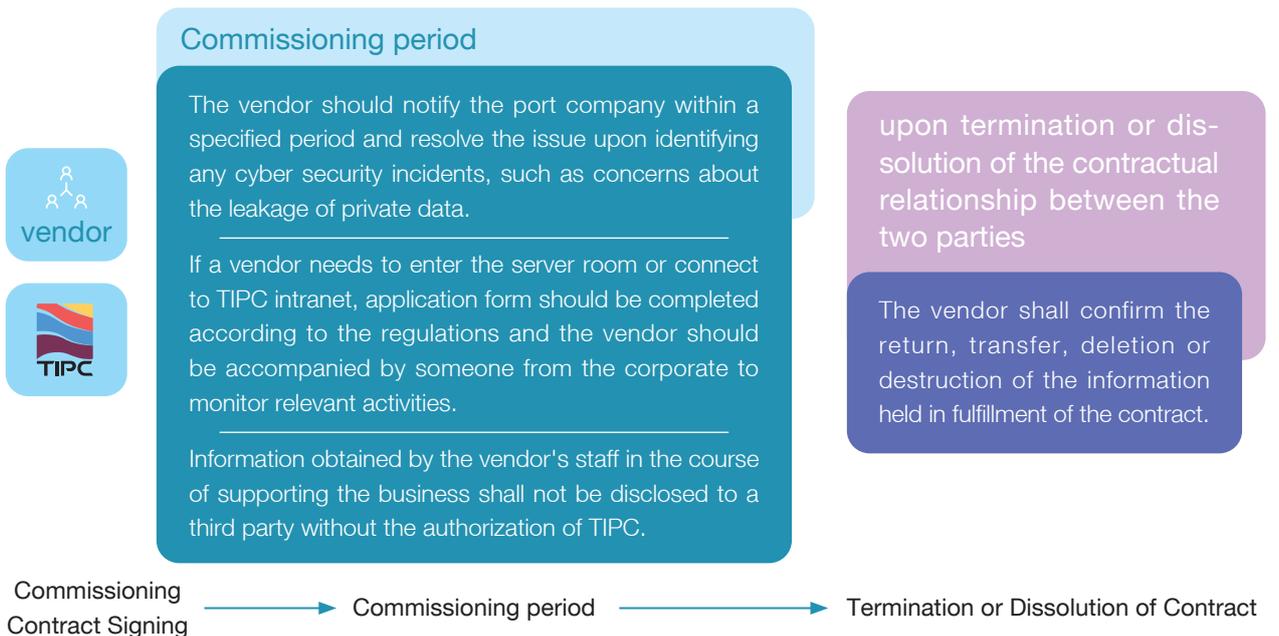
TIPC's operation systems related to customer transactions use the Information Security Management System (ISMS) standard information asset management procedures, risk assessment and management procedures to conduct asset inventories to identify the Company's assets, and to assess the "availability", "integrity" and "confidentiality" of the 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.

Pursuant to the "Cyber Security Management Act", TIPC provides cyber security education and training. In 2023, each dedicated personnel received more than 12 hours of professional cyber security trainings per year, and each information personnel other than dedicated personnel received at least 3 hours of professional cyber security trainings every two years, while each general user and supervisor received an average of 3 hours of education and training in cyber security per year, in order to enhance cyber security and minimize the impact of personal data violation incidents. In 2023, we had no confirmed information leakage, theft or customers' data loss, nor did we receive any complaints from customers or other third-party organizations about violation of customer's privacy.

Data Security Applications

TIPC follows the Personal Data Protection Act and the Cyber Security Management Act in collecting, processing, and using customer data. The established Global InfoNet also adheres to a privacy policy and information security obligations. TIPC will not modify or delete any personal information or files without user consent, enabling visitors to use the services and information on this website with peace of mind.

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, which clearly specify the information and security requirements that vendors should comply with. In addition, 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.



1.3.4 Customer's Feedback Management

In response to the trend of mega ships and the digitization of global ports, TIPC continues to improve the capacity of commercial port facilities for relevant port operators and builds sustainable partnerships with these operators to maintain the international competitiveness of Taiwan's port group.

In addition to maintaining interaction with customers through daily phone conversations, email communication, and routine visits, we also organize port business seminars on a regular basis and set up customer service counters in each branch to promptly receive customers' needs and track and control the progress of processing customers' feedback. In 2023, TIPC branches held 10 port business seminars. Among them, 39 issues were related to "customer health and safety", and 39 issues were improved or solved, with an improvement rate of 100%.



Port of Kaohsiung Business Seminar



Hualien Branch Shipping Business Seminar



Keelung Branch Shipping Business Seminar



Taichung Port Business Seminar

1.3.5 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. Due to the unpredictable nature of disasters, the Company not only conducts internal preparedness and organizational coordination during normal operations but also 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. Additionally, we 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.

Disaster Prevention and Rescue Plan

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, TIPC has formulated the "TIPC Disaster Prevention and Rescue Plan" 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.

Emergency response for passenger services

For the passenger services provided during the berthing of cruise ships, 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.

On-site duty personnel are on standby to provide timely assistance to passengers during customs clearance to ensure smooth operation and passenger safety. In case of accidental injuries to passengers at the terminal, the rights and interests of passengers are safeguarded in accordance with the insurance coverage of the public accident liability insurance of the business premises.

1.4 Promotion of Sustainable Development

In the light of ESG-related issues in TIPC's operations, each department will discuss and plan based on the corporate's long-term business goals, and the relevant plans and budgets will be incorporated into the corporate's business policies and submitted to the Board of Directors for approval. In order to implement the promotion and execution of operations related to "Corporate Sustainable Development", and to demonstrate the corporate's economic, social, and environmental performances, "Guidelines for the Establishment of the Sustainable Development Steering Committee and Sustainable Development Executive Committee of TIPC" has been formulated to continue the planning and promotion of the sustainability-related business.

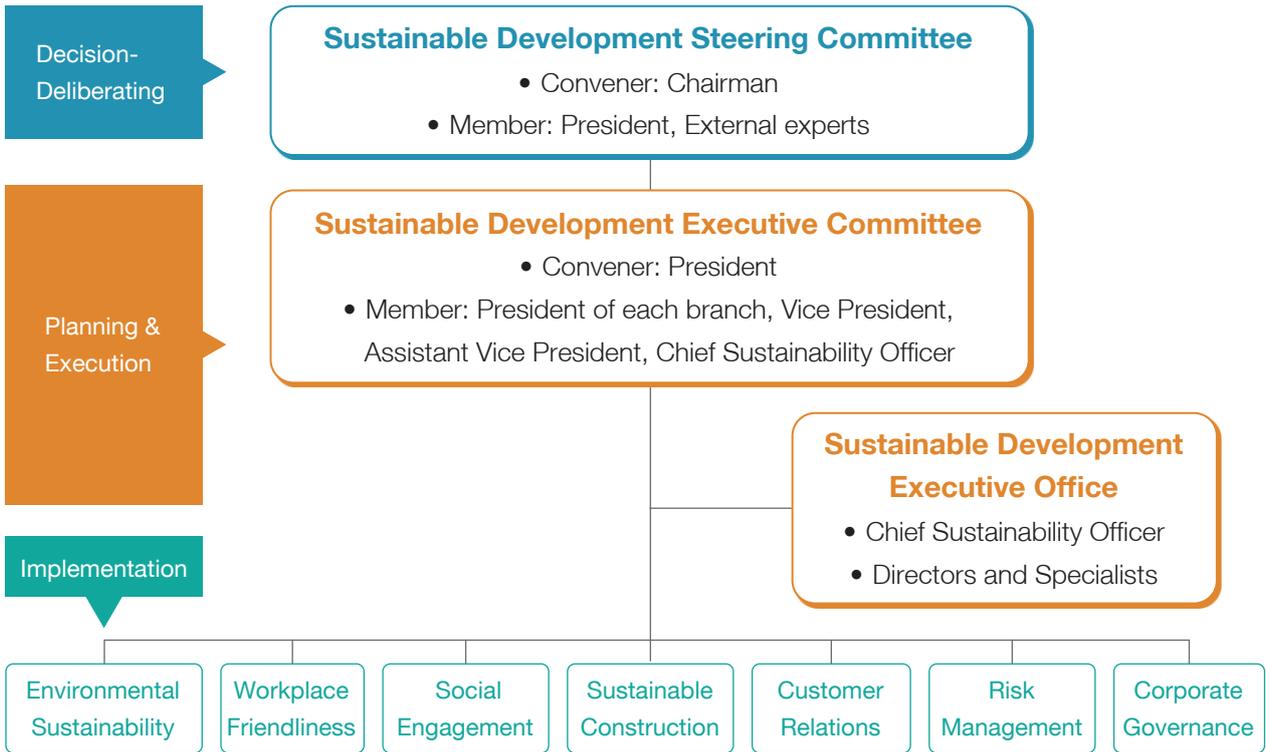
1.4.1 Sustainable Development Committee

In March 2023, TIPC formulated the "Guidelines for the Establishment of the Sustainable Development Steering Committee and Sustainable Development Executive Committee of TIPC", which adjusted the corporate's sustainable business organizational structure to a three-tier structure, with the establishment of an upper-level "Sustainable Development Steering Committee" and a middle-level "Sustainable Development Executive Committee", as well as introduced seven sustainable development working groups at the third level for the execution of sustainability-related operations. On July 16, 2023, "Sustainable Development Executive Office" was formally established to assist and promote the corporate's sustainable development.

The "Sustainable Development Steering Committee" consists of Chairman as the convener, President and external experts as the members. Up to date, there is a total of six members, with no meeting yet in 2023.

The "Sustainable Development Executive Committee" is convened by the President and consists of President of each branch, Vice President of the Headquarter, Assistant Vice President and Chief Sustainability Officer, forming a group of nine. It is responsible for formulating the corporate's sustainable governance development, including sustainable development vision, goals, strategies and implementation plans. Besides coordinating and supervising the sustainable development operations of working groups, it is also in charge of submitting the corporate's sustainable governance development to "Sustainable Development Steering Committee" for review, and reporting the results of implementation to the Board of Directors based on the business progress (environmental aspect, social aspect, governance aspect, etc.). In 2023, we have convened four Sustainable Development Executive Committees and are currently in the process of formulating a corporate governance development plan.

The "Sustainable Development Executive Office", under the Sustainable Development Executive Committee, comprises of a Chief Sustainability Officer, a director, and two specialists to assist the Sustainable Development Executive Committee in handling sustainable development staff work, compiling ESG reports, and coordinating the performances of various working groups.



Units	Job responsibilities
Sustainable Development Steering Committee Duties	Deliberate the Company's vision, strategic goals and implementation plans for sustainable development.
Sustainable Development Executive Committee Duties	<ol style="list-style-type: none"> 1. Develop a vision, strategy and goals for sustainable development. 2. Prepare an implementation plan for sustainable development. 3. Promote and oversee sustainable development. 4. Deliberate the Company's ESG report. 5. Consider other tasks related to sustainable development. 6. Report to the Board of Directors on the results of implementation.

1.4.2 Climate 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.

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.

Strategy

In 2023, OSHC took the lead and work with external experts to identify the climate-related entities and transition risks of the ports under its management based on the corporate's business development needs and the external environment. From 2024 onwards, the working groups of Sustainable Development Executive Committee will identify the climate risks and opportunities. Besides, the groups will review and take into account the existing and emerging climate change regulations (e.g., emission control) and other relevant factors, so as to decide whether to re-identify the relevant climate risks and opportunities. Risk monitoring and assessment are conducted by each authorized unit to plan and implement the respective internal control system in corporate governance workflow.

Risk Management

The growing scale and frequency of extreme climate events, and the process of transformation to low-carbon are threatening the operation and safety of ports. Therefore, TIPC has taken into account climate change factors in its risk management, in order to manage risks encountered during port operations through risk assessment and analysis, adoption of mitigation strategies, tracking and verification of improvements, and the establishment of indicators and targets to measure the effectiveness of improvements on a regular basis.

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, and ranking the materiality of climate-related risks and opportunities, followed by a scenario-based quantitative assessment of their significant impacts on the corporate's operation and finance. Hence, resilience adaptation measures will be planned to address physical risks, while low-carbon transformation goals and measures will be determined in response to transition risks. The subsequent action plans will be developed and carried out by respective functional groups of Sustainable Development Executive Committee.

Operational and Financial Impacts

TIPC, under the guidance of Occupational Safety and Health Division and in collaboration with external experts, identified climate-related entities and transition risks in every port based on the business development needs and external environment, and have discussed or assessed the impacts of the identified climate change risks and opportunities on the corporate's operation or finance, and therefore formulated the action plans to adapt to the related risks. The financial impacts of climate change identified in 2023 are as follows:



Transition Risks

Risk Aspect	Risk Description	Operational and Financial Impacts
Market Risk	In response to market demand for carbon reduction and changes in operational needs.	The corporate needs to invest in other expenditures for the port construction, and the specifications of essential facilities are required.
	To cater for changes in travelers' needs	Change in travelers' needs and demand for port facilities and services.
	Price increment of raw materials	Price growth of raw materials results in higher operating expenses.
Technology Risk	Products and services replaced by other low-carbon alternatives	High power consumption and carbon emission resulting from replacement of outdated equipment affect the efficiency of energy use, and the introduction of low-carbon products causes assets to be affected or scrapped, leading to an increase in expenditures.
	Cost of transformation to low-carbon technologies	Costs for research and development (R&D) of technology or application towards low-carbon development.
	Green energy-dependent power supply is vulnerable to natural weather conditions that may cause supply.	The growing demand for electricity and green energy policy lead to the risk of power shortages, which may affect the power stability for corporate and business operations.
Reputation Risk	Increased concern or negative feedback from stakeholders	<ul style="list-style-type: none"> • Failure to meet the carbon reduction targets creates a negative impression of TIPC among industries and travelers. • Failure to practice carbon reduction by port operators negatively impacts the community's perception towards ports. • Employees do not agree with the corporate's efforts to promote transformation, and eventually leave the corporate, resulting in a manpower gap.
Policy and Legal Risk	To cater for requirements of "Climate Change Response Act"	<ul style="list-style-type: none"> • Climate Change Response Act regulates carbon reduction targets and imposes penalties for non-compliance. • A comprehensive review of the SDGs will soon be conducted in 2025. • During the deliberation process of Climate Change Response Act, members raised the request to include civil proceedings in the law. • "Climate Change Response Act" enacts a carbon fees scheme that will affect the mode of operation.



Physical Risk

Risk Aspect	Risk Description	Operational and Financial Impacts
Acute Risk	Increased severity of extreme weather conditions such as typhoons and floods	<ul style="list-style-type: none"> Physical damage and functional loss of wharves and breakwaters due to tidal surges or strong wind. Operational disruption due to exposure of the port to tidal surges or strong wind. Physical damage and functional loss of large cargo handling machinery due to exposure to strong wind. Physical damage and functional loss of port operations-related hardware and off-site roadways due to exposure to storms or flash floods. Disruption of vessel movement and cargo handling under dense fog. Due to the impact of extreme weather, there may be risks of disasters such as maritime accidents, windstorms, floods, earthquakes, tsunamis, chemical spills, fires and explosions, marine pollution, etc. in the commercial port area, which may lead to an increase in operating costs.
Chronic Risk	Average temperature rise	Disruption of cargo handling operations under high temperatures.



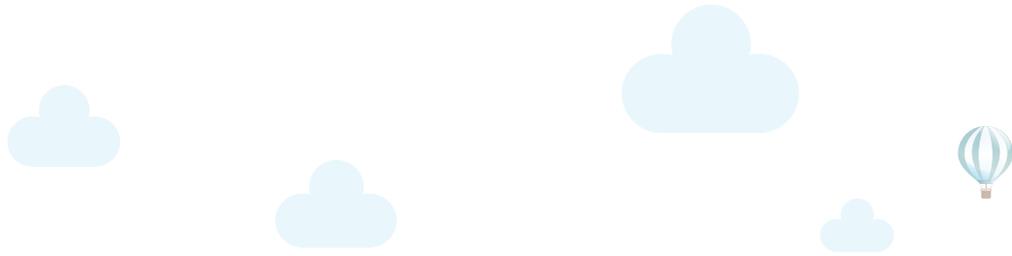
Opportunity

Opportunity Aspect	Opportunity Description	Operational and Financial Impacts
Resource Efficiency	Adoption of higher-efficiency equipment	Reduce the operating costs of port area through energy conversion, automation and electrification of equipment, and the introduction of circular economy.
Energy Sources	Green power generation for own use in accordance with renewable energy-related laws and regulations	<p>"7th Container Terminal of Port of Kaohsiung Solar Power Plant Construction Project" - Construction of solar power panel system.</p> <ul style="list-style-type: none"> The cost of this project is about NT\$474 million. After completion, solar power can generate about 8,750 kWh of electricity per year and reduce carbon emission by about 4,128 metric tons per year, which in turn can reduce the electricity bill by about NT\$26,250 thousand per year.
Products and Services	Growing business by launching low-carbon port services	Through the participation in low-carbon port services and associated low-carbon initiatives, we can attract environmentally-conscious carriers or cruise operators to develop new itineraries to the port, which can increase the company's revenue and upraise its reputation and image.

Mitigation Measures and Goals

TIPC has proposed targets and metrics for net-zero emission, prevention and countermeasures against extreme climate events, and renewable energy. We look forward to minimizing the potential impacts of climate risk, gradually implementing the relevant strategies of carbon and emission reduction, and progressing towards the goal of "Reduce greenhouse gases by 50% by 2030, and achieve net-zero emission by 2050" in Scope 1 and 2. The risks and opportunities in 2023 are summarized in the table below:

 Transition Risks		
Risk Aspect	Risk Description	Mitigation Measures / Future Plans
Reputation Risk	Increased concern or negative feedback from stakeholders	Enhance port sustainability awareness and organized 36 promotional activities (e.g., briefing sessions, environmental education, conferences, etc.) on sustainability issues (carbon reduction, environmental protection) in 2023, reaching more than 900 people.
Policy and Regulatory Risk	To cater for requirements of "Climate Change Response Act"	<ul style="list-style-type: none"> Performed greenhouse gas (GHG) inventory-related operations in 2021 according to ISO14064:2018 standard, and obtain third-party assurance statement for headquarter and branches (ports) in 2023. In 2023, Sustainable Development Executive Committee proposed the target of "Reduce greenhouse gases by 50% by 2030, and achieve net-zero emission by 2050" for Scope 1 and 2, with 2020 as the baseline, and with reference to SBTi's carbon reduction target of 4.2% per annum. TIPC also began to procure green power in 2023, with a wheeling capacity of approximately 150,000 kWh and a carbon reduction of approximately 74 metric tons of CO₂e*. It is expected that in 2024, some of the renewable energy power generation facilities at port area will begin to supply electricity at the same time, with an annual generation capacity of about 2,293,000 kWh and carbon reduction of 1,142 metric tons CO₂e*. The corporate's 2023 GHG Preliminary Inventory is being initiated in January 2024 and has not yet been verified by third party.



Metrics and Targets

Organize promotional activities related to sustainability issues (carbon reduction and environmental protection) with number of participants as an indicator, in order to encourage stakeholders to jointly promote sustainable development and boost the positive image of the corporate.



- The operation and management of the port area integrate the awareness of sustainable carbon reduction. The investment regulations require operators to commit to using a certain percentage of renewable energy or electrical machinery, and major electricity users to commit to a specific carbon reduction schedule and percentage, so as to mutually achieve the goal of carbon reduction in the port area.
- In 2023, Sustainable Development Executive Committee proposed the target of "Reduce greenhouse gases by 50% by 2030 for Scope 1 and 2, and achieve net-zero emission by 2050".





Physical Risk

Risk Aspect	Risk Description	Mitigation Measures / Future Plans
<p>Acute Risk</p>	<p>Increased severity of extreme weather conditions such as typhoons and flood</p>	<ul style="list-style-type: none"> <p>Reinforce implementation of disaster relief:</p> <p>Introduction of emerging smart applications for disaster monitoring and detection and observation. For example, Smart Port has launched the application of oceanic- meteorological observation and 3D mapping systems in the monitoring and observation of commercial ports.</p> <p>Enhance disaster-related fundamental infrastructures and expand backup capacity, e.g. in line with the Federal Government's policy, signing support agreements with relevant public or private organizations around the port, such as military, police, constitutional affairs, fire services, medical and other units.</p> <p>Ongoing preparation activities:</p> <p>Emerging digital technologies are systematically introduced into disaster prevention and relief preparation. For example, TIPC has set up a dynamic monitoring center in the port area and developed its system, which is expected to be implemented in disaster prevention and relief preparations in future.</p> <p>Establish international cooperation mechanisms and channels to prevent emerging biological pathogens. For example, TIPC has long cooperated with the "IHR Designated Port Core Capacity Development and Maintenance Program" by Taiwan Centers for Disease Control of Ministry of Health and Welfare, and has equipped the port with core capacity and ability to deal with public health emergencies, so as to reduce the risk of different disasters. Besides, TIPC has continued to maintain its ports through the maintenance and preservation program, which provides annual self-assessment and the assessment by international experts every five years to secure health and safety of nation and the sustainable operation.</p> <p>TIPC has formulated the "Disaster Prevention and Response Operation Plan" to enhance disaster prevention, emergency response, and recovery, as well as to take into account changes in the disaster environment and social structure, climate change, and epidemics, in order to effectively carry out disaster prevention and response at different phases, ranging from mitigation, prevention, and response, to reconstruction, therefore minimizing the incidence and loss of lives and property.</p>



Metrics and Targets



- Assess physical risks of climate changes (strong gusts, heavy rainfalls and flash floods) and propose resilience adaptation approaches in 2023.
- Through the construction of a dynamic monitoring center in the port area, the goal of using digital transformation technology to assist in disaster command and contingency decision making is accomplished, with the aim of early disaster response alert and action, and avoiding recurrence of disasters.
- Ongoing review of the disaster prevention and relief capacity of commercial ports. The shortfalls have accelerated the signing of support agreement by public or private organizations around commercial ports, and continued to cooperate with the "IHR Designated Port Core Capacity Development and Maintenance Program" by Taiwan Centers for Disease Control of Ministry of Health and Welfare in reviewing and collaborating internationally in emerging biological pathogens for emergency response, in order to bolster the disaster-related infrastructures and expand the backup capacity.





Opportunity

Opportunity Aspect	Opportunity Description	Mitigation Measures / Future Plans
Energy Sources	Green power generation for own use in accordance with renewable energy-related laws and regulations	Consistent with regulations of Bureau of Energy on major electricity users and Kaohsiung City Green Building Autonomy Act to install renewable energy, the integration of decentralized energies through energy management system increases the flexibility of power resources distribution, enhances the efficiency of energy use, and reduces the contract capacity of Taiwan Power Company.

*Note: Grid emission factor in 2023 was 0.494kg CO²e/kWh.

圖例
積淹水深度(公尺)

- 0.1 - 0.2
- 0.2 - 0.3
- 0.3 - 0.5
- 0.5 - 1.0
- 1.0 - 1.5
- 1.5 - 2.0
- 2.0 - 2.5
- 2.5 - 3.0
- > 3.0

0 1 2 3 4 公里

Schematic diagram of climate change heavy rainfall and flooding hazard assessment

- 低風險
- 高風險
- 較高風險

Schematic diagram of risk assessment of physical damage and functional loss of wharves and breakwaters exposed to strong winds due to vessel collisions

Metrics and Targets

- Stable power supply promotes the port development. In line with future sustainable development of the commercial ports, this project will be driven by the goal of providing "safe, stable and reliable" energy supply and management.
- In the event of an incident on the power grid, decentralized energy (renewable energy) will be deployed through the energy management system to ensure the stability of power supply in the port area and to sustain necessary operations.



1.5 Supplier Management

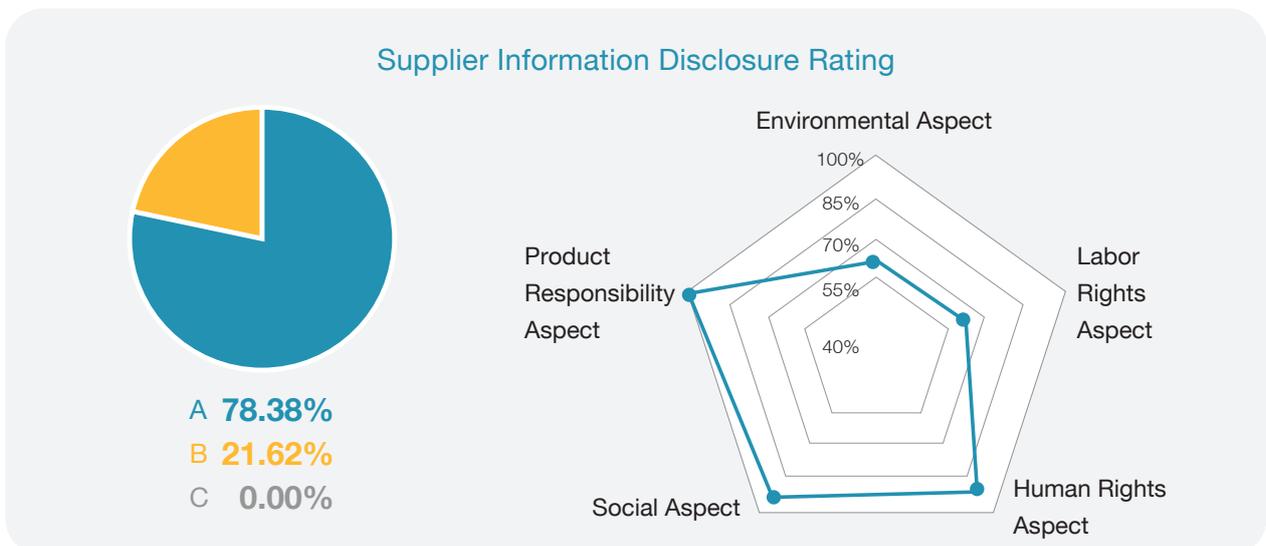
TIPC has been using the Government Procurement Act as the basis for handling all purchases to achieve fairness, openness and equity, and the results have been good so far. The relevant bidding documents all state that the new suppliers should comply with the fair trade principle, environmental protection 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 must comply with the Procurement Act. TIPC conducts regular audits on suppliers, regardless of whether they are new or existing. 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 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. No instances of vendors violating the Procurement Act and subsequently having their contracts terminated occurred in 2023.

Suppliers' ESG Status

TIPC is looking forward to working together with our suppliers to fulfill our corporate's social responsibilities. We conducted the "Supplier ESG Self-Assessment Questionnaire" to evaluate the ESG status of suppliers whose procurement reaches NT\$5 million or more. The questionnaire covers five major aspects, namely environmental protection, labor practices, labor rights, business ethics, and product responsibility.

In 2023, a total of 202 questionnaires were distributed and 74 questionnaires were retrieved, all of which received satisfactory scores. Among the suppliers surveyed, 58 of them received an A grade, accounting for about 79% of the total.



Project Environmental Audit

Prior to the commencement of any construction work in the units covered by TIPC, the corporate always follows the principle of project planning and review to determine the need for environmental impact assessment, assesses the surrounding environment, and to gain an in-depth understanding of local communities in order to formulate a neighbor-friendly policy. In accordance with the relevant regulations, coordination meetings, pre-construction briefing plus occupational safety and health interviews were held prior to the construction, as well as various works-related education and on-site management. We voluntarily carry out weekly watering and sweeping of roads around the construction sites, and dredge the surrounding ditches from time to time to maintain the cleanliness of the neighboring communities. For ongoing projects, TIPC regularly conducts joint inspections with local environmental protection administrations and Maritime Affairs Center, Maritime Port Bureau, MOTC, and invites operators to attend promotional meetings. Besides, Ministry of Environment and Environmental Protection Department (EPD) have also sent their teams to conduct in-port inspections. There was no penalty for non-compliance in the year of 2023.



CHAPTER 02





Enhance Diversified and Innovative Services

2.1 Commercial Port Development and Construction 96

Special Column

Innovative Waterway, Dazzling Gold Quality

The Port of Taichung Land-Based Navigational Range Light Tower Reconstruction Project was awarded Golden Quality Award.

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2.5 Trans-SMART 2.0⁺ Upgrade Plan 113

Material Topic: Indirect Economic Impact

<p>Major Causes</p>	<p>TIPC manages seven international and two domestic commercial ports, and its ports are located near nine major cities, where the development of port operations is closely related to the development of local communities and cities.</p>
<p>Effects and Impacts</p>	<p>Positive impact: TIPC needs to make timely adjustments and restructuring in response to the development of international trade and goods. Meanwhile, through the construction of port area, such as the development of waterfront recreation facilities to link up the city's attractions, and improved quality of port services, the corporate strengthens planning of external transport, and introduce enterprises into the port area, so as to create a positive indirect economic impact on the environment and people around the port area (including human rights).</p>
<p>Policy/ Strategy</p>	<ul style="list-style-type: none"> • Adjust the direction of development of each port and empower the port groups to work together for external development. • Optimize the allocation of various types of terminal operational capacities and utilization capabilities to enhance the efficiency of resource utilization in the port area. • Increase incentives for consolidating transshipment competency. • Enhance the content of value-added services and continue to create value-added quantity. • Strengthen the cooperation among industries to increase the port service orientations.
<p>Preventive or Remedial Measures</p>	<ul style="list-style-type: none"> • Each construction plan includes project progress review meeting for regular tracking and management, so as to avoid delay in project execution. In the event of changes in the domestic and international environment and market and to support government policies and port developmental needs, TIPC will follow the procedures to submit an amendment plan for approval. • Provide multiple appeals channels, such as company mailbox https://www.twport.com.tw/chinese/Mail_Content.aspx
<p>Evaluation Management System</p>	<p>Perform investment promotion of commercial ports in line with the "Commercial Port Law" and its sub-laws, such as the "Regulations Governing the Investment to Build, or Lease to Operate the Commercial Port Facilities For State-Run or Private Enterprises", and other relevant superior investment promotion laws and regulations.</p>



Material Topic: Indirect Economic Impact

Performance and Adjustments

- The first phase of 7th Container Terminal of Port of Kaohsiung has started operation in May 2023.
- Before the completion of the National Freeway No.7, TIPC, in collaboration with the Kaohsiung City Government and Maritime Port Bureau, works on the improvement project of 7th Container Terminal Connective Traffic. Kaohsiung City Government has therefore conducted "Siaogang District Nanxing Road Widening and Safety Improvement Project" and "Kaohsiung Port Intercontinental Container Terminals Exclusive Cargo Truck Lane Project". The budget for Exclusive Cargo Truck Lane projects was approved at NTD 1,403 million. In April 2023, MOTC agreed to add NTD 48 million and total amount of budget is NTD 1,651 million. Kaohsiung City Government has divided the project into four bids, and each bid has been awarded and construction has begun. The purpose of the project is to segregate the passenger and truck traffic to divert the traffic lanes and improve traffic safety, optimizing the overall traffic condition around the port area, and enhancing the economic benefits.
- Optimization and refurbishment project of existing warehouses at Kaohsiung Penglai port area (first phase) were completed in February 2023.
- Put Port of Kaohsiung Warehouse No.2 Hostel into operation, as well as complete investment for the second phase of Kaohsiung Port Depot (Warehouse No.4 and 6) and Taichung Port Yacht Terminal 20A and 20B.
- The new construction of public buildings in South Wharf area of Taipei Port has been completed in April 2023.
- In response to demands of green energy-related industries (including LNG, offshore and onshore wind power, photovoltaic power or other renewable energy), land resources were also released in addition to upgrading port facilities and services. The actual point area of leased land was 408.69 hectares as of 2023, which is an increase of 23.09 hectares compared with 2022.



Material Topic: Customer Service Quality

<p>Major Causes</p>	<ul style="list-style-type: none"> • Emphasize on "client-first" as its core value, concerned about customers' opinions and needs. • Conform to the Personal Data Protection Act and other laws and regulations, as well as implement the core value of "client-first" to establish a sustainable partnership.
<p>Effects and Impacts</p>	<p>Positive impact: By improving customer relationship management and continuously upgrading the quality of customer service, we can increase customers' trust and loyalty to the company, which will yield a positive impact.</p>
<p>Policy/ Strategy</p>	<ul style="list-style-type: none"> • Through client visits and regular or occasional seminars on shipping or port business, as well as customer service windows at each branch, we promptly receive clients' needs, which is then followed by customer feedback and control. • All operations related to customer transactions are handled in accordance with the standard procedures set forth in the "ISMS Information Security Management System" in order to safeguard customer privacy.
<p>Preventive or Remedial Measures</p>	<ul style="list-style-type: none"> • Periodic seminars with clients to communicate on port-related issues and direction of development. • A notification and contingency system for information security incidents has been established. • Appeal channels: Customer service window at all branches, business dedicated personnel.
<p>Evaluation Management System</p>	<ul style="list-style-type: none"> • Track and manage customer feedback and address it appropriately. • Implement a customer feedback control mechanism and secure customer information without any leakage, theft or loss of customer information. • All branches organize regular business seminars to collect information on "customers' health and safety" and review the information regularly. • Formulate annual "Port Area Occupational Safety and Health Week Activity Plan" and submit to Occupational Safety and Health Week website. From mid-April to November, preventive and control measures are taken to improve safety and health facilities, health environment, and management functions of workplaces through "education and training", "promotion and counseling" and "auditing" in order to safeguard their workplace safety and health. The results of the annual implementation will be reported to the OSHA by the end of November for review and approval, and a certificate of participation will be issued.
<p>Performance and Adjustments</p>	<ul style="list-style-type: none"> • Conducted 10 sessions of port business seminars, of which 39 issues on customers' safety and health have been responded. • No major customer complaints. • End of "Port Area Occupational Safety and Health Week Activity Plan". • There was no incident of information leakage, theft, or loss of customer information in any of the issues gathered at the port business forums in 2023.

Material Topic: Business Mode Optimization and Innovation

Major Causes

- The operations of Taiwan international commercial ports are mainly conducted in the mode of landlord ports. Though TIPC has been actively planning for transformation since its establishment in 2012, in the face of the ever-changing market, it is still necessary to adopt a more flexible operation mode, so as to ensure sustainable operation and avoid risk of marginalization in the long run.
- In response to the green energy development program promoted by the Executive Yuan, the corporate, as a state-owned enterprise, is in line with the policies of energy transformation and is using its ports as an operating base for offshore wind power and gas power generation, increasing the proportion of gas, wind and solar power generation.
- In the face of competition in the global maritime transportation market, in order to meet the current demand of international transportation, and in response to the development of emerging technologies such as information and communication, big data, IoT and artificial intelligence, TIPC, as the coordinator and manager of seven major international commercial ports, is tasked with the mission of enhancing the competitiveness of the ports, and will continue to promote the development of smart ports by combining the applications of emerging technologies with port operations.
- Active revitalization of the company's vacant properties to increase income from asset utilization.

Effects and Impacts

Positive impact:
Through continuous optimization of the business mode and innovative improvement initiatives, digital technology is introduced to transform into smart ports, supporting the government's green energy development to move into new forms of business and maximize the efficiency of resources use in the port area, so as to enhance the competitiveness of the ports, which then brings positive impacts to the company.

Policy/ Strategy

- Adjust the direction of development of each port and empower the port groups to work together for external development.
- Optimize the allocation of various types of terminal operational capacities and utilization capabilities to enhance the efficiency of resource utilization in the port area.
- Increasing incentives for consolidating transshipment competency.
- Enhance the content of value-added services and continue to create value-added quantity.
- Strengthen the cooperation among industries to increase the port service orientations.
- Optimize the management of people and vehicles accessing the commercial port control area, formulate the "Guidelines for the Application and Use of International Commercial Port Permit", and fully apply for and issue permits electronically, so as to effectively safeguard the security of the port area.
- In order to continue to promote smart port development, three major development strategies have been formulated, focusing on the "deployment of smart infrastructures in Taiwan ports", "integration and analysis of value-added operational data", and "application of innovative technologies in experimental fields", so as to complement the intelligent facilities and promote the implementation of various emerging technology technologies at each port.
- In light of the usage and development conditions of every land, the corporate actively explores potential business partners, plans investment promotion that meets market demand, and conducts investment promotion in accordance with the "Regulations Governing the Investment to Build, or Lease and Operate the Land Outside Commercial Port and Facilities For State-Run or Private Enterprises".

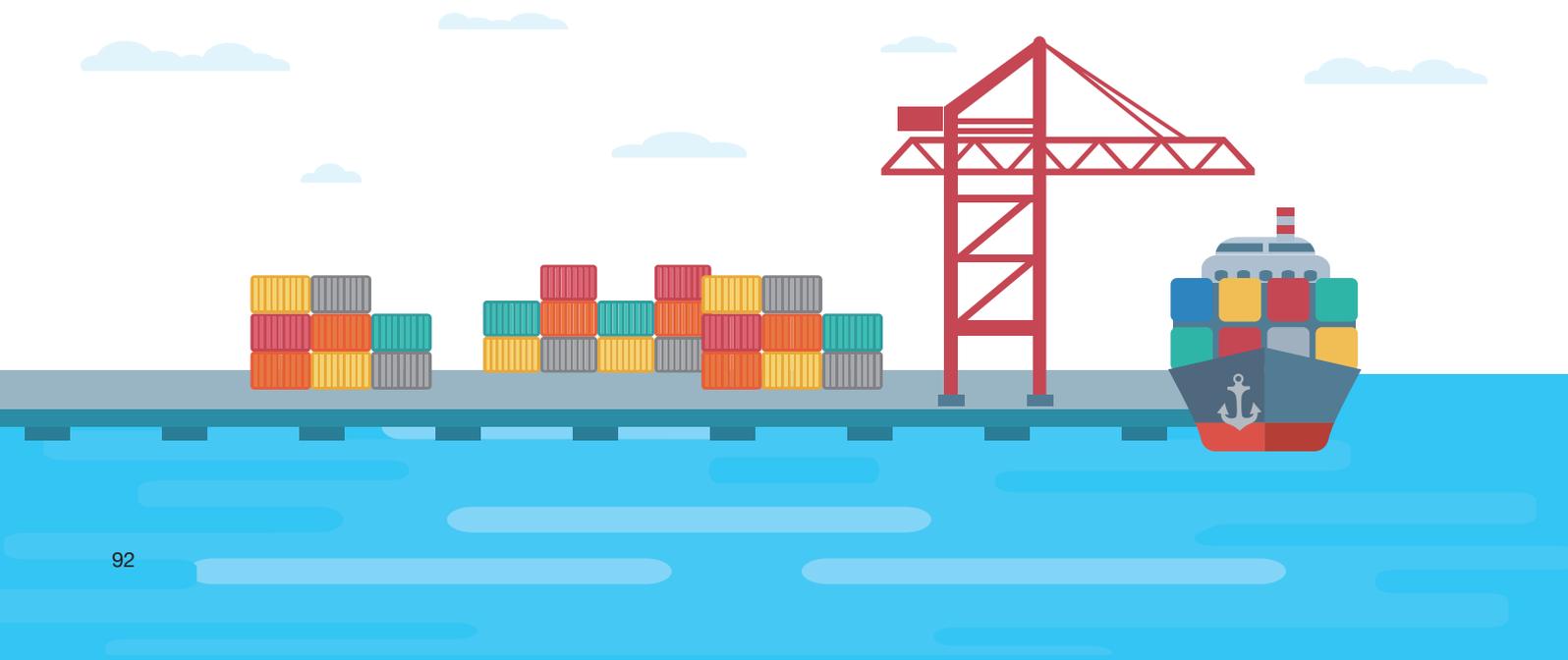
Material Topic: Business Mode Optimization and Innovation

Preventive or Remedial Measures

- Every construction project is regularly tracked at progress review meetings to avoid delay in execution rate. In the event of changes in domestic and international environment and market, and in line with government policies and port development needs, the company will follow the procedures to revise the plan for approval.
- TIPC has established a dedicated unit to manage the progression of every smart port project, and held meeting regularly to ensure the progression and direction of project successful. Seven meetings of smart port promotion group have been held.
- Timely review of the investment strategies and adoption of a diversified investment model, ongoing negotiations with potential investors, and short-term leasing prior to development.
- Provide multiple appeal channels, such as company mailbox: "https://www.twport.com.tw/chinese/Mail_Content.aspx".

Evaluation Management System

- Regularly report to MOTC on their work and administrative performances. MOTC evaluates the budget for the upcoming year and the feasibility of business plan based on the annual financial statement, and dynamically adjusts the objectives or execution plan of each project if necessary, which will be implemented after approval by the Executive Yuan.
- The evaluation management system for important smart port projects includes KPI assessment and project discussion at the smart port promotion group meeting.
- Daily review of the percentage of anomalies in the records of each port area is conducted to keep track of the usage of permits.
- The "Automatic Gate Sentry post Control System" will crosscheck with lists of stolen vehicles and fugitives through API connections with database in National Police Agency. The system will automatically revoke the pass once the above circumstance occurs in addition to on-site display and SMS notification.
- Regularly conduct inspections on real estate utilization of land and buildings, track the progress of asset revitalization, and constantly discuss investment intentions with potential business partners, as well as proceed with short-term rentals for revitalization and utilization before development.



Material Topic: Business Mode Optimization and Innovation

Performance and Adjustments

- The total cumulative capacity of solar power generation in Taiwan port cluster is about 90,917 kWh, with a total generation capacity of about 104.53 million kWh and a carbon reduction of about 51,743 metric tons.
- The actual point-of-sale area of green energy-related properties (including LNG, offshore and onshore wind power, photovoltaic or other renewable energy sources) for lease was 408.69 hectares, an increase of 23.09 hectares from 2022.
- Since mid-2017, there were 93 idle real estate properties reported to the "Land Clearance and Revitalization Promotion Group of State-Owned Utilities under Ministry of Transportation and Communications (MOTC)". As of the end of December 2023, 8 real estate properties have been revitalized, with a total area of 21,895.2m².
- Upgrade "Marine Metrological Information System of Taiwan International Ports" monitors real-time meteorological data and integrate warning notifications to enhance the safety of vessel navigation.
- Complete "E-Lane and Automatic Gate Sentry post Control System" using AI image recognition technology to manage the entrance of people and vehicles, the port area management, and digitalization of entrance records
- Extend the coverage of "Port 168 - Port Area Real-Time Information Service Network" to the 7th Container Terminal of Kaohsiung Port to effectively enhance the transportation efficiency.
- Complete the upgrade of "Asset Geographic Information System" to include 6400 hectares of land and buildings in port area, and visually manage the information of leasehold.
- Complete "Business Intelligence Platform" to assist decision-making in port operation management with visualized charts and tables.
- Develop the pilot version of "Smart Energy Management System" for Taiwan ports to be in line with the national net zero carbon emission policy by monitoring the energy efficiency of water and electricity in the port area on a full-time basis, along with future installation of energy storage and creation equipment for the purpose of peak shaving.



Material Topic: Safety Management of Port Operations

Major Causes

TIPC is in charge of various port constructions and measures, which are important drivers of the national economy. Therefore, the safety management of port operations is of great importance. Any hazardous or terrorist attack-related incident at commercial port could have a significant impact on the operation of commercial ports, including harm to human life, disruption of normal port operations, financial loss, and propagation of international threats.

Effects and Impacts

- Political assessment: Impacts on commercial ports may have political implications, affecting international shipping and cargo trading.
- Symbolic assessment: As port facilities support special (e.g., weapons, military fuel, industrial equipment) or controversial (e.g., natural resources, etc.) cargo transportation, it affects the symbolism and representativeness of the Taiwan commercial ports.
- Economic assessment:
 - ▶ Important equipment (e.g., pipelines, offshore equipment) or products (gold, silver, silicate, etc.) may be affected because commercial ports are important sources of industrial manufacturing and energy.
 - ▶ Impacts on special port facilities and operations, such as special cargo and operations, could result in significant losses to port operations and economy.
- Social assessment: Fear and media attention due to damage to port or industrial facilities, passenger safety incidents such as explosions, building collisions, and the aftermath of ammonia release (mass loss of passenger lives, release of radiation, etc.).

Policy/ Strategy

- As a response to the increasing trend of terrorist incidents worldwide, the International Maritime Organization (IMO) and contracting parties under the International Convention for the Safety of Life at Sea (SOLAS) held a diplomatic conference on maritime security in London, and adopted amendments to Chapter XI-2 of SOLAS and the International Ship and Port Facility Security (ISPS) Code. These new requirements form an international framework for cooperation between ships and port facilities to detect and deter acts that jeopardize shipping security. In order to boost the competitiveness of commercial ports, TIPC has formulated the "Port Facility Evaluation Report" and "Port Facility Security Plan", which are in line with the amendments to SOLAS Chapter XI-2 and the ISPS Code established by the IMO.
- Pursuant to Article 42 of the Commercial Port Law, TIPC conducts security assessment of international commercial ports and prepares assessment reports and plans for approval by Maritime Port Bureau of MOTC for implementation. Pursuant to Article 43 of the Commercial Port Law, TIPC cooperates with Maritime Port Bureau in the inspection and testing of port facility security measures and security operations of various public and private organizations operating in the international commercial port area, and seeks for improvement according to the results of inspections.



Material Topic: Safety Management of Port Operations

Preventive or Remedial Measures

- Pursuant to Article 43 of the Commercial Port Law, TIPC cooperates with Maritime Port Bureau in the inspection and testing of port facility security measures and security operations of various public and private organizations operating in the international commercial port area. If deficiencies are identified, the organization is required to make improvements and incorporate them into "Port Facility Evaluation Report" and "Port Facility Security Plan" for revision.
- Review the contents of "Port Facility Security Plan" by conducting regular security drills and exercises at each port facility, and incorporate "Port Facility Evaluation Report" and "Port Facility Security Plan" revisions through meeting of Port Facility Security Committee in a timely manner to address outdated and improved practices.

Evaluation Management System

- Statutory control
 - ▶ In accordance with the "Management Review Procedures", we periodically review the status and conformity of changes in regulations and other requirements at meetings of the Management Review Committee or Occupational Safety and Health Committee.
 - ▶ All operations related to regulations and other requirements shall be documented and handled in accordance with the "Documentation and Record Management Procedures".
- Organizer of Occupational Safety and Health Committee reports the progress of each goal on a quarterly basis for consideration by committee members.
- In accordance with Article 43 of Commercial Port Law, TIPC cooperates Maritime Port Bureau of MOTC in the inspection and testing of port facility security measures and security operations of various public and private companies operating in the international commercial port area, and makes improvements in response to the deficiencies identified in the inspection results. The corporate also cooperates with the ISPS Code in the issuance of "Statement of Compliance of a Port Facility" every five years, and conducts the annual inspection from April to August every year in order to declare conformity of port facilities.

Performance and Adjustments

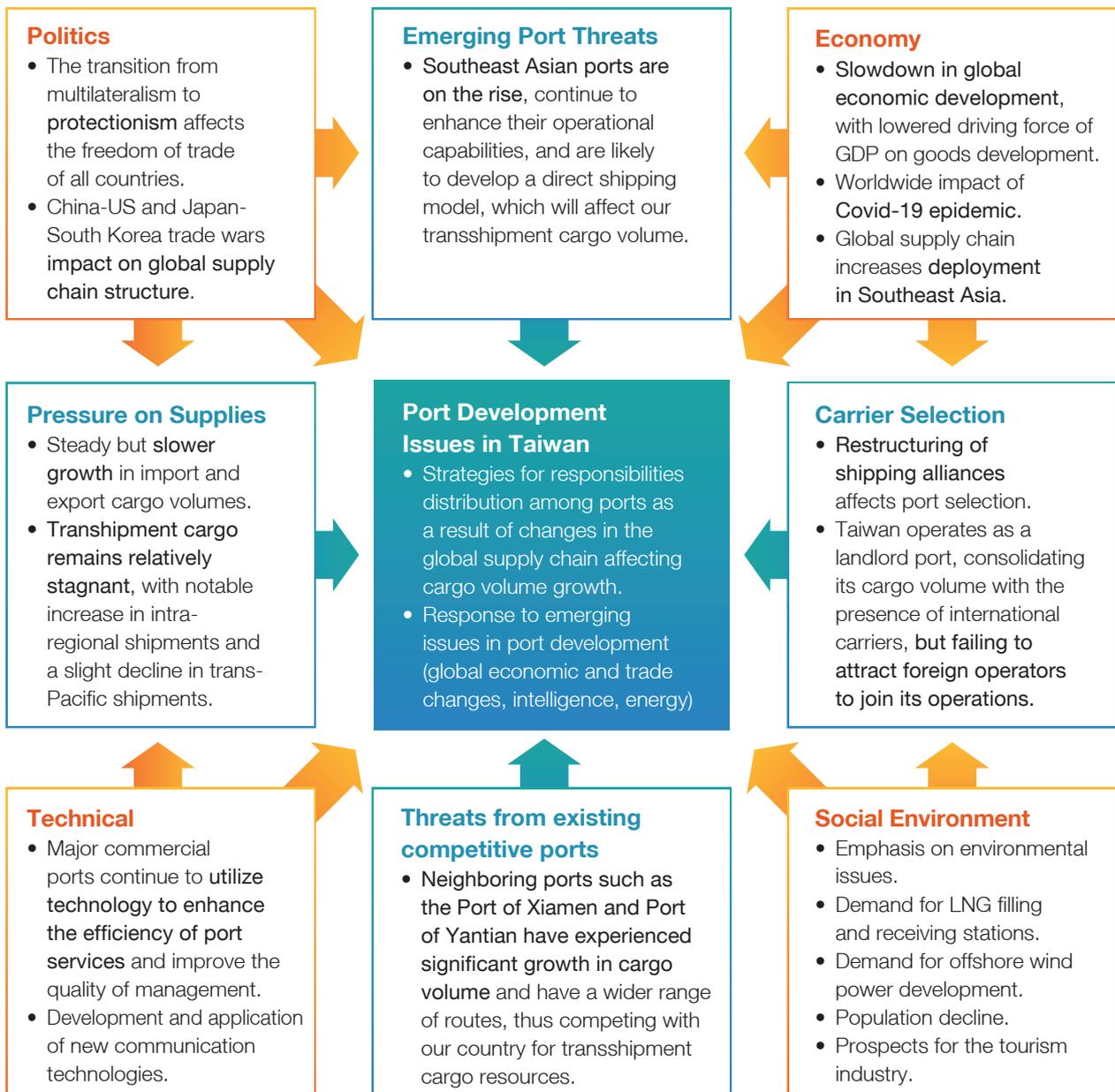
- Actual number of sessions in year 2023:
 - ▶ Large scale promotional activities (senior management promotional activities) 5 times with 2,050 participants.
 - ▶ Disaster mitigation and health promotion activities 577 events with 3,973 participants.
 - ▶ The number of participants in the 50 educational and promotional activities was 1,523.
 - ▶ The above participants consist of employees, contractors, and port operators (stevedores).
- Strengthen the safety of dock handling operations in port areas. Implementation status of "Guidelines for Safety and Health Management at Guided Ports" in all ports: The headquarter visits each branch on a quarterly basis, for a total of 16 visits throughout the year. Each branch organizes one seminar biannually, for a total of eight seminars throughout the year, and regularly (once every six months) collaborates with Maritime Port Bureau to conduct joint inspections on cargo handling operations at international commercial ports, with the participation of local labor inspection authorities, harbor police department, and the company.
- Conducted two VTSSO trainings and attended one VTSSO training session each for every friendship port.
- Implement and supervise the conduct of security drills and exercises at all port facilities, with each port organizing one session every quarter by principle, resulting in a total of at least 36 sessions per year in the port group.



2.1 Development and Construction of Commercial Ports

For long-term development strategies, MOTC regularly conducts analysis on the internal and external environments and important trends in accordance with the White Paper on National Development and Transportation Policies, and publishes "Comprehensive Commercial Port Development Plan". The plan proposes concrete development goals, direction of strategies and medium-to-long term strategies (five major aspects) for the development of commercial ports and serves as the basis for TIPC to study the positioning of commercial ports and to draw up their construction plans.

Port Development Issues in Taiwan



Five Major Development Strategies

International Commercial Port	
Strategy\ Goal	Consolidate maritime hub status through enhanced smart innovation and diversified services
Cargo Development	<ul style="list-style-type: none"> • Adjust positioning for cargo development of individual port in response to market changes, and joint outbound development of the port clusters. • Allocate the operational capacities and functions for different terminals to increase the efficiency of resource utilization at the port. • Increase incentives for cargo consolidation and improve transshipment competitiveness. • Upgrade the value of services, and continue to create value added. • Foster cooperation among operators to increase port service orientations.
Passenger Transport Development	<ul style="list-style-type: none"> • Combining local tourism resources to attract international cruise ships to Taiwan. • Assist in promoting the Blue Highway policy and developing domestic island-hopping cruises and ferry services. • Expand diversified recreational services in the harbor area.
Environmental-friendly Energy Response	<ul style="list-style-type: none"> • Flexible adjustment of port LNG-related facilities in response to national energy policy. • Provide a centralized development hinterland in response to the needs of the offshore wind power industry. • Promote port sustainability measures in response to domestic and international environmental conventions.
Technology Application	<ul style="list-style-type: none"> • Develop smart blueprints and test site mechanisms to implement digital transformation. • Construct high-quality information and communication facilities and expanding the scope of technology application to enhance safety and efficiency. • Promote digital platforms with stakeholders to foster international connections.
Organization and Operations Management	<ul style="list-style-type: none"> • Adjust the strategy level of port development in response to market changes. • Promote cooperation between shipping ports to ensure operational efficiency and financial sustainability. • Cultivate talents in response to port transformation and development. • Foster collaboration between ministries and committees to achieve integrated efficiency of port development.

Strategic division of labor in port clusters to map out the positioning and development of each port

TIPC has followed "Comprehensive Master Plan for Development of Commercial Ports (year 2022-2026)" and proposed the successive plan named "Development and Construction Plan for International Ports (year 2022-2026)". The plan has been approved by the Executive Yuan and applied to promote business under four axes: Consolidating core values and enhancing port operating efficiency", "Pursing diversity of port business profile and expand to emerging industries", "Digital transformation and building smart ports" and "Sustainable development and expanding the value of business operations". TIPC has implemented port construction plans, proactively optimized and upgraded port infrastructures, and made flexible adjustments to the business strategies in response to changes in economic conditions and maritime market, in order to promote the sustainable development of Taiwan port clusters.

Special Column

Innovative Waterway, Dazzling Gold Quality

The Port of Taichung Land-Based Navigational Range Light Tower Reconstruction Project was awarded Golden Quality Award



Taichung Port Land-Based Navigational Range Markers Reconstruction Project
Excellent Award in Facilities Engineering Category
Certificate of merit and trophy of 23rd Public Construction Golden Quality Award

Range marker is an important guideline for ship navigation. In order to cope with the special geographic environment of Taichung Port and development of wind power industry, this project has introduced the International Association of Marine Aids to Navigation and Lighthouse Authorities (IALA) international standard, which significantly reduces the deviation factor (the linear relationship between offset distance and the width of navigation channel) and improves the sensitivity of range markers at the design phase, thereby enhancing their adaptability and visibility for large vessels and conforming to the international standard. This project is characterized by its innovation and comprehensiveness. According to IALA regulations, the sensitivity is calculated using 3D visual simulation at the design stage. Based on the location of the old range markers, suitable sites were identified at the backline of each group of old ranges. The existing front and rear ranges, which were originally 13m and 18m, were significantly increased to 55m and 65m to increase the visibility of the navigation ranges. The old navigational ranges were originally single-pole structures. Considering the impact of strong winds in the port area, we adopted a steel tube structure to provide a strong and tough structure. We also configured staircases and platforms within the structure to facilitate maintenance, which is a sound concept of "government procurement lifecycle".

Regarding details of the project, the steel structure is designed with flanged joints, and all welding work will be completed in the steel factory, with all bolts being locked in place. Considering that the conventional twist-off bolts are prone to corrosion, this project adopts a tension

indicator, which can determine the bolt torque up to the design standard via visual inspection, which is convenient for the quality control and gives due consideration to the weather conditions of the port area. The duplex system of painting or powder coating over hot-dip galvanized steel greatly improves the future maintenance operation of the steel structure. Moreover, the coating materials are all commonly used in public works, and thus eliminating difficulty in replacing the coating materials.

The five reconstructed ranges are located at the hinterland of Pier No.105 (2 units), hinterland of Pier No.36 and at the back of Pier No.20B Mitsui Outlet Park (2 units), as well as behind Wuqi Fishing Port (1 unit), etc. The project started in September 2021 and completed in March 2023. The project team successfully overcame the challenging conditions such as dense fog, strong winds, and limited space of Taichung Port, and the project was carried out as scheduled and in good quality. The project scored 85 and 86 points respectively in 2022 and 2023 MOTC project inspection, and received "2022 Public Construction Excellence Award" by MOTC. This project was also recommended by MOTC and had won Excellent Award in Facilities Engineering Category of 23rd "Public Construction Golden Quality award" after the initial evaluation and re-assessment by the professional evaluation team of Public Construction Commission of the Executive Yuan. This award is a recognition of hard work and dedication to the quality of the project. Taichung Port will keep on upholding the responsibility to establish a safe yet well-organized environment for vessels.



Taichung Port Land-Based Navigational Range Markers Reconstruction Project Excellent Award in Facilities Engineering Category
23rd Public Construction Golden Quality Award ceremony



Fourth set of navigation markers after reconstruction (located at the west side of Mitsui Outlet)



Completed Port of Taichung land-based navigational range light tower (Northside of Wuqi Fishing Port) improvement project

2.2 Cargo Development

Amidst the impact of the global political and economic turmoil and weak demand in 2023 due to inflation, industrial inventory adjustments, China's economy slowdown, the U.S.-China technological conflict, as well as the Russo-Ukrainian and Israeli-Palestinian wars, etc., while the cargo and container handling volumes of the Taiwan port group amounted to 666 million metric tons and 13.6 million TEUs, they still represent a decrease of 7.3% and 7.4% respectively compared to 2022. However, the corporate's total revenue reached NT\$28.18 billion, an increase of 1.08% compared to 2022 under its diversified business strategy.

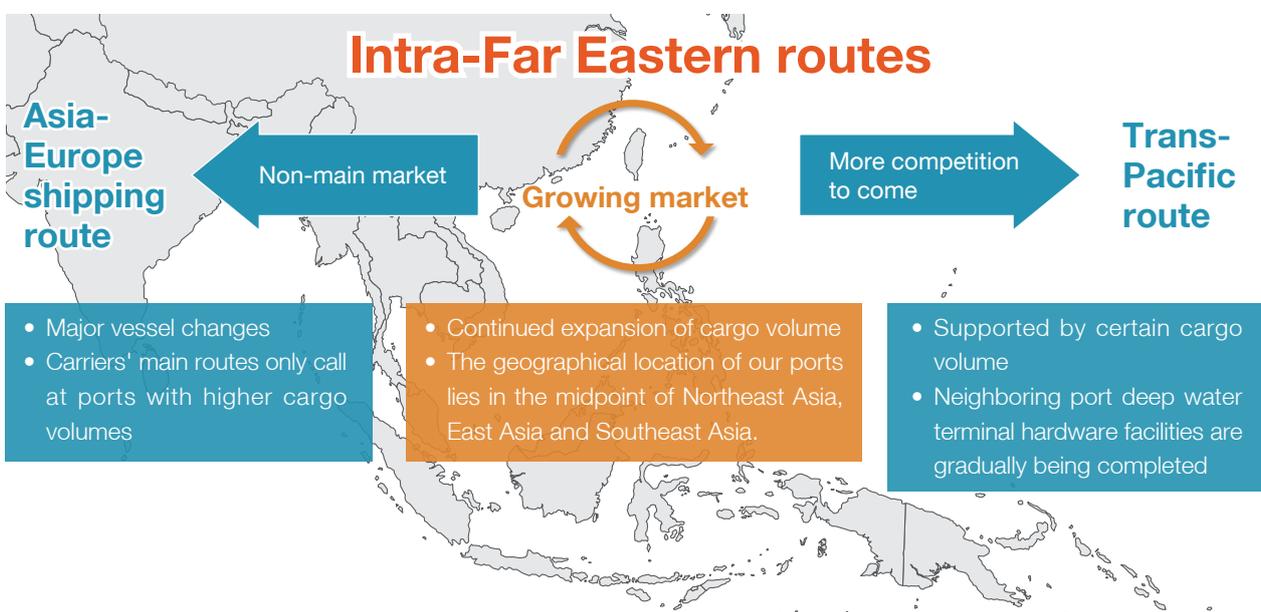
In the face of global economic and trade impacts and competition from neighboring ports, it is imperative for TIPC to continue improving port construction and operational efficiency in order to capture opportunities when the economy turns around. The description of the corporate's efforts to enhance port construction in 2023 is set forth below.

Consolidation of Maritime Hub Status

Taiwan's favorable geographic location for transshipment in Far East region is an important niche for the continued trade growth with Northeast Asia, East Asia, and Southeast Asia. Moreover, our top three national carriers rank 7th, 8th, and 12th worldwide in terms of cargo capacity, all of which have a certain degree of cargo handling capacity, and all of which operate terminals at Kaohsiung Port, thereby securing cargo sources for the Port of Kaohsiung. Therefore, notwithstanding that the transshipment status of Taiwan ports in Asia-Pacific region has gradually changed to that of a regional hub, our cargo collection capacity can still be utilized to support the development of the main shipping routes, supported by the stabilization of cargo imports and exports as well as regional trade relationship.

For the sake of maintaining long-term competitiveness, TIPC follows instructions from its superiors and continues to adopt port clusters as its concept of division of labor. Centralization of container operations avoids internal competition and improves overall operational efficiency and value, which in turn attracts foreign shippers to transit from Taiwan through a more diversified terminal operation mode, while developing into distinctive industrial chains, such as automotive logistics at Taipei Port, offshore wind power at Taichung Port, and international cruises at Keelung Port etc.

Competitiveness Analysis of Future Re-export Development at Taiwan Ports



Business Category	Name of Project	Project Details
 <p>Cargo</p>	<p>Project of 7th Container Terminal of Port of Kaohsiung</p>	<p>1.The five berths of Terminal 7 are inaugurated in two phases. Berth S5 to S3B and part of the hinterland for the first phase were completed in April 2023 and delivered to Evergreen Marine Corporation in May of the same year for official commissioning while second phase of the project, Berth S3A to S1 and the backline site, are scheduled to commence operation on July 1, 2024. After fully operated next year, it is expected to increase operation capacity up to 6.5 million TEU per year, which will help to consolidate the position of the Port of Kaohsiung as a global maritime hub, and to further promote the economic development of the South Taiwan industry, making it the forerunner of smart terminals in the shipping industry.</p> <p>2.The 7th Container Terminal is equipped with five container terminals with a water depth of 18 meters and container yard of 149 hectares, with a 2,415-meter long quay, which can provide berthing and stevedoring for four 24,000 TEU ultra-large container ships. Meanwhile, it is equipped with the country's first 25-row remote-controlled unmanned bridge crane, fully-automated portal crane and intelligent customs clearance lanes for container trucks. It also introduces an independent 5G system, fiber optics, and Internet of Things (IoT) to cover the entire site, along with Evergreen Marine Corporation intelligent terminal operating system (EMCTOS), optical character recognition (OCR), and real-time power monitoring system to make Kaohsiung Port 7th Container Terminal one of the world's most intelligent and automated container centers.</p>
 <p>Bulk Cargo</p>	<p>Port of Taichung Port Pier 42 New Construction</p>	<p>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.</p>
 <p>Logistics Warehouse</p>	<p>The terminal construction and land reclamation project of landfill B at the Southern Pier of Taipei Port</p>	<p>To cater for the demand for handling raw materials and finished products from resident manufacturers in Southern Pier, a temporary embankment of about 360m was constructed at the pier and its east side for the purpose of enclosing the landfill. Besides, about 13 hectares of land along the backline of Terminal S09 was reclaimed to provide land for the construction of storage and warehousing facilities.</p>

Business Category

Name of Project

Project Details



Phase II land reclamation project for logistics and warehouse zone of Taipei Port

The first phase of land construction has been completed, and negotiations for land exchange and the acquisition of surplus soil and rock (Type B1-B6) from public constructions are finished ahead of schedule in December 2023, making it available for use as a logistics and warehousing area.

Phase 3 & 4 seawall construction project at logistics and warehouse zone of Taipei Port

Along with promotion of the temporary oil storage center relocation plan, the oil storage center is planned to be relocated to the fourth phase of the development area, and therefore it is necessary to prioritize the third and fourth phase of the embankment project, in order to expedite the fourth phase of the land reclamation project.

Public facilities project at logistics and warehouse zone of Taipei Port

Phase I of the logistics and warehousing zone has been completed with fundamental infrastructures, and Phase II has been completed with the construction of land in Zone 2-1. In order to accommodate the needs for subsequent development, the establishment of necessary facilities in Zone 2-1 will be coordinated.

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.

Anping Port offshore wind power related projects

The new heavy duty terminal and backline storage site along the shoreline of Anping Port Pier 11 have been used for wind power operators to construct and assemble offshore wind power infrastructures and for storage and transportation. The project was completed in December 2023 and officially delivered to the lessee in January 2024 for use.

Taichung Port Outer Harbor Expansion Project (Phase I)

Considering the demand for land for offshore wind power industry and the need to remove a large amount of earth from long-term dredging in the port area, this project proposes to accelerate the development of outer harbor reclamation area of Taichung Port.

Business Category

Name of Project

Project Details



Taichung Port bridge and terminal facilities improvement project

Zhongnan 2nd Bridge is located at the junction of river and sea and is susceptible to seawater droplet erosion. The inspection result in 2019 was U3 grade., which resulted in immediate initiation of maintenance and improvement project. The project started on January 29, 2021 and was completed on December 6, 2022. Besides, to tie in with EcoPort in promoting the installation of additional shore power and water supply systems at the old terminals, TIPC refurbished Pier #8A, which commenced on June 10, 2022 and was completed on January 5, 2024

Kaohsiung Penglai Port area existing warehouse optimization and infrastructure improvement project

Corresponding to the development of existing port area of Kaohsiung Port, the corporate has undertaken the renovation and optimization of the roofs of warehouses in Penglai Port, with first phase completed in February 2023, and the second phase is currently under construction. The corporate is also engaged in the improvement of infrastructures at Penglai Port, including telecommunication and electricity, centralized monitoring and control systems, water and sewage pipelines, road paving, and marking of roads and lanes, with preliminary construction completed in January 2022, and improvement works expected to be completed by 2024. Based on the overall public facilities at Penglai Commercial Port of Kaohsiung Port, the project integrates intelligent development and installation of five major pipelines to improve the surrounding landscape to provide recreational service and to effectively enhance the open space and pedestrian-friendly environment in the port area.

Taipei Port South Pier Public Facilities and Permanent Revetment Construction Project

The South Pier area of Taipei Port is designed as a multi-functional, multi-purpose development area that will be reclaimed in phases. In order to attract private investment in the establishment of factories and develop the area into an Intelligent Vehicle Industrial Park, the corporate conducts relevant public facilities and revetment construction projects.

Keelung Port Land Reclamation Project

West terminals 28A and 28B of Keelung Port have been reorganized as harbor service piers, for which reclamation of the dock at west terminal 28A and related site construction work have been carried out, in order to meet the needs of future port operations.

Business Category	Name of Project	Project Details
	Keelung Port Terminal Reconstruction Project	Considering that the three terminals E4, W33 and W33B of Keelung Port have been established for more than 50 years, it is necessary to carry out reconstruction work to meet the needs of future operations.
	Taipei Port Public Facilities Project	In order to attract private enterprises to move in and to provide land for factory construction, necessary public facilities are provided.

"Angel Container Ship" Contingency Response

On July 20, 2023, the Palau-flagged container ship named "ANGEL" capsized and sank in the second anchorage area of Kaohsiung Port, causing a large number of containers to drift into the sea, as well as the oil spills, etc. So far, the shipowner and Protection and Indemnity (P&I) have not taken any appropriate action to deal with related issues. The port company has set up an emergency response center, which has lasted 65 days and conducted 35 contingency meetings. MOTC Deputy Minister Chi Wen-jong has visited the emergency response center, and together with the company's Executive Vice President Wang Chin-jung, invited Maritime Port Bureau, Ocean Conservation Administration of Ocean Affairs Council, Coast Guard Administration, Fisheries Agency of Ministry of Agriculture, Marine Bureau of Kaohsiung City Government, Tainan City Government, Pingtung County Government, S5 Asia Limited Taiwan branch, and Seagreen Enterprise to convene a contingency meeting with relevant units. Disposal of drifting containers, cleaning of oil spill on the sea surface and removal of residual oil from the hull were finally completed.

Despite being affected by four typhoons, namely Doksuri, Khanun, Saola and Haikui, TIPC worked with Marine & Offshore Engineering Taiwan Co., Ltd. and other related units to adjust the pumping sequence of the oil tanks, and to mobilize more divers to work around the clock in order to finish the pumping of one oil tank in two days, which resulted in engagement of 307 vessels and more than 1,327 manpower (including divers and deck crews) in total to complete the extraction of 470 metric tons of residual oil from 14 vessel tanks on September 21, ahead of schedule. On September 22, 2023, Marine & Offshore Engineering Taiwan Co., Ltd. deployed a diving team to carry out a full inspection of the vessel and confirmed that all the oil containers were free of oil residue, and completed the reinforcement and sealing of oil seepage points.

In accordance with the instructions from the Deputy Minister of MOTC, Chi Wen-jung, TIPC continued to deploy drones to conduct daily inspections of waters around the shipwreck, sent decontamination vessels as standby guards around the ship, and continued to observe the conditions of the intershore hotspots such as Kezailiao Fishing Port, Cihou Lighthouse, and Fengbitou Fishing Port, etc., so as to protect the marine environment and ecology. The case will be referred to the Maritime Port Bureau MOTC to handle the legal issues and subsequent litigation procedures with the attorneys in relation to costs related to the fishermen's damages and expenses incurred as a result of the incident, as well as the the company's assistance in salvaging containers, removing residual oil and dealing with losses.

2.3 Passenger Transportation, Tourism and Recreation Development

In recent years, TIPC has not only promoted the development of Passenger Transportation and optimization of clearance facilities, but also echoed the Executive Yuan's policy of "Salute to the Seas" and benefitted from successful experiences of international ports. We have established and designed recreational and yacht-related services under the principle of "no impact on cargo functionality", and also cooperated with local tourism authorities in the development of sightseeing services in the port area. Meanwhile, we have integrated land development with local landscapes and resources, revitalized existing lands and functions, and created business opportunities of waterfront recreation. Besides, we also invested in construction or superficies transfer in accordance with Commercial Port Law, in which the investment mode is selected based on market demand, development scale, and operation period, along with the investment in hardware facilities, which are described as below.

Name of Project	Project Details
<p>New Construction Project of International Passenger Clearance Terminal of Suao Port</p>	<p>Following MOTC approval on "Forward-looking Infrastructure Development Project - Recreation and Waterfront Project", the old warehouses were demolished and construction of tourism facilities was carried out. It is expected that this project will provide cruise ships with the space required for CIQS inspection and serve as a recreational site for travelers, such as marine sightseeing, composite shopping area, outdoor parking lots, as well as arts and cultural performances. Construction commenced in June 2022 and was completed in December 2023.</p>
<p>Suao Port Tourism Services and Facilities Project (Forward-looking project)</p>	<p>In line with the forward-looking project, we promote expansion of the existing tourism facilities at Suao Port, improve the service standard, and upgrade the surrounding environment.</p>
<p>Port of Keelung Military Terminal Relocation and Backline Facilities Reconstruction Project</p>	<p>Through the relocation of Keelung Port East Military Terminal 4 and 5 and Weihai Camp, the port retains its existing functions of passenger and cargo transportations, and concurrently takes care of water-friendliness, recreation, and tourism, as well as uplifts military forces, creating a win-win-win situation for the Keelung City, Keelung Port, and the needs for national defense.</p>

<p>Port of Kaohsiung Passenger Transportation Zone Construction Project</p>	<p>Kaohsiung Cruise Port Terminal No.18 to 21 has been assigned to promote the "Kaohsiung Port Passenger Transportation Zone Construction Project" in order to improve the existing passenger transportation facilities, provide convenient and comfortable space for inbound travelers, and at the same time promote the development of neighboring lands of Kaohsiung Port and the city through crowd introduction, so as to facilitate the development of national and local tourism industries.</p>
<p>Port of Hualien #14 Warehouse Passenger Clearance Service Area Refurbishment Project</p>	<p>According to "10-year integrated 'Blue Highway' development program" by MOTC, Hualien Port is recognized as one of the bases for island-hopping cruise ships. In line with the "Forward-looking Infrastructure Development Project - Recreation and Waterfront Project", 486M² passenger clearance service area of Warehouse #14 was completed in January 2024, providing passengers with cruise ships of less than 10,000 metric tons, small yachts, whale-watching boats, and other sightseeing vessels.</p>

Enhance Publicity and Investment Promotion to Improve service Facilities



As part of cruise business promotion, TIPC has teamed up with Tourism Bureau to participate in Seatrade Cruise Global 2023 in Fort Lauderdale in March 2023, integrating the city tourism and port facilities to publicize to ports and cruise operators around the world. In July, the corporate participated in Asia Cruise Forum Jeju, during which it attended the Asia Cruise Leaders Network (ACLN) to introduce the cruise constructions and preferential programs invested during epidemic, and the Port of Keelung was presented with "Special Achievement Award". In October of the same year, TIPC attended Seatrade Cruise Asia Pacific 2023 in Hong Kong, where it set up an exhibition booth and exchanged cruise issues with major international cruise lines, so as to market Taiwan ports.

Land Development of Ports

The old Kaohsiung Port is close to the urban area. Considering the urban development, community integration, and people's needs, TIPC has gradually relocated the storage of bulk cargo and petrochemical

industry of Kaohsiung Port to Kaohsiung Port Intercontinental Commercial Port, releasing old piers to be transformed into waterfront recreation. In order to build a new look for transformation of Kaohsiung Port, TIPC and Kaohsiung City Government jointly established Kaohsiung Port Land Development Co., Ltd. in 2017, and the priority of planning targets were the old Kaohsiung Port Terminals 1-10 and 16-17, shallow water wharves and hinterlands. KPLD had completed the development and operation of Kaohsiung Port Warehouse No.2, the historical warehouse building KW2 Hostel, Kaohsiung Port Depot 410, the commissioning of operation of Dayong Road Pier 2 Parking Lot and the transformation of former Waiting Room into a complex hotel, which had brought 4.42 million visitors to Kaohsiung Port, promoting tourism development and providing employment opportunities for local residents.

In 2023, TIPC successfully attracted investments amounting to NT\$26.7 billion to promote economic development and employment opportunities at the international commercial ports under its jurisdiction, including investment in the Phase II of Kaohsiung Port Intercontinental Terminal Pier S17 and the hinterland of Terminals S16 and S17 by Formosa Grandseas Bunkering and Trading Corporation, investment in hinterland of Warehouses 1-4 in Phase 2-1 of Taipei Port Logistics and Warehouse Area by Total Swiss International Co. Ltd, as well as investment in Taichung Port Service Area (II) by Uni-President Express Corporation to build headquarters of Taichung Port logistics enterprises etc.

Waterfront Tourism and Commercial Development and Art Exhibition



Port of Keelung

In 2022, Keelung Port continued to carry out the overall development plan for cruise tourism along the west and east coasts of Keelung Port, including the construction and solicitation of the West 2-3 Cruise Terminal, the West 4-6 Composite Commercial Building, and the East 3-4 Cruise Terminal, etc. The Keelung branch announced the solicitation of investment for the first floor of West 2 Warehouse and the parking lot in November 2023, and the potential operators did not participate in the investment due to certain reasons. Upon reassessment, due to the rise of cruise tourism after the epidemic, the branch needs to serve 10,000 passengers in a single day when large cruise ships berth at the West Coast. In order to accommodate passengers, the first floor of West 2 Warehouse was reorganized to provide passenger services, and the remaining space was released for investment purposes. The investment of passenger service facilities in East 3-4 Warehouse and the parking lot were completed in June 2022, and handed over to operators to be launched gradually in the first half of 2023.



Keelung Port East Cruise Terminal



Port of Taichung

The port company designated Pier 20A and 20B on the northwest side of Mitsui Outlet Park as a yacht zone, and successfully recruited the international yacht club scale enterprise - Argo Yachts Development Co., Ltd to build an international marina. This investment project has been completed and signed on January 8, 2024. Argo Yachts Development Co., Ltd plans to develop the whole area in two phases, in which phase 1 focuses on the land and water areas of Terminal 20B, which is adjacent to Mitsui Outlet Park, with development of about 2 hectares of water area, installation of breakwaters and 48 berths for yachts, as well as planning of a temporary clubhouse, yacht street, and a boat yard. Phase 2 is the land and water areas of Terminal 20A, with 1.3 hectares of water area development, 53 additional berths for yachts, and land area planning for yacht hotel and family indoor playground, etc. The development of the entire area is expected to be completed in 5 years.



Schematic diagram of the planning of Taichung Port marina area(Provided by Argo Yachts Development Co., Ltd)



Port of Hualien

For the purpose of enhancing the development of Chilaibi coastline landscape corridor and future Marine Resources Museum, a new 12-meter north-south liaison road is being constructed, which will link Hualien Port and East Taiwan coastline. In order to promote the land restoration of Hualien Port, the construction of the passenger clearance service station at Terminal #14 was completed in January 2024 to provide services such as exploratory cruises, whale-watching boats, and yachts, etc. In the coming years, it will be associated with the development of waterfront recreation in the neighboring warehouses from #1 to #4, which will drive the development of local tourism industry and constitute a corridor of marine industry.



Passenger Clearance Facilities at Terminal #14



Hualien Port Marine Industry Corridor Plan



Kaohsiung Port

1. The "Echo Across the Harbor" is located at Penglai Commercial Port of Kaohsiung Port, designed by architects Hou Ching-Mou and Lin Wan-Jen, and was awarded after an open competition, with a view to recreating the glory of the Great Maritime Era of 400 years ago. It is performed and chimed at all hours of the day, and also played live on the keyboard. Besides, the Great Harbor Bridge will play the classic "Set Sail with Joy" before the bridge rotates, accompanied by the sound of a swinging bell, making the Great Harbor famous far and wide.
2. The optimization and refurbishment of existing warehouses in Kaohsiung Penglai Port is divided into two phases. In line with the overall development needs of land, the project of optimization and refurbishment of existing warehouses is carried out to renovate the roofs and optimize the functions, thereby the stockpiling and temporary storage of goods can be upgraded to commercial area, and asset revitalization and utilization can be achieved. The second phase of the project started on May 10, 2022 for the roof renovation of 10 warehouses, and is expected to complete by 2024, linking Great Harbor Bridge, Kaohsiung Port Warehouse, Pier-2 Art Center and Kaohsiung Music Center, creating a tourism corridor at Kaohsiung Port.
3. Kaohsiung Port Cruise Terminal was officially launched on March 6, 2023, and received 14 cruise ships with a total of 41,680 passengers in 2023, bringing tourism to Kaohsiung. From September 19, 2023, outdoor space on the 1st floor and Haiyun Art Plaza on the 3rd floor were opened free of charge to provide public with the opportunity to visit and have different experiences at Kaohsiung Port during day and night, along with the installation of a large-scale musical instrument, sea view and art.



"Echo Across the Harbor" music chimes by architects Hou Ching-Mou and Lin Wan-Jen



Kaohsiung Ocean Party activities



Night view of Great Harbor Bridge and Kaohsiung Port Depot



Anping Port

1. Villa area of Anping Port Argo Yacht Club was completed in December 2023. The third phase of the construction project is expected to be done by 2026, while the fourth phase of residential hotel, commercial and office buildings and 63 berths will be launched in due course depending on market demand.
2. The investment project for the waterfront recreational areas was completed in August 2021, and is expected to be ready between 2029 and 2031, creating the largest waterfront integrated resort city in Taiwan.
3. From March to April every two years, TIPC and the Tainan City Government organize "Yuguang Island Art Festival" at Anping Port, encouraging artists to create and display their works of art, as well as blending art forms such as music, dance, film, and bazaars, to provide people with the opportunities to appreciate the beauty of the island's nature and art.



Yuguang Island Art Festival 2023



Anping Port Argo Yacht Club

2.4 Energy and Environmental Protection

In response to the global trend of energy and environmental protection, TIPC has incorporated environmental protection programs into its investment and business plans since 2022, including greenhouse gas inventories, greenhouse gas reduction for specific industries, and planning for the use of renewable energy. In addition, the corporate has been actively releasing land resources to accommodate the needs of green energy-related industries, besides upgrading port facilities and services. Up to 2023, 408.69 hectares of land have been released.

Energy transformation in Taiwan mainly focuses on liquefied natural gas (LNG), which has lower carbon emission, and offshore wind power, which has zero carbon emission. However, energy in Taiwan are all imported, and the port is responsible for receiving energy. Although Chinese Petroleum Corporation and Taipower have started to build new LNG stations, and the capacity of these facilities should be able to meet the domestic demand in near future, the corporate will continue to keep an eye on the general situation of the use and demand of LNG in Taiwan, and instantly adjust the direction of the response.

In line with the energy policy, TIPC has set Taichung Port as the main axis to provide suitable hinterland space to assist development of offshore wind power. Apart from energy transformation, the carbon reduction operation and air pollution control are also major issues worldwide. For more details on TIPC's environmental protection efforts, please refer to "Chapter 3: Creating a Low-Carbon Environment in Port Areas," in this report.

Promotion of Offshore Wind Power

In line with the Ministry of Economic Affairs' plan to complete the construction of 5.7GW of wind power by the end of 2025, and the demand to install three wind farms per year with a capacity of 1.5GW in the 3rd phase of development, TIPC planned 4 major operation aspects of offshore wind power, which including turbine pre-assembly area, localized manufacturing area, training center, and O&M services, and provided terminals for wind turbine pre-assembly, manufacturing, and operations and maintenance, as well as wind power-related services. Meanwhile, TIPC strived to enhance its port infrastructure to cope with long-term development of the offshore wind power industry.



Offshore Operation and Maintenance Services

The business opportunities for offshore wind farm operation included offshore vessel transportation and land transportation during the construction period. Via TIPC’s equity investment company, TIPC Marine Corporation, Ltd. (TIPM) provided wind power operators with a full scope of operation and maintenance services such as offshore transportation supply, exclusive berths for O&M vessels, onshore spare parts warehouses, offices, wind power crew standby rooms, vessel repair bases (docks and racks), machinery and equipment (cranes and forklifts), and etc. In addition, TIPM also provided CTV vessels and barges to enhance its exclusive operation and maintenance services.

Currently, the leased area of the operation and maintenance base had exceeded 20,000 m², and the cumulative net revenue of TIPM in 2023 was NT\$425 million, with a 99.6% utilization rate of the vessels and facilities, and no major occupational incidents occurred.



Operation of maintenance vessels of TIPC (1)



Operation of maintenance vessels of TIPC (2)

1 Turbine pre-assembly area

Taichung Port	<ul style="list-style-type: none"> Turbine pre-assembly area Home port for working vessels
Anping Port	<ul style="list-style-type: none"> Warehousing and storage for import underwater foundation

2 Training center

Taichung Port

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



3 Localized manufacturing area

Taichung Port	<ul style="list-style-type: none"> Turbine manufacture for turbine components
Taipei Port	<ul style="list-style-type: none"> Underwater foundation manufacture base
Kaohsiung Port	<ul style="list-style-type: none"> Maritime engineering support Underwater foundation manufacture base Undersea cable

4 O&M services

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

Taichung Port

Budai Port




Land Transportation Service

In response to the fact that wind turbine components were "extra long, extra wide, and extra heavy", via TIPC's equity investment company, Taiwan International Ports Heavy-Machinery Corporation Ltd. (TIPH) provided turnkey transportation services for offshore wind turbine large-scale components, such as onshore lifting and transportation, etc. In 2023, TIPH already implemented the offshore wind turbine nacelle in-port barging, blade transportation project, and the nacelle factory truck trailer leasing project with operators included, thereby continuously pursued business opportunities for offshore wind turbine components manufacturing and assembly operators settled in Taichung Port.

Cultivation of Offshore Wind Power Talents

In order to promote the wind power crew training business, via TIPC's equity investment company, Taiwan International Windpower Training Corporation Ltd. (TIWTC) introduced the Global Wind Organization (GWO) training courses to provide localized training services for wind power industry.

TIWTC had introduced the GWO Basic Technical Training (BTT) and Basic Safety Training (BST) international certifications, and spent NT\$130 million to build the international standard "Taiwan Wind Energy Training Center" in Taichung Port, with a 6-meter deep water training pool and the highest altitude of 22-meter high training tower in Taiwan. The GWO training courses were the key certification for entering the offshore wind power industry.

In 2023, TIWTC issued more than 3,800 certificates for related courses, ranking first in the market in terms of certificates issued for 5 consecutive years (2019~2023), while at the same time planning to establish a Japanese subsidiary to further develop Japanese market.

In addition to the GWO basic training, TIWTC continued to pay attention to the regularly updated GWO advanced training courses for offshore wind power industry crew based on the dynamic needs of the wind power market, and had already introduced and organized various GWO advanced training courses, such as the "Enhanced First Aid, EFA", "Advanced Rescue Training, ART", "Slinger Signaller, SLS" and "Lift User". TIWTC had also introduced the first Nautical Institute (NI) standard Dynamic Positioning Operator (DPO) course in Taiwan, and had been commissioned by Maritime Port Bureau to implement the local crew training to fulfill market demands.

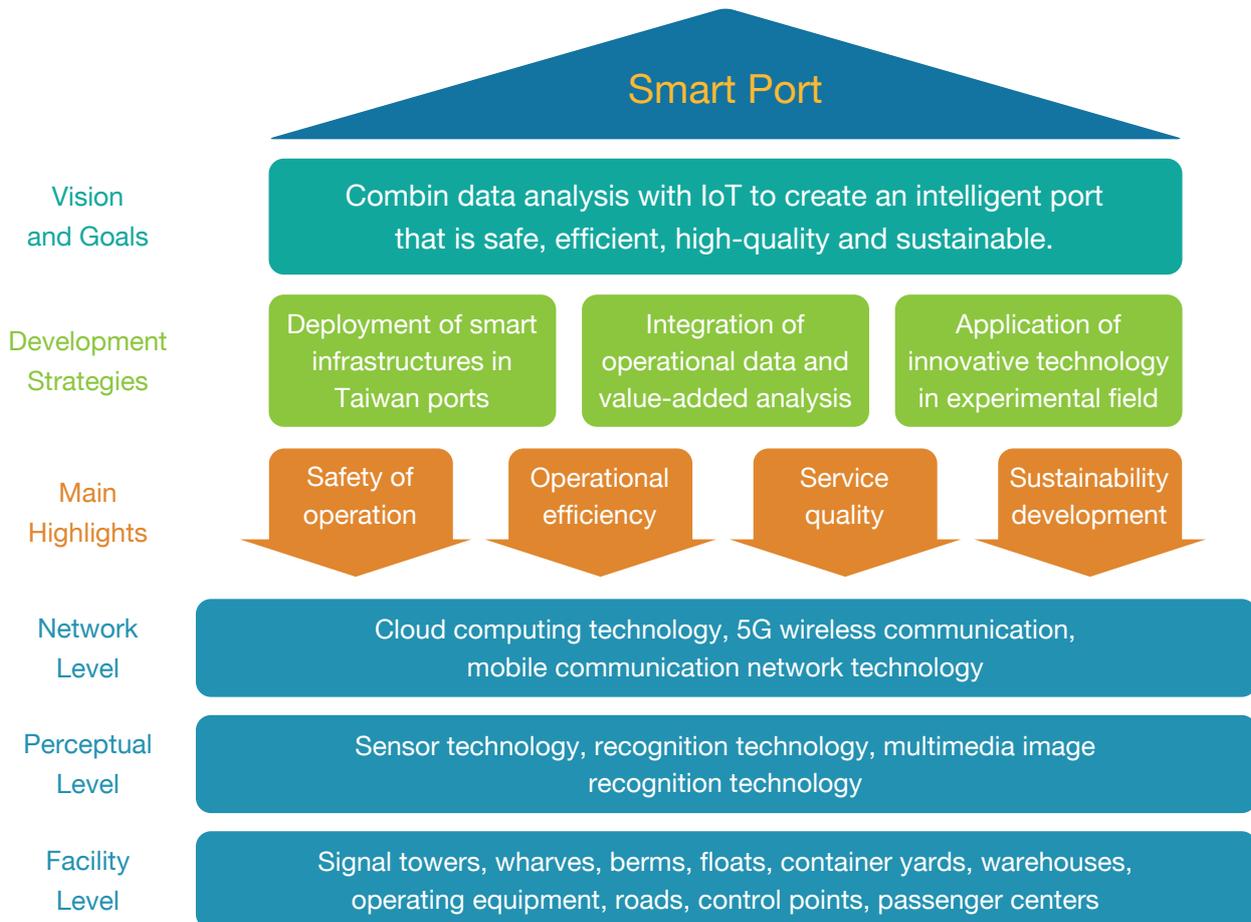


Schematic Diagram of Offshore Wind Turbine
Pre-Assembly Terminal

2.5 Trans-SMART 2.0⁺ Upgrade Plan

TIPC embraces innovative thinking and proactive actions that accelerate transformation by making good use of "digital sustainability", in order to achieve the win-win goal of improving operational performance and sustainable development. The corporate has proposed "Transform Sustainable, Modern and Advanced ports with Revolutionary Technology Trans-SMART 2.0⁺ Upgrade Plan", which introduces the use of artificial intelligence, IoT, and information and communication technologies. Focusing on the three main strategies, namely "deployment of smart infrastructures in Taiwan ports", "integration and analysis of value-added operational data", and "application of innovative technologies in experimental field", the company will introduce new digital services to the traditional mode of operation. The corporate has also invested more than NT\$1.5 billion to promote the development of smart ports and to control the operational dynamics of ports in all aspects. With millions of big data information to be integrated and analyzed, the "Port Dynamic Monitoring Center" and "Business Intelligence Platform" will assist in decision-making and analysis of port operation and management. Along with strong R&D capabilities in Taiwan information and communication industry, TIPC supports the digital transformation of the port industries and open up ports as testing ground for emerging technologies.

Smart Port Development Framework of Taiwan Port Cluster



Smart Port Development Framework of Taiwan Port Cluster



Unlock Port Innovation Pilot Area and Introduce Technologies to Create Digital Sustainable Port

Regarding launching of port for innovation and technology pilot, TIPC announced the "Key Points for Promoting Innovation and Technology Pilot Sites at Smart Ports", welcoming information and communications industries to propose smart technology solutions based on port operation and management needs, and to carry out Proof of Concept (PoC). For technically feasible solutions, Point of Sale (PoS) and Principle of Business (PoB) modes are adopted subsequently, leading to commercial transfer or expansion of relevant

technology solution to Taiwan ports so as to achieve the goal of digital transformation. To date, more than 10 emerging technologies have been tested in ports. It is anticipated that the emerging technologies can be truly put into practice and commercialized after trials through public-private collaboration. The projects tested at ports in 2023 include applications of innovative technology such as "Verification of Kaohsiung Port Tourism and Transportation Center Indoor and Outdoor 3D Intelligent Navigation Service", "Taichung Port Dockside Oscillating Water Column (OWC) Wave Power Generator Technology R&D Project", "Kaohsiung Port Self-Operated Container Yard Verification and Bridge-Type Containers Recognition Pilot Project:", and "5G Smart Port 2.0 Pilot Project", etc.

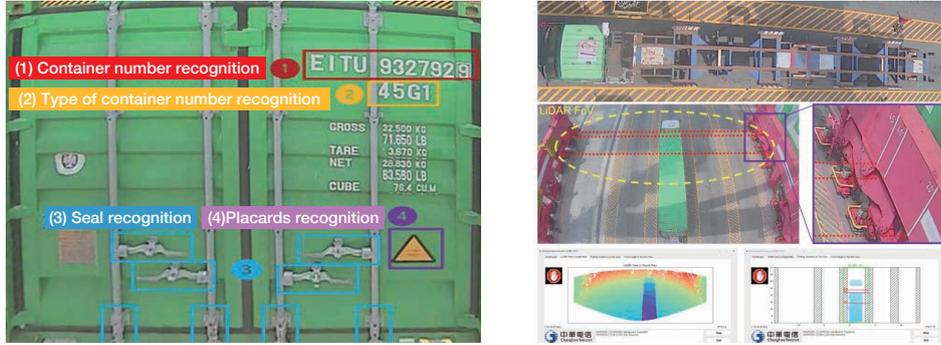
Verification of Kaohsiung Port Tourism and Transportation Center Indoor and Outdoor 3D Intelligent Navigation Service: Establishment of 3D reality and visual intelligent guidance system, coupled with positioning by scanning QR code with cell phone, help to guide visitors to their destinations with AR visualization paths.

Showcase of trial results of 3D Intelligent Navigation Service

Dockside Oscillating Water Column (OWC) Wave Power Generator Technology R&D Project at Taichung Port: Evaluate the power generation efficiency by setting up a tidal current meter to collect meteorological observation data and integrating it with hydraulic modeling verification.

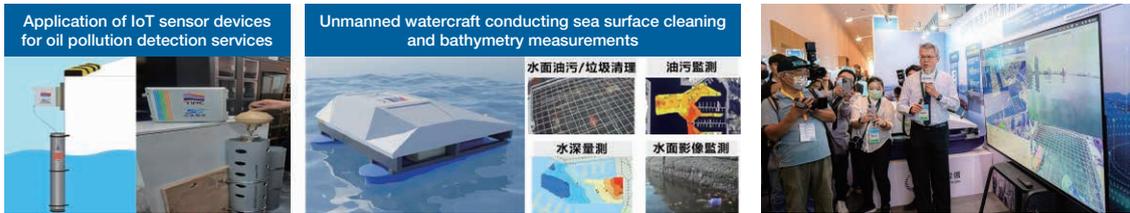
Collection of meteorological observation data by tidal current meter

Kaohsiung Port Self-Owned Container Yard Verification and Bridge-Type Containers Recognition Pilot Project: Integrate CCTV with AI-OCR technology to recognize container handling information (container number, seals, etc.) with real-time images, identify the occurrence of container loss through AI images, and test the automatic positioning and guiding functions of container trucks to enhance the automation and service efficiency of container yard operations.



Identify the characteristics of container (container number, type of container, seal and damage), vehicle number identification and trailer positioning and guidance applications.

5G Smart Port 2.0 Pilot Program is implemented at Kaohsiung and Anping port, in which the image data is transmitted to 5G private network of the enterprise through unmanned watercraft and oil pollution IoT sensor devices in order to carry out projects such as sea surface cleansing, full-time detection and cleaning of oil pollution, and bathymetry, etc. The validation is expected to be completed in 2024, so as to enhance the environmental quality and maintenance.



IoT oil pollution monitoring and unmanned vessels inspection pilot project

Creating a Smart Shipping Port Ecosystem

TIPC constantly promotes the "Smart Innovation Application and Digital Transformation Incentive Program" to encourage the industries within port ecosystem to carry out digital transformation. A total of NT\$40 million is budgeted annually to assist port industries in introducing innovative digital services through incentives and subsidies. There were 12 applications for the program, creating an investment amount of NT\$340 million. The smart solutions include intelligent management of storage space in the container yard, paperless application of bill of lading, automation of container yard operations, AI automation of container receiving operations, customs clearance management system for shipments, and passenger ticketing management system construction, etc. The program assists port operators to introduce innovative services in digitization through substantial incentives, and creates an innovative ecosystem of the smart ports.

TIPC creates an innovative shipping and port ecosystem with the idea of common good.

Applicants

Operators engaged in passenger and cargo transportation, stevedoring, storage and transportation within the business scope of Taiwan's international (domestic) commercial ports.



Proposals

Reward content

Reward proposal includes the construction of softwares and hardwares for digital infrastructures, application of digital technology to upgrade operation and management, and introduction of service operation system, etc., to improve the service quality of shipping port ecosystem. The reward will be granted after review.

Port operators introduced diversified smart service solutions in recent years.



Automation of side operations



Intelligent management of storage space of containers accessing the container yard



Logistics and warehousing automation



Berth management and travel service

Establishment of a communication platform between maritime and information and communication industries

Through participation in the "2023 Kaohsiung Smart City Summit & Expo" and Future Harbor Forum "SEE THE FUTURE", TIPC shared the progress of "Trans-SMART 2.0+ Upgrade Plan" and the action plans of "MOTC's Sea, Air, and Port. Green Energy Related. Industries Task Force" in 2023, as well as provided opportunities for cross-domain collaboration and exchanges between the shipping and port industries. With "Digital x ESG x Green Energy" as the main axes, the exhibition focused on three aspects, namely "smart port", "sustainable development" and "green energy", and invited distinguished speakers from Industrial Research Technology Institute (IRTI), prominent representatives of information and communication industry, international wind power operators and domestic energy experts to conduct cross-domain in-depth dialogues and exchanges. Through this summit, it is expected that all walks of life will know more about the intelligentization of Taiwan ports and will work together to improve the port ecosystem, thus helping the ports to move forward in a stable and healthy manner.



Group photo of international honorable guests attending Future Harbor Forum "SEE THE FUTURE"



Group photo of international honorable guests and speakers of Future Harbor Forum "SEE THE FUTURE"

CHAPTER 03





Creating a Low-carbon Environment

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Material Topic: Energy Management

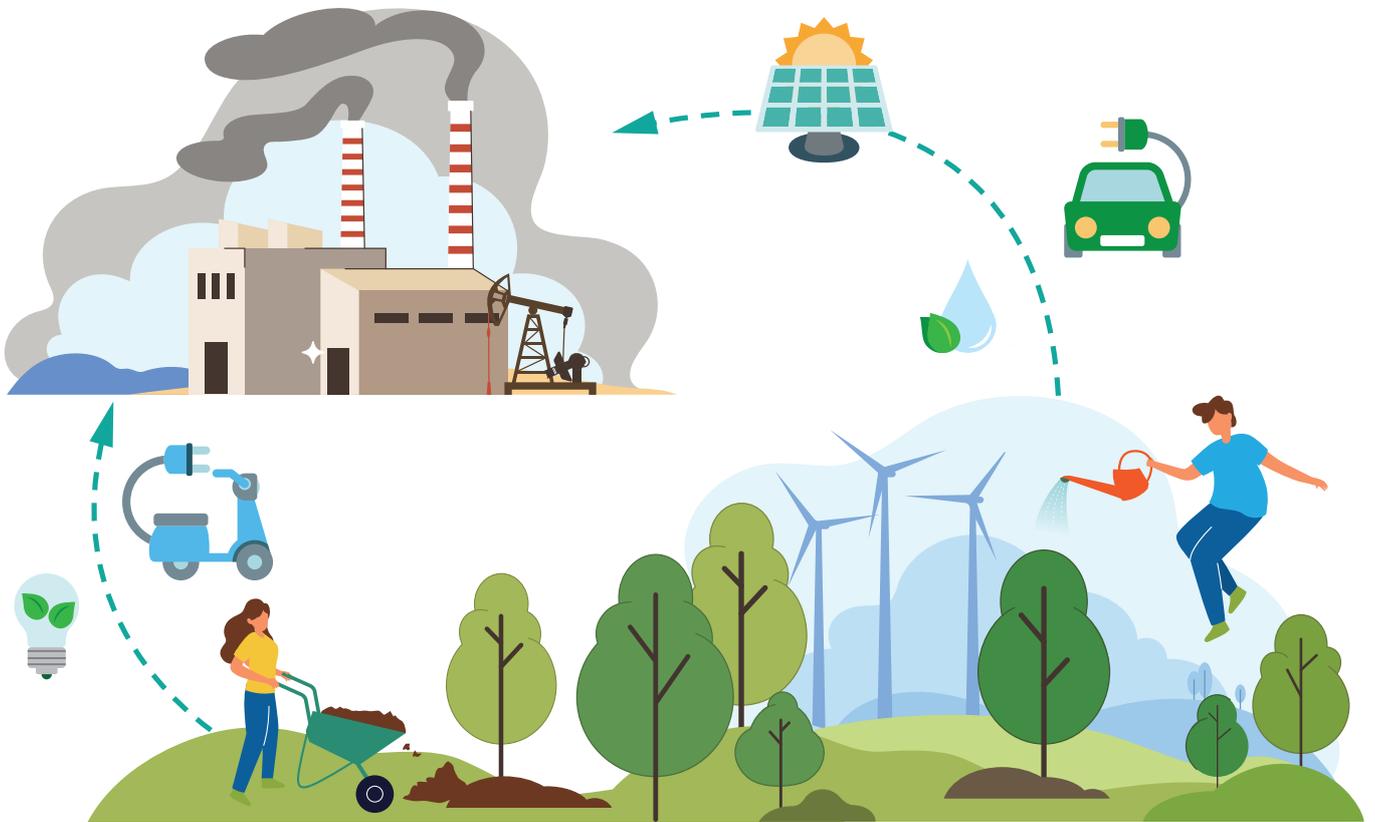
Major Causes	<p>Climate change is a common global challenge. The international community is becoming more concerned about the issue of greenhouse gas reduction, and has reached a global consensus on "Net Zero Emissions by 2050" at UNCAC 2021. Ministry of Environment has proposed to amend "Greenhouse Gas Reduction and Management Act" into "Climate Change Response Act", and to incorporate the goal of net-zero emissions by 2050 into the law, making greenhouse gas reduction and management a national policy. TIPC has reviewed the results of greenhouse gas inventories over the years and identified Scope 2 indirect emissions (purchased electricity) as the main source of emissions, accounting for 85-90% of the total emissions. In order to comply with the national net-zero policy, the issue of energy management is of great importance to TIPC.</p>
Effects and Impacts	Actual positive environmental impacts
Policy/ Strategy	<ul style="list-style-type: none"> • TIPC reduces its own greenhouse gas emission from energy use through the principles of "reducing gray power use", "increasing green power supply", and "removing or reducing carbon emissions". • Agenda item 4 of Sustainable Development Steering Committee meeting: Sustainable development execution plan of TIPC focuses on the implementation of "improvement of facilities and equipment" and "increase of clean energy use".
Preventive or Remedial Measures	<ul style="list-style-type: none"> • Currently, smart meters are installed in every port until 2025, and supported by energy management system to assist management units in controlling energy consumption, improving efficiency of energy use, and avoiding wastage. • Provide multiple appeal channels, such as company mailbox: https://www.twport.com.tw/chinese/Mail_Content.aspx
Evaluation Management System	<ul style="list-style-type: none"> • Energy Conservation Promotion Group meets every six months to review and propose improvement measures for issues raised by each unit. MOTC also conducts energy conservation meetings every six months to review and report on the performance of each department and agency. • The Vice President of Engineering convenes quarterly meetings of Smart Energy Management System Establishment Working Group to manage the promotion progress and control the implementation progress of each port. • Carry out regular audits on emission management according to ISO14064-1 management review procedures.
Performance and Adjustments	<ul style="list-style-type: none"> • Energy intensity is reduced by 29% compared to 2020. • Cumulative wheeled supply of 150,956 kWh in 2023.

Material Topic: Air Pollution, Greenhouse Gas Emission

<p>Major Causes</p>	<ul style="list-style-type: none"> • According to the IMO, nitrogen oxides (NOx) and sulfur oxides (SO2) emitted by shipping account for 13% and 12% of global emissions, respectively. According to the Taiwan Emission Data System (TEDS 11.1) published by MOE, the port area accounts for a significant proportion of local pollution in its county and city. Among them, Kaohsiung Port contributes the highest percentage, 20% of the total proportion of Kaohsiung City, and ships are the main source of pollution in the port area. Therefore, TIPC promotes ship management, which is conducive to reducing air pollution. • Greenhouse gas emission contributes to climate change. Should the port be affected by extreme weather, ships can no longer unload their cargoes at the established terminals and the supply chain will be disrupted, which will affect downstream production and in turn the upstream industry. Therefore, TIPC pays close attention to issues related to GHG emissions.
<p>Effects and Impacts</p>	<p>Potential negative environmental impacts</p>
<p>Policy/ Strategy</p>	<ul style="list-style-type: none"> • Enforcement of environmental monitoring and pollution prevention to enhance the environmental quality of ports and harbors. • Implement green port promotion program to build international quality ports.
<p>Preventive or Remedial Measures</p>	<ul style="list-style-type: none"> • Should there be any air pollution violation, immediate improvement is required, or advice sheet is given with a deadline for improvements. If no definite improvement is made, evidence will be collected and forwarded to Maritime Port Bureau, MOTC, to be adjudicated by law. Also, regular joint audits will be conducted with the local environmental protection administrations and Maritime Affairs Center, Maritime Port Bureau, MOTC, with operators invited to convene advocacy meetings. • In order to reduce the emission of air pollution and minimize the impacts on the neighboring communities, TIPC has implemented the following pollution prevention measures: Reduce vessel speed to less than 12 knots, expand the use of shore power facilities, and speed up the clearance time for vehicles using the automated gate system. • TIPC implements its own GHG emission reduction plan and provides guidance to port operators in conducting GHG inventories and carbon disclosure. In order to reduce carbon footprints, the corporate also works with stakeholders to mitigate GHG emissions through land (sea) traffic and transportation management, electrification of facilities, pollution and emission control, as well as regulation of commercial contracts with port operators. The following are some of the actions taken to mitigate GHG emissions. • Establish a Smart Energy Management System to control energy consumption in the port area and enhance management efficiency, in the hope of further reducing GHG emission. At present, the company's Smart Energy Management System is still under construction in 2024, and the system will be completed in 2025 with integrated monitoring information. After 2026, it is only possible to conduct energy control and compare figures of previous years to propose specific energy saving or carbon reduction values. • Grievance channels: Receive public petitions or notifications from environmental protection agencies, company's suggestion mailbox, EPA's 1999 public petition mailbox, Executive Yuan's suggestion mailbox, etc.

Material Topic: Air Pollution, Greenhouse Gas Emission

<p>Evaluation Management System</p>	<ul style="list-style-type: none"> • Regular audits on emission management are conducted according to ISO 14064-1 management review procedures. • Implement measures in accordance with the annual objectives of "International Commercial Port Air Pollution Control Action Plan". • Each port conducts environmental inspections in the port area from time to time. In case of any violation, immediate improvement is required, or an advice sheet is given with a deadline for improvement. If no definite improvement is made, evidence will be collected and forwarded to Maritime Port Bureau, MOTC, to be adjudicated by law. Additionally, regular joint audits will be conducted with the local environmental protection administrations and Maritime Affairs Center, Maritime Port Bureau, MOTC, with operators invited to convene advocacy meetings.
<p>Performance and Adjustments</p>	<p>As per the air quality monitoring results of neighboring commercial ports in 2023 announced by MOE, after comparing with the data of 2017, the pollution reduction of SO2 at Keelung station reached 57% and PM2.5 reached 23%, whereas that of SO2 at Kaohsiung Xiaogang station reached 71% and that of PM2.5 reached 31%.</p>



Material Topic: Circular Economy

Major Causes	<ul style="list-style-type: none"> • In line with the government's policy of promoting circular economy and under the coordination of Public Construction Commission of the Executive Yuan, TIPC assists in demineralization of BOF slags of the steel refinery, which has been in operation for a long time. • The water resources in Taiwan are very limited. Therefore, TIPC has been adhering to the concept of "Back to Nature" for years, and has diversified the development of different water resources (spring water, reclaimed water, surface water) to be recycled for port use, thereby achieving the goal of water conservation.
Effects and Impacts	<p>Positive Impact:</p> <ul style="list-style-type: none"> • Assisting in de-mineralization of furnace slag not only satisfies the need for resource recycling, but also reduces the need for natural resources exploitation and protects the nature. • The development of water resources for recycling can significantly reduce the demand for tap water and achieve the goal of water conservation. • Recycling of resources may impose a positive environmental impact.
Policy/ Strategy	<ul style="list-style-type: none"> • The reclamation of the new commercial port site is partially substituted by BOF slags, with quality and management system in place for control. • Use reclaimed water for planting and watering operations in the port area, dust suppression, etc. to reduce the use of tap water or to cope with the water shortage problem caused by extreme weather.
Preventive or Remedial Measures	<ul style="list-style-type: none"> • In addition to quality control and environmental monitoring during the reclamation period in accordance with the EIA requirements, emergency response operation plan is also established with the material suppliers. • The estimated annual demand for reclaimed water is susceptible to climate change, whereby the duration and intensity of rainy season shall affect the actual water consumption. Therefore, in addition to the maintenance of water supply equipment, TIPC also endeavors to enhance the efficiency of water supply related hardware equipment.
Evaluation Management System	<ol style="list-style-type: none"> 1. In accordance with the environmental impact analysis report of "Taipei Commercial Port Logistics and Warehouse Zone Reclamation Project" 2. In accordance with the construction project specifications of Public Construction Commission "Chapter 02703: Reclamation of BOF Slags", and "Instruction Manual for BOF Slags Marine Work" formulated by Industrial Development Bureau, Ministry of Economic Affairs. 3. Follow the "Agreement on Filling in the Windbreak Belt of Phase II, III and IV of Taipei Port Logistics and Warehouse Area using BOF Slags" between the two parties. 4. As per the implementation plan of Environmental Sustainability Group of Sustainable Development Executive Committee.
Performance and Adjustments	<ul style="list-style-type: none"> • Starting November 11, 2020, 1,745,854 metric tons (646,612 cubic meters) of slags were reclaimed in 2023, yielding a cumulative total of 4,542,282 metric tons (1,682,326 cubic meters). • Saved 426,000 metric tons of tap water in 2023.

Material Topic: Biodiversity

<p>Major Causes</p>	<p>In addition to the pursuit of operation and efficiency, environmental sustainability has emerged as a trend in the sustainable port operation. Environmental protection and maintenance of ecological diversity in the port area are important issues in striking a balance between port development and operation and ecological conservation.</p>
<p>Effects and Impacts</p>	<p>Negative impact: Equally important is the issue of ecological diversity, and TIPC is committed to protecting the environment and conserving marine and terrestrial communities in port area to prevent the loss of biodiversity from impacting on the ecosystem.</p>
<p>Policy/ Strategy</p>	<p>In order to minimize the impact of port construction on the ecological environment, as well as to implement the concept of sustainable development of ecological projects, TIPC has formulated "Operating Manual for Implementation of Directions for Port and Harbor Project Ecological Inspection".</p>
<p>Preventive or Remedial Measures</p>	<p>Prior to ecological restoration, we first identify the major environmental issues in the port area and conduct in-depth studies and analyses, identifying the targeted ecological species and their corresponding habitats, mapping out their habitats and the direction of upgrading the entire ecosystem, and proposing a feasibility assessment plan based on the port development and land use planning.</p>
<p>Evaluation Management System</p>	<p>Conform to national ecological auditing regulations</p>
<p>Performance and Adjustments</p>	<ul style="list-style-type: none"> • Suao Port completed benthic coral coverage survey at Tofu Cape in Nanfang'ao. • Conducted 1 training session on ecological audit of port projects. • 15 records of cetacean notification management. • Carried out ecological surveys and conservation plans for Indo-Pacific Humpback Dolphins in Taichung Port and developed conservation measures. • A total of four wild bird ecological surveys at Port of Kaohsiung Southern Star Project Area. • Implemented Anping Port mangrove restoration program, with a reserve area of 4.6 hectares.



3.1 Environment Sustainability Policies

While pursuing operational growth, TIPC also acknowledges the importance of environment sustainability. By proactively identifying the environmental risks associated with its services and activities, the company manages and reduces possible environmental impacts to achieve the goal of creating a green and sustainable port, and further realizes the corporate vision of "Going Global with Innovation as the Core, and Becoming an Outstanding Port Group in the World".

Environmental Policies

- 1

Implementing the Green Port Program, building an international quality port


- 2

Complying with environmental regulations, fulfilling its corporate environmental responsibilities


- 3

Conducting environmental monitoring and pollution control, improving port environmental quality


- 4

promoting environmental awareness and education, cultivating employees' environmental consciousness


- 5

strengthening communication platforms with local communities, and contributing to the sustainable development of the port city



All seven international commercial ports of TIPC have been certified as EcoPorts in 2017, and are members of the Ecoports Network of European Sea Ports Organization (ESPO). TIPC will continue to review the certification on a regular basis, and continue to exchange the latest green port initiatives and best management practices with more than 70 Ecoports around the world.

Note: EcoPorts Certification is a certification provided by ECO Sustainable Logistic Chain (ECOSLC) under European Sea Ports Organization (ESPO) for European and international ports to evaluate the environmental friendliness of their ports. It is currently the only international environmental certification inspection system designed for ports and can be further integrated with ISO14001.

3.1.1 Air Pollution Prevention and Control

Air Quality Management

The main sources of air pollution emissions in the port area are marine- (ships) and land-based emission sources (heavy-duty vehicles). Through the implementation of various pollution prevention and control measures as well as management actions, TIPC has brought the port supply chain together to reduce pollution and emissions. The results of the reduction of air pollutants and greenhouse gases in the port area are summarized as follows:

- Promote speed reduction for vessels crossing the port: Reduce the speed of vessels to less than 12 knots within the harbor area (3-5 nautical miles), achieving 94.4% by 2023, with a total of 61,047 vessel trips. Vessels traveling within 20 nautical miles of the port area are required to reduce their speed to below 12 knots, with an achievement rate of 47.8% and a total of 27,188 vessel trips.
- Expand the use of shore power facilities: 100% of TIPC's self-owned harbor service vessels use low-voltage shore power during standby. The ports of Kaohsiung and Taichung are encouraging the carriers to use high-voltage shore power, with 74 vessels in use by 2023.
- Automated Gate System: In order to speed up the customs clearance of vehicles entering and leaving the port, and to shorten the waiting time of vehicles (the initial waiting time of 4 minutes has been shortened to 10 seconds), TIPC is actively expanding the automated gate system at the container terminals, which allowed the entry of a total of 21.84 million vehicles in 2023, with carbon dioxide reduction of about 3,320 metric tons of CO₂e.
- Pollution reduction in port operations: The major large-scale machinery in the container yards of the seven international commercial ports has been automated, while the rest uses super diesel with sulfur content of 10 ppm or less. The local governments have designated Keelung Port, Taipei Port, Suao Port, Taichung Port, Kaohsiung Port, and Anping Port as air quality maintenance zones, and they require all large-scale diesel vehicles entering the port area to comply with smoke emission control.



Pollution reduction measures in 2023					Unit: metric tons
	PM _{2.5}	PM ₁₀	SO ₂	NO _x	Carbon reduction (CO ₂ e)
High-voltage shore power	0.5	1.6	2.9	6.4	366.5
Vessel speed reduction	152.5	190.6	998.1	1,736.8	107,376.7
Automated gate system	-	-	-	-	3,320
Total	153.0	192.2	1,000.9	1,742.2	111,063.2

1. The source of information is self-estimation by TIPC.

2. Automatic Identification System (AIS) records the average speed of the vessel for each section within 20 nautical miles prior to its arrival at the port, which is then translated into the average speed of the vessel.

Carbon Reduction in the Public Sector

TIPC cooperates with the government's low-carbon energy transformation policy and promotes carbon reduction in the port area in accordance with carbon reduction blueprint and pathway of Taiwan port cluster, in order to achieve 50% reduction in carbon emission by 2030 and net-zero emission by 2050, as well as to reduce the carbon emission of newly-established energy-saving light fixtures and equipment by 521.54 metric tons by 2023. TIPC also actively promotes the use of smart energy monitoring and control management system, installation of energy storage and creation devices, and transition in energy use so as to achieve the objectives of carbon and energy demand reduction. The commitments of environmental protection plan are also included in "Investment and Business Plan" as part of the overall assessment to encourage the port operators to reduce energy consumption. The results of the specific measures in 2023 are as following.

1. Establish a Smart Energy Management System, including construction of smart water and electricity meters to monitor water and electricity consumption and enhance the efficiency of energy use, and the introduction of smart lighting fixtures to provide a good lighting environment with energy-saving effects and reduced power demand, along with surveillance and control systems to monitor the consumption status and notify abnormal events, thereby keeping abreast of the status of energy use in the port area and enhancing management efficiency.
2. Promote the construction of energy storage facilities at Kaohsiung Port, prioritize the completion of solar photovoltaic system for renewable energy generation, and install an energy storage system at 7th Container Terminal, so as to eliminate peak load shifting and achieve the goal of carbon reduction.
3. In terms of energy transformation, considering the importance of ports in future hydrogen energy supply chain and the direction of hydrogen energy development, TIPC has started to carry out relevant research as a mean to promote hydrogen energy development in ports, in order to achieve the goal of clean energy transformation and net zero emission.
4. For the purpose of increasing cargo throughput of Taiwan port group, TIPC has launched various marketing incentive programs. In order to enhance the operational efficiency of the marketing incentive programs, TIPC has established online systems such as "Marketing Incentive Program Information Platform" and "Marketing Incentive Application System", which allow carriers to make online applications for marketing incentives. The corporate can also utilize the platform system to account for incentive awards and generate reports, reduce paper usage through electronic means, and thus strive for environmental protection and achieve carbon reduction and corporate sustainability.
5. In Section 2, Article 8(3) of Model Selection Guidelines (individual and comprehensive assessment) issued by TIPC in 2023, Item 8 of the "Investment and Business Plan" is "Environmental Protection Program", and "Commitment to Environmental Protection Program" is included as a fixed item of the comprehensive assessment, which can be adjusted by case. The environmental protection program includes greenhouse gas inventory, greenhouse gas reduction and renewable energy planning to encourage operators to reduce energy consumption.

Energy Conservation Status in 2023					Unit: metric tons
Item	Category	Amount	Proportion	Carbon reduction (CO ₂ e)	
LED Lighting	Office premises	1,102	76.5%	38.83	
	Port operations	338	23.5%	334.43	
	Subtotal	1,440	100%	373.27	
Energy-saving equipment	Window type air conditioner	2	1.2%	7.16	
	Split type air conditioner	96	58.2%	138.03	
	Electric fan	57	34.5%	0.51	
	Refrigerator	10	6.1%	2.57	
	Subtotal	165	100%	148.27	

Energy and Greenhouse Gas Reduction Measures

Energy Saving Programs for Offices

- Intelligent water and electricity meters are installed to monitor and control water and electricity consumption, improve energy efficiency, and introduce smart lighting fixtures to provide a good lighting environment with energy-saving effects and reduced energy demand.
- TIPC has established online systems such as "Marketing Incentive Program Information Platform" and "Marketing Incentive Application System", which allow carriers to make online applications for marketing incentives. The corporate can also utilize the platform system to account for incentive awards and generate reports, and reduce paper usage through electronic means. About 7,000 sheets of paper and 43.12kg CO₂e of carbon emissions can be reduced annually.
- In line with the policy of energy saving and carbon reduction, Taichung Harbor Visitor Information Center has renewed the air-conditioning system of the passenger lobby, elevators and escalators with energy-saving equipment in 2023 to enhance the efficiency of electricity consumption and achieve goal of energy saving.
- The newly launched travel service center at Budai Port is designed with a large number of floor-to-ceiling glasses and skylights to improve daytime illumination, and LED lights are used for lighting. The built-in system adopts digital signage facilities, and the toilets are equipped with electronic sensors, automatic hand dryers and washlets, as well as sensor-activated faucets, which reduce resources consumption compared to the original facilities. In addition, the travel service and passenger terminal areas have been landscaped to conserve energy and reduce carbon emissions, echoing the company's carbon reduction policy.
- Electronic pass is developed to replace paperwork, minimize paper use and computerize management. Valid personnel passes: 93,031 regular passes, valid vehicle passes: 59,271 regular passes, totaling 152,302 passes.

Energy and Greenhouse Gas Reduction Measures

Green Approach

- The energy-saving and carbon-reducing approaches of Kaohsiung Port 7th Container Terminal project are planned as follows:
 - ▶ Wharf structure with pressure-reducing and wave-suppressing chambers - Green environment
 - ▶ Recycling of existing caissons as anchorages - Green approach
 - ▶ Recycling of demolition stones for riprap - Green approach
 - ▶ Dredging of in-port waterways for land reclamation and geological improvement - Green approach
 - ▶ Onshore power facilities - Green environment
 - ▶ Selection of energy-efficient terminal and container yard operation machinery - Green environment
 - ▶ Choose eco-friendly vehicles with high energy efficiency and low emission
 - ▶ Green building planning for auxiliary buildings
- Energy saving and carbon reduction approaches planning for the cruise terminal expansion project at Magong No.1 Pier of Penghu Port.
 - ▶ The steel used for pipe piling is recyclable - Green material
- Wharf operations:
 - ▶ Taichung branch utilizes the cooling discharge water from Dragon Steel Corporation and installs pressurized water supply facilities to provide port operators and construction units with spray water (sprinkler) for the purpose of dust suppression, so as to effectively reduce air pollution and promote recycling of discharged water.
 - ▶ Stevedoring companies of Hualien Port have to sprinkle water on the quay surface during cargo handling to effectively suppress dust formation. In order to fully utilize water resources, Hualien branch makes use of the height difference in topography of the port area for surface water recycling, and replaces tap water with surface water.
- Recycled materials application:
 - ▶ Introduce application of recycled aggregates in land reclamation projects of port area and promote outline plan for application of recycled aggregates in land reclamation projects.

3.1.2 Salute to the Sea

Towards shaping Taiwan into an ecological, safe, and prosperous high-quality ocean nation, the Executive Yuan released National Ocean Policy White Paper in 2020, and launched the "Salute to the Sea" policy, which promotes the four major connotations of "clean up the sea, learn about the sea, engage with and enter the sea", encouraging people to get close to and learn from the sea.

As a first-line state-owned enterprise along the coastline and echoing the Executive Yuan's "Salute to the Sea" policy, TIPC has been carrying out related work on the "Clean Ocean" project, which is aimed at

maintaining cleanliness of the coastline, and the "Open Ocean" project, which is aimed at drawing people closer to the ocean, and has also helped to promote the nation's concern for ocean issues, and to mold citizens' consciousness.

Cleanliness of Coastal Environment

All subsidiaries of TIPC proactively recycle and sort out garbage resources in the port area to minimize resource consumption and waste generation. In order to maintain clean waters, the corporate regularly deploys staff to patrol and clean up floating wastes in the waters. In line with the Executive Yuan's "Salute to the Sea" policy, TIPC takes an active role in maintaining the cleanliness of seacoasts and the water and land areas of commercial ports, as well as creating high-quality port environment. TIPC is free from hazardous wastes, and the total amount of waste removed in 2023 was 3,292.8 metric tons.

Regarding the waste oil and wastewater generated by vessels in the port area, TIPC requires that the amount of waste oil and wastewater received to be reported to each branch on a monthly basis in order to submit the relevant data to local environmental protection agency for inspection. With the establishment of a recycling system in the port area, 8,021.53 metric tons of waste oil and wastewater were collected in 2023. Within the same year, a total of 194 coastal environment cleanups were conducted, involving 12,595 people and covering 960.8 kilometers of coastline.



"Protect the Ocean, Lead the Way" beach cleanup activity



Water cleaning operations



Clearance of floating wastes in waters



Waste oil and wastewater collection

2023 Coastal Environment Cleanup Outcomes			
Clearance project	Non-resource recovery	Resource recovery	Driftwood
Amount	2,537.4 metric tons	325.9 metric tons	429.6 metric tons
Total	3,292.8 metric tons		

Opening of Waterfront Recreation

In line with the Executive Yuan's "Salute to the Sea" policy, TIPC is committed to bringing people closer to the sea and encouraging public to respect the sea, while upgrading waterfront tourism and recreational facilities to create a pleasant environment. In 2023, the corporate undertook the relocation of military terminals of Keelung Port and the renovation of backline facilities, including the relocation of Keelung Port East Military Terminal 4 and 5 and Weihai Camp, which retain their existing functions of passenger and cargo transportations, while at the same time addressing the needs of water-friendliness, recreation, and tourism, as well as enhancing military forces, realizing a win-win-win situation for the Keelung City, Keelung Port, and the needs for national defense.

TIPC has also proposed the "Forward-looking Infrastructure Development Project - Recreation and Waterfront Project", which focuses on Suao Port and Kaohsiung Port. For Suao Port, the company promotes the expansion of existing transportation facilities, upgrades service standards, and improves the surrounding environment to cater the needs of international cruise ships for CIQS (Customs, Immigration, Quarantine, and Security) inspections, and to provide international travelers with recreational facilities, such as sea sightseeing, shopping complexes, outdoor parking lots, and arts and cultural performances. With regard to the construction of Kaohsiung port Terminals #1 to #10 and other transportation facilities, TIPC has reviewed the overall infrastructures of Penglai Commercial Port at Port of Kaohsiung, integrated intelligent development, and installed five major pipelines to improve the surrounding landscape, providing visitors with room for leisure, effectively upgrading the open space and creating a pedestrian-friendly walking environment.



Special Column

Green Power Drive

Renewable energy leads a sustainable future
for the ports



In the face of worsening climate change, many countries around the world have undertaken to achieve net-zero emission by 2050. Taiwan has incorporated the 2050 net-zero emission target into national legislation, and has proposed "Climate Change Response Act" for greenhouse gas reduction and management. In line with the national policy, TIPC has actively committed to achieving net-zero emission in the port community by 2050. To this end, TIPC has responded to the net-zero policy with its corporate strength and encouraged the industries in the port area to jointly reduce carbon emission through a multi-faceted mechanism, in order to realize the vision of "sustainable, green and smart port". Towards the goal of net-zero emission by 2050, the company will adopt more diversified and flexible means to keep updated, so as to attain sustainable development.

Renewable energy applications: Port facilities can be equipped with renewable energy generators for wind and solar energy. Measures to enhance port energy efficiency include the use of solar power, biofuel, fuel cells, and wind power in port facilities.

Net-zero is our goal. Towards this goal, TIPC has adopted "Science-Based Carbon Reduction, Green Power Leads" for carbon reduction practices. Current promotional measures include reducing vessel speed, installing Smart Energy Management System, installing 209 shore power stations at terminals, and using renewable energy sources, etc. Regarding promotion of renewable energy sources, TIPC has actively developed solar power, wind energy and other renewable energy sources. In addition to optimizing the rooftop of existing buildings to install photovoltaic power generator, Taichung Port has even been

approved by the Executive Yuan as a homeport for wind power operations, and continues to provide high-quality offshore wind power infrastructures and resources, which will drive the port supply chain to collaboratively reduce pollution and emission.

Furthermore, a voluntary greenhouse gas inventory has revealed that our carbon emissions are dominated by electricity use, which accounts for over 90% of total carbon emission. In order to achieve energy efficiency and autonomy, TIPC has started to procure green power and roll out self-generation and self-use assessment of renewable energy, as well as establish pre-emption rights with solar power and renewable energy operators in the port, with the aim to use 100% green power in main offices by 2030, and achieve RE100 (100% use of green power), which is estimated to result in the reduction of about 24,780 metric tons of carbon dioxide per annum.

TIPC will adopt more diversified and flexible means to stay updated to attain sustainable development, and will work together with port operators to reduce carbon emission through management and incentives. In order to accelerate progress towards net-zero emission, the corporate regularly conducts seminars to share the latest knowledge on carbon management, and offers incentives for operators to commit to the use of a certain proportion of renewable energy, and adoption of electric vehicles and equipment. The company will also promote cooperation and participation in discussions on carbon reduction with internal staff and external stakeholders, so as to jointly fulfill environmental responsibility and achieve the goal of mutual benefit and prosperity.

Special Column

Green Transformation

Carbon management guidelines for the ports



Landscaping in port area

Due to the nature of port operations, carbon emission from vessels is the main source of greenhouse gases in the port area. In order to cope with the international trend of emission reduction in 2023, TIPC has developed relevant emission reduction strategies and measures, and proposed carbon footprint verification (CFV), management of energy conservation, and application of renewable energy, in order to create sustainable port.

TIPC has completed the greenhouse gas (GHG) inventory in 2023 and passed the third-party verification. Based on the inventory results over the years, TIPC has proposed carbon-reducing strategies and blueprint, and put forward the carbon reduction target for Scope 1 and Scope 2, namely "Reduce GHG emissions by 50% by 2030, and achieve net-zero emission by 2050". In 2023, TIPC has made significant contribution to the transformation into low-carbon green port cluster.

In terms of greenhouse gas emission reduction, we have achieved the following results for Scope 1 and 2: replacement of 15 fuel-powered public transports, 2 fuel-powered equipment and machineries, and procurement of 150,000 kWh of green electricity. A total of 117,676 trees were planted throughout the port, covering a total green area of 773 hectares, with carbon reduction of 7,730 metric tons/year.

(According to Ministry of Environment, one hectare of forestation generates about 10 metric tons of carbon sinks per year.)

In terms of management of water resources, the use of reclaimed water reached 426,000 metric tons, resulting in a carbon reduction of 66.46 metric tons. (Water and carbon reduction coefficient of Taiwan Water Corporation: 0.156 kg CO₂/metric ton).

As for energy management, the port area has been equipped with 11 charging piles for the company's own use and 71 piles for public use, 135 smart water meters and 312 smart electricity meters, as well as 74 high-voltage onshore power supplies for ships.

In order to actively develop a good ecological environment and promote environmental education, Keelung Port, Suao Port, Taichung Port, and Anping Port have all certified as EcoPorts in 2023, with a total of 8 best cases presented. In addition, Keelung Port and Taichung Port have been certified as environmental education center, and in 2023, they have organized 34 presentations, environmental educations, and conferences on sustainable issues such as carbon reduction and environmental protection.

Moving towards low-carbon, net-zero emission and sustainable development, TIPC effectively manages the impacts of its operations through carbon management, energy and water resource management. As part of its corporate social responsibility for the environment and resources, the corporate continues to actively promote port and marine education, in anticipation of positive development of the society and environment.



Landscaping in port area



Landscaping in port area

3.2 Low-carbon Projects

The suppliers of TIPC can be generally categorized into 3 groups according to the types of contracts, service (contracting and services), property (raw materials and equipment), and engineering (construction and project). In 2023, there was a total of 780 suppliers, with a total purchase amount of NT\$43,967,607,668, domestic purchase amount of NT\$43,959,809,203, and domestic purchase ratio of about 99.98%; There were 3 foreign manufacturers, mainly from Korea, France and United Kingdom.

Since our commercial ports adopt the landlord port operation mode, the procurement projects mainly focus on port development and construction projects, and domestic manufacturers are given priority in supply. If foreign manufacturers take part in the procurement, they should follow the provisions of contracts or agreements agreed upon by our country, in order to support domestic industry and reduce carbon footprint of the projects, and to comply with government's policy of circular economy. Provided that the project design is feasible, TIPC will use recycled materials as much as possible. As for service and property procurement, we will refer to the scoring system of green procurement performance evaluation every year, and the percentage of green procurement was 99.84% in 2023.

3.2.1 Circular Economy

In line with the government's policy of promoting circular economy and zero waste, and under the coordination of Public Construction Commission of the Executive Yuan, Taipei Port Logistics and Warehouse Area accommodates the residual soil from public works in the northern region, as well as the soil generated from dredging of rivers, reservoirs, and coasts, and the maintenance of neighboring commercial and fishing port waters, for reclamation. The total amount of reclamation that can be accommodated is about 73.25 million cubic meters, with about 39.12 million cubic meters have been reclaimed by December 2023, and the reclamation is expected to be completed by 2037.

In 2023, Taichung Port recycled granular materials (asphalt concrete pavement and BOF slags), using asphalt concrete pavement as filling material to an estimate of 30 metric tons, while "Taichung Port South-Link (Nanheng) Lane 2 Widening and New Construction of Control Stations" used up 158 metric tons of asphalt concrete with BOF slags.

From 2020 to 2029, TIPC and CSC agreed to fill 482,000 to 815,000 cubic meters per year in the second, third, and fourth phase of windbreaks in Taipei Port Logistics and Warehouse Area, with a total filling volume of approximately 5.35 million cubic meters. 1,745,854 metric tons (646,612 cubic meters) of BOF slags have been filled in 2023, with cumulative total of 4,542,282 metric tons (1,682,326 cubic meters).



Reclamation of Taipei Port in 2020



Reclamation of Taipei Port in 2023

3.3 Ecological Conservation

Taiwan is rich in marine resources. As a port operator, TIPC attaches great importance to the conservation of marine ecology and land environment, and is committed to promoting green port development in line with the international shipping trends and government policies. Regarding port construction, the company always adheres to proper assessment and endeavors to minimize environmental impacts of development and operation. We also continue to keep abreast of the related ecological and habitat conditions to prevent negative impacts on ecosystem and promote healthy development of the marine ecosystem.

Is the port located in, adjacent to or containing a protected area	Protected area name	Actions related to ecological conservation	Protecting species on the IUCN Red List
<p>Port of Taichung</p> <p>Yes</p>	<p>Important habitats for the Indo-Pacific Humpback Dolphin in the wild</p>	<p>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.</p>	<p>Indo-Pacific Humpback Dolphin (Critically Endangered)</p>
<p>Port of Kaohsiung</p> <p>No</p>	<p>South Star Wild Bird Reserve</p>	<p>The South Star Land 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.</p>	<p>No</p>
<p>Port of Taipei</p> <p>Yes</p>	<p>Port of Taipei North Breakwater Wetland (located near Port of Taipei)</p>	<p>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.</p>	<p>No</p>
<p>Port of Suao</p> <p>No</p>	<p>Port of Suao Tofu Cape Coral Conservation Area</p>	<p>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.</p>	<p>No</p>

3.3.1 Environmental and Ecological Monitoring

Water is mainly supplied to offices and open areas for use by employees and general public, and part of the surface runoff or secondary water is used for planting and watering, road washing, and dust suppression in the port area. Domestic sewage and industrial effluent are properly treated to meet the standards of runoff discharge before being released into the receiving water body. In order to minimize the potential impact of commercial port operations on the ecosystem, TIPC has commissioned water quality monitoring and established Environmental Quality Monitoring Report Review Committee, inviting experts and scholars to assist in reviewing the current water quality of every port and consolidating environmental monitoring, as well as promoting vessel speed reduction to carriers through Vessel Speed Reduction Surveillance System (VSRSS). In conjunction with Automatic Identification System (AIS), vessels traveling within 20 nautical miles of the port area are required to slow down to minimize noise and collisions.

Since the 23-square-kilometer area from the northern breakwater to the southern reclamation area of Taichung Port overlaps with the "Type and Scope of Major Wildlife Habitat of Indo-Pacific Humpback Dolphins" announced by Ocean Affairs Council on September 1, 2020, Taichung Port Outer Harbor Expansion Project (Phase 1) has already conducted an "environmental impact assessment" in accordance with Act on Wildlife Conservation, followed by "development and utilization application" to formulate specific protection measures. Kaohsiung Port Southern Star Free Trade Zone is one of the most important transit habitats for migratory birds, and ecological surveys of the wild bird reserve are conducted annually.

Indo-Pacific Humpback Dolphin Survey and Conservation

TIPC has been conducting ecological surveys of the humpback dolphin population for a long time. According to the Ocean Conservation Administration, the number of humpback dolphins recorded in the individual database was 67 in 2021, 69 in 2022, and 70 in 2023.

In view of the narrow distribution of the dolphin's habitat across different ecological and coastal areas, and the high degree of overlapping between industrial development and residential areas in the western part of Taiwan, many government agencies are involved. It is necessary to base on sufficient scientific data in order to focus on cross-domain communication and implement various conservation measures, thereby realizing a win-win situation that takes into account conservation of the species as well as economic development.

In order to minimize the impact of expansion plan on ecosystem, TIPC has commissioned a consultant to conduct "Ecological Survey and Conservation Plan for the Indo-Pacific Humpback Dolphin Population in Taichung Port Waters" for the term of 2018-2023. Through seeking the assistance of external experts in observation and data compilation, TIPC has been proactive in collecting opinions and developing specific conservation measures.

Outline Embankment Planning ◆

The embankment adopts an ecological seawall design, with a rough, grooved or terraced surface, and ecological blocks on the side of the embankment to encourage attachment of living creatures, as well as shortens the openings of north and south breakwaters and installs a short bulge to minimize the possibility of inadvertent entry into the harbor.

Construction Period ◆

Carefully selecting appropriate piling equipment and environmental-friendly methods, and installing commercialized measures such as pollution prevention facilities and balloon curtains in the piling area, so as to minimize seabed disturbance and underwater sound pollution.

Surveillance Notification ◆

The Port of Taichung has established a notification system for sighting of cetaceans, whereby the control center receives notifications from public and vessels, and the navigation control center identifies nearby vessels through AIS and notifies them via VHF radio to stay out of the way.

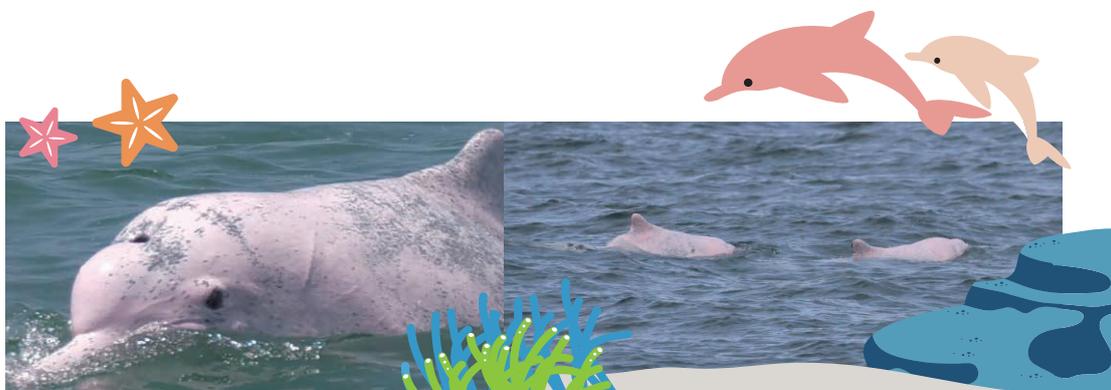
Ecological Survey ◆

In conjunction with the marine survey, underwater acoustic monitoring is further strengthened with addition of towed hydrophone arrays and evaluation of the use of unmanned aerial camera to track the movement of dolphins without disturbing them.

Enrich food supply ◆

TIPC analyzed the feasibility of releasing fry at suitable locations outside the planned area of Taichung Port to increase the food source for humpback dolphins.

Subject to the EIA approval, funds will be allocated to consolidate the conservation efforts to avoid disruption of the humpback dolphin's natural habitat during constructions and operations, in order to foster coexistence between Taichung Port and humpback dolphins. The research data obtained will also be made available to marine conservation academia and relevant management units for their references.



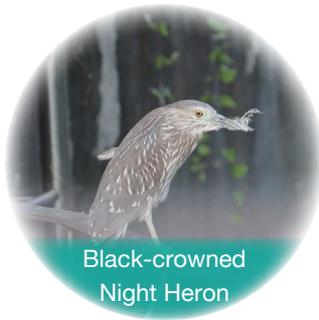
Southern Star Wild Bird Habitat Protection Zone

"The Southern Star Free Trade Zone" is one of the most important migratory bird habitats in Kaohsiung. Therefore, upon promotion of the first phase of Southern Star land development project, TIPC moved the management center southwards, set up a 20-meter green belt and limit the speed of vehicles, as well as retained 10 hectares of wild bird habitat to mitigate the impact of development on wild bird habitats.

Four wild bird ecological surveys were conducted in 2023, which recorded mostly common resident birds and some common migratory and introduced species, as well as three precious and rare conservation species (Grade PII) namely crested serpent eagle, crested Honey Buzzard, Crested Goshawk, Black-Winged Kite, and one other conservation-worthy species (Grade PIII), the Brown Shrike.



Little Ringed Plover



Black-crowned Night Heron



Brown Shrike



Common Myna



Common Kingfisher



Crested Goshawk



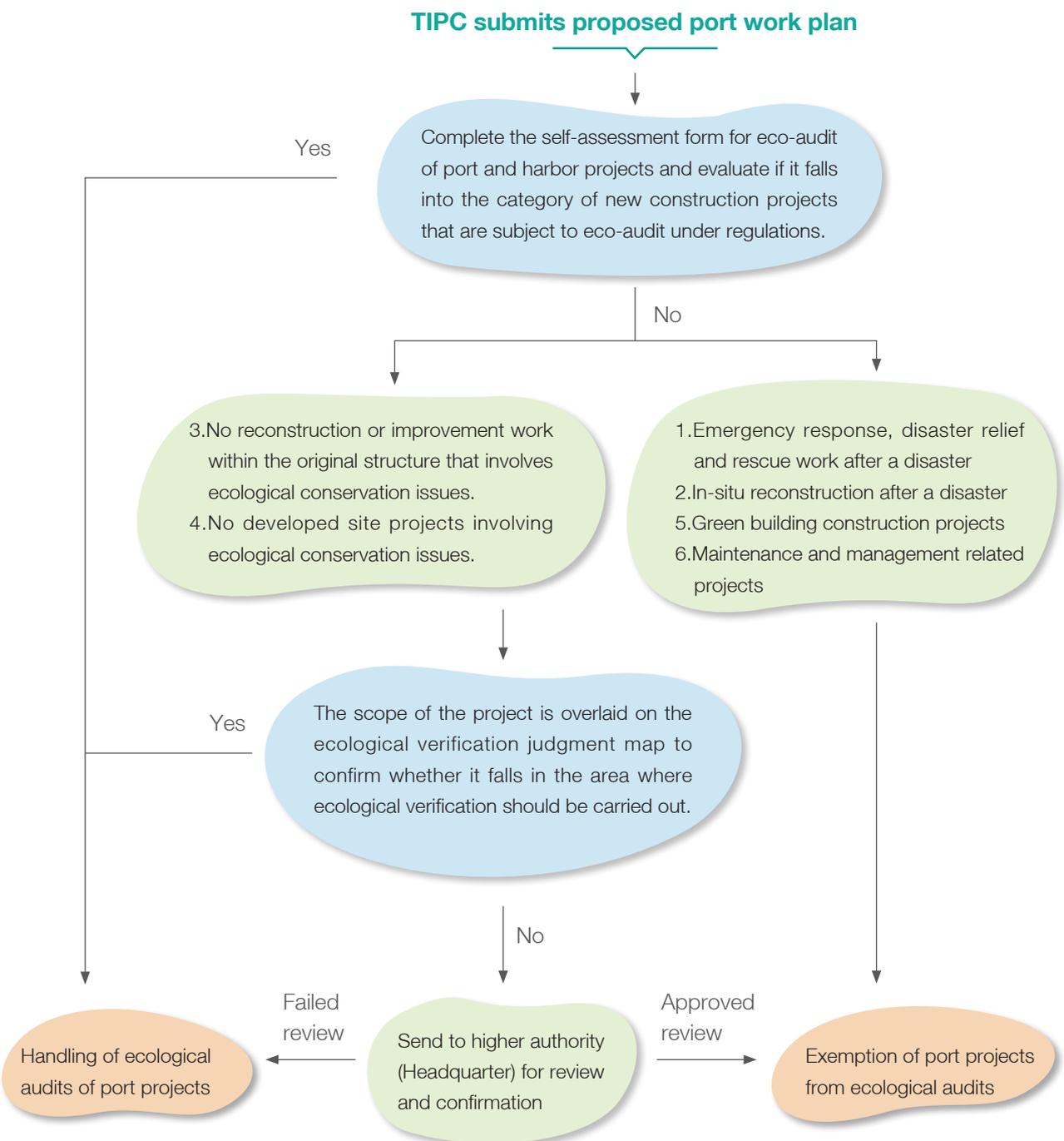
Common Sandpiper



Serpent Eagle

3.3.2 Ecological Projects

Since most of the port and seawall projects involve changes in coastline and landforms, the design does not only take into account the needs of industrial use, but also plan ecological compensation programs according to different local conditions in order to increase the biodiversity. With reference to the "Operating Manual for Implementation of Directions for Port and Harbor Project Ecological Inspection", each branch should commission professional units (organizations) or experts and scholars to check on whether there is any issue related to ecological environment conservation and to conduct self-assessment in the developed sites or original structures within the area. The process is shown in the following diagram.



In 2023, TIPC organized the "Ecological Audit Training for International (Domestic) Commercial Port Projects", inviting professional lecturers to conduct a 6-hour course for the project organizers (including OSH related personnel) of the headquarter and branches, with a total of about 30 participants.



Ecological Audit Training for International (Domestic)
Commercial Port Projects (1)



Ecological Audit Training for International (Domestic)
Commercial Port Projects (2)



Ecological Audit Training for International (Domestic)
Commercial Port Projects (3)

As for land, the green belt area of port cluster covered 773 hectares by 2023, and 200,000 trees have been planted (new and replacement) from 2022 to 2023. Tree pruning and weeding are regularly carried out to maintain a green port environment. In order to prevent the development of Anping Port from destroying the existing mangrove forests, under the concepts of environmental protection, ecological conservation and sustainable management, TIPC has planned a mangrove reserve since 1988 and carried out an ecological transplantation and restoration program, with an area of 4.6 hectares, which is under continuous maintenance.

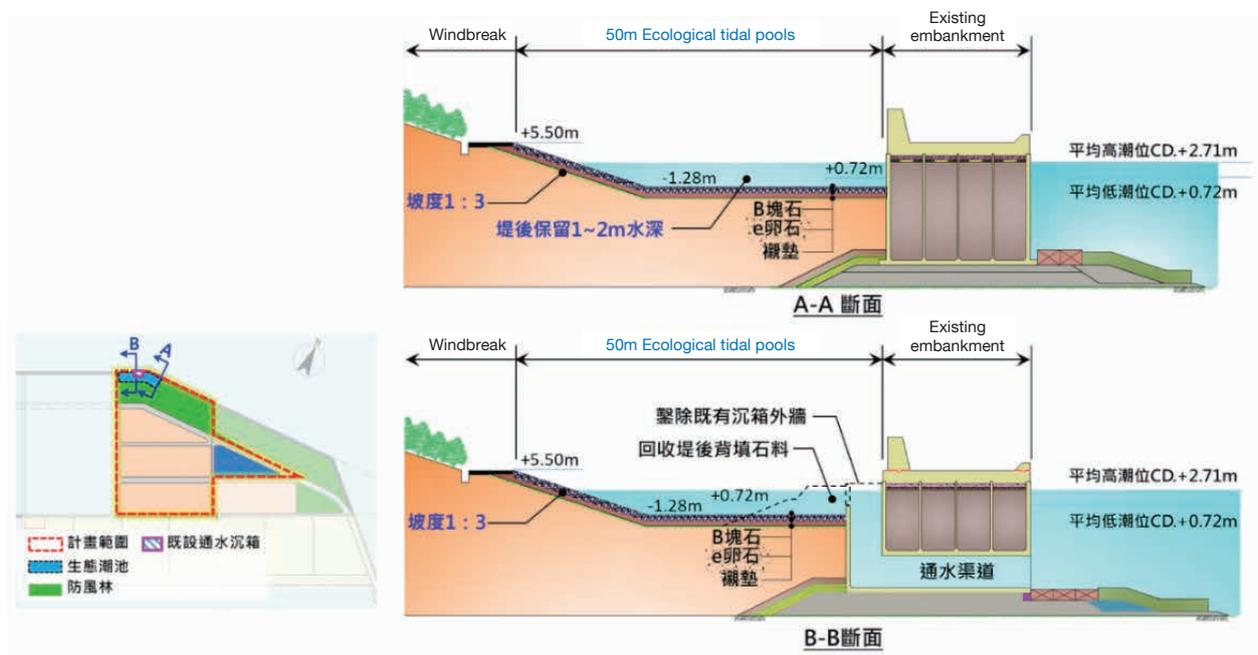
According to the mangrove operation and management plan in the EIA report, the survival rate of mangrove transplants is low and it consumes high costs. Experts and scholars have suggested TIPC to use viviparous seedlings or small seedlings at appropriate locations in the port to cope with oil pollution and algae cover, and to use PVC pipes to overcome the problem of planting mangrove trees in deep-water areas. While in terms of planning windbreak forests, Taichung branch collaborated with Tse-Xin Organic Agriculture Foundation in a reforestation program from 2020 to 2024, planting a total of 35,000 trees in the protection forest of Taichung Port, covering an area of approximately 20.7 hectares, including Horsetail Tree, Sea Hibiscus, Chinese Tamarisk, and *Scaevola taccada*.

Establishment of Ecological Tidal Pools

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) and formed naturally within the windbreak forest area without any artificial stocking to enhance ecological diversity.

The ecological tidal pools in the Port of Taipei Logistics and Warehousing Zone will form 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 takes into account 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 and reducing the ecological impact caused by land reclamation.

Schematic Diagram of Ecological Tidal Pool Profile



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.

Special Column

TIPC x Leopard Cat Rice

TIPC's actions in response to ecological conservation commitments



On March 9, 2023, the Chairman of TIPC, Mr. Lee Hsien-Yi, led 20 people, including directors and colleagues of its subsidiaries, to the leopard cat rice field in Tongxiao Township, Miaoli County, to take part in leopard cat rice cultivation program. Together, they rolled up their pants and stepped into the field with bare feet to plant the rice seedlings, whereby the "TIPC x Leopard Cat Rice"-friendly paddy field adoption signboard was also put up to portray their support for environmental and ecological conservation.

The guided eco tour explained that leopard cat rice is grown with environmental-friendly farming methods, whereby the pesticide- and chemical fertilizer-free farming methods have restored the ecology around the watershed, providing further insight on the ecological conservation of leopard cats and relaying the importance of environment protection.

After more than 100 days, the rice seedlings have grown into golden ears of rice. On July 10, 2023, a group of 30 people, comprising of colleagues and teachers and students from Taichung City Wunan Elementary School, was led by the Vice President of TIPC, Mr. Lu Chan-Yu, to experience paddy harvesting and removal of grains from stalks of paddies using a threshing machine, reminding the participants of the hard work of farmers.

The leopard cat rice produced by TIPC is packaged with a corporate logo, which will be used as a gift to customers in the future. A total of 1,200 kilograms of leopard cat rice was purchased to convey the importance of environmental friendliness and ecological conservation, and thus fulfilling SDG 15: "Life on Land: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss".



Group photo of replanting at leopard cat rice field

Special Column

Green Resonance

Environmental Education in the Port Area



Environmental education at Keelung Detention Center

In order to promote the understanding of port culture and the environment among public, TIPC is committed to having four major commercial ports certified as environmental education centers by 2025. Currently, two major commercial ports, Taichung Port (2022) and Keelung Port (2023), have been certified as environmental education centers, and it is expected that the Ports of Hualien and Kaohsiung will be certified by 2024 and 2025 respectively. The achievements in 2023 are summarized as follows.

- Keelung Port Environmental Education Park
 - ▶ The park is the first environmental education facility in Northern Taiwan focusing on oil pollution emergency response. The park is rich in ecological port resources and distinctive history and cultures. In order to conserve the marine environment and ensure sustainable development, the park takes advantage of marine environmental education to raise public awareness of marine conservation, and to educate public on reducing marine waste generation at its source, so as to achieve the goal of protecting marine environment, realizing green port and promoting marine education.
 - ▶ In order to meet the needs of different target groups, the park has designed two sets of courses, namely "Reversing Oil Pollution - Getting Cleaner with the Port" for general public (adults) and "Keelung Port is Happening - The Secrets Behind the Containers" for elementary school Grades 5-6, which

incorporate the emergency response to oil pollution, implementation of green port policy, and the tasks entrusted to international commercial ports into the course design, in order to educate people about the special operation mode in the port area and concept of sustainable operation of the green port policy by means of tutorials and hands-on activities. In 2023, a total of 10 environmental education activities were organized, with 334 participants.

- Taichung Port Environmental Education Center:
 - ▶ The Port of Taichung, in line with the national policy of promoting offshore wind power generation, serves as an offshore wind power industrial park and operation base. Through revitalization of the existing space as teaching area, which can be operated in a sustainable manner, and by linking natural ecology, humanity history, port facilities and offshore wind power, the port has expanded the environmental education curriculum. In addition to providing public with fun and educational programs and knowledge, the programs also integrate the characteristics of site and environmental technology into the content of environmental learning, inspiring Taiwan citizens to attach importance to the environment, ecology and resource sustainability.
 - ▶ The Port of Taichung has uniquely developed three environmental education programs, including "Talking about the Port of Taichung" for elementary school Grade 5-6, "Wonders of the Green Port" for junior high school students, and "Offshore Wind Power Revealed" for tertiary students, which include the humanity history, EcoPort, and the development of offshore wind power industry, etc. In 2023, a total of 10 environmental education activities were held, with a total of 240 participants.



Environmental education at Keelung Detention Center



Ministry of Environment of Keelung Port Environmental Education Certification System

CHAPTER 04





Establishment of Friendly and Mutually Beneficial Relationships

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Special Column

With You in Heart,
Employee's Privilege

TIPC Awarded HR Asia Best Companies
to Work for in Asia Award

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Material Topic: Human Resources Development

Major Causes	<p>Business sustainability relies on the foundation of talent development and retention to drive the development of TIPC's business, ensuring training quality and performance, and enhancing employees' workplace competitiveness effectively. 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.</p>
Effects and Impacts	<p>Positive impacts:</p> <ul style="list-style-type: none"> • The Company provides equal opportunities for promotion and salary increases, values individual career development, and has established comprehensive training systems and structures to attract and cultivate TIPC professionals, thereby promoting sustainable corporate development. • Practical positive impact on people (including human rights): Individual career development. • Practical positive impact on the economic aspect: Enhanced employee skills increase opportunities for promotion and salary raises.
Policy/ Strategy	<p>Regarding training and education issues, guidelines for implementing training and further education are established. Diverse professional training is planned and various digital learning channels are provided. Additionally, subsidies for individual learning, certifications, and professional training courses are offered to motivate employees to enhance themselves and improve their competitiveness in the workplace.</p>
Preventive or Remedial Measures	<ul style="list-style-type: none"> • Based on the feedback from the satisfaction survey, opinions of participants are taken into consideration and adjustments are made to improve the content of future courses. • Appeal Channel: Post-training satisfaction survey.
Evaluation Management System	<p>Regarding the issue of training and education, a post-training satisfaction survey is conducted for all courses.</p>
Performance and Adjustments	<ul style="list-style-type: none"> • The total training hours amounted to 73,696 hours, with an investment of approximately NT\$ 24.57 million in education and training. • An allocation of NT\$ 4.76 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 303 individuals. • A post-training effectiveness tracking survey is conducted three months after the completion of courses, with a total of 591 responses received. Among them, 434 individuals reported applying the attitudes, concepts, knowledge, or skills learned in the course to their work.

Material Topic: Employee Engagement

<p>Major Causes</p>	<p>Facing increasingly intense international port competition and various environmental changes and challenges, employees are the cornerstone of sustainable business operations. Whether responding to challenges or creating new opportunities, talent is fundamental. Organizational performance stems from employee productivity. To ensure the company's prosperity and continuous growth, the company should take good care of and show concern for its employees, helping them resolve various physical, mental, work, and family issues. This support allows employees to engage in their work without worries and create better performance.</p>
<p>Effects and Impacts</p>	<p>Positive impacts: By focusing on employee engagement, understanding how employee productivity affects organizational performance and the company's development and growth, adjustments can be made to talent development policies. Providing equal promotion opportunities has the potential to positively impact people (including human rights) in the future.</p>
<p>Policy/ Strategy</p>	<p>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 to cultivate good labor relations.</p> <p>The Company create a workplace environment that promotes Diversity, Equity, and Inclusion (DEI). We actively foster a people-oriented, friendly workplace that respects and values the diversity and differences of each employee. Also, we support employees in fully utilizing their strengths in suitable positions, aiming to provide them with a sense of accomplishment and belonging.</p>
<p>Preventive or Remedial Measures</p>	<ul style="list-style-type: none"> • In the future, besides continuing to conduct and promote training on topics such as 'eliminating unconscious bias,' 'gender equality,' and 'breaking stereotypes,' it is planned that all employees will participate in a one-hour 'Diversity, Equity, and Inclusion (DEI)' training in 2024. • Strengthen the promotion of the company's appeal channels, encouraging employees to file complaints if they experience any unkind treatment. • Enhance supervisors' ability to show care and handle situations where employees report experiencing bias or discrimination, such as through empathy training. • In the future, the company will continue to refer to the annual 'Friendly Workplace Environment and Employee Engagement Survey Report,' continuously review personnel-related regulations, and provide various supportive measures to help employees achieve a work-life balance.
<p>Evaluation Management System</p>	<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. • To understand satisfaction with various aspects of a friendly workplace environment and assess the effectiveness of related policies and systems, the company conducts an annual survey. This survey gathers employees' feedback, and the analysis of the results is used to develop improvements and continuously build a friendly workplace environment.

Material Topic: Employee Engagement

<p>Performance and Adjustments</p>	<ul style="list-style-type: none"> • The results of the employee engagement survey show that 72.7% of colleagues feel a sense of belonging to the company and express a desire to continue developing within the organization. • 71.9% of colleagues expressed their willingness to put in more effort to achieve the company's goals. • Using the question 'On a scale of 0-10, how reluctant are you to face work before going to work each day?' to assess colleagues' level of negativity towards work, with a score of 3.7 given by the overall employees of our company. This score is lower than the market research data jointly conducted by MasterCheers and Cheers, which recorded a score of 4.6. • Using the question 'How willing are you to recommend friends and family to work at our company?' to assess colleagues' loyalty to the company and understand their overall satisfaction, a score between 0 and 10 was used, where 0 means extremely unwilling and 10 means extremely willing. The survey shows that 52.6% of colleagues rated 8 or above, with an average score of 7.3. • Employees rated the overall friendly workplace environment of the company at 80.3 points, significantly higher than the market research average of 61.5 points. This indicates that the company is effective in creating a friendly workplace environment. • 91.3% of employees covered by enterprise unions bargaining collective agreements.
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Material Topic: Employee Benefits

<p>Major Causes</p>	<p>Taiwan is facing a declining birthrate crisis. Besides government measures and facilities to support childbirth, corporate support in creating an environment that encourages marriage and childbirth is also crucial. To enable employees to confidently start families and have children, the company aims to enhance salaries and implement flexible benefits systems, ensuring that employees feel secure, happy, and aligned with the company's goals.</p>
<p>Effects and Impacts</p>	<p>Positive impacts Establishing a comprehensive and well-structured benefits system to attract and retain talent, and enhancing communication between labor and management can promote sustainable talent development within the company. This has the potential for positive impacts on people (including human rights) in the future.</p>
<p>Policy/ Strategy</p>	<p>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 to cultivate good labor relations.</p> <p>The Company create a workplace environment that promotes Diversity, Equity, and Inclusion (DEI). We actively foster a people-oriented, friendly workplace that respects and values the diversity and differences of each employee. Also, we support employees in fully utilizing their strengths in suitable positions, aiming to provide them with a sense of accomplishment and belonging.</p>

Material Topic: Employee Benefits

<p>Preventive or Remedial Measures</p>	<ul style="list-style-type: none"> • In the future, the company will continue to create a diverse, equitable, and inclusive work environment that respects individual differences. By offering Employee Assistance Program (EAP) services with personalized solutions and promoting harmonious labor relations, various plans will be continuously adjusted to help employees achieve a work-life balance and work with peace of mind. • Appeal Channels: The company has established the ' Guidelines for Prevention, Investigation, and Disciplinary Actions Against Sexual Harassment ' and a sexual harassment complaint channel. Employees can file complaints with their respective HR departments. If passengers encounter sexual harassment incidents at transportation stations, they can also file complaints with the respective transportation service centers.
<p>Evaluation Management System</p>	<ul style="list-style-type: none"> • Regular labor-management meetings are held quarterly. • 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. • To understand satisfaction levels across various aspects of a friendly workplace environment and assess the effectiveness of related policies and systems, the company conducts an annual survey. This survey aims to gauge employees' sentiments and uses the results to identify areas for improvement, thus continuously building a friendly workplace environment.
<p>Performance and Adjustments</p>	<ul style="list-style-type: none"> • Labor-management meetings were held 20 times, while industry collaboration and coordination meetings were held 5 times. • Holding educational training sessions on breaking gender stereotypes and utilizing various methods such as periodic calls for submissions, gender-focused movie viewing and discussions to create a diverse and inclusive friendly workplace environment. • Offering all employees flexible working hours from 8:00-9:00 for starting work and from 17:00-18:00 for finishing work. • Employees with children under the age of 3 who have caregiving needs may apply to reduce their daily working hours by 1 hour while still receiving full pay without affecting attendance, performance evaluations, bonuses, and expanding the range of flexible working hours. • Employees with infertility issues, undergoing fertility treatments, or requiring bed rest due to pregnancy are provided with 3 days of fully paid maternity leave per year. • Employees who need to care for their children due to school closures can choose to apply for remote work or bring their children to work, with the company providing temporary childcare services. • Approximately 91.3% of company employees are covered by the enterprise unions collective bargaining agreement. • The overall satisfaction rate for EAP (Employee Assistance Program) services is 94.21%. • The salary structure adjustment plan for employees was implemented effective from January 1, 2023.

Material Topic: Occupational Safety and Health

<p>Major Causes</p>	<p>To stay abreast of developments in occupational safety and health regulations and address occupational safety and health issues raised by stakeholders, the company aims to ensure compliance with the basic requirements of regulations. This involves collecting and recording relevant laws and regulations and other requirements to provide the company with the latest occupational safety and health regulations for reference and compliance.</p>
<p>Effects and Impacts</p>	<p>Negative impacts: If the workplace environment or labor conditions are poor, it may lead to occupational accidents or endanger the health and safety of employees, ultimately affecting business operations and service quality. This can indeed have real negative impacts on people (including human rights).</p>
<p>Policy/ Strategy</p>	<p>The company actively prevents occupational accidents to provide employees and stakeholders with a safe and healthy working environment, continuously fostering a safety-conscious atmosphere with the participation of all staff, and proactively promoting a culture of 'safety and health' in the workplace. The ultimate goal is to achieve zero occupational accidents and shape the image of an international company with excellent workplace safety and health.</p>
<p>Preventive or Remedial Measures</p>	<ul style="list-style-type: none"> • Identify non-compliant issues and address them through the abnormal correction and prevention measures management procedure. • The Occupational Safety and Health Committee reports improvement and preventive measures. • The expert and scholar project health check provides refined improvement practices. • Provide diverse appeal channels, such as the company mailbox at https://www.twport.com.tw/chinese/Mail_Content.aspx.
<p>Evaluation Management System</p>	<ul style="list-style-type: none"> • Regulatory Compliance <ul style="list-style-type: none"> ▶ As part of the 'Management Review Procedure,' regular reviews of regulatory changes and compliance with other requirements are conducted during the Management Review Board or Occupational Safety and Health Committee meetings. ▶ All operations related to regulations and other requirements should be documented, and handled according to the relevant provisions of the 'Document and Record Management Procedure'. • At each quarterly meeting of the Occupational Safety and Health Committee, the responsible units report on the progress of work related to various objectives for committee members' review.
<p>Performance and Adjustments</p>	<ul style="list-style-type: none"> • The entire company has passed the ISO/CNS 45001 re-certification and obtained a new certificate. • No labor safety accidents (including employees and contracted vendors) occurred. • The Occupational Safety and Health Project Team conducted 4 coaching visits and organized 1 year-end sharing session. • To take care of employee health, the company provides health check-ups exceeding current legal requirements in terms of items and frequency. In 2023, the overall participation rate for employee health check-ups reached 98.1% (1,092 scheduled individuals/1,071 actual participants, with those not participating due to personal reasons rescheduled for the following year). Additionally, special health check-ups were conducted for a total of 34 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.

Material Topic: Local Communities

<p>Major Causes</p>	<p>To fulfill community care, enhance local values, and actively engage in public welfare, the company is committed to corporate social responsibility, integrating into the local community, enlivening local sentiment, and continuously spreading warmth and love throughout society without interruption. It actively promotes goals such as environmental protection, corporate sustainability, social welfare, and the heritage of maritime culture, embodying the concept of 'from the society and for the society' to convey love and extend assistance to every vulnerable group in need through the love of TIPC.</p>
<p>Effects and Impacts</p>	<p>Positive impacts The company manages seven international ports and two domestic ports, situated in various regions. Through interactive corporate social responsibility initiatives and participation in local community public welfare activities, we aim to contribute to the well-being of the community and fulfill our corporate social responsibility. This symbiotic relationship with the community can have potential positive impacts on both the economy and people(including human rights).</p>
<p>Policy/Strategy</p>	<p>The policy goal is to promote the harmonious development of the company with society, local communities, and the environment, aiming to achieve sustainable development.</p>
<p>Preventive or Remedial Measures</p>	<ul style="list-style-type: none"> • When encountering issues or insufficient resources in executing public welfare-related projects, it's necessary to revise the plan, adjust action steps, timelines, budgets, etc. Alternatively, collaborating with other organizations to enhance publicity and promotion efforts ensures better achievement of the goals. • Provide diverse appeal channels, such as the company mailbox: 'https://www.twport.com.tw/chinese/Mail_Content.aspx'.
<p>Evaluation Management System</p>	<p>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.</p>
<p>Performance and Adjustments</p>	<ul style="list-style-type: none"> • A total of 157 public welfare activities were organized. • A total of 215 units of assistance (donation) from the community relations program to private organizations.



4.1 Human Resources Policy

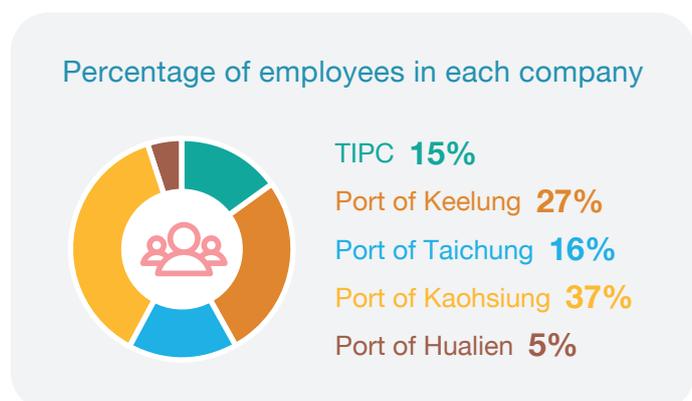
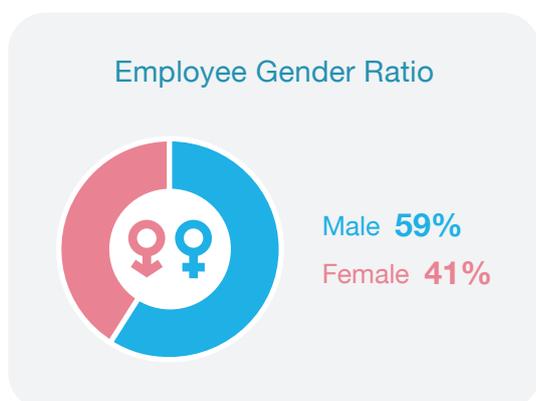
As a state-owned enterprise, TIPC operates under the guidance of directives from the central competent authority, fully complying with the relevant laws and regulations for public servants and labor. When hiring employees, professional ability and experience are the primary considerations. There is no discrimination based on race, ideology, religion, political affiliation, nationality, place of birth, gender, sexual orientation, marital status, appearance, physical or mental disability, or previous union membership. Additionally, no child labor is employed.

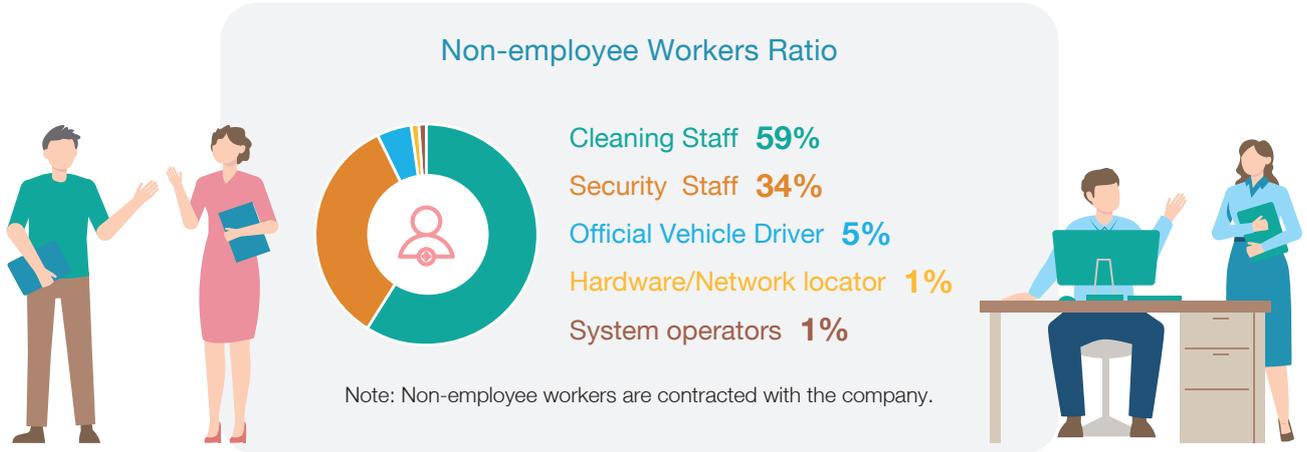
The company oversees numerous ports with extensive jurisdictions and diverse business attributes, thus welcoming talents from various fields. Over the years, the recruitment of new employees has strictly adhered to the Labor Standards Act, Act of Gender Equality in Employment, and Employment Service Act. In fulfilling corporate social responsibility, the company continually increases employment opportunities for individuals with disabilities and indigenous peoples. During the recruitment of new employees, the Hualien branch, located in an indigenous area, adopts a regional admission approach to increase the chances of indigenous candidates being hired. Additionally, when there is a need to hire interns, candidates with disabilities and indigenous backgrounds are given priority consideration.

The company aligns its operations with government policies and international commitments, striving to create a workplace environment that adheres to the principles of the UN Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) and gender equality. This includes organizing relevant training courses and activities, and establishing sexual harassment complaint procedures. Detailed measures can be found in "4.2 Happy Workplace".

4.1.1 Employee Turnover

As of the end of 2023, the total number of employees in the Company is 2,071, all of whom are full-time employees. All employees are 100% recruited from the Taiwan region. Due to the nature of port operations, there are more male employees than female employees. There are 370 non-employee workers stationed within the company, mainly contracted workers who assist the company in carrying out related tasks.





To effectively motivate outstanding colleagues, the company provides a smooth promotion pathway based on the principles of fairness, impartiality, and transparency. This aims to efficiently promote talented individuals and build a talent pool for port operations. The company conducts promotion processes twice annually. Transfers and retirements are handled according to regulations to maintain workforce stability and enhance service quality. Employees who have served at the same port for at least two years may apply for transfer according to specified procedures and timeframes. Additionally, the company employs a regional recruitment and regional admission approach. Employees who have served in their assigned port for at least three years may also apply for transfer.



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.

4.1.2 Recruitment and Talent Retention

To enhance the competitiveness of the port, efforts are being made to implement relevant recruitment plans to find qualified talent. Through industry-academia collaboration, professional port talents are being cultivated. 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. These initiatives are designed to provide incentives for mutual growth, thereby ensuring the organization's stable development.



Recruitment of Practitioners

Recruitment of employees is conducted to address the company's personnel attrition and business expansion needs. In 2023, a total of 1 recruitment test was conducted, and 94 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 2023, three 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

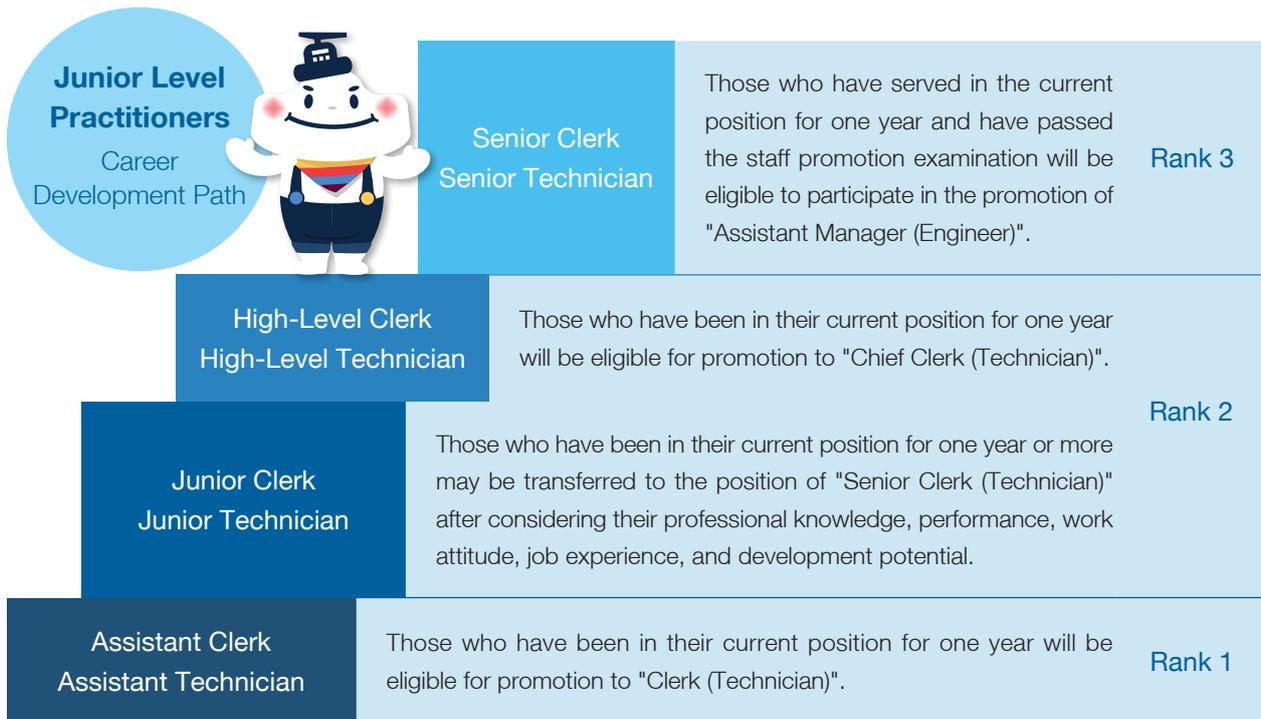
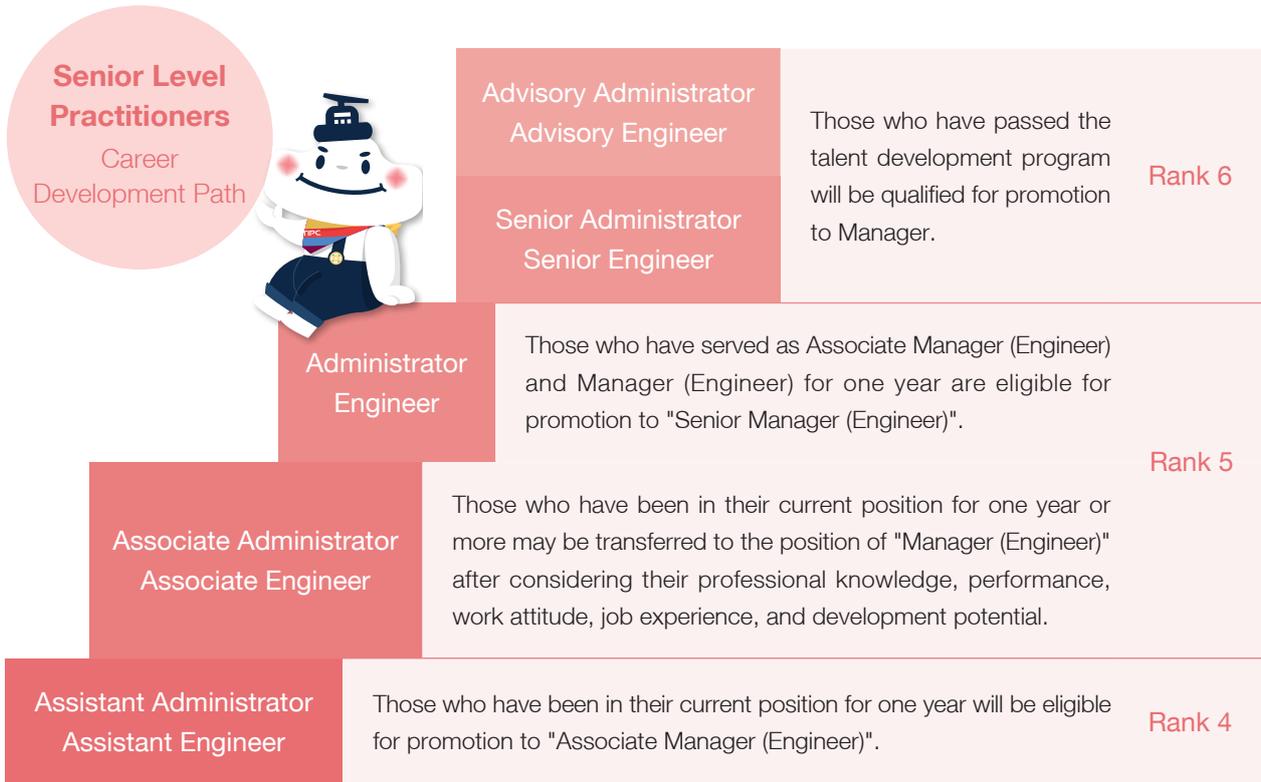
In order to promote the recruitment of our employees, we will hold campus recruitment orientations at universities and colleges, and we had held 41 orientations in 2023.



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.



the exemplary employees 2023

Employee Care

In 2023, 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 addition to providing counseling services available to all employees, the company also develops tailored service plans for specific groups.



Shift Workers

The company conducts a "Work-Life Satisfaction and Needs Survey" specifically for shift workers to understand if their shift work affects their family life and work-life balance. Based on the survey results, tailored service plans are developed for shift workers. On-site inspections are conducted at the port to assist colleagues in improving their physical and mental health and office environment, ensuring their workplace safety and health.



Facing retirement personnel

- In response to encouraging the "Silver Generation" aged 55 and above to continue learning and engage in the social production cycle, the company conducts a "Employee Retirement Preparedness Assistance Needs Survey" for personnel who will retire within the next 5 years. This survey aims to understand the concerns of retiring individuals, assess the completeness of their retirement preparations, and identify the assistance measures they hope the company can provide before retirement.
- In 2024, the company will develop relevant programs to encourage personnel to engage in diverse learning opportunities and participate in external courses, thus promoting their social participation.



Facing important Life stages personnel

**Employees in four situations:
Marriage, Childbirth, Illness or injury, and Bereavement**

Considering that the four situations mentioned entail significant role transitions and turning points, to assist colleagues in smoothly transitioning and adapting during these periods, the company proactively provided care packages and small cards to colleagues experiencing any of the aforementioned situations in 2023, conveying wishes of blessings and consolation, along with providing information on relevant subsidy application forms and counseling resources.



On-site work environment survey at port shift units



Special Column

With You in Heart, Employee's Privilege

TIPC Awarded HR Asia Best Companies to Work for in Asia Award



The HR Asia Best Companies to Work for in Asia Award is one of the most prestigious and large-scale accolades in the Asia-Pacific region's human resources management sector. Using a comprehensive professional evaluation model, the award invites company employees to participate in the rating process, evaluating companies from three main aspects: CORE (core values), SELF (employees), and GROUP (team). In these satisfaction surveys, our company consistently scores significantly above the market average across all indicators.

Our company strives to become the best employer through the "3R Talent Sustainability Strategy" and the "4F Framework for a Sustainable and Happy Workplace." Here's an explanation of these initiatives, 3R Talent Sustainability Strategy: Our company is dedicated to implementing the 3R talent policy, which stands for "Right people, Right training, Right place.", indicating "finding the right people, providing the right training, and creating the right environment."

In the "Right people" aspect, TIPC values the uniqueness of various professional fields. Besides professional skills, our operations cover nine ports across Taiwan. Candidates can choose

their preferred area of expertise and desired work location, increasing the retention rate of the "right people" who join the TIPC team.

In the "Right Training" aspect, members of TIPC team can receive systematic training through the TIPC's learning map, tailored to their specific professional fields. The company encourages employees to engage in diverse learning opportunities to develop their cross-disciplinary expertise. Various learning methods are available, enabling employees to learn independently anytime and anywhere. For those who wish to pursue further education, the company offers paid leave and tuition subsidies to support their continuous self-improvement.

In the "Right place" aspect, TIPC is committed to creating the right environment. This includes assigning employees to different units based on their professional expertise, ensuring they work in roles that match their skills and interests, allowing them to develop appropriately. Additionally, great emphasis is placed on fostering a friendly workplace environment that values "DEI: Diversity, Equity, and Inclusion."

Prioritizing "people" in all matters is the core principle of creating a happy enterprise. The company focuses on listening to employees' needs, valuing employees' needs, and responding to employees' needs to build a friendly work environment where employees feel a sense of belonging and can fully express themselves. For the company, keeping employees in mind and adopting a caring, attentive, and considerate attitude ensures that employees are happy, at ease, and aligned with the company. This approach helps create a competitive and happy enterprise, fostering mutual well-being and success for both the company and its employees, leading to a win-win situation for all.



TIPC received the HR Asia Best Companies to Work for in Asia Award, which was presented by Chairman Lee Hsien-Yi.



Special Column

Home and Business in Harmony

TIPC Leads in Family Friendly Honors

Amid Taiwan's declining birth rate crisis, it's crucial for companies to support and create environments conducive to marriage and child-rearing, alongside government initiatives and facilities. In 2023, our company was honored with the Parenting Taiwan Family Friendly Workplace Award, being the sole state-owned enterprise among 26 others awarded. According to surveys, these 26 awarded companies collectively witnessed the birth of 5,026 newborns, equivalent to one-third of the newborn population in Taipei City. The recognition underscores the importance of companies supporting and promoting family-friendly workplace environments in addressing the issue of declining birth rates.

Sustainable talent management is fundamental to supporting a company's continued operations. Departing from traditional industry norms, our company established a Gender Equality Working Group from its inception, advocating for gender equality policies. This evolved into mainstreaming gender considerations and subsequently prioritizing Diversity, Equity, and Inclusion (DEI) initiatives, progressively establishing a friendly workplace

environment and actively promoting a family-friendly workplace environment.

Our company places particular emphasis on meeting the housing and child-rearing needs of employees. To address various employee needs, we have implemented multiple supportive measures. These include special relocation projects for those needing to personally care for relatives with severe illnesses or sudden family emergencies, full-pay family caregiving leave, extended marriage, maternity, paternity, and prenatal examination leave, as well as reducing daily working hours by one hour for employees with children under 3 years old, coupled with expanded flexible working hours. We believe that these diverse family-friendly workplace measures can assist employees in balancing work and family life. In 2023, our company welcomed a total of 55 newborns, with a birth rate of 2.69% based on the year-end staff count of 2,043.



Parenting Taiwan Family Friendly Workplace Award 2023



Received the Family Friendly Workplace Award from Commonwealth Education



Received the Parenting Taiwan Family Friendly Workplace Award (FFWA)



Special Column

Home and Business in Harmony

TIPC Leads in Family Friendly Honors

Additionally, we highly value harmony in our employees' families, regularly offering household division of labor courses to guide employees on gender division of labor issues, providing parenting dialogue and education books, and organizing the annual Port Family Day event to strengthen connections between the company, employees, and their families. From marriage to parenthood, our company cares for employees at every stage, allowing them to enjoy a fulfilling work-life balance. Our innovative and distinctive family-friendly measures actively contribute to the realization of the United Nations SDGs, particularly Goals 3 (Good Health and Well-being), 4 (Quality Education), and 5 (Gender Equality).

We believe that employees are the cornerstone of a company's sustainable operation. Therefore, creating a work environment that fosters a sense of belonging and enables employees to fully unleash their potential is not only an indicator of a company's happiness but also a crucial factor in its sustainable development. Over the years, our company has actively promoted a friendly workplace, striving to create a "Diverse, Equitable, and Inclusive" (DEI) work environment, respecting and valuing the diversity and differences of each employee, supporting them in fully utilizing their strengths in suitable positions, and fostering a sense of accomplishment and belonging.

In 2023, CommonWealth Education hosted the Parenting Taiwan Family Friendly Workplace Award, recognizing Taiwan's most family-friendly enterprises, identifying exemplary companies

in supporting family-friendly workplaces. Being the only state-owned enterprise to receive this recognition underscores the company's longstanding commitment to creating a friendly workplace. This acknowledgment reflects the dedication to promoting various family-friendly workplace initiatives, earning external acclaim.



Family-Friendly Measures

Early Childhood Education Center

The company has established workplace childcare service centers in Keelung, Taichung, and Kaohsiung in accordance with the "Implementation of Regulations for Workplace Mutual Aid Education and Childcare Services" as stipulated by the government's promotion of publicized childcare policy. These centers are located either within the company's office buildings or nearby areas, prioritizing childcare facilities for employees. They cater to children aged 2 to 6 years old. The establishment of these three centers received a total of NT\$ 2,670,000 in funding and performance bonuses from the Ministry of Education's K-12 Education Administration in 2023, including subsidies for operational expenses and the provision of facilities and equipment.

To create a friendly workplace and accommodate employees' childcare needs, starting from June 1, 2022, our company implemented measures that exceed the provisions of Article 19 of the Act of Gender Equality in Employment. In addition to allowing a daily reduction of working hours by 1 hour, with full pay and no adverse consequences, we also expanded flexible working hours from 8:00



am to 10:00 am for start time and from 4:00 pm to 6:00 pm for end time. This provides employees with greater flexibility in their working hours to support their childcare responsibilities. As of the end of December 2023, a total of 127 applications have been approved for this arrangement.

 **In response to the pandemic situation, temporary accommodation services and applications for working from home were provided.**

In response to government epidemic prevention measures, various county and city governments may announce a shift to distance learning or suspend classes for entire classes due to confirmed cases among students. To assist colleagues in balancing work and family care, apart from temporary accommodation services, employees may also choose to apply for remote work from home under the company's epidemic prevention leave regulations to take care of children under 12 years old. In 2023, a total of 137 applications were made for remote work from home. As the epidemic situation improved in 2023, the company also complied with the instructions of the Executive Yuan's Directorate-General of Personnel

Administration to cease applying epidemic-related supportive measures on August 15. Additionally, by the end of the same year, guidelines for implementing remote work were established specifically for individuals with disabilities, serious illnesses, pregnant employees, or those responsible for caring for relatives with disabilities, serious illnesses, or pregnancies, as well as children under 12 years old.

 **Special Relocation Arrangements**

To assist employees who have relocation needs but do not yet qualify for relocation, the company has established special relocation regulations. Individuals who fall under special circumstances such as "having to personally care for immediate family members with serious illnesses," "requiring family care due to the employee's own serious illness," "sudden incidents or major accidents at home," and "being the primary caregiver for children under 3 years old and having served at the same port for at least 1 year" may submit relevant proof documents and apply for special relocation based on actual needs. In 2023, the company received 1 application for special relocation.



Employees with children under the age of 3 are entitled to reduce their working hours by 1 hour.

4.2 Happy Workplace

TIPC is striving to become a "4F Happy Enterprise," actively developing corresponding friendly workplace plans and making efforts to create a "diverse, equitable, and inclusive" working environment. Through providing appropriate training and development opportunities, employees are empowered to showcase their strengths in suitable positions. The company respects and values the diversity and differences of each employee, ensuring they feel a sense of achievement and belonging in their work.

Flexibility Flexible management

The company provides employees with flexibility in terms of time and location in their work, such as flexible working hours, expanded leave options, and relocation policies. We empower employees to make autonomous decisions in their work, helping them balance work and family commitments, and better manage their lives.

Friendly Friendly workplace environment

The company conducts annual training sessions to foster a friendly work environment and places special emphasis on keeping communication channels open. Employees' feedback is listened to attentively, and they are actively encouraged to participate, propose ideas, and speak up.

Family Treat colleagues like family

The company acknowledges the existence of diversity among its employees and provides supportive measures tailored to the needs of different employee groups. These measures aim to assist employees in maintaining their physical, mental, and emotional well-being, as well as achieving a balance between work and personal life, thus making the company a strong support system for its employees.

Future Visible future

The company has established a comprehensive salary and promotion system, along with the development of the "TIPC Port Learning Map" and "Career Development Path Map." These initiatives support the phased career growth of each employee, providing a systematic and hierarchical development blueprint for all staff members.



4F Happy Enterprise

TIPC Talent Sustainability Strategy Diagram



4.2.1 Employee Training and Development

Employees are the cornerstone of sustainable business operations, and talent sustainability is the fundamental support for corporate functioning. TIPC provides rich learning resources and diverse learning channels to strengthen comprehensive skills development and training, enabling employees to grow and develop together, thus creating a sustainable and happy enterprise. As a result, TIPC was awarded the Central Government Promotion Award for Establishing Employee Learning Systems by the Ministry of Education. Minister of Education, Pan Wen-Chung, publicly presented the award on October 15, 2023, at the National Taiwan Science Education Center's ground floor lobby. Lu, Chan-Yu, Executive Vice President of TIPC, accepted the award on behalf of the company.

TIPC values sustainable talent cultivation and has established a systematic and hierarchical blueprint for employee training and development according to job duties, business needs, and career development requirements. Alongside reasonable performance evaluations and talent development systems, opportunities and pathways for job promotion and salary advancement are provided annually. Additionally, the company has established a talent pool for future managerial succession planning across all levels.

Employees' participation in various training and education programs, as well as their performance, are considered in assessments, promotions, and future training and education recommendations. Training and education initiatives are tailored to align with employees' job responsibilities, ensuring maximum benefit. As of the end of 2023, 100% of employees underwent assessments, and regular performance evaluations are conducted without differentiation based on gender or job title.



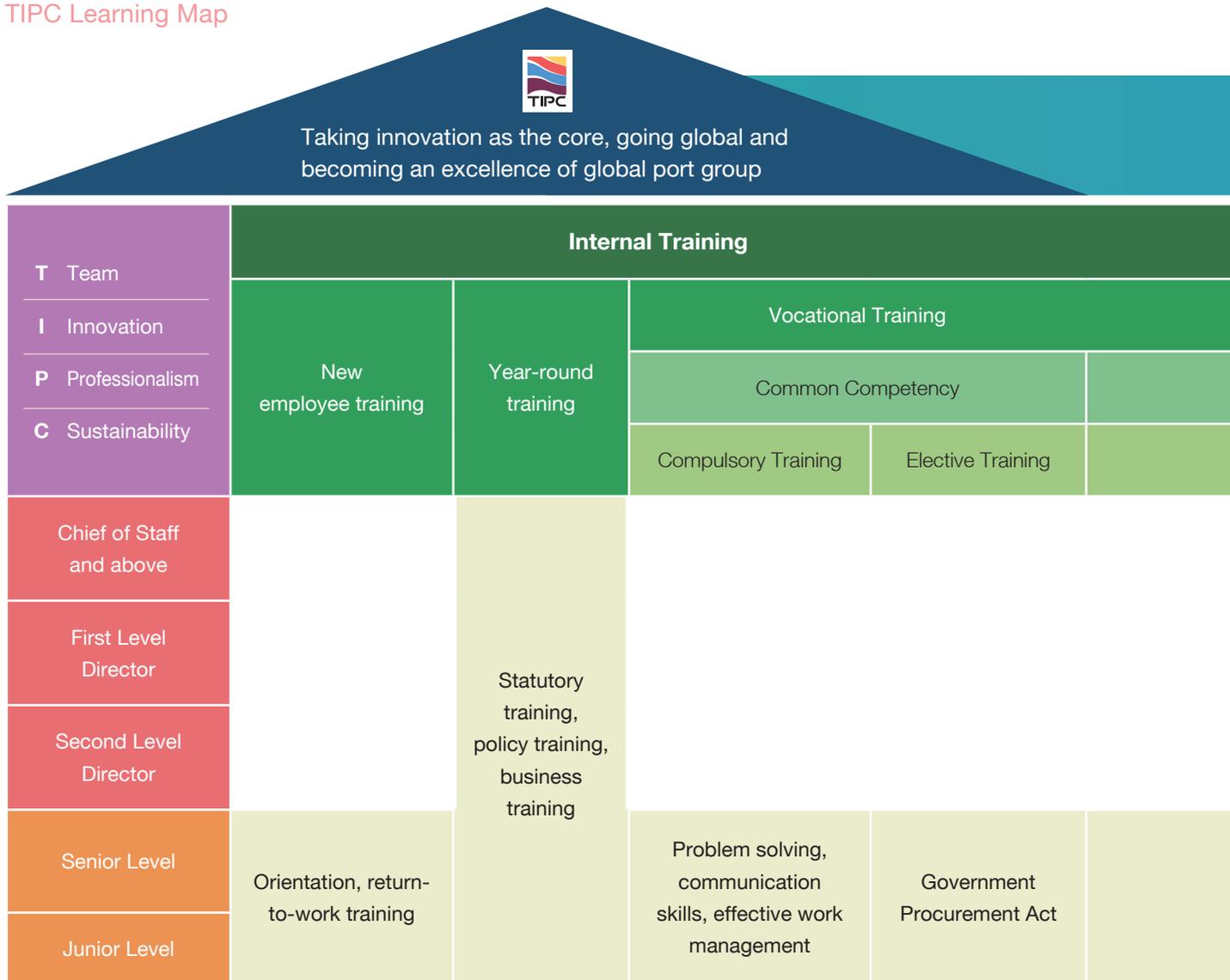
Note: The assessment ratio is calculated until the end of 2023, in accordance with the relevant regulations of our company regarding performance evaluations. The aforementioned ratio does not include employees who have been employed for less than 6 months in the current year or have accumulated less than 180 days of employment (excluding temporary employees).

Training Course Planning

In order to allow each colleague to find their right fit and unleash their full potential, our company values career planning for our employees and actively arranges comprehensive skill development and training. In 2023, the average training hours per employee were 35.6 hours, with an average training cost of NT\$ 11,864 per person.

Human development focuses on enhancing professional skills, management expertise, and strengthening human resources training. We have established five categories of course planning groups, with personnel above the rank of Chief of Staff serving as conveners, and the General Manager presiding over course planning meetings to confirm their content and execution. Satisfaction surveys are conducted after each course (with an average satisfaction rate of over 90% in 2023), which serves as a reference for planning future courses.

TIPC Learning Map





					External Training		
Functional Competency			Management Competency	Promotion Training		Domestic Professional Training	Overseas Professional Training
Beginner	Intermediate	Advanced		Second level	First level		
			Elite Seminars, leadership programs	Advanced program		Laws and regulations, business Improvement	Business improvement, observation learning and exchange
Engineering, Business, Port and Harbor, Administration, Emerging Businesses				Development program			

Internal Training

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.



- New Employee Training**
 - Arrange a 5-day comprehensive basic course to cultivate a preliminary understanding of the company's operational environment.
 - In 2023, a total of 3 sessions of new employee training were conducted, with a total of 78 new employees participating.
- Return Training**
 - Approximately 3 to 6 months after the new employee training, a one-day retraining session is scheduled, focusing on the work experiences of the new employees through activities and discussions.
 - In 2023, a total of 2 sessions of retraining for new employees were conducted, with a total of 71 participants.
- TIPC Partner Implementation Plan**
 - Before the new employees report for duty, senior partners are selected to provide guidance on the professional knowledge, skills, and experience required for their work. They offer consultation and assistance to enhance the learning efficiency of new employees and facilitate their quick integration into the TIPC team.
 - In 2023, a total of 4 training sessions for senior partners were held, with 84 participants. Additionally, 8 exchange events for senior partners were organized, with a total of 180 participants.



Training for Newcomers



Re-entry Training for New Employees



◆ Annual Training

To comply with government regulations, support national policies, and meet the company's operational needs, various annual training courses for employees were conducted in 2023 with a total of 85 courses and 5,241 participants. Additionally, to enrich employees' perspectives and enhance their understanding of new trends in port-related areas, while fulfilling corporate social responsibility, a series of Outlook Seminar courses were planned starting from 2023. These seminars were open not only to company employees but also to some members of the CIQS clearance team and port-area operators. In 2023, one seminar was held, with James Wang, Vice President and Director of the Green Energy & Environment Research Laboratories at the Industrial Technology Research Institute, serving as the speaker. The seminar attracted a total of 71 participants, including 15 members from the CIQS clearance team and port-area operators.

◆ 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 Competencies

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

▶ Common Competencies (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. The activities conducted in 2023 are explained as follows:

Category	Sessions	Participants
Team Communication Skills	8	170
Problem Solving	6	141
Efficient Work Management	6	147
Total	20	458

▶ Common Competencies (Elective)

Under the "Common Competencies" category, there are two subcategories: "Procurement Law Series" and "Workplace Skills." The planning of courses in these categories takes into account the common competencies needed by employees and gathers feedback from post-course questionnaires from the previous year. The course offerings are reviewed annually based on this feedback. Here is the summary of the courses offered in 2023:

Courses	Shift	Participants
Introduction to Procurement Operations Workshop (including Company's Procurement Manual and Responsibility Assignment)	1	15
Tender Opening, Evaluation, and Awarding Process Regulations and Common Mistakes	1	18
Contract Management, Contract Amendments, and Acceptance Practices Advanced Seminar	3	45
Analysis and Prevention of Common Performance Disputes in Information Service Procurement	1	10
Analysis of Common Performance Dispute Types and Cases in Engineering and Technical Service Procurement	1	9
Analysis and Prevention of Common Performance Disputes in Goods Procurement	1	13
Training on Optimal Bid and Minimum Pass Score in Procurement Operations	1	13
Learning Presentation Skills from TED Talks	1	24
Mobile Video Production Short Course	1	20
Comprehensive Excel VBA for Enhanced Work Efficiency	4	91
Precision in Inquiry	3	57
Total	18	315



Common Functional Training



• **Professional Competency 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. The activities conducted in 2023 are explained as follows:

Category	Sessions	Participants
Projects	5	100
Port Operations	8	138
Operations	3	50
Emerging Businesses	2	37
Administration	5	75
Total	23	400



Professional Competency Training



• **Management Skills**

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

▶ **Supervisor Consensus Camp**

In 2023, the Executive Management Consensus Camp featured a documentary screening of "Good Morni MIT", prompting senior executives to contemplate how to further implement ESG practices within the company. Meanwhile, the Midlevel Management Consensus Camp organized a "Team Building Workshop" consisting of outdoor challenges such as team-based competitions and building a giant domino structure. Through gamified learning experiences, supervisors were guided to reflect on their daily team management and leadership practices, fostering cross-team collaboration and communication through shared feedback. The Executive Management Consensus Camp was conducted once with 129 participants, while the Midlevel Management Consensus Camp was held twice with a total of 192 participants.

▶ **Elite Seminars**

To expand the cross-disciplinary knowledge of our managerial staff, the company regularly organize Prospect Lectures and Elite Seminars, inviting professional speakers from various fields to share their successful business experiences and innovative insights. In 2023, a total of 7 sessions were held, with 225 participants.



Executive Management Consensus Camp



Elite Seminars

Seminar Topics	Participants
Brief Discussion on Corporate Transformation: Far EasTone's Digital Transformation Sharing	42
45 Years of Experience in the Maritime Industry & Global Container Shipping Outlook for 2023-2024	29
Case Study on Taiwan's Old Building Preservation and Regeneration Plan	32
Net Zero Pathway for a Sustainable Taiwan	26
Prospective Development Strategies for Smart Transportation in Taiwan	25
Building Resilient and Sustainable Cruise Port Cities: A Case Study of the Cruise Industry	38
Cultivating Future Talent and Social Practice	33
Total	225



► Six-Star Supervisor Training

Since 2022, the company has implemented the Six-Star Supervisor Training Program, which includes six core training modules. Each year, two specific topics are selected for midlevel supervisors. This year's training topics are "Performance Management and Performance Interviews" and "Intergenerational Communication and Leadership." The aim is to refine supervisors' skills and enhance their leadership capabilities, enabling them to lead their teams effectively and achieve the company's sustainable development goals. In the first half of 2023, six sessions on "Performance Management and Performance Interviews" were conducted, with a total of 151 participants. In the second half of 2023, six sessions on "Intergenerational Communication and Leadership" were held, with a total of 153 participants.

► Collaboration with the Ministry of Foreign Affairs to conduct the "Pacific Allies Maritime and Port Authority Personnel Training Cooperation Program"

In order to deepen the exchanges between Taiwan and Pacific allies in various aspects of maritime affairs, port operations, and personnel training, the Ministry of Foreign Affairs specifically commissioned the company to conduct a six-day "Pacific Allies Maritime and Port Authority Personnel

Training Cooperation Program". This marks the company's first initiative in planning and executing an international training activity. Participants from allied nations (Nauru, Palau, Marshall Islands, and Tuvalu, a total of 15 individuals) came to Kaohsiung Port to learn about port development planning, port safety management, port tariffs, pricing, and other related courses. They also had practical demonstrations on port container terminal operations and equipment maintenance.

The training program integrates static coursework, port visits, and experience sharing among nations, with company employees serving as course instructors. This effectively facilitates participants in expanding their networks, exchanging ideas, and gaining a deeper understanding of knowledge and applications related to port operations and management.

► International Affairs Talent Training

Since 2020, the company has conducted training programs focused on international affairs and guest reception to cultivate company seed trainees. This year, the professional foreign language tour guide training institution, Meetup Formosa, was invited to provide instruction. The training included one-on-one immersive English speaking experiences, practical dining etiquette exercises, paired English tour guide simulation courses, group writing of English tour scripts, and presentation practice. These activities aimed to enhance the participants' English speaking skills and poise, establishing a strong foundation for guest reception abilities. In 2023, two sessions were held, each lasting five days, with a total of 37 participants.



Midlevel Management Consensus Camp



Six-Star Supervisor Training



International Affairs Talent Training



Pacific Allies Maritime and Port Authority Personnel Training Cooperation Program

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 2023, a total of 336 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 2023, the training activities in this category were postponed to prioritize national epidemic prevention policies and ensure the health and safety of employees.

4.2.2 Welfare and Retirement System

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 2023, TIPC allocated a total of NT\$ 35.77 million for employee welfare expenses.



Employee Travel and Activities

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.



Consolation fund/ Subsidies

1. Consolation funds/subsidies for employees' work-related injuries hospitalization
2. Consolation funds/subsidies for employees' illness/injury hospitalization
3. Consolation funds/subsidies for employees and their family members' funeral/mourning
4. Consolation funds/subsidies for employees' retirement
5. Consolation funds/subsidies for employees during festive seasons (Chinese New Year, Dragon Boat Festival, Mid-Autumn Festival)
6. Consolation funds/subsidies for employees' birthday celebrations
7. Subsidies for employees' marriage and childbirth
8. Respect for elderly employees (direct relatives) activities
9. Subsidies for children's education
10. Subsidies for club activities
11. Group insurance (accident insurance, medical insurance)



Childcare

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.

The company charges fees according to the regulations of non-profit kindergartens. Currently, the tuition fee for the first child is NT\$ 2,000, for the second child is NT\$ 1,000, and the third child attends for free, helping young parents alleviate their financial burden.



Employee Travel



Employee social activities



TIPC Family Day



Employee outdoor hiking activity

Advanced Study Incentives

To encourage employees to pursue further education during their spare time, in 2023, TIPC provided subsidies for employees to pursue higher education at colleges and universities. Employees were eligible to apply for a maximum subsidy of NT\$ 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 91 employees applied for the subsidy, and 42 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 NT\$ 4.76 million was allocated for these incentives in 2023.

Digital Learning Platform

The company has established the ALOHA online learning platform to enrich and provide more self-improvement resources for employees. The platform digitizes internal courses for online learning, covering topics such as emerging trends, skill development, EAP employee assistance, group discussions, expert advice, and ongoing training. In 2023, a total of 3,783 employees participated in online learning through this platform. Additionally, the company purchased accounts from two leading online learning platforms in Taiwan,

HAHOW and YOTTA, for employee use. In 2023, 589 and 628 employees borrowed accounts from HAHOW and YOTTA, respectively, for online learning.

In response to rapid changes in the global economic and trade landscape and the development of emerging technologies, the company purchased 350 sets of the Business Edition of the Innovation Academy online courses from MasterCheers at the end of 2023. Each set of accounts was provided to every manager in the company. The aim is to empower company managers to adapt to changing situations, enhance their technological management and leadership skills, and cultivate their own learning paths and rhythms through diverse learning channels.

In order to encourage self-learning among colleagues and promote reading, the company has purchased various online learning resources for free access by employees. The usage of these resources in 2023 is as follows:

Usage of the online learning platform in 2023		
	Knowledge Base of Commonwealth Magazine	3,378 logins and 60,418 articles read
	Hami Bookstore monthly reading package	136,779 minutes of reading time and 96,052 chapters read.
	Management School	11,091 minutes of reading time and 2,756 articles read
	Business Weekly Electronic Magazine	11,734 minutes of reading time and 1,459 articles read

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 NT\$ 113,855,014 was allocated for retirement benefits, accounting for 7.03% of the company's total annual salary expenses of NT\$ 1,625,587,101.

In 2023, 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 NT\$ 350,000 in 2023. 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.

4.2.3 Labor-Management Communication

Good labor-management interaction is one of the important conditions for stable operation of an enterprise. To enhance employee efficiency, promote business development, TIPC has established a management system. In addition to establishing "Work Rules" in accordance with Labor Standards Act, the company clearly defines the rights and obligations of both labor and management, and provides various communication channels. Furthermore, the TIPC Enterprise Labor Union was established in 2012 from the perspective of the labor sector to develop production enterprises, promote member unity, safeguard member rights, improve member lives, and enhance member capabilities. The company continues to work together with the enterprise labor union to enhance the rights and benefits of employees.

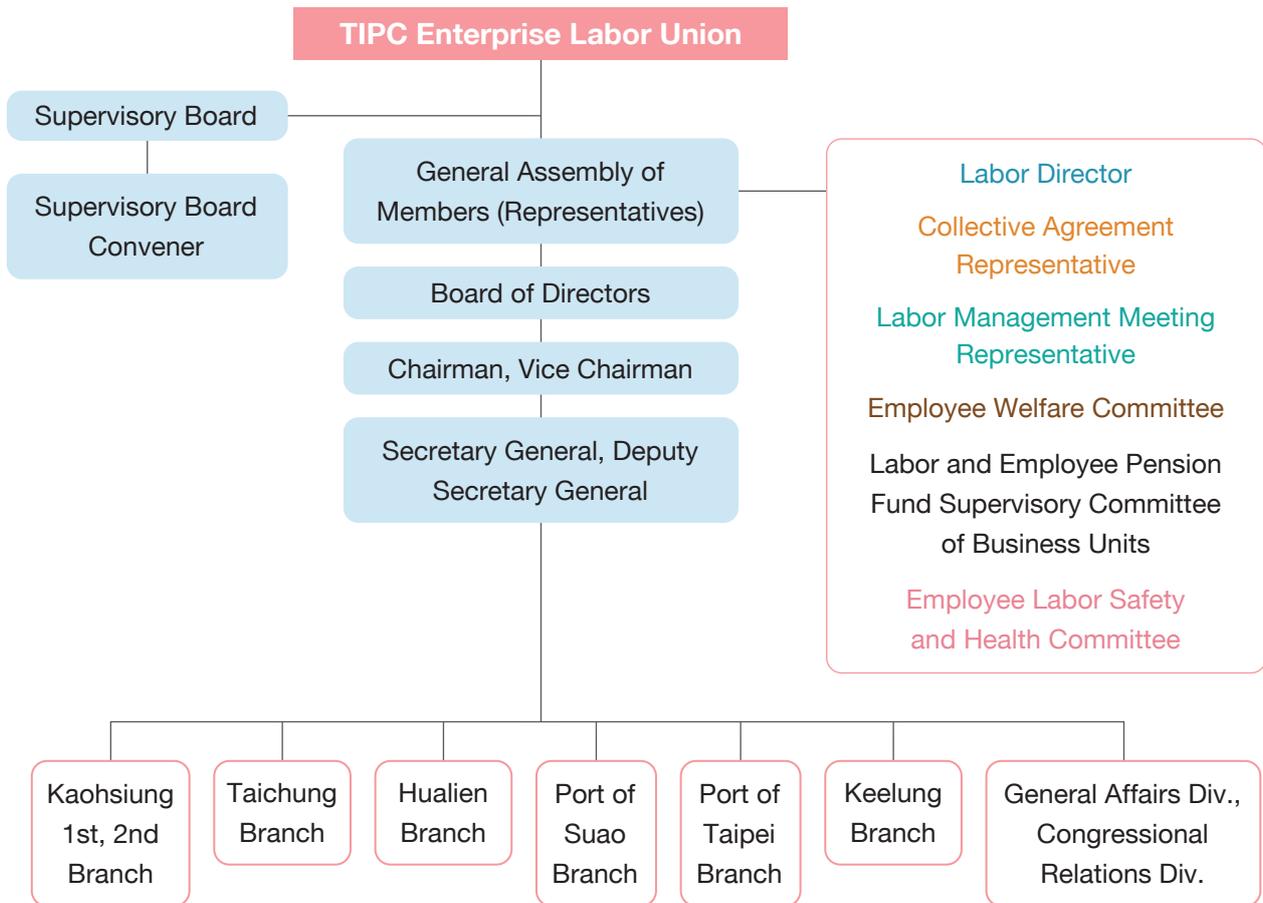
In November 2017, TIPC signed a collective agreement with the enterprise labor union. The agreement covers personnel transfers, rewards and penalties, assessments, safety and health, and occupational accident compensation, fully ensuring the rights of employees. Currently, 91.3% of employees are covered by the agreement. Those not covered are still protected according to company regulations regarding their rights and benefits.

Enterprise Labor Union

The TIPC Enterprise Labor Union is composed of employees from the headquarters and various ports. According to Article 14 of the Labor Union Act, all male and female employees over 18 years old who work within the jurisdiction of the enterprise union are required to join the union, except for executive personnel such as the chairman, general manager, and managers representing the employer in exercising management rights.

The General Meeting of Members (representatives) is the highest authority of the union, consisting of 42 representatives elected by members from various units. Meanwhile, the Board of Directors acts as the highest authority during the recess of the General Meeting of Members, comprising 15 directors elected by representatives. The Chairman of the Board is directly elected by all members, representing the union and handling daily affairs, with a General Affairs Division and six task forces underneath to facilitate routine operations. The Supervisory Board serves as the oversight body for the Board of Directors, consisting of five supervisors (including one convener) elected by representatives. As of the end of 2023, the Collective Agreement covered 91.3% of employees. Additionally, within the Board of Directors, there are also five labor directors, ensuring the voices of employees are fully represented.

TIPC Enterprise Labor Union



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 2023, a total of 20 labor-management meetings were held, with 352 participants and a total of 5 business association coordination meetings were held, with 109 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



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.

4.2.4 Diversity and Inclusion

TIPC values and cares about employee rights, adopts humane management practices, and strictly complies with relevant laws and regulations for public servants and labor. 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. This plan also 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 2023, there were no incidents of human rights violations or discrimination involving hired employees.



Human Rights Compliance

- ✓ Compliance with Labor Standards Act
- ✓ No incidents involving discrimination
- ✓ No employment or use of child labor
- ✓ No incidents of forced or compulsory labor
- ✓ No violation of aboriginal rights
- ✓ No restrictions on employees' freedom of association or collective bargaining

As a state-owned enterprise, 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.

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 2023, a budget of NT\$ 703,500 was allocated for the Employee Assistance Program counseling services. Additionally, a budget of NT\$ 601,000 was allocated for organizing related courses or seminars for the Employee Assistance Program. For TIPC's Family Day, a total budget of NT\$ 300,000 was allocated.



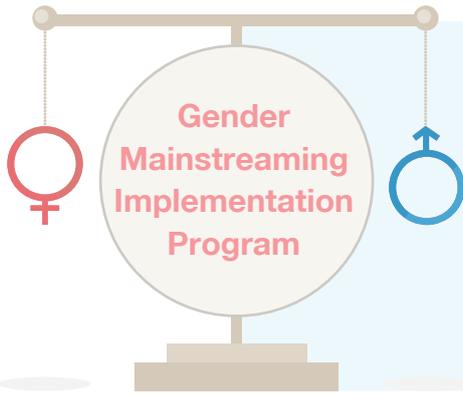
The company also provides tailored assistance programs for retiring employees. In addition to offering retirement pension calculation services, to assist retiring employees in cultivating interests and encouraging lifelong learning, a "Survey on the Needs of Retiring Employees and Assistance Measures" was conducted in 2023. This aimed to understand the needs of retiring colleagues and their preparedness for retirement life. Based on the survey results, the company developed tailored care programs for its retiring workforce, planning to offer diverse courses or seminars on photography, financial management, and aging well. This initiative promotes lifelong learning and self-development, helping retiring employees address potential challenges in adapting to life after retirement.

Human Rights and Gender Equality

To achieve and promote gender equality, TIPC has established a Gender Mainstreaming Implementation Plan. Internally, it conducts gender mainstreaming courses and launches campaigns for a friendly workplace environment. Externally, it engages in gender equality advocacy activities. In 2023, through 41 physical campus recruitment events (including 22 corporate presentations and 19 job fairs) and setting up gender equality advocacy booths in company events, the company distributed self-made gender equality L-Type folder and posters to promote gender mainstreaming concepts.

In 2023, a total of 22 human rights-related training sessions were conducted, covering gender mainstreaming, creating a friendly workplace, household division of labor, breaking gender stereotypes, LGBTQ+ issues, unconscious bias elimination, CEDAW, and more. A total of 1,884 individuals were trained, with overall 1,930 employees (excluding those on leave without pay and full-time support staff from TIPM) participated, reaching the percentage of 97% trained, accumulating a total training time of 6,378 hours.





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

TIPC holds three gender equality working meetings every year to monitor the progress of the implementation of the annual gender mainstreaming program. The directors, along with external experts and scholars, conduct internal reviews of the company's gender equality policy and company regulations based on CEDAW regulations. Additionally, they visit the company's passenger service centers, 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.



1. Facilitate service delivery, ensure efficiency and fairness, and develop appropriate and correct services.
2. Expand community participation, value feedback from service recipients, and provide quality services with a sense of purpose.
3. Open government governance, establish a transparent and trustworthy cooperation environment, and promote innovative value-added services.



Gender Friendly Environment Visit (2023)

Gender Equality Complaint And Investigation

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	02-24206508	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#2512	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 Coast Passenger Center, West Coast Passenger Center	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

4.3 Health and Safety

4.3.1 Occupational Health and Safety Management

TIPC is committed to enhancing occupational health and safety management performance and promoting workplace safety and health. Guided by the core principles of caring for employees, contractors, port operators, and implementing occupational health and safety measures, we actively prevent occupational accidents and strive to provide employees and stakeholders with a safe and healthy working environment. We continuously cultivate a safety culture with the participation of all employees and promote a "safety and healthy" friendly workplace culture to achieve the ultimate goal of zero occupational accidents. Our aim is to shape the image of TIPC as an internationally recognized enterprise with excellent workplace safety and health standards. To achieve the goal of zero accidents, TIPC is committed to and implements an occupational health and safety policy.

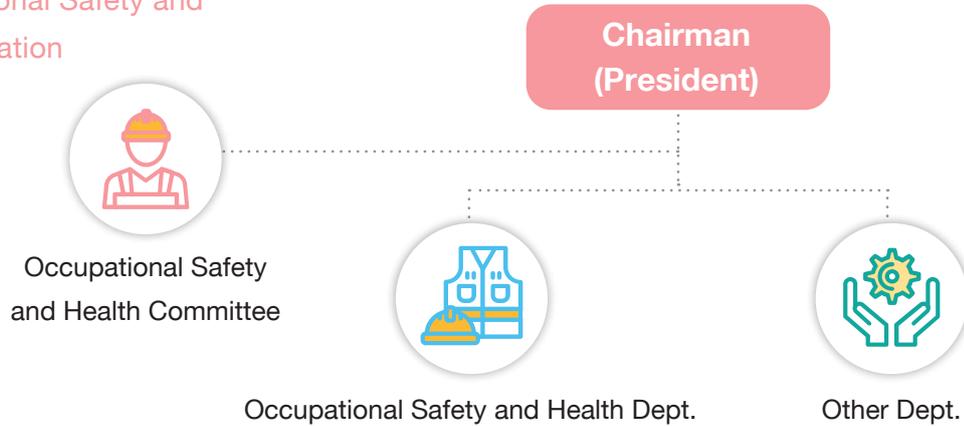


Occupational Safety and Health Committee

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. According to Article 23 of the Occupational Safety and Health Act, Article 10 of the Occupational Safety and Health Management Regulations, and the Regulations for the Establishment of the Occupational Safety and Health Committee of TIPC, the company has established the Occupational Safety and Health Committee which consist of 21 members, with 7 representing labor (one-third of all committee members). The chief executive officer (general manager) convenes meetings regularly every 3 months, where suggestions are made regarding the company's occupational safety and health policies. The committee also coordinates, recommends, reviews, and evaluates the company's compliance with statutory occupational safety and health

management matters. Through this mechanism, the company ensures that its occupational safety and health management operations comply with regulatory requirements and continuously improves and enhances its management standards.

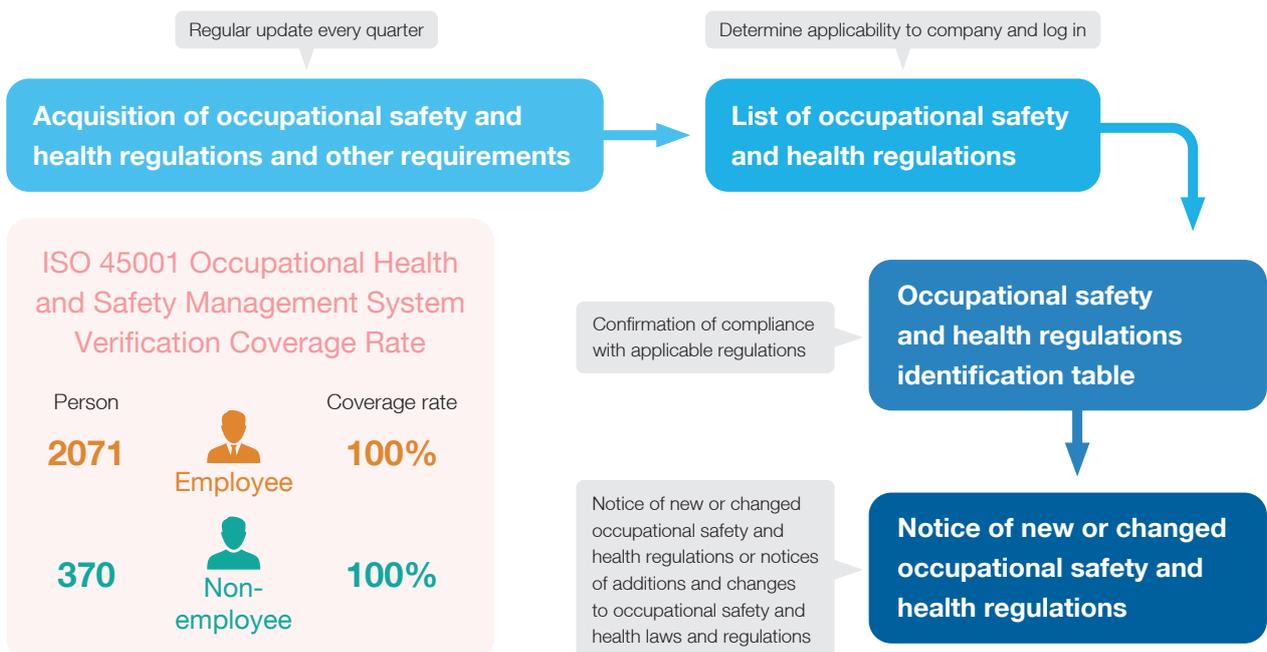
TIPC Occupational Safety and Health Organization



Occupational Safety and Health Management System

The procedures and content of the Occupational Safety and Health Management System of TIPC are mainly based on the company's occupational safety and health policy, with reference to the principles of ISO 45001/TOSHMS standards as the framework. These are then tailored to actual operational procedures. To keep abreast of occupational safety and health regulations and other occupational safety and health issues and requirements from stakeholders, TIPC has established procedures for regulatory identification management within 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

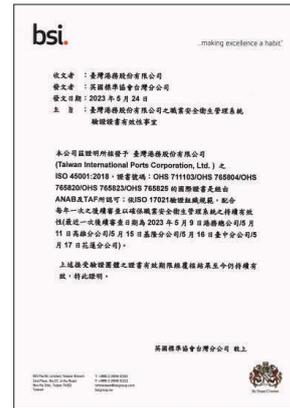


ISO 45001 Occupational Health and Safety Management System Verification Coverage Rate		
Person		Coverage rate
2071	Employee	100%
370	Non-employee	100%

TIPC has implemented the ISO 45001 Occupational Health and Safety Management System to enhance awareness and importance of safety and health among all levels of employees. By the end of May 2022, all divisions of the company (headquarters and branches in Keelung, Taichung, Kaohsiung, and Hualien) have successfully passed the ISO 45001/TOSHMS dual-system verification (certificate valid from June 12, 2022, to June 11, 2025). Furthermore, in May 2023, all divisions successfully passed the BSI surveillance audit. This demonstrates the company's firm commitment to workplace safety and health, highlighting its ongoing dedication to safety culture.



TIPC ISO/CNS 45001:ISO45001(2018) and TOSHMS certification



TIPC ISO/CNS 45001:ISO45001(2018) and BSI surveillance audit

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. Electronization 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

4.3.2 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 and ensuring employee workplace safety and health.

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

- 1.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.
- 2.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.
- 3.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.
 - (1)Unannounced inspections of high-risk operations on a quarterly basis.
 - (2)Supervising the subsidiary branches' implementation of Guidance on Safety and Health Management for Loading and Unloading at Harbor Terminals.
 - (3)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.
- 4.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.
- 5.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.

To prevent any accidents from occurring, random and unannounced coaching visits are conducted for high-risk terminals or those that have experienced accidents during loading and unloading operations to check the safety and health self-management of the operations. Additionally, participation in joint coaching visits organized by the Maritime Port Bureau or local branches is periodic. Furthermore, each month, the local branch reports on the implementation of safety and health management in the inspected port terminals, and continuous rolling reviews and controls are conducted.

Occupational Safety and Health Training

To enhance the proficiency of TIPC personnel in the Occupational Safety and Health Management System, training and education needs from various units are planned and consolidated according to the current situation and requirements. An annual training plan is implemented, with a focus on relevant units and colleagues within the company. When necessary, consideration is given to stakeholders such as port authorities, private enterprises, external stakeholders, and contractors. This includes both in-house training and external training, with sessions conducted by professional instructors. The company conducts general occupational safety and health education training for new employees in accordance with the Occupational Safety and Health Education and Training Regulations, achieving a coverage rate of 100% in 2023. For more information on occupational safety and health-related training in 2023, please refer to Appendix Three: Friendly Interaction Information.

Training Type	Specific Training Plan
Internal training	General or specific occupational safety and health education/training, health seminars, internal audits training for occupational safety and health, regulatory identification training, hazard identification and risk assessment training, and occupational safety and health education/training for relevant personnel involved in related operations.
External Training	Depending on the requirements of the supervisory authority or the business needs of each unit.



On-the-job training for employees



New employee orientation and training.

4.3.3 Employee Health Management

To implement the workplace health policy for its employees, the company has established the Employee Health Management Procedure and Employee Health Service Plan. Each year, funds are allocated for health check-ups, which are provided to employees free of charge. The scope and frequency of these check-ups exceed current legal requirements, demonstrating the company's commitment to caring for employee health. Additionally, a Health Management Service Center is established, staffed with nurses specializing in occupational health services, offering employees timely access to professional health advice and assistance.



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 2023, 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).

- **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 2023, the participation rate for in-service employee health checks was 98.1%, with 1,071 individuals participating out of 1,092 scheduled individuals. Those who did not participate were adjusted to the next year's implementation due to personal reasons.

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)	1,071	34
Inspection fee (NT\$ thousands)	4,819.5	25.76

- The company designs various health promotion programs annually targeting different potential health issues among employees, such as obesity, aging, and sedentary lifestyles. These programs include activities like leadership summit challenge, employee expeditions to Yushan, weight loss courses, vegetarian lifestyle dietary courses, aerobic exercises, gym experiences, and mountain climbing training.



Workplace Diversity Health Promotion Series Healthiest Eating: DIY Low-Carb (Healthy) Menu Workshop



Mindfulness Art Therapy



Mount Guanyin Hiking Activity



Supervisor Summit Challenge



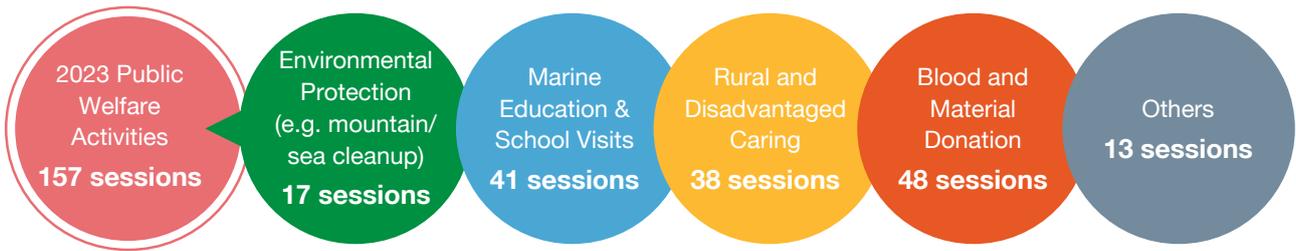
Employee Expedition to Yushan



JS Jazz Sculpture Course

4.4 Social Welfare

TIPC has been actively engaged in public welfare since its establishment, committed to fulfilling corporate social responsibility. It continuously spreads warmth and love to every corner of society without interruption, actively promoting goals such as environmental protection, corporate sustainability, social welfare, and the inheritance of maritime culture. Upholding the principle of "from the society and for the society", it conveys love and ensures that the company's care reaches every vulnerable individual in need of assistance.



"Sunlit Ports, Brightening Lives" Charity Event



"Encounter with Nishan" Rural Charity Event



"Donate a Bag, Love in Port" Blood Donation Event



"Making Mooncakes, Spreading Happiness" Handmade Mooncake Charity Event



"Green Blossoms in the Harbor" Tree Planting Event



Budai Port Beach Cleaning Activity

In 2023, TIPC subsidized a total of 215 units, including local community activities in the vicinity of the company or its branches (townships, towns, districts). Beneficiaries included legally established unions, fishery associations, trade associations, sports clubs, or educational, cultural, and social welfare organizations with charitable purposes, with a total subsidy amounting to NT\$ 2,870,173.



"Guarding the Ocean, Leading the Way" Beach Cleaning Activity



"SDGs - Education for All, Providing Computers to Remote Areas" Activity



One-Day Volunteer Activity for the 12th Anniversary Celebration of the Wuchi Station by the Huashan Foundation



"2023 Ocean Mobilization" Public Welfare Summer Camp



2023 World Bicycle Day - Bicycle Carnival and Island-wide Cycling Event

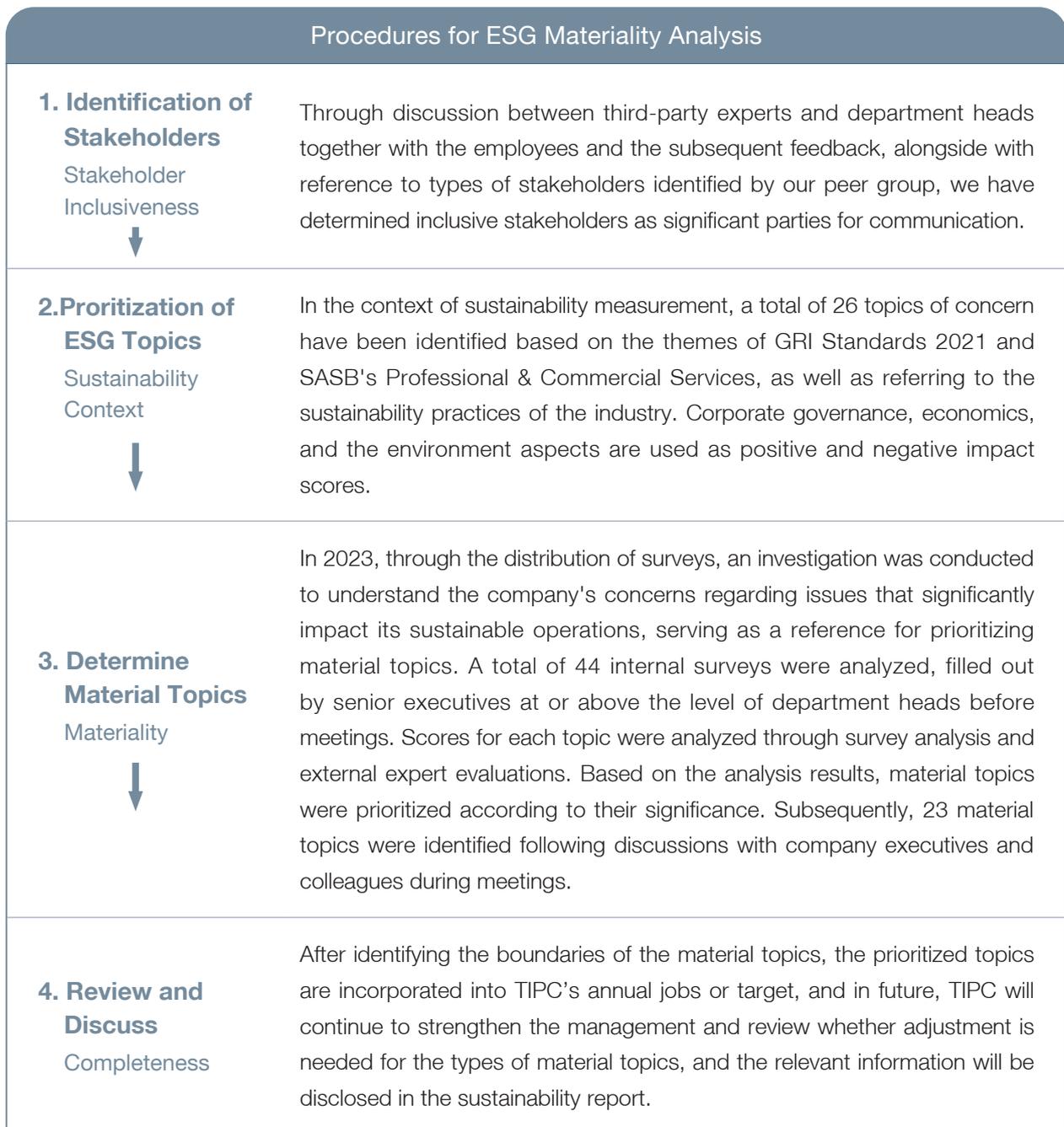


"Join us for the Marine" Education Workshop Camp

Chapter 5: Appendices

Appendix I: Stakeholder Engagement

TIPC adheres to the eight reporting principles of the GRI Standards 2021: Accuracy, Balance, Clarity, Comparability, Completeness, Sustainability Context, Timeliness, and Verifiability, in conducting materiality analysis. The four-stage sustainability issue management process is as follows:



Stakeholder Identification

In order to achieve its goals and vision of sustainable management, TIPC has identified stakeholders relevant to its operations across three aspects: Environmental, Social, and Governance (ESG), following the stakeholder identification criteria of GRI Standards 2021. These stakeholders include shareholders/investors, government, employees, equity investment companies, legislators, customers, 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, totaling 14 categories. External experts have assessed the actual or potential, positive or negative impacts of the company on economic, environmental, and human (including human rights) aspects. Following the assessment, discussions were immediately held regarding the results. Based on actual operational conditions, shareholders/investors, government, employees, equity investment companies, legislators, customers, suppliers/contractors, county and city governments, community residents/local groups, media, experts and scholars, non-profit organizations/non-governmental organizations, and public associations, totaling 13 categories, were confirmed as stakeholders of the TIPC for the year 2023.



Stakeholder Communication

TIPC continually improves its business operations and maintains diverse communication channels to listen to stakeholders' voices. It respects and upholds their legitimate rights and interests, adhering to principles of integrity in business conduct, promptly and appropriately addressing their concerns. The outcomes of negotiations and communications with stakeholders are reviewed for effectiveness, with adjustments made for future engagements as necessary.



Shareholders/Investors

Concerned Issues of Stakeholders

- Regulatory compliance
- Climate change risks and opportunities
- Operational risk management
- Green investments
- Economic performance
- Integrity governance
- Business model optimization and innovation
- Information security

Stakeholders' significance to the company

Our company is a state-owned enterprise wholly owned by the Ministry of Transportation and Communication (MOTC), with the ministry being the sole shareholder. All directors and supervisors are appointed by the MOTC.

Communication channels

Board of Directors
Board of Supervisors
Agenda Committee
Official documents, emails, phone

Communication frequency

meets once every 3 months as a general principle
meets once a year
meets prior to the Board of Directors meeting as a general principle
Irregularly

Communication outcomes in 2023

- In 2023, 4 board meetings were held with an average attendance rate of 91%.
- The Agenda Committee met 4 times in 2023 to screen and review agenda items before submitting them to the Board of Directors. The Board of Supervisors met once in 2023 to review the company's "2022 Annual Business Report", "2022 Annual Financial Statements" and "2022 Distribution of Earnings", issuing an audit report.
- In 2023, there were 2 reports to the Board of Directors on the cybersecurity situation of TIPC.



Government Authorities

Concerned Issues of Stakeholders

- Regulatory compliance
- Supplier management
- Greenhouse gas emissions
- Energy management

Stakeholders' significance to the company

As a state-owned enterprise, guidance from government regulatory authorities is crucial for TIPC in advancing sustainable development initiatives.

Communication channels

Division of Harbor and Airport Green Energy Industry in Transportation Technology Industry Policy of MOTC
Transmission of forms, records, reports, documents, official documents, electronic transmission, etc.
Meetings, conferences, phone

Communication frequency

Twice a year (one in the first half and one in the second half)
Monthly, annually
Monthly, annually

Communication outcomes in 2023

- In 2023, two meetings were held by the division of Harbor and Airport Green Energy Industry in Transportation Technology Industry Policy of MOTC, hosted by the chairman of TIPC.
- A public-private partnership involving citizens and relevant stakeholders in the maintenance of coastal cleanliness:
 - ✓ In line with the Salute to the Sea policy, 2,537.4 metric tons of general trash, 325.9 metric tons of resource recycling trash, and 429.6 metric tons of driftwood were removed, for a total of 3,292.8 metric tons of marine debris. The total volume of waste oil and water collected from the ship was 8,021.53 metric tons.
 - ✓ Vessel waste removal totaled 2,147.95 metric tons. Greenhouse gas inventories have been conducted since 2015 and have been verified by a third party.



Employees

Concerned Issues of Stakeholders

- Employee engagement
- Employee benefits
- Human resource development
- Occupational safety and health

Stakeholders' significance to the company

Employees are important operational partners for TIPC, and we value their needs and opinions.

Communication channels

Communication frequency

Internal journal	Monthly
Gender Equality Task Force	Once every 4 months
HR Caring Service Mailbox	Irregularly
Labor-management meetings	Irregularly
Colleague communication forums/seminars	Quarterly
Business association coordination meetings	Irregularly
Occupational Safety and Health Committee	Irregularly

Communication outcomes in 2023

- Internal journal "Taiwan Ports" published a total of 12 issues in 2023, with a total of 347 articles and a total click rate of 18,765.
- In 2023, no employees used the service mailbox for inquiries. Currently, employees from various departments directly use the phone to ask personnel-related questions.
- In 2023, 20 labor-management meetings were held with a total attendance of 352 participants.
- In 2023, 45 industry collaboration coordination meetings were held with a total attendance of 109 participants.
- Minutes of the Employee Welfare Committee.



Equity Investment Businesses

Concerned Issues of Stakeholders

- Climate change risks and opportunities
- Green investment
- Indirect economic impact
- Greenhouse gas emissions
- Circular economy

Stakeholders' significance to the company

TIPC had established equity investment businesses and aimed to achieve the benefits of diversified operations and talent development. The operational and financial performances of the equity investment businesses also contributed to the overall net income after-tax of TIPC

Communication channels

Communication frequency

Pre-board meetings	Quarterly
Business communication platform	Irregularly

Communication outcomes in 2023

- A total of 26 meetings were held in the year 2023.



Legislators

Concerned Issues of Stakeholders

- Regulatory compliance
- Local Community

Stakeholders' significance to the company

The concerns and inquiries of legislators are the driving force behind the continuous growth of TIPC, which helps to clarify and address issues of public concern.

Communication channels

Phone calls, communication software, fax, and written correspondence
 Legislative Yuan committee meetings.
 Attending Coordination Meetings (including Public Hearings)

Communication frequency

Irregularly (Handled according to directives from the legislature or higher authorities)

Communication outcomes in 2023

- Providing policy information within the deadline set by offices of legislators.
- Attending coordination meetings to address the concerns raised by the committee members.
- In 2023, a total of 423 meetings were attended, including coordination meetings, public hearings, and forums (Headquarter 260 times, Keelung Branch 63 times, Taichung Branch 67 times, Kaohsiung Branch 28 times, and Hualien Branch 5 times).



Customers

Concerned Issues of Stakeholders

- Regulatory compliance
- Customer's privacy
- Operational risk management
- Customer service quality
- Information security

Stakeholders' significance to the company

Customers are important partners in the port operations of TIPC, and we are committed to providing them with excellent service quality.

Communication channels

Telephone, email, and face-to-face meetings
 Organize business-related seminars and briefings
 Present the Golden Ship Award to outstanding performers during the company's anniversary celebration
 International certification

Communication frequency

Instantaneous
 Regular/irregularly
 Regularly
 Regularly

Communication outcomes in 2023

- A dedicated contact window is established to maintain good communication and promptly handle relevant matters regarding feedback.
- The Golden Ship Award, awarded based on operational performance in 2023, highlights achievements in overcoming challenges and promoting clean sustainability. A total of 35 companies received awards, with special recognition given to outstanding achievements in the cruise industry and active carbon reduction efforts.
- 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 eight times.



Suppliers/Contractors

Concerned Issues of Stakeholders

- Regulatory Compliance
- Operational risk management
- Supplier management
- Customer service quality
- Information security
- Occupational safety and health
- Greenhouse gas emissions
- Air pollution
- Energy management

Stakeholders' significance to the company

TIPC values suppliers who undertake the company's projects, labor, goods, and other procurement needs. We aim to collaborate with them as partners to achieve mutual success and sustainable growth together.

Communication channels

Workshop/seminar for collaborating suppliers, working meetings

Forms, reports, documents, diagrams, announcements, company websites, electronic transmission, etc.

Meetings, conferences, phone calls, presentations, guidance, broadcasts, drills, physical demonstrations, etc.

Communication frequency

Convene regular or irregular meetings as needed for each specific case.

Irregularly

Biannual awareness campaign

Communication outcomes in 2023

- Timely two-way communication with contractors to address needs, and adherence to regulations and procedures in handling procurement contracts, enhancing procurement operations.
- For suppliers contracting information services with TIPC, cybersecurity terms and conditions are clearly defined in contracts and outsourcing agreements to specify cybersecurity standards.
- In 2023, a total of 6 ISMS (Information Security Management System) training sessions were conducted to help suppliers understand TIPC's information security policies and required cybersecurity measures.
- 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 2023, a total of 44 inspections were conducted, including 3 construction inspections by the Public Construction Commission, 26 construction inspections by the MOTC, 15 inspections conducted by the Head Office on behalf of departments, 8 project supervisions, and 29 unannounced spot checks (56 cases).
- Number of awareness sessions Held (including Contractor Safety and Health Promotion Meetings, Workshops on Improving Safety and Health Facilities in Business Units, International Port Occupational Injury Prevention Seminars, "Dock Handling Safety Occupational Hazard Prevention and Traffic Safety" Awareness Sessions): 50 sessions with a total of 1,523 participants.



County and municipal government

Concerned Issues of Stakeholders

- Regulatory compliance
- Operational risk management
- Supplier management
- Economic performance
- Integrity governance
- Business model optimization and innovation
- Safety management of port operations
- Occupational safety and health

Stakeholders' significance to the company

The county and city governments serve as the local supervisory authorities for TIPC's various commercial ports. There are 7 board seats held by representatives from the local governments of the port areas under their jurisdiction. Active two-way communication with each county and city government is conducted to promote mutual prosperity and development of the ports and cities.

Communication channels

Communication frequency

Board of Directors	regular meetings held once every 3 months as a general rule
Harbor-City Platform Meetings	Harbor-City Cooperation Platform or related discussion meetings (irregular)
Emails, and phone	Irregular
Official documents	Twice a year

Communication outcomes in 2023

- In 2023, four board meetings were held with an average attendance rate of 91%.
- Port area has been zoned for different business development purposes by TIPC and implemented investment and development with characteristics of local industry. Through communication with local government-established port-city platforms, TIPC dedicated efforts to diversify land development in port areas, ex. continuing to promote investment and development of Passenger Terminal at east and west side of Keelung port, transforming and developing old area in Kaohsiung Port, and enhancing the effectiveness of port development.
- TIPC continues to promote digital transformation of ports, discuss development direction of smart port with local governments, and subsume suggestions of local government into the future development of TIPC.
- According to the regulations of Earnings Appropriation and Distribution of Taiwan International Ports Corporation, Ltd.



Community residents/local organizations

Concerned Issues of Stakeholders

- Air pollution
- Local community
- Biodiversity

Stakeholders' significance to the company

To foster harmony and prosperity in the surrounding areas (townships and districts) of our company and its subsidiaries, and to enhance the corporate image, we aim to establish harmonious relationships with the community.

Communication channels

Communication frequency

Our company and its subsidiary's surrounding communities (townships and districts) can apply for funding under the TIPC Guidelines for the Use of Community Neighborly Funds for community groups or charitable organizations.	Cases from private community groups or charitable organizations (can be) applied periodically and as needed.
--	--

Communication outcomes in 2023

- In 2023, TIPC provided subsidies (donations) to a total of 215 units of private community groups or charitable organizations, with a total amount of NT\$ 2,870,173.



Media

Concerned Issues of Stakeholders

- Regulatory compliance
- Integrity governance
- Indirect economic impact
- Local community

Stakeholders' significance to the company

Press media serves as a bridge between TIPC and our stakeholders. Therefore, positive image of the company was strengthened through media coverage of company-related news.

Communication channels

Proactively issuing press releases
Issuing clarification of press releases in response to public sentiments.
Communicating and exchanging information via phone, communication

Communication frequency

Weekly
Real-time
Irregular

Communication outcomes in 2023

- 278 news releases were published.
- 7 clarification statement was released in response to media reports.
- Published 18 advertisements and 6 reports in 11 international media outlets.



Experts and scholars

Concerned Issues of Stakeholders

- Climate change risks and opportunities
- Greenhouse gas emissions
- Air pollution
- Energy management
- Circular economy
- Gender equality

Stakeholders' significance to the company

TIPC values the recommendations provided by experts and scholars, incorporating them into operational decision-making to enhance port operational efficiency.

Communication channels

Forums/promotional meetings/visits
Mid-term and final report review meetings
Gender Equality Task Force meetings

Communication frequency

Once every 4 months
Irregularly
Review meetings will be convened based on operational needs.

Communication outcomes in 2023

- Held SEE THE FUTURE Port of the Future Conference in 2023 showcasing new technologies and applications of renewable energy and offshore wind power in ports. The summit included 3 keynote speeches and attracted approximately 500 professionals.
- Implementation of "Assessment of Port Structures Affected by Abnormal Weather Conditions" from 2023 to 2025.
- Implementation of "Evaluation of Reusing Harbor Sediments in Engineering Materials" from 2022 to 2023.
- Implementation of "Enhancement of Harbor Structure Maintenance and Management Operations" from 2022 to 2026.
- Assisted the company in promoting the annual Gender Mainstreaming Implementation Plan.
- Conducted annual visits to assess gender-friendly environments, providing recommendations for company terminals and office environments to meet diverse user needs.



Non-profit organizations/Non-governmental organizations

Concerned Issues of Stakeholders

- Air pollution
- Biodiversity
- Local community

Stakeholders' significance to the company

TIPC values the local community by actively responding to public and social issues of concern raised by non-profit organizations. We collaborate with them to provide valuable suggestions for company policy-making, thereby fostering a mutually beneficial and constructive two-way communication.

Communication channels

Mid-term and final report review meetings

Organizing various charitable activities

Communication frequency

Convene review meetings as required

Approximately 2-3 meetings per month

Communication outcomes in 2023

- Conduct "Port Area Ecological Assessment Research Commissioned to Professionals" for 2023-2024.
- Enhance corporate image and fulfill corporate social responsibilities.



Public associations

Concerned Issues of Stakeholders

- Operational risk management
- Supplier management
- Economic performance

Stakeholders' significance to the company

Through communication and exchange of opinions with public and academic associations, we provide crucial recommendations on issues such as port area development and policy adjustments.

Communication channels

Phone calls, emails, and meetings for communication.

Organizing business-related seminars and briefings.

Phone calls, emails, and visits as needed to promote business operations

Communication frequency

Real-time

Irregularly

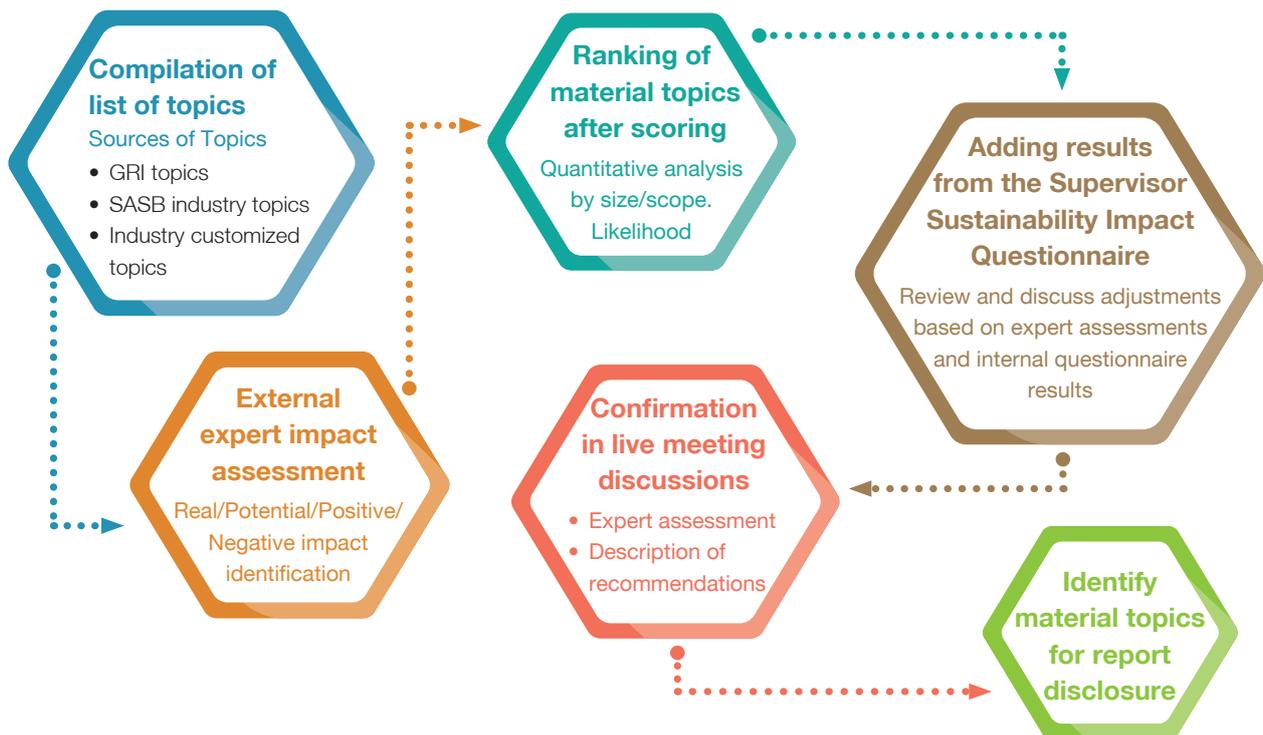
Irregularly

Communication outcomes in 2023

- The Chinese Institute of Transportation holds an annual meeting and international academic conference with 8 thematic sessions, where the Maritime Port Bureau and our company alternately host and co-organize the sessions on maritime topics.
- A dedicated liaison office is established to maintain effective communication and promptly address relevant feedback.
- Solicit and communicate on issues related to port area development, investment promotion needs, business rates, or policy adjustments.
- Attended 2 major events such as the general meetings organized by related public associations.

Appendix II: Identification and Management of Material Topic

In the process of preparing the sustainability report, TIPC has incorporated materiality analysis following the GRI Standards 2021 and SASB guidelines for Professional & Commercial Services. It also incorporated themes and referred to the sustainable practices of peer companies. A total of 26 relevant topics were selected, evaluated by external experts on their actual or potential negative impacts and positive contributions to the economy, environment, and people (including human rights). The assessment considered the requirements and concerns of international sustainability initiatives and potential investors regarding corporate sustainability issues. Each topic was scored based on actual negative impacts, potential negative impacts, actual positive contributions, and potential positive contributions to the economy, environment, and society. Additionally, a cross-analysis was conducted with 44 questionnaires filled out by senior executives within TIPC. Topics with an average score of 3 or above, indicating significant impacts on sustainable operations in economic, environmental, and social aspects, were identified as material topics. These topics will serve as the reference basis for the material topics and information disclosure in the 2023 sustainability report.

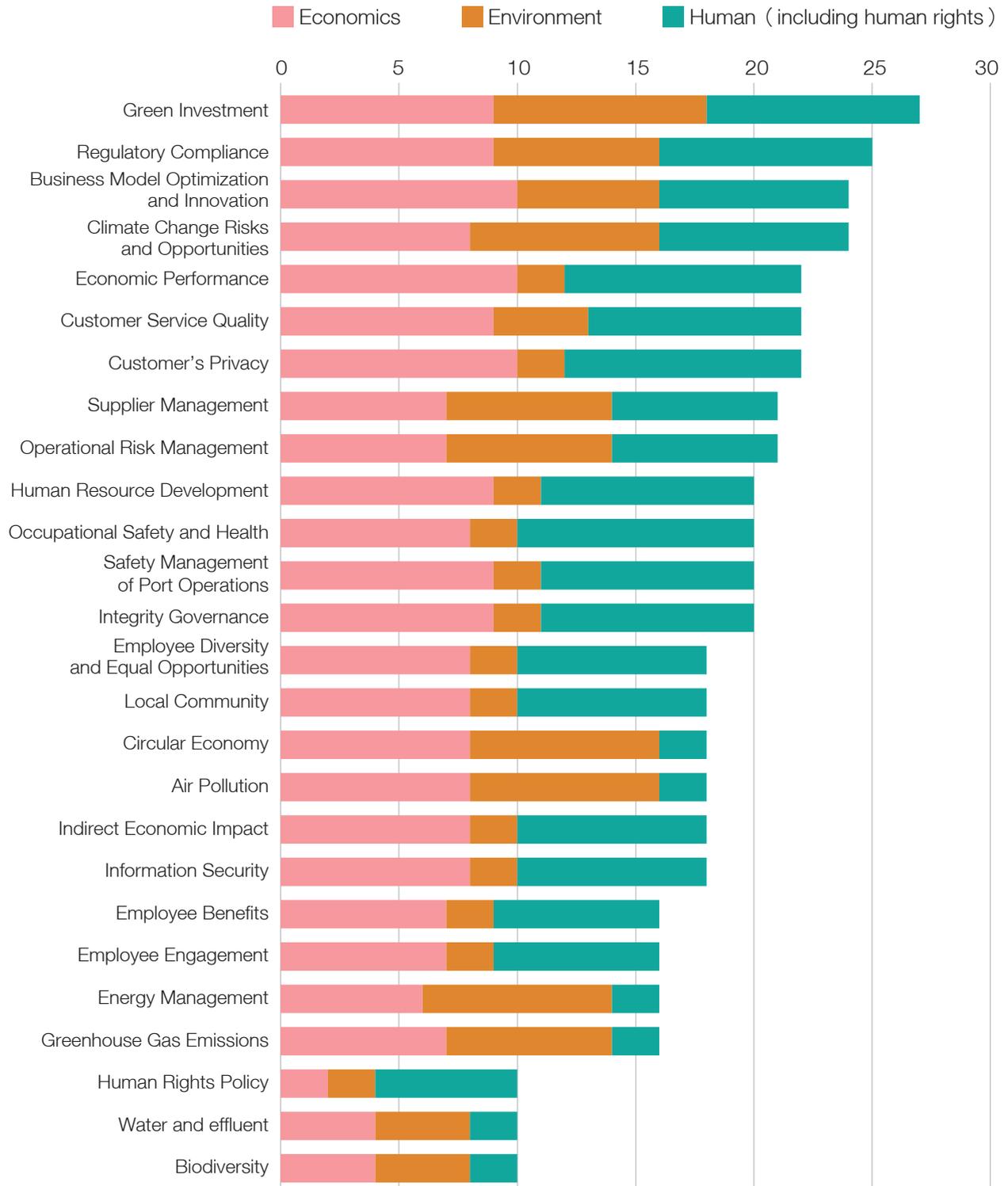


Ranking of Material Topic

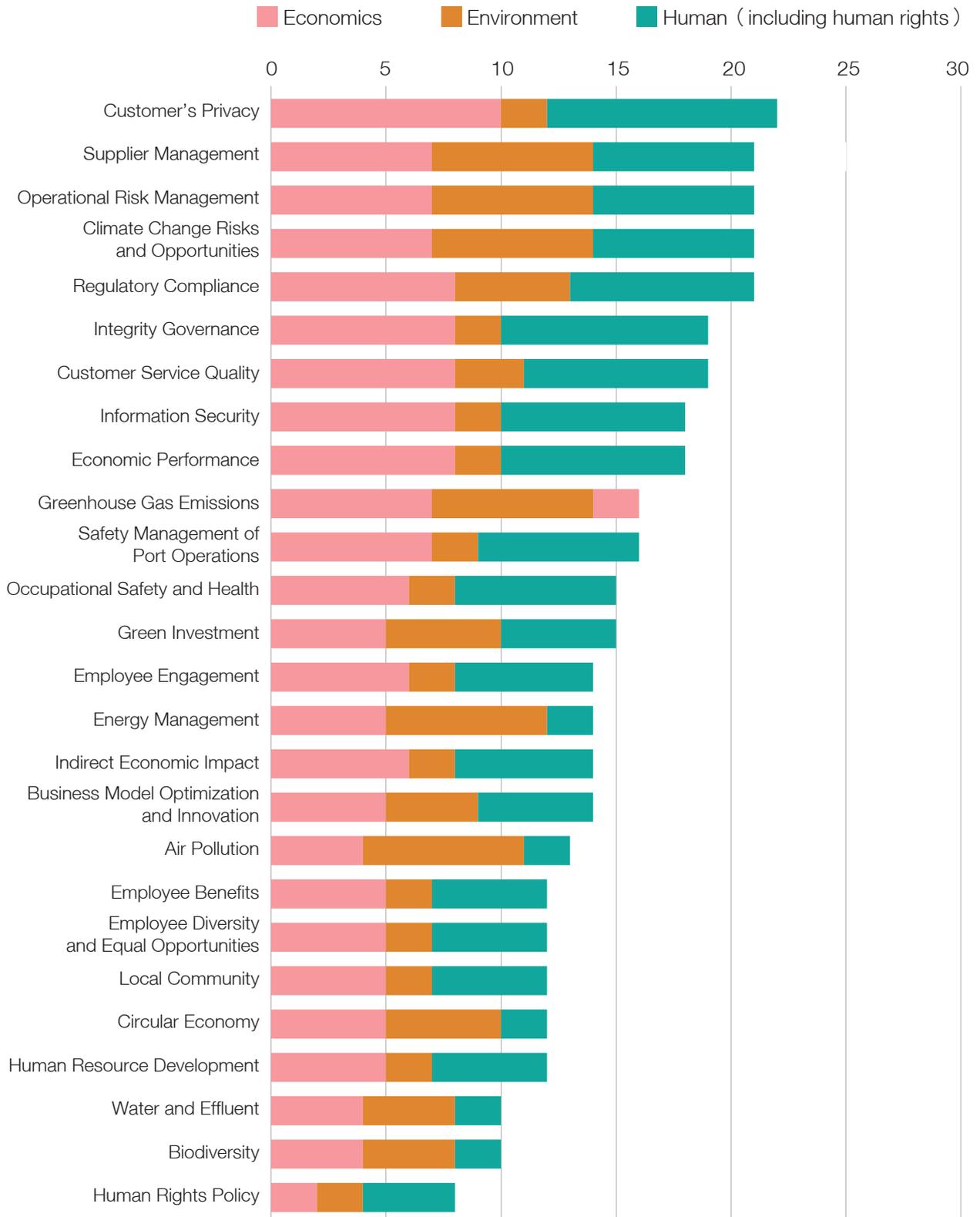
TIPC, based on external expert ratings and questionnaire analysis and internal meetings, combining with the results of years of stakeholder consensus, adjusted the material topics for 2022. The category of "social and economic regulatory compliance" and "environmental regulatory compliance" were merged into "regulatory compliance". The category of "climate-related financial disclosures" were adjusted to "climate change risks and opportunities". The category "energy" was adjusted to "energy management". "Occupational integrity" was adjusted to "integrity governance". "Risk management" was adjusted to "operational risk management." "Business model innovation" was adjusted to "business model optimization and innovation."

Additionally, five new topics were added: "Supplier management," "Green investment," "Safety management of port operations," "Human resource development," and "Circular economy." Furthermore, three themes, including "Smart port", "Training and education", and "Employee diversity and equal opportunities," were included in the content. A total of 23 significant material topics were identified for 2023.

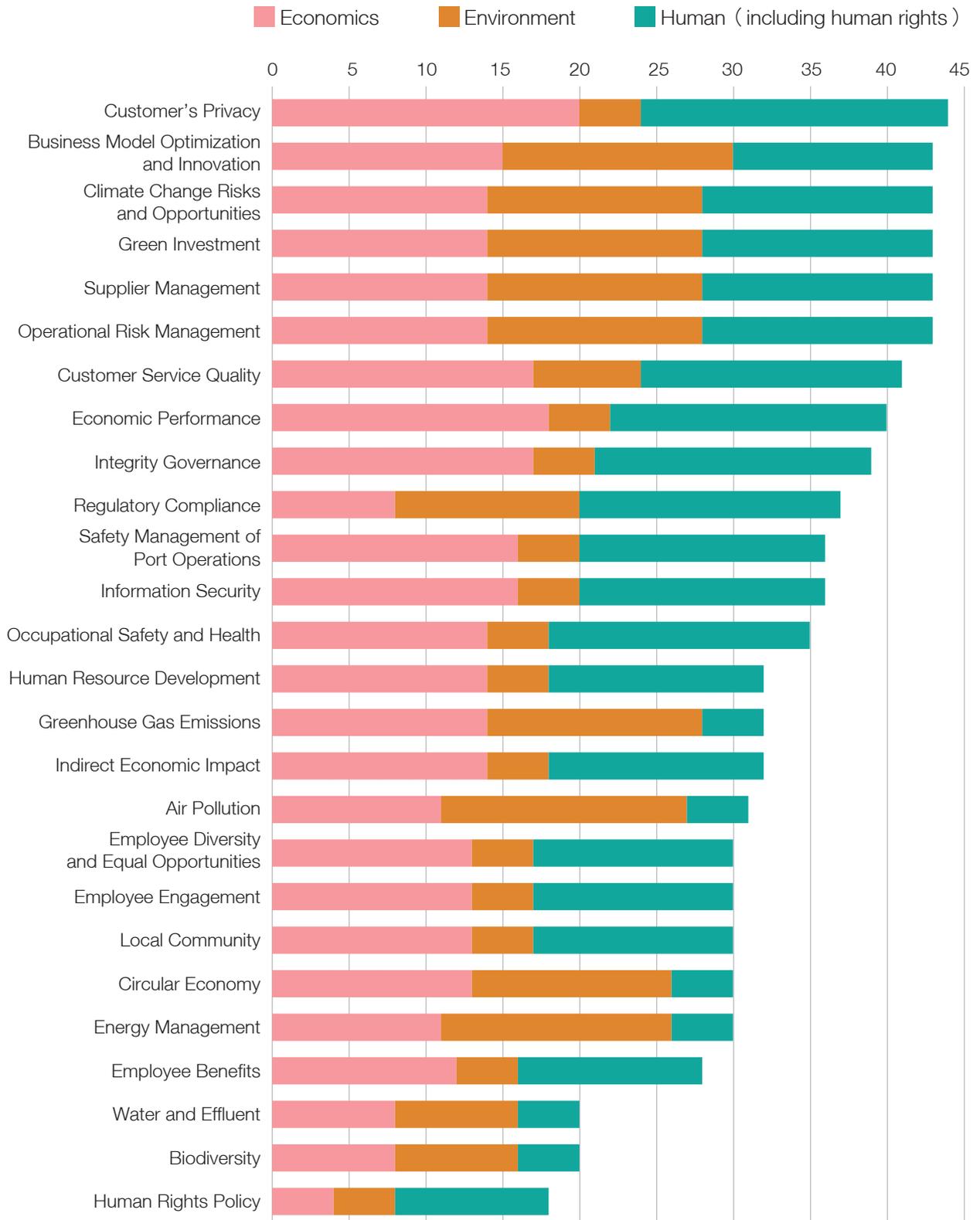
Positive Impact Ranking of TIPC Materiality



Negative Impact Ranking of TIPC Materiality



Integrated Ranking of Material Impacts by TIPC



Value Chain Boundaries of the Material Topics		TIPC Value Chain Boundaries of the Material Topics			
Material Topic (Corresponding to GRI/ SASB/Customized Topic)	Chapter	TIPC	Equity Investment Businesses	Customers	Supplier/ Contractors
		Regulatory Compliance (GRI 2-27)	CHAPTER 1: BUILDING PORT SUSTAINABILITY AND RESILIENCE	■	■
Climate Change Risks and Opportunities (Customized Topic)	CHAPTER 1: BUILDING PORT SUSTAINABILITY AND RESILIENCE	■	■		
Customer's Privacy (GRI 418)	CHAPTER 1: BUILDING PORT SUSTAINABILITY AND RESILIENCE	■		▲	▲
Operational Risk Management (Customized Topic)	CHAPTER 1: BUILDING PORT SUSTAINABILITY AND RESILIENCE	■	■	▲	▲
Supplier Management (Customized Topic)	CHAPTER 3: CREATING A LOW-CARBON ENVIRONMENT	■			▲
Green Investment (Customized Topic)	CHAPTER 1: BUILDING PORT SUSTAINABILITY AND RESILIENCE	■	■		
Customer Service Quality (Customized Topic)	CHAPTER 2: ENHANCE DIVERSIFIED AND INNOVATIVE SERVICES	■	■	▲	▲
Economic Performance (GRI 201)	CHAPTER 1: BUILDING PORT SUSTAINABILITY AND RESILIENCE	■	■	▲	▲
Integrity Governance (Customized Topic)	CHAPTER 1: BUILDING PORT SUSTAINABILITY AND RESILIENCE	■	■	▲	▲
Business Mode Optimization and Innovation (Customized Topic)	CHAPTER 2: ENHANCE DIVERSIFIED AND INNOVATIVE SERVICES	■	■	▲	
Information Security (SASB)	CHAPTER 1: BUILDING PORT SUSTAINABILITY AND RESILIENCE	■		▲	▲
Safety Management of Port Operations (Customized Topic)	CHAPTER 2: ENHANCE DIVERSIFIED AND INNOVATIVE SERVICES	■	■		▲
Occupational Safety and Health (GRI 403)	CHAPTER 4: ESTABLISHMENT OF FRIENDLY AND MUTUALLY BENEFICIAL RELATIONSHIPS			▲	▲
Indirect Economic Impact (GRI 203)	CHAPTER 3: CREATING A LOW-CARBON ENVIRONMENT				
Air Pollution and GHG Emissions (GRI 305)	CHAPTER 3: CREATING A LOW-CARBON ENVIRONMENT	■	■	▲	▲
Human Resource Development (Customized Topic)	CHAPTER 4: ESTABLISHMENT OF FRIENDLY AND MUTUALLY BENEFICIAL RELATIONSHIPS	■			
Air Pollution (GRI 305)	CHAPTER 3: CREATING A LOW-CARBON ENVIRONMENT	■	■	▲	▲
Energy Management (GRI 302)	CHAPTER 3: CREATING A LOW-CARBON ENVIRONMENT	■		▲	▲
Circular Economy (Customized Topic)	CHAPTER 3: CREATING A LOW-CARBON ENVIRONMENT	■	■		▲
Local Community (GRI 413)	CHAPTER 4: ESTABLISHMENT OF FRIENDLY AND MUTUALLY BENEFICIAL RELATIONSHIPS	■			
Employee Engagement (SASB)	CHAPTER 4: ESTABLISHMENT OF FRIENDLY AND MUTUALLY BENEFICIAL RELATIONSHIPS	■	■		
Employee Benefits (Customized Topic)	CHAPTER 4: ESTABLISHMENT OF FRIENDLY AND MUTUALLY BENEFICIAL RELATIONSHIPS	■			
Biodiversity (GRI 304)	CHAPTER 3: CREATING A LOW-CARBON ENVIRONMENT	■			

■ Causing □ Contributing ▲ Directly related

Appendix III: ESG Information Disclosure



Corporate Governance Information

Board of Directors Diversity and Core Competencies

Title	Name	Gender	Nationality	Transportation	Business Management	Accounting and Taxation
Chairman	Lee, Hsien-Yi	Male	Republic of China	●	●	
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			●
Board Director	Wu, Pei-Chuan	Female	Republic of China			
Board Director	Yu, Chien-Hwa	Male	Republic of China	●	●	
Board Director	Tai, Hui-Huang	Male	Republic of China	●	●	
Board Director	Jang, Jing-Jong	Male	Republic of China	●		
Board Director	Chang, Hsin-Wen	Female	Republic of China	●	●	
Board Director	Lin, Li-Chu	Female	Republic of China	●		●
Board Director	Hsieh Kuo-liang	Male	Republic of China		●	
Board Director	Chen, Shu-Mei	Female	Republic of China		●	●
Board Director	Kuo, Tien-Kuei	Male	Republic of China	●	●	
Board Director	Yeh, Chao-Fu	Male	Republic of China	●	●	
Board Director	Ho, Chao-Hsi	Male	Republic of China			
Board Director	Lin, Mao-Sheng	Male	Republic of China	●		
Board Director	Su, Chiu-Te	Male	Republic of China	●	●	
Board Director	Sung, Meng-Chiao	Male	Republic of China		●	
Board Director	Lu, Chen-Tai	Male	Republic of China		●	
Board Director	Tsai, De-Ming	Male	Republic of China	●	●	
Board Director	Huang, Ying-Liang	Male	Republic of China	●	●	
Board Supervisor	Hsu, I-Chuan	Female	Republic of China			●
Board Supervisor	Chang, Shin-Yi	Male	Republic of China		●	●
Board Supervisor	Huang, Jyh-Yuan	Male	Republic of China	●	●	
Board Supervisor	Lin, Hsuan-Chu	Male	Republic of China		●	●
Board Supervisor	Huang, Wang-Hsiu	Male	Republic of China	●	●	●

Risk Management	Law	Technology Information Applications	Engineering and Construction	Sustainability Professionalism	Other Professionalism
			●	●	Water resources management, river regulation
●	●	●			
●	●	●	●		
●				●	
	●				Customs regulations
	●				
●			●	●	
		●		●	Port and terminal operations, shipping management, shipping carbon emission calculation module
●			●		
				●	Tourism planning, urban planning
	●				
●	●				Land administration
	●		●	●	Environmental landscape ecology
			●		
●	●		●	●	Age-friendly facilities, urban planning
	●		●		
					Labor-management coordination, group welfare
●	●				
●					Mechanical application management
					Organizational development, industrial democracy and labor participation
●					Labor-management coordination and communication
●					Internal control and internal audit
●				●	Internal control and internal audit
●			●	●	Harbor engineering
●				●	
●	●	●		●	

Board of Directors Experience				Statistical Period: 2023.01.01~2023.12.31
Title	Name	Date of initial (elected) appointment	Major Academic Experience	Current position(s) in the company and other companies (organizations)
Chairman	Lee Hsien-Yi	2020.03.26	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 <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 	<ul style="list-style-type: none"> • Chairman of Taiwan International Ports Corporation, Ltd.
Board Director	Chen, Shao-Liang	2019.06.17	Master's degree of Business Administration Program, Department of Business Administration, National Dong Hwa University <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 Yang-Ming Marine Transport Corp.
Board Director	Chen, Jin-Sheng	2021.05.19	M.S. in Accounting and Management Decision Making, National Taiwan University School of Management Institute of Transportation, National Chiao Tung University Department of Traffic and Transportation Management, National Cheng Kung University <ul style="list-style-type: none"> • Counselor of MOTC • Chief Secretary, MOTC • Section Chief, Chief Technical Officer, Deputy Director, Director of Department Of Navigation and Aviation, MOTC 	<ul style="list-style-type: none"> • Director of Department of Industrial Development and International Affairs for Transportation
Board Director	Jeng, Peir-Fuh	2021.03.15	M.A., Institute of Public Affairs, Tunghai University <ul style="list-style-type: none"> • Taiwan Provincial Government Chairman Vacant Executive Yuan Authorization to Act as Provincial Government • Member of the Nuclear Energy Back-end Fund Management Committee • Director of Taiwan Provincial Election Commission • Secretary General of Taiwan Provincial Government 	None
Board Director	Liu, Li-Li	2018.03.13	Department of Finance and Taxation, National Chengchi University <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	M.A. in English for Asian Pacific Studies, National Chengchi University <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"> • Senior Executive Officer, Immigration Division, National Immigration Agency, Ministry of the Interior
Board Director	Yu, Chien-Hwa	2020.06.08	Ph.D., Department of Environmental Engineering, National Taiwan University <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 	<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 of Directors Experience				Statistical Period: 2023.01.01~2023.12.31
Title	Name	Date of initial (elected) appointment	Major Academic Experience	Current position(s) in the company and other companies (organizations)
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"> • Dean, College of Marine Commerce, National Kaohsiung University of Science and Technology • 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 	<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
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 (Lifetime 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 the Tourism Advisory Group, MOTC 	<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"> • Senior Executive Officer, 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	Hsieh Kuo-liang	2023.01.19	<p>M.S. in Technology Management, MIT Sloan School of Management</p> <ul style="list-style-type: none"> • Chairman, Hualien Media International • Chairman, Hsieh Ching-Yun Foundation • Initiator, Xiao-Ai's Father Public Welfare Platform • Director, The Eisenhower Fellows Association in the Republic of China(EFA) • Members of the Legislative Yuan of 6th-8th Legislators 	<ul style="list-style-type: none"> • Mayor, 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; Chair, Department of Real Estate Management; Professor, Department of Real Estate Development and Management, Kun Shan University of Science and Technology • 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 of Directors Experience				Statistical Period: 2023.01.01~2023.12.31
Title	Name	Date of initial (elected) appointment	Major Academic Experience	Current position(s) in the company and other companies (organizations)
Board Director	Kuo, Tien-Kuei	2016.10.11	National Sun Yat-sen University, Taiwan, M.A., Institute of Political Science <ul style="list-style-type: none"> Deputy Secretary General, Kaohsiung City Government Director, Maritime Port Bureau, MOTC President, TIPC 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
Board Director	Yeh, Chao-Fu	2023.02.21	Transportation Ph. D Ecole doctorale Ville, Transports et Territoires, Universite de Paris-Est, France <ul style="list-style-type: none"> Associate Professor, Department of Transportation and Logistics, Feng Chia University Assistant Professor, Department of Transportation and Logistics, Feng Chia University Senior Executive Officer, Transportation Bureau of Taichung City Government 	<ul style="list-style-type: none"> Director, Transportation Bureau of Taichung City Government
Board Director	Lin, Mao-Sheng	2023.01.03	Master of Civil and Construction Engineering, National Taiwan University of Science and Technology Master of Law, Soochow University <ul style="list-style-type: none"> Secretary General, Yilan County Government Deputy Director of Public Works Department; Director of Maintenance Office; Director of Procurement Office, New Taipei City Government Section Chief of Public Construction Commission, Executive Yuan 	<ul style="list-style-type: none"> Deputy Magistrate, 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 <ul style="list-style-type: none"> 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; Director, Civil Engineering Section, Chiayi City Government (Promoting the Zhuweizi Rezoning Project) 	<ul style="list-style-type: none"> 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 <ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Chief Executive Officer of the Employee Welfare Committee of TIPC
Board Director	Sung, Meng-Chiao	2023.04.25	Masters of Financial Economic Law, National Dong Hwa University <ul style="list-style-type: none"> Contract employee, Staff, TIPC Contract employee, Port of Hualien, TIPC Legal staff, law firm 	<ul style="list-style-type: none"> Manager of Contract Management Dept., Port Business Dept., Port of Hualien, TIPC
Board Director	Lu, Chen-Tai	2012.03.01	B.S. in Business Management, Chung Chou University of Science and Technology <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 of Directors Experience				Statistical Period: 2023.01.01~2023.12.31
Title	Name	Date of initial (elected) appointment	Major Academic Experience	Current position(s) in the company and other companies (organizations)
Board Director	Tsai, De-Ming	2015.03.06	M.S., National Kaohsiung University of Science and Technology, Institute of Shipping and Transportation Management <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	Army Officer's School (Educational Level Code: Two-Year College Program), Business Management Division <ul style="list-style-type: none"> Director and Secretary General of the Port of Kaohsiung Enterprise Union of TIPC 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, I-Chuan	2023.08.15	Master of Accounting, Providence University <ul style="list-style-type: none"> Senior Executive Officer, Department of Accounting and Statistics, Office of the President Republic of China (Taiwan) Director, Department of Accounting, Environmental Protection Administration Deputy Director; Assistant Director-general; Senior Executive Officer; Senior Inspector; Section Chief, Directorate-General of Budget, Accounting and Statistics, Executive Yuan 	<ul style="list-style-type: none"> Director, Department of Accounting and Financial Reporting, Directorate-General of Budget, Accounting and Statistics, Executive Yuan
Board Supervisor	Chang, Shin-Yi	2017.01.16	M.S., National Taiwan University, Graduate School of Accounting <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, Jyh-Yuan	2023.07.16	Master of Hydraulics and Ocean Engineering, National Cheng Kung University <ul style="list-style-type: none"> Deputy Director, Department of Technology, Public Construction Commission Senior Technical Specialist, Deputy Director, Department of Construction Management, Public Construction Commission 	<ul style="list-style-type: none"> Deputy Director, Department of Transportation, Environment and Natural Resources, Executive Yuan
Board Supervisor	Lin, Hsuan-Chu	2021.03.15	Ph.D. in Financial Economics, Rutgers, New Jersey State University <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	Ph.D., Department of Shipping & Transportation Management, National Taiwan Ocean University <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 	

Further Education for Board of Director Members

Title	Name	Training Date	Organizer	Course Name	Training hours	Total hours
Chairman	Lee, Hsien-Yi	2023.08.09	TIPC	A Series of Lectures on ESG and Sustainability -The 2023 Prospect Forum of TIPC (Kaohsiung)	6	16
		2023.10.17till 2023.10.18		2023 Executive Management Consensus Camp: 1.Industry inspection - Wind power operators' operations inspection 2. Corporate Governance Management Issues Seminar	4	
		2023.11.28		Future Harbor Forum "SEE THE FUTURE"	6	
Board Director	Chen, Shao-liang	2023.06.26	Taiwan Corporate Governance Association (TCGA)	Risks and Opportunities of Climate Change Trends for Business Operations	3	13
		2023.10.17	TIPC	2023 Executive Management Consensus Camp: Industry inspection - Wind power operators' operations inspection	1	
		2023.11.28		Future Harbor Forum "SEE THE FUTURE"	6	
		2023.12.01	Taiwan Corporate Governance Association (TCGA)	The Arrival of The Era-Strict Personal Data Regulation	3	
Board Director	Chen, Jin-Sheng	None	None	None	None	None
Board Director	Jeng, Peir-Fuh	None	None	None	None	None
Board Director	Liu, Li-Li	2023.05.11	Securities & Futures Institute (SFI)	Challenges and Opportunities in the Path of Sustainable Development and Introduction to Greenhouse Gas Inventory	3	12
		2023.07.20		Post-Pandemic Talent Sustainability Challenges	3	
		2023.11.01	TIPC	A Series of Lectures on ESG and Sustainability -The 2023 Prospect Forum of TIPC (Taipei)	6	
Board Director	Wu, Pei-Chuan	2023.10.17	Taiwan Corporate Governance Association (TCGA)	How Independent Directors Balance Business Judgment and Fiduciary Duties	3	9
		2023.11.01	TIPC	The 2023 Prospect Forum of TIPC-A Series of Lectures on ESG and Sustainability (Taipei)	6	
Board Director	Yu, Chien-Hwa	2023.05.09	Commerce Development Research Institute	ESG Sustainable Operations in the Transportation Industry	3	9
		2023.07.05	Taiwan Independent Director Association (TIDA)	How Directors Fulfill Their Fiduciary Duties and Duty of Care as Prudent Managers	3	
		2023.10.16	Taiwan Corporate Governance Association (TCGA)	Corporate Integrity and Anti-Fraud Practices	3	

Further Education for Board of Director Members

Title	Name	Training Date	Organizer	Course Name	Training hours	Total hours
Board Director	Tai, Hui-Huang	2023.07.18	TIPC	Practical Analysis of Corporate Governance 3.0: Sustainability Reporting	3	12
		2023.08.18		Big Data Analytics and Fraud Detection	3	
		2023.11.28		Future Harbor Forum "SEE THE FUTURE"	6	
Board Director	Jang, Jing-Jong	2023.06.02	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	2023 Tashin Net Zero Summit	3	15
		2023.07.18		Mission in the Age of Hype: Generative Artificial Intelligence and Responsible Innovation	3	
		2023.07.31		Trends in Financial Technology Innovation Applications	3	
		2023.11.01	TIPC	The 2023 Prospect Forum of TIPC-A Series of Lectures on ESG and Sustainability (Taipei)	6	
Board Director	Chang, Hsin-Wen	2023.11.09	Taiwan Corporate Governance Association (TCGA)	Analysis of the New Corporate Governance Blueprint and Key Points of Regulatory Compliance	3	6
		2023.11.09		Analysis of Corporate Financial Information and Decision-Making Applications	3	
Board Director	Lin, Li-Chu	2023.10.02	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	Operation of Natural Carbon Sinks and Carbon Trading, along with Potential Business Opportunities	3	6
		2023.10.06		Practical Applications of AI and Legal Analysis	3	
Board Director	Hsieh, Kuo-liang	None	None	None	None	None
Board Director	Yeh, Chao-Fu	2023.11.10	Taiwan Corporate Governance Association (TCGA)	Corporate Governance in the United States: Historical Evolution and Latest Developments	3	3
Board Director	Chen, Shu-Mei	2023.04.14	Taiwan Corporate Governance Association (TCGA)	Legal Risks and Responses in Corporate Investment and Financing - Perspectives on Corporate Directors' Responsibilities	3	6
		2023.06.02	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	2023 Tashin Net Zero Summit	3	
Board Director	Kuo, Tien-Kuei	None	None	None	None	None
Board Director	Lin, Mao-Sheng	2023.02.08	Ministry of Digital Affairs	The Era of Consumerism- Keeping Pace with Mobile Payments	3	6
		2023.03.06	Industrial Technology Research Institute (Digital Literacy MRT Project)	Digital Transformation and Cybersecurity Development in Taiwan	1	
		2023.03.09	Administration for Cyber Security, moda	Introduction to Ransomware and Protection	1	
		2023.03.09		Mobile Payment Security	1	

Further Education for Board of Director Members

Title	Name	Training Date	Organizer	Course Name	Training hours	Total hours
Board Director	Ho, Chao-Hsi	2023.08.09	TIPC	The 2023 Prospect Forum of TIPC-A Series of Lectures on ESG and Sustainability (Kaohsiung)	6	12
		2023.11.28		Future Harbor Forum "SEE THE FUTURE"	6	
Board Director	Su, Chiu-Te	2023.06.05till 2023.06.06	Ministry of Labor	2023 Promotion of Labor Education Seminar-Union and Labor Director Activities	8	12
		2023.10.17till 2023.10.18	TIPC	2023 Executive Management Consensus Camp: 1.Industry inspection - Wind power operators' operations inspection 2.Corporate Governance Management Issues Seminar	4	
Board Director	Sung, Meng-Chiao	2023.06.05till 2023.06.06	Ministry of Labor	2023 Promotion of Labor Education Seminar-Union and Labor Director Activities	8	12
		2023.10.17till 2023.10.18	TIPC	2023 Executive Management Consensus Camp: 1.Industry inspection - Wind power operators' operations inspection 2.Corporate Governance Management Issues Seminar	4	
Board Director	Tsai, De-Ming	2023.06.05till 2023.06.06	Ministry of Labor	2023 Promotion of Labor Education Seminar-Union and Labor Director Activities	8	24
		2023.08.09	TIPC	The 2023 Prospect Forum of TIPC-A Series of Lectures on ESG and Sustainability (Kaohsiung)	6	
		2023.10.17till 2023.10.18		2023 Executive Management Consensus Camp: 1.Industry inspection - Wind power operators' operations inspection 2.Corporate Governance Management Issues Seminar	4	
		2023.11.28		Future Harbor Forum "SEE THE FUTURE"	6	
Board Director	Lu, Chen-Tai	2023.06.05till 2023.06.06	Ministry of Labor	2023 Promotion of Labor Education Seminar-Union and Labor Director Activities	8	12
		2023.10.17till 2023.10.18	TIPC	2023 Executive Management Consensus Camp: 1.Industry inspection - Wind power operators' operations inspection 2.Corporate Governance Management Issues Seminar	4	
Board Director	Huang, Ying-Liang	2023.06.05till 2023.06.06	Ministry of Labor	2023 Promotion of Labor Education Seminar-Union and Labor Director Activities	8	24
		2023.08.09	TIPC	The 2023 Prospect Forum of TIPC-A Series of Lectures on ESG and Sustainability (Kaohsiung)	6	
		2023.10.17till 2023.10.18		2023 Executive Management Consensus Camp: 1.Industry inspection - Wind power operators' operations inspection 2.Corporate Governance Management Issues Seminar	4	
		2023.11.28		Future Harbor Forum "SEE THE FUTURE"	6	

Further Education for Board of Director Members

Title	Name	Training Date	Organizer	Course Name	Training hours	Total hours	
Board Supervisor	Hsu, I-Chuan	2023.08.01 till 2023.08.02	Directorate General of Budget, Accounting and Statistics	Accounting Practice Workshop - Session 7	13	28	
		2023.09.20		2023 Ninth Conference Room September Special Topic (In-Person) - Sustainable Development Path, Greenhouse Gas Inventory, and Carbon Emission Calculation	2		
		2023.11.16		2023 ESG Summit-Digital Technology and Sustainable Transformation	3		
		2023.11.16		2023 ESG Summit-Examples of Sustainable Disclosure Sharing	2		
		2023.11.16		2023 ESG Summit- Sustainable Disclosure and ESG Implementation	3		
		2023.09.14 till 2023.09.18		Civil Service Development Institute, Directorate-General of Personnel Administration	Directorate General of Budget, Accounting and Statistics 2023 Cybersecurity and Personal Data Protection Basic Awareness Course		3
		2023.11.08		Government Agencies - Risk Management	2		
		2023.05.10		Taiwan Corporate Governance Association (TCGA)	Enhancing Board Functions to Increase Corporate Sustainability Value		3
2023.11.08	The New Face of Corporate Governance in the ESG Era	3					
2023.12.12	Corporate Governance Summit XIX- Creating New Sphere of Governance for the Elevating Value of Enterprises	6					
Board Supervisor	Lin, Hsuan-Chu	2023.05.10	Securities & Futures Institute	The Technological Development and Business Opportunities of Chatbot ChatGPT	3	10.5	
		2023.08.09		Legality of Cybersecurity Management Laws under Ransomware Threat	3		
		2023.07.24	Taiwan Cooperative Financial Holding	2023 TCFH ESG Lecture Series	1.5		
		2023.08.21		Analysis of Money Laundering and Terrorist Financing Techniques and Risk Mitigation	2		
		2023.11.20		2023 Integrity Code of Conduct Education and Training Session	1		
Board Supervisor	Huang, Jyh-Yuan	None	None	None	None	None	
Board Supervisor	Huang, Wang-Hsiu	2023.10.02	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	Operation of Natural Carbon Sinks and Carbon Trading, along with Potential Business Opportunities	3	6	
		2023.10.04		How Corporations Can Respond to International Anti-Tax Avoidance Measures	3		
Total						266	

Participation in External Organizations and Associations

International Organizations		
Name of Organization	Job Description	
International Association of Ports and Harbors (IAPH)	President Shao-Liang Chen is the member representative and member of the Committee on Trade Facilitation & Port Community System	
Association of Pacific Ports (APP)	Shao-Liang Chen serves as the President of APP Vice President of Business Jheng, Shu-Huei serves as Regional Representative of Asia	
APEC Port Services Network (APSN)	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 Association	Job Description
Chinese Institute of Transportation, Taiwan	Senior Director of Planning and Development Department, Shu-Hui Tsai serves as the member representative.
Ocean Affairs Council (OAC)	Vice President of Business Shu-Huei Cheng serves as the member representative of TIPC. Assistant Vice President Jiann-Rong Su serves as the member representative of TIPC. Senior Director of Planning and Development Department, Shu-Hui Tsai serves as the member representative of TIPC.
Taiwan Strait Shipping Association	Executive Vice President Wang, Jin-Rong and Vice President of Business Jheng, Shu-Huei are assigned by MOTC as representatives of the Board of Directors.
Association of Taiwan Ports (ATP)	Chairman Hsien-Yi Lee serves as Chairman President Shao-Liang Chen serves as the Executive Director

Domestic Associations	
Name of Association	Job Description
Taiwan Commercial Port Business Development Association	Vice President Chuan-Kai Gao serves as Director.
Taiwan Wind Energy Association	President Shao-Liang Chen serves as Director.
Chinese Maritime Research Institute (CMRI)	Executive Vice President Wang, Jin-Rong serves as Director.
Taiwan Coalition of Service Industries (International Logistics Services Committee)	Committee member
Company representative	
Industrial Safety and Health Association (ISHA) of the R.O.C	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 (ITS)
Taiwan International Logistics & Supply Chain Association	Chinese Institute of Civil and Hydraulic Engineering
The Global Logistics & Commerce Council of Taiwan	Chinese Institute of Engineers
The company is for members only	
Chinese Maritime Research Institute (CMRI)	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
TWIA Taiwan Wind Industry Association	Kaohsiung International Shipowners Association



Financial Operating Information

Financial Data

Economic performance over the past three years			
Unit: NT\$ thousand			
Item/Year	Year 2021	Year 2022	Year 2023
Total revenue (A)	23,288,938	27,883,485	28,182,583
Total expenditure (B=B1+B2+B3+B4)	16,007,936	16,576,335	17,218,872
Employees' pay (B1)	3,265,905	3,286,069	3,319,490
Payments to government (tax and donations) (B2)	2,117,066	2,601,296	2,780,042
Community investment (B3)	3,631	3,904	7,122
Others (B4)	10,621,334	10,685,066	11,112,218
Net profit (A-B)	7,281,002	11,307,150	10,963,711
Net profit attributable to:	7,281,002	11,307,150	10,963,711
Owners of the parent corporation (a)	7,279,925	11,308,778	10,962,145
Non-controlling interests	1,077	-1,628	1,566
Other comprehensive income transfers and others (b)	1,821,838	3,521,719	-100,667
Retained earnings available for distribution (C=a+b)	9,101,763	14,830,497	10,861,478
Payments to provider of capital (C1)	3,030,887	5,062,895	3,616,872
Payments to government (Distribution of retained earnings) (C2)	3,931,962	6,326,243	4,692,159
Economic value retained (C3)	2,138,914	3,441,359	2,552,447

Note:

- The amounts for 2021 and 2022 were audited, which for 2023 were unaudited.
- "Employees' pay (B1)" includes employee's salary, overtime, allowance, bonus, retirement, welfare (including medical check-up expenses), and contribution.
- "Payments to government (B2 and C2)" includes tax, donations to the government and the distribution of retained earnings to government agencies.
- "Community investment (B3)" includes expenditures for social welfare and neighborliness.
- "Direct economic value generated" = Total revenue (A) + other comprehensive income transfers and others (b) - non-controlling interests.
- Economic value distributed: Total expenditure (B) + payments to provider of capital (C1) + payments to government (distribution of retained earnings) (C2).
- Economic value retained: "Direct economic value generated" minus "economic value distributed".

Government Grants

Granted projects in 2023		
List of government grants		
Project	Granting agency	Amount of grant (NT\$)
Organized "Forward-looking Infrastructure Development Program - Recreation and Waterfront Project"	General fund special budget approved by Executive Yuan(2021-2025)	49,000,000
Keelung, Taichung, and Kaohsiung Branch operating fees (Academic Year 2022) - Phase 2		360,000
Grant for providing grounds, facilities, and equipment for workplace cooperative educare service centers without reimbursement for Keelung, Taichung, and Kaohsiung Branch (Academic Year 2022) - Phase 2	K-12 Education Administration, Ministry of Education	1,530,000
Keelung, Taichung, and Kaohsiung Branch operating fees (Academic Year 2023) - Phase 1		240,000
Grant for providing grounds, facilities, and equipment for workplace cooperative educare service centers without reimbursement for Keelung, Taichung, and Kaohsiung Branch (Academic Year 2023) - Phase 1		540,000
Subsidy for monitoring of diesel vehicle specific pollutants in Taichung Port Air Quality Maintenance Zone by Environmental Protection Bureau	Environmental Protection Bureau, Taichung City Government	7,620
Total		51,677,620

Procurement Statistics

Procurement Statistics in the past three years							
Type of contract	Purchasing region	2021		2022		2023	
		Number	Percentage of total purchase amount	Number	Percentage of total purchase amount	Number	Percentage of total purchase amount
Labor (Contracting and services)	Domestic	310	99.82%	378	99.95%	378	99.79%
	Overseas	2	0.18%	5	0.05%	3	0.21%
Properties (Raw materials and equipment)	Domestic	98	99.93%	152	99.71%	146	100%
	Overseas	2	0.07%	2	0.29%	0	0%
Projects (Construction and project)	Domestic	133	100%	220	100%	253	100%
	Overseas	0	0	0	0	0	0
Total		545	100%	757	100%	780	100%

Note:

1.Domestic refers to the local area of Taiwan; overseas refers to the area outside of Taiwan.

2.Percentage of total purchase amount (Amount in this column)/ (Labor purchase amount+Property purchase amount+Project purchase amount)



Environmental Protection Information

Energy Consumption				
Quantitative indicator	Unit	2021	2022	2023
Electricity usage	kWh	42,500,374	41,937,673	43,771,988
	GJ	153,001	150,976	157,579
Gasoline consumption	L	92,689.9	90,585.6	85,353.8
	GJ	3,025	2,956	2,786
Diesel fuel consumption	L	644,016.3	807,184.7	724,924.9
	GJ	22,634	28,369	25,478
Total energy consumption	GJ	178,660	182,301	185,843
Annual revenue	NT\$ ten thousand	2,253,217	2,372,335	2,377,073
Energy intensity	GJ/ NT\$ ten thousand	0.08	0.08	0.08

Note:

1.The conversion factor for electricity is 1 kWh = 0.0036 GJ.

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. Gasoline: 7,800 kcal/L; Diesel: 8,400 kcal/L; Natural gas: 8,000 kcal/m³; 1kcal=4.184KJ

Water Consumption				
Year	2021	2022	2023	
Water intake (million liter)	1,303.980	1,277.800	1,232.800	
Water displacement (million liter)	1,043.184	1,022.240	986.24	
Water consumption (million liter)	260.796	255.560	246.56	
Revenue (million NTD)	2,253.217	2,372.335	2,377.073	
Water intensity	0.58	0.54	0.52	

Note:

1.The data for tap water consumption is sourced from the headquarter and branch offices, based on the total annual water fee settlement data, converted at a rate of NT\$ 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 NT\$ million).

Water-saving measures (Use of recycled water)

Suao Port	Suao Port has set up Suao mountain spring water pumping facility next to Yishan Road and introduced spring water for watering, sprinkling and handling dust control in the port. The amount of spring water used by Suao Port was 217,117 metric tons.
Taipei Port	As for the water resource recycling center in the South Pier area of Taipei Port, the Engineering Department is currently applying for the discharge permit, and has already conducted trial operation test of the water resource center, which will be formally put into operation once it has been approved by Department of Environmental Protection, New Taipei City Government.
Taichung Port	Taichung Branch plans to develop a Smart Energy Management System and smart integrated management platform to build integrated smart water meters and other systems to achieve the goal of intelligent energy management in the port area. The branch utilizes the cooling discharge water from Dragon Steel Corporation and installs pressurized water supply facilities to provide port operators and construction units with water for sprinkler use on roads, cargo loading and unloading and suppression of dust from construction projects, so as to realize the goal of sustainable utilization of water resources. The amount of water withdrawn in 2023 was approximately 76,120 tons.
Kaohsiung Port	Wastewater from Kaohsiung Port enters the wastewater treatment facility and is discharged into the receiving water body through primary sedimentation, coagulation, aeration, filtration, activated carbon adsorption, disinfection, etc. after meeting the discharge standards. In 2023, the wastewater influent treatment capacity was 3,375.1 metric tons in total, of which 1,923.8 metric tons are discharged and 1,391.4 metric tons of reclaimed water are recycled for watering use to achieve the purpose of water conservation.
Anping Port	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 sprinkle water during cargo handling operations to avoid dust emission, with a capacity of 11,147 metric tons.
Hualien Port	Surface water is used for dust suppression in the loading and unloading areas, sand and gravel stockpiling, and contamination control to improve the port environmental quality. In addition, in conjunction with the Smart Grid Project, the water resource allocation system is strengthened to make flexible use of surface water, and increase the overall tap water conservation rate, with a total of 121,152 metric tons of surface water being used (collected) in 2023.

GHG Inventory Statistics

Greenhouse Gas Emission		Unit: Metric tons of CO ₂ e		
	2021	2022	2023	
Scope 1: Direct GHG emission	2,444.26	5,896.53	2,514.96	
Scope 2: Indirect GHG emission	21,424.99	20,759.15	21,667.13	
Scope 3: Other GHG emission	5,880,343.34	1,954,423.78	3,917,383.56	
Total emission=Scope 1 + Scope 2 + Scope 3	5,940,212.59	1,981,079.46	3,941,565.65	
Annual revenue (NT\$ million)	2,253,217	2,372,335	2,377,073	
Scope 1 + Scope 2 GHG emission intensity	0.01	0.01	0.01	

Note:

- 1.Greenhouse gas (GHG) emission intensity (metric tons CO₂e/organization-specific metric) = total emissions /revenue (NT\$ million).
- 2.The greenhouse gas emissions for Scope 1 and Scope 2 in 2023 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 2024 and undergone third-party verification.
- 3.The information for 2022 has been recompiled based on the results of third-party verification to update the emission levels.
- 4.The company's public transportation uses alcohol gasoline (provided by Chinese Petroleum Corporation (CPC) with 3% bio-alcohol added) at the pier and the backline site.
- 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 project was utilized.

Waste Disposal

Waste Disposal in Kaohsiung Port in 2023		
Item	Clearance volume (metric tons)	
General industrial waste	Incineration	1,192.01
	Recycling	25.79
Hazardous industrial waste	0	
Total	1,217.8	



Friendly Workplace Information

Staff Distribution

2023 Employee Hiring Statistics				
Region/Type	Female	Male	Total	
Taiwan	Number of staff	854	1,217	2,071
	Number of full-time employees	834	1,209	2,043
	Number of temporary employees	20	8	28

Note:

1. This table is calculated using the number of staff/full-time equivalent method.
2. Temporary staff include: work-study students, interns and casual employees.

Information of Non-Employee Workers		
Type	Contractual relationship with the company	Number of people
Cleaning personnel	Outsourcing	219
Security personnel	Outsourcing	124
Company car driver	Outsourcing	18
Hardware/Network locator	Contractual	5
System operators	Contractual	4
Total		370

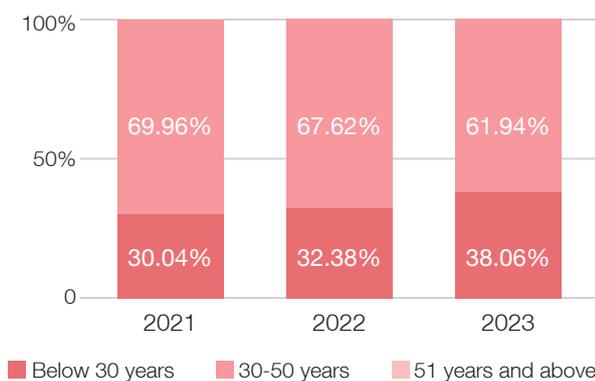
Note: The above statistics include the headquarter and four branches (including subsidiary ports).

Employee Diversity

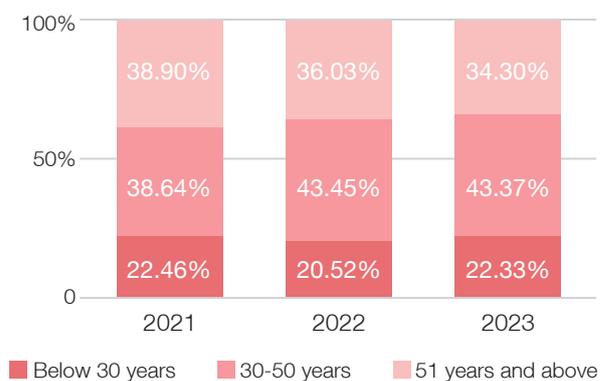
Staff composition in the past three years					
Year		2021	2022	2023	
Project/Gender	Age	Number of persons	Number of persons	Number of persons	
Senior Executive	Male	Below 30 years	0	0	0
		30-50 years	56	61	62
		51 years and above	145	139	112
	Female	Below 30 years	0	0	0
		30-50 years	26	30	32
		51 years and above	46	51	41
Total senior executives		273	281	247	
Non-supervisory Staff	Male	Below 30 years	151	132	135
		30-50 years	443	449	430
		51 years and above	565	492	470
	Female	Below 30 years	281	241	266
		30-50 years	300	341	349
		51 years and above	183	163	146
Total Non-supervisory Staff		1923	1818	1796	
Total full-time employees		2196	2099	2043	

Note: Managerial level and above are defined as senior executives.

Age ratio of senior executives above managerial level in the past three years



Age ratio of non-supervisory staff in the past three years



Distribution of Access to Indigenous and Disabled People in 2023

Category	Physical and mental disabilities	Indigenous	Subtotal
Male	Below 30 years	1	1
	30-50 years	10	13
	Above 50 years	22	24
Female	Below 30 years	1	2
	30-50 years	5	7
		13	13
Total	52	8	60

Note: According to Article 38 (1) and (6) of "People with Disabilities Rights Protection Act", there are 45 people with mild to moderate physical and mental disabilities, and 7 people with severe disabilities in our company. The actual number of employees is calculated based on $7 \times 2 = 14$, which is a total of 59 employees.

Staff Mobility

New Recruitment Rate

Year	2021				2022				2023			
	No. of males	New recruitment rate of males	No. of females	New recruitment rate of females	No. of males	New recruitment rate of males	No. of females	New recruitment rate of females	No. of males	New recruitment rate of males	No. of females	New recruitment rate of females
Below 30 years	58	2.64%	61	2.78%	33	1.56%	36	1.7%	17	0.82%	39	1.88%
30-50 years	31	1.41%	18	0.82%	19	0.9%	10	0.47%	23	1.11%	27	1.30%
51 years and above	3	0.14%	2	0.09%	3	0.14%	1	0.05%	3	0.14%	2	0.10%
Total new recruits	173				102				111			
Total employees	2,196				2,116				2,071			
Total new recruitment rate (%)	7.88%				4.25%				5.36%			

Note:

1. Number of new recruits excluding mid-job resignees.
2. New recruitment rate of male (female) employees of that age group = the number of new male (female) employees of that age group for the year / the total number of employees of the operating site at the end of the year.
3. Total new recruits employment rate = number of new recruits for the year / total number of employees at operating sites at the end of the year.

Turnover Rate

Year Age/ Gender	2021				2022				2023			
	No. of males	Male turnover rate	No. of females	Female turnover rate	No. of males	Male turnover rate	No. of females	Female turnover rate	No. of males	Male turnover rate	No. of females	Female turnover rate
Below 30 years	25	1.14%	31	1.2%	21	0.99%	16	1.4%	13	0.63%	13	0.63%
30-50 years	6	0.27%	9	0.4%	15	0.71%	7	0.4%	15	0.72%	10	0.48%
51 years and above	104	4.74%	28	1.0%	101	4.77%	22	1.3%	76	3.67%	29	1.40%
Total number of turnovers	203				182				156			
Total number of employees	2,196				2,116				2,071			
Total turnover rate (%)	9.24%				7.51%				7.53%			
Voluntary turnover rate	79%		21%		87%		13%		93%		7%	

Note:

1. Turnover rate for each category (%) = number of turnovers in that category of the year / total number of employees at the end of the year.
2. Total turnover rate (%) = total number of turnover of the year / total number of employees at the end of the year.
3. The number of turnovers includes both voluntary and involuntary turnovers.
4. Voluntary turnover includes resignation and retirement, while involuntary turnover includes death on duty, dismissal, layoff and discontinuation of contract.

Employee Engagement

Facing increasingly intense international port competition and various environmental changes and challenges, employees are the cornerstone of sustainable business operations. Whether responding to challenges or creating new opportunities, talent is fundamental. Creating a workplace environment of "Diversity, Equity and Inclusion" (DEI) is the solution for enterprises to achieve the goal of "attracting, retaining and keeping talents". Therefore, TIPC has been actively promoting a "people-oriented" friendly workplace in recent years, respecting and emphasizing diversities and differences of each employee, and supporting employees to give full play to their strengths in their appropriate positions. In 2023, we conducted the "Friendly Workplace Environment and Employee Engagement Survey" to evaluate the outcomes of the implementation of related policies and systems, focusing on the friendly workplace environment and employee engagement. The results of the survey are summarized as follows.

1. Quality of friendly workplace: 87.4% of our employees indicated that company's emphasis on a friendly workplace is an important factor in their decision to stay in the company. Overall, 73.1% of employees perceived themselves to be in a friendly workplace.
2. Sense of belonging: 72.7% of employees indicated that they have a sense of belonging to the company and are keen to stay with the company.
3. Using the question 'On a scale of 0-10, how reluctant are you to face work before going to work each day?' to assess colleagues' level of negativity towards work, with a score of 3.7 given by the overall employees of our company. This score is lower than the market research data jointly conducted by MasterCheers and Cheers, which recorded a score of 4.6.
4. Employees' willingness to work: 71.9% of employees expressed their willingness to work harder to accomplish the company's goals.

5. Physical and mental health: TIPC actively promotes a number of measures to help employees build up their physical and mental health. 73.8% of employees agreed that the company is sufficiently concerned about the employee's physical and mental health and are willing to make improvements.
6. Level of Communication: 62% of employees believed that the company creates a friendly enough environment for employees to express their opinions with confidence. 58.3% of employees perceived that the company is open to employees' opinions and will take appropriate actions.
7. Loyalty: Using the question 'How willing are you to recommend friends and family to work at our company?' to assess colleagues' loyalty to the company and understand their overall satisfaction, a score between 0 and 10 was used, where 0 means extremely unwilling and 10 means extremely willing. The survey shows that 52.6% of colleagues rated 8 or above, with an average score of 7.3.
8. Future Development: 67.4% of the employees believed that employees of different backgrounds, be it gender, age, religion, etc., are given equal opportunities for career development in the company. 72.7% of the employees indicated that they have a sense of belonging to the company and expect to continue to develop in the company. 64.1% of the employees reported that they find their own value at work and get a sense of achievement from it. 71.9% of the employees indicated that they are willing to put more efforts to accomplish the company's goals at work. 71.9% of colleagues indicated that they are willing to put in more efforts to accomplish the company's goals.
9. Overall evaluation: Our overall DEI score for friendly workplace environment is 80.3 points, which is higher than the market survey data of 61.5 points.

Parental Leave

List of staff's parental leave in the past three years									
Year Gender/Total	2021			2022			2023		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Number of eligible applicants for parental leave A	92	96	188	86	86	172	108	102	210
Actual number of employees applied for maternity leave in the current year B	1	15	16	8	23	31	5	29	34
Number of employees who should be reinstated in the current year C	1	13	14	5	22	27	7	27	34
Actual number of reinstatement in the current year D	1	13	14	5	22	27	7	27	34
Actual number of reinstatement in the previous year E	3	12	15	1	13	14	5	22	27
Continuing employment after reinstatement from the previous year's parental leave F	3	12	15	1	13	14	5	22	27
Reinstatement rate after parental leave in the current year %(D/C)	100%	100%	100%	100%	100%	100%	100%	100%	100%
Retention rate after parental leave in the current year %(F/E)	100%	100%	100%	100%	100%	100%	100%	100%	100%

NOTE:

- Number of employees who should be reinstated = Estimation of number of employees who should be reinstated in the year.
- Number of employees retained in 2023 = Number of actual reinstatements in 2022 and still active on 31 December 2023.
- Reinstatement rate after parental leave in the current year = Actual number of reinstatement in the current year/Number of employees who should be reinstated in the current year C (D/C).
- Retention rate after parental leave in the current year %= Continuing employment after reinstatement from the previous year's parental leave / Actual number of reinstatement in the previous year (F/E).

Annual Total Remuneration Ratio

Remuneration Ratio		
Country/Region	Ratio of the annual total remuneration of the highest paid individual of the company to the median of the annual total remuneration of the employees (excluding the highest paid individual)	Ratio of increase in the annual total remuneration of the highest paid individual of the company to the annual total remuneration of the employees (excluding the highest paid individual)
Taiwan	3.250	1.000

Note:

- The Chairman of the Board of Directors is not considered to be the highest paid individual, unless he/she is also the President / Chief Executive Officer.
- Calculation formula for the median annual salary ratio: annual salary of the individual with the highest annual salary for the year / annual salary of the individual with median annual salary for the year.
- Calculation formula for annual salary increment ratio: Percentage of annual salary increment for the individual with the highest annual salary for the year / Percentage of annual salary increment for the individual with median annual salary for the year.

Salary for Entry-level Employees

Ratio of standard pay to statutory minimum basic pay for TIPC entry-level employees in 2023			
Ratio of standard pay to basic pay for male entry-level employees		Ratio of standard pay to basic pay for female entry-level employees	
Junior level	Senior level	Junior level	Senior level
1.389	1.984	1.389	1.984

Note: The basic salary approved by the Executive Yuan in 2024 is used to calculate the pay scale for new and experienced employees of the company.

Gender Pay Ratio						
Pay ratio by job category	Number of people		Total annual salary (NT\$)		Pay ratio	
	Female	Male	Female	Male	Female	Male
Management	54	141	94,230,927	248,939,945	1.0	1.01
Non-management	800	1,076	672,393,684	1,111,950,142	1.0	1.23

Average training hours

Training hours for each staff category						
Item/Category		Management		Non-management		Total
Unit/Gender		Male	Female	Male	Female	
Total number of people	pax	174	73	1,043	781	2,071
Total training hours	hour	6,893	4,120	31,520	31,163	73,696
Average training hours	Hour/pax	39.6	56.4	30.2	39.9	35.6
Training fee	NT\$	2,064,307	866,060	12,373,979	9,265,654	24,570,000

Occupational Safety and Health Training

Occupational Safety and Health Training Statistics		
Training program	Number of trainees	Training fee (NT\$)
General safety and health education training(New/working employees, supervisors, OSHC members, work-study/interns)	286	150,500
Safety and health promotion for loading and unloading operators and contractors	403	51,500
On-the-job education and training for dangerous machine operators and hangers	43	24,000
On-the-job education and training for forklift operators	25	12,000
Occupational safety and health construction risk assessment and risk management	31	18,000
CPR+AED training	735	82,100

Occupational Injury Statistics

Employee Occupational Injuries Statistics in 2023		
Total working hours	Total female working hours	1,708,706
	Total male working hours	2,465,596
	Total working hours	4,174,302
Number of recordable occupational injuries (including fatalities and serious occupational injuries)	Total occupational injuries (times) for females	0
	Total occupational injuries (times) for males	1
	Total occupational injuries (times)	1
Death rate from occupational injuries (%)		0
Rate of severe occupational injuries (%)		0
Recordable occupational injury rate (%)		0.24

Notes.

1. Death rate from occupational injuries = (number of deaths due to occupational injuries/total working hours) *1,000,000.
2. Rate of severe occupational injuries = [Number of severe occupational injuries (excluding fatalities)/Total working hours] *1,000,000.
3. Recordable occupational injury rate = [Number of recordable occupational injuries (including fatalities and serious occupational injuries)/Total working hours] *1,000,000.
4. Serious occupational injuries refer to occupational injuries that cannot be restored to a healthy state within 6 months.
5. Recordable occupational injuries do not include occupational injuries caused by commuting to and from work.
6. The employee was hit by a forklift truck, and the labor inspection unit was fined NT\$120,000 for this case. When a colleague of our branch office was checking the position of goods at the sea side wall of the warehouse, he was hit by an empty truck forklift that was about to enter the warehouse for turning. The company's improvement measures are as follows: promote precautionary measures to staff, implement wearing of personal protective equipment, trial run on use of infrared-sensitive voice players for reminders at workplaces, remind staff to wear personal protective equipment while entering the workplace, improve port operation site marking, enhance hazard notification and education training for employees in the port area, etc.

Occupational injuries to non-employees statistics in 2023

Total working hours	Total female working hours	1,036,800
	Total male working hours	2,067,840
	Total working hours	3,104,640
Number of deaths caused by occupational injuries	Number of female deaths (times)	0
	Number of male deaths (times)	4
	Total deaths (times)*	4
Number of severe occupational injuries (excluding fatalities)	Total number of female serious occupational injuries (times)	0
	Total number of male serious occupational injuries (times)	2
	Total number of serious occupational injuries (times)	2
Number of recordable occupational injuries (including fatalities and serious occupational injuries)	Total female occupational injuries (times)	0
	Total male occupational injuries (times)	6
	Total occupational injuries (times)	6
	Death rate from occupational injuries (%)	1.29
	Rate of severe occupational injuries (%)	0.64
	Recordable occupational injury rate (%)	1.93

Notes.

1. Death rate from occupational injuries = (Number of deaths due to occupational injuries/total working hours) *1,000,000.
2. Rate of severe occupational injuries = [Number of severe occupational injuries (excluding fatalities)/Total working hours] *1,000,000.
3. Recordable occupational injury rate = [Number of recordable occupational injuries (including fatalities and serious occupational injuries)/Total working hours] *1,000,000.
4. Serious occupational injuries refer to occupational injuries that cannot be restored to a healthy state within 6 months.
5. Recordable occupational injuries do not include occupational injuries caused by commuting to and from work.
6. Four non-employee occupational injuries occurred in 2023, of which three were occupational injuries in construction projects, and the company was recognized as the owner of these injuries, while the other one is currently under appeal.
7. In view of the serious occupational injuries among non-employees, namely fatal occupational accidents in construction works (hanging objects falling) and labor contractors (falling), TIPC improves and refines its management as follows:
 - The current occupational safety and health management in port area is investigated to identify the areas to be strengthened and to provide reference for subsequent improvement of prevention and mitigation strategies.
 - Occupational Safety and Health Supervisory Team supervises the safety and health of ongoing construction projects, cargo handling operations, as well as the safety and health management of employees in the port areas under its jurisdiction, with a view to implementing disaster prevention and mitigation measures.
 - The British Standards Institution (BSI) was commissioned to conduct ISO45001/TOSHMS project to review the conformity of occupational safety and health policies and management system procedure documents.
 - Establish a workshop to discuss on fall prevention strategies in three stages: dispersion, convergence, and decision-making to determine the final course of action to avoid recurrence of similar occupational injuries.
 - Appoint OSH experts to provide counseling and diagnosis of the entire life cycle of the construction project and submit a report to serve as a basis for future improvement of OSH management.
 - Invite experts, scholars, and labor inspectors to give lectures on occupational safety and health risk management to improve the safety awareness of employees and to reinforce the correct concepts of occupational safety.
 - Promote the establishment of a joint OSH team to safeguard the operations in the port area.

Employee Health Screening

Summary table of number and cost of employee health screening

General health screening		Special health screening	
Screening item	Advanced checkups for gastrointestinal/ cardiovascular/ cancer in addition to mandatory checkups	Screening item	Noise and abnormal pressure
Number of people screened	1,071	Number of people screened	34
Screening fee (NT\$ thousand)	4,819.5	Screening fee (NT\$ thousand)	5.8

Appendix IV: 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 IX. [*] 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, 2023 to December 31, 2023.
GRI 1 in use	GRI 1: Foundation 2021
Applicable GRI Industry Standards	N/A

GRI2: General Disclosures 2021

Item	GRI Standards Disclosure	External Assurance	Corresponding Chapter	Page	Omissions/Remarks
The organization and its reporting practices					
2-1	Organizational details	●	1.1.1 Introduction to each port	52	
2-2	Entities included in the organization's sustainability reporting	●	About this Report	4	
2-3	Reporting period, frequency, and contact point	●	About this Report	4	
2-4	Restatements of information	●	About this Report	4	
2-5	External assurance	●	About this Report	4	
Activities and workers					
2-6	Activities, value chain and other business relationships	●	1.1.1 Introduction to each port	52	
2-7	Employees	●	Friendly Workplace Information	223	
2-8	Workers who are not employees	●	Friendly Workplace Information	223	
Governance					
2-9	Governance structure and composition	●	1.2 Corporate Governance	55	
			1.2.1 Composition of Board of Directors	56	
			1.4.1 Sustainable Development Committee	73	
			Corporate Governance Information	206	
2-10	Nomination and selection of the highest governance body	●	1.2.1 Composition of Board of Directors	56	

GRI2: General Disclosures 2021

Item	GRI Standards Disclosure	External Assurance	Corresponding Chapter	Page	Omissions/Remarks
2-11	Chair of the highest governance body	●	Corporate Governance Information	206	
2-12	Role of the highest governance body in overseeing the management of impacts	●	1.2 Corporate Governance	55	
			1.2.1 Composition of Board of Directors	56	
			1.4 Promotion of Sustainable Development	73	
			1.4.1 Sustainable Development Committee	73	
2-13	Delegation of responsibility for managing impacts	●	1.4.1 Sustainable Development Committee	73	
2-14	Role of the highest governance body in sustainability reporting	●	1.4.1 Sustainable Development Committee	73	
2-15	Conflicts of interest	●	1.2.2 Operation of the Board of Directors	58	
2-16	Communication of critical concerns	●	1.2.2 Operation of the Board of Directors	58	
			1.4.1 Sustainable Development Committee	73	
2-17	Collective knowledge of the highest governance body	●	1.2.2 Operation of the Board of Directors	58	
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2-18	Evaluation of the performance of the highest governance body	●	1.2.1 Composition of Board of Directors	56	
2-19	Remuneration policies	●	1.2.1 Composition of Board of Directors	56	
2-20	Process to determine remuneration	●	1.2.1 Composition of Board of Directors	56	
2-21	Annual total compensation ratio	●	Friendly Workplace Information	223	
Strategy, policies and practices					
2-22	Statement on sustainable development strategy	●	Message from Chairman	6	
2-23	Policy commitments	●	1.5 Supplier Management	84	
			4.1 Human Resources Policy	152	
			4.2.4 Diversity and Inclusion	178	
2-24	Embedding policy commitments	●	1.5 Supplier Management	84	
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			4.2.4 Diversity and Inclusion	178	
2-25	Processes to remediate negative Impacts	●	1.3.1 Internal Control System	62	
			1.3.2 Ethics and Integrity	64	
			1.3.3 Cyber Security Control	69	
			4.2.4 Diversity and Inclusion	178	

GRI2: General Disclosures 2021					
Item	GRI Standards Disclosure	External Assurance	Corresponding Chapter	Page	Omissions/Remarks
2-26	Mechanisms for seeking advice and raising concerns	●	1.3.2 Ethics and Integrity	64	
			1.3.3 Cyber Security Control	69	
			4.2.3 Labor-Management Communication	176	
			4.2.4 Diversity and Inclusion	178	
2-27	Compliance with laws and regulations	●	1.3 Operational Risk Management	60	
			1.3.2 Ethics and Integrity	64	
			1.3.3 Cyber Security Control	69	
			Value Chain Boundaries of the Material Topics	205	
2-28	Membership associations	●	Corporate Governance Information	206	
Stakeholder engagement					
2-29	Approach to stakeholder engagement	●	Appendix I: Stakeholder Engagement	192	
2-30	Collective bargaining agreements	●	4.2.3 Labor-Management Communication	176	
GRI 3: Material Topics 2021					
3-1	Process to determine material topics	●	Appendix II: Identification and Management of Material Topic	201	
3-2	List of material topics	●	Appendix II: Identification and Management of Material Topic	201	

Material Topics						
Item	GRI Standards	Disclosure	External Assurance	Corresponding Chapter	Page	Omissions/Remarks
Topic-specific GRI Standards – 200 (Economic Topics)						
*ECONOMIC PERFORMANCE						
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 1: Building Port Sustainability and Resilience	33	
				Establishment and Achievement of Material Topic Goals	14	
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	●	Financial Operating Information	218	
*INDIRECT ECONOMIC IMPACTS						
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 2: Enhance Diversified and Innovative Services	87	
				Establishment and Achievement of Material Topic Goals	18	
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	●	2.1 Development and Construction of Commercial Ports	96	
	203-2	Significant indirect economic impacts	●	4.4 Social Welfare	190	
				2.1 Development and Construction of Commercial Ports	96	
Topic-specific GRI Standards – 300 (Environmental Topics)						
*ENERGY						
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 3: Creating a Low-carbon Environment	119	
				Establishment and Achievement of Material Topic Goals	20	
GRI 302: Energy 2016	302-1	Energy consumption within the organization	●	Environmental Protection Information	220	
	302-3	Energy intensity	●	Environmental Protection Information	220	
*BIODIVERSITY						
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 3: Creating a Low-carbon Environment	119	
				Establishment and Achievement of Material Topic Goals	20	
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	●	3.3 Ecological Conservation	135	

Material Topics						
Item	GRI Standards Disclosure	External Assurance	Corresponding Chapter	Page	Omissions/Remarks	
304-2	Significant impacts of activities, products and services on biodiversity	●	3.3 Ecological Conservation	135		
304-3	Habitats protected or restored	●	3.3 Ecological Conservation	135		
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	●	3.3 Ecological Conservation	135		
*EMISSIONS						
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 3: Creating a Low-carbon Environment	119	
			●	Establishment and Achievement of Material Topic Goals	20	
	305-1	Direct (Scope 1) GHG emissions	●	Environmental Protection Information	220	
	305-2	Energy indirect (Scope 2) GHG emissions	●	Environmental Protection Information	220	
	305-3	Other indirect (Scope 3) GHG emissions	●	Environmental Protection Information	220	
GRI 305: Emissions 2016	305-4	GHG emissions intensity	●	Environmental Protection Information	220	
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	●	--	--	Reasons for Omission (not applicable): The major air pollution emission by TIPC is generated from merchant vessels plying the harbor area and is not generated by the organization itself.
Topic-specific GRI Standards – 400 (Social Topics)						
*OCCUPATIONAL HEALTH AND SAFETY						
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 4: Establishment of Friendly and Mutually Beneficial Relationships	145	
			●	Establishment and Achievement of Material Topic Goals	24	
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	●	4.3.1 Occupational Health and Safety Management	183	

Material Topics					
Item	GRI Standards Disclosure	External Assurance	Corresponding Chapter	Page	Omissions/Remarks
403-2	Hazard identification, risk assessment, and incident investigation	●	4.3.2 Workplace Safety	186	
403-3	Occupational health services	●	4.3.3 Employee Health Management	188	
403-4	Worker participation, consultation, and communication on occupational health and safety	●	4.3.1 Occupational Health and Safety Management	183	
403-5	Worker training on occupational health and safety	●	4.3.2 Workplace Safety	186	
403-6	Promotion of worker health	●	4.3.3 Employee Health Management	188	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	●	4.3.2 Workplace Safety	186	
403-8	Workers covered by an occupational health and safety management system	●	4.3.1 Occupational Health and Safety Management	183	
403-9	Work-related injuries	●	Friendly Workplace Information	223	
403-10	Work-related ill health	●	4.3.3 Employee Health Management	188	
*LOCAL COMMUNITIES					
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 4: Establishment of Friendly and Mutually Beneficial Relationships	145
			●	Establishment and Achievement of Material Topic Goals	24
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	●	1.5 Supplier Management	84
			●	2.3 Passenger Transportation, Tourism and Recreation Development	104
			●	3.1 Environment Sustainability Policies	125
		Operations with significant actual and potential negative impacts on local communities	●	4.4 Social Welfare	190
			●	1.5 Supplier Management	84

Material Topics						
Item	GRI Standards Disclosure	External Assurance	Corresponding Chapter	Page	Omissions/Remarks	
*CUSTOMER PRIVACY						
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 1: Building Port Sustainability and Resilience Establishment and Achievement of Material Topic Goals	33	
					14	
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	●	1.3.3 Cyber Security Control	69	
Customized Material Topics						
*Regulatory Compliance						
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 1: Building Port Sustainability and Resilience Establishment and Achievement of Material Topic Goals	33	
					14	
				1.3 Operational Risk Management	60	
				1.3.2 Ethics and Integrity	64	
				1.3.3 Cyber Security Control	69	
*Climate Change Risks and Opportunities						
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 1: Building Port Sustainability and Resilience Establishment and Achievement of Material Topic Goals	33	
					14	
				1.4 Promotion of Sustainable Development	73	
*Operational Risk Management						
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 1: Building Port Sustainability and Resilience Establishment and Achievement of Material Topic Goals	33	
					14	
				1.3 Operational Risk Management	60	
*Supplier Management						
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 1: Building Port Sustainability and Resilience Establishment and Achievement of Material Topic Goals	33	
					14	
				1.5 Supplier Management	84	

Material Topics						
Item	GRI Standards Disclosure	External Assurance	Corresponding Chapter	Page	Omissions/Remarks	
*Green Investment						
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 1: Building Port Sustainability and Resilience Establishment and Achievement of Material Topic Goals	33	
				1.1.2 Business Performance	52	
				2.1 Development and Construction of Commercial Ports	96	
				2.4 Energy and Environmental Protection	110	
*Customer Service Quality						
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 2: Enhance Diversified and Innovative Services Establishment and Achievement of Material Topic Goals	87	
				1.3 Operational Risk Management	60	
				1.3.3 Cyber Security Control	69	
				1.3.4 Customer's Feedback Management	71	
*Integrity Governance						
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 1: Building Port Sustainability and Resilience Establishment and Achievement of Material Topic Goals	33	
				1.3.1 Internal Control System	62	
				1.3.2 Ethics and Integrity	64	
*Business Mode Optimization and Innovation						
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 2: Enhance Diversified and Innovative Services Establishment and Achievement of Material Topic Goals	87	
				2.1 Development and Construction of Commercial Ports	96	
				2.5 Trans-SMART 2.0* Upgrade Plan	113	
*Information Security						
GRI 3: Material Topics 2021	3-3	Management of material topics	●	Chapter 1: Building Port Sustainability and Resilience Establishment and Achievement of Material Topic Goals	33	
				1.3.3 Cyber Security Control	69	

Material Topics						
Item	GRI Standards Disclosure	External Assurance	Corresponding Chapter	Page	Omissions/Remarks	
*Safety Management of Port Operations						
GRI 3: Material Topics 2021	3-3	Management of material topics	● Chapter 2: Enhance Diversified and Innovative Services	87		
			● Establishment and Achievement of Material Topic Goals	18		
			● 4.3.2 Workplace Safety	186		
*Human Resource Development						
GRI 3: Material Topics 2021	3-3	Management of material topics	● Chapter 4: Establishment of Friendly and Mutually	145		
			● Establishment and Achievement of Material Topic Goals	24		
			● 4.2.1 Employee Training and Development	163		
*Air Pollution						
GRI 3: Material Topics 2021	3-3	Management of material topics	● Chapter 3: Creating a Low-carbon Environment	119		
			● Establishment and Achievement of Material Topic Goals	20		
			● 3.1.1 Air Pollution Prevention and Control	126		
*Circular Economy						
GRI 3: Material Topics 2021	3-3	Management of material topics	● Chapter 3: Creating a Low-carbon Environment	119		
			● Establishment and Achievement of Material Topic Goals	20		
			● 3.2.1 Circular Economy	134		
*Employee Dedication						
GRI 3: Material Topics 2021	3-3	Management of material topics	● Chapter 4: Establishment of Friendly and Mutually	145		
			● Establishment and Achievement of Material Topic Goals	24		
			● Appendix III: ESG Information Disclosure	206		
*Employee Benefits						
GRI 3: Material Topics 2021	3-3	Management of material topics	● Chapter 4: Establishment of Friendly and Mutually	145		
			● Establishment and Achievement of Material Topic Goals	24		
			● 4.2.2 Welfare and Retirement System	172		

Appendix V: Sustainable Development Goals (SDGs) Content Index

SDGs Goals and Targets			
Item	Goals	Targets	Corresponding Chapter
SDG1	End poverty in all its forms everywhere	1.4 Equal rights to ownership, basic services, technology and economic resources.	4.4 Social Welfare
SDG2	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	2.1 Universal access to safe and nutritious food. 2.c Ensure the proper functioning of food commodity markets and timely access to information.	4.4 Social Welfare
SDG3	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.	4.3.3 Employee Health Management 4.4 Social Welfare
SDG4	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. 4.5 eliminate gender disparities in education 4-7 All learners acquire the knowledge and skills needed to promote sustainable development	4.1.2 Recruitment and Talent Retention 4.4 Social Welfare
SDG5	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. 5.4 Value unpaid care and the promotion of shared responsibility within the household and the family as nationally appropriate 5.c Adopt and strengthen sound policies and enforceable legislation.	1.2.2 Operation of the Board of Directors 4.1.2 Recruitment and Talent Retention Special Column Home and Business in Harmony: TIPC Leads in Family Friendly Honors

SDGs Goals and Targets			
Item	Goals	Details	Corresponding Chapter
SDG6	Ensure availability and sustainable management of water and sanitation for all	6.3 Improve water quality, wastewater treatment and safe reuse 6.4 substantially increase water-use efficiency and ensure a sustainable supply of freshwater.	3.1.2 Salute to the Sea Special Column Green Transformation: Carbon management guidelines for the ports
SDG7	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	2.4 Energy and Environmental Protection Special Column Green Transformation: Carbon management guidelines for the ports
SDG8	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	4.1.2 Recruitment and Talent Retention 4.4 Social Welfare
SDG9	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	9.5 Enhance research and upgrade industrial technologies	1.1.1 Introduction to each port
SDG10	Reduce inequality within and among countries	10.2 Promote universal social, economic and political inclusion	4.1.2 Recruitment and Talent Retention 4.4 Social Welfare
SDG11	Make cities and human settlements inclusive, safe, resilient and sustainable	11.6 Reduce the environmental impact of cities	3.1.2 Salute to the Sea
SDG12	Ensure sustainable consumption and production patterns	12.5 Ensure sustainable consumption and production patterns	3.2.1 Circular Economy

SDGs Goals and Targets			
Item	Goals	Details	Corresponding Chapter
SDG13	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	1.4.2 Climate Action
SDG14	Conserve and sustainably use the oceans, seas and marine resources for sustainable development	14.1 Reduce marine pollution 14.2 Protect and restore ecosystems	3.3 Ecological Consearvation
SDG15	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	3.3 Ecological Consearvation
SDG16	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	3.3 Ecological Consearvation
SDG17	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	2.2 Cargo Development 4.4 Social Welfare

Appendix VI: SASB Sustainability Accounting Standard Content Index

SASB Industry: Professional & Commercial Service						
Topics	Code	Activity Metric(s)	Nature	Content of the Report/ Summary of Description	Corresponding Chapter	Page
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.	1.3.3 Cyber Security Control	69
	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.	1.3.3 Cyber Security Control	69
	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 2023.	1.3.3 Cyber Security Control	69
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 70% and 30%; Ration of male to female for all other employees is 58% and 42%.	Friendly Workplace Information	223
	SV-PS-330a.2	(1) Voluntary and (2)Involuntary turnover rate for employees	Quantitative	Voluntary turnover rate for employees: 93%; Involuntary turnover rate for employees: 7%.	Friendly Workplace Information	223

SASB Industry: Professional & Commercial Service						
Topics	Code	Activity Metric(s)	Nature	Content of the Report/ Summary of Description	Corresponding Chapter	Page
Workforce Diversity and Engagement	SV-PS-330a.3	Employee engagement (%)	Quantitative	<ul style="list-style-type: none"> 72.7% of employees indicated that they have a sense of belonging to the company and are keen to stay with the company. 71.9% of employees expressed their willingness to work harder to accomplish the company's goals. Using the question 'On a scale of 0-10, how reluctant are you to face work before going to work each day?' to assess colleagues' level of negativity towards work, with a score of 3.7 given by the overall employees of our company. This score is lower than the market research data jointly conducted by Master-Cheers and Cheers, which recorded a score of 4.6. Using the question 'How willing are you to recommend friends and family to work at our company?' to assess colleagues' loyalty to the company and understand their overall satisfaction, a score between 0 and 10 was used, where 0 means extremely unwilling and 10 means extremely willing. The survey shows that 52.6% of colleagues rated 8 or above, with an average score of 7.3. Overall evaluation: Our overall DEI score for friendly workplace environment is 80.3 points, which is higher than the market survey data of 61.5 points. 	Appendix III: ESG Information Disclosure	206

SASB Industry: Professional & Commercial Service						
Topics	Code	Activity Metric(s)	Nature	Content of the Report/ Summary of Description	Corresponding Chapter	Page
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 of the Board of Directors of TIPC 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". Engage in operational activities with the highest ethical standards, TIPC, with reference to the "Operating Guidelines for Inspection by the Executive Yuan and Affiliated Agencies" and the "Ethics Guidelines for Civil Servants", has formulated in-house work rules to regulate employees' ethics and responsibility. 	1.3.2 Ethics and Integrity	64
	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 2023 as a result of legal proceedings associated with professional integrity.	1.3.2 Ethics and Integrity	64

Appendix VII: 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.	1.4.2 Climate Action	74
	a) Describe management's role in assessing and managing climate-related risks and opportunities.	1.4.2 Climate Action	74
Strategy	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.	1.4.2 Climate Action	74
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	1.4.2 Climate Action	74
Risk Management	a) Describe the organization's processes for identifying and assessing climate-related risks.	1.4.2 Climate Action	74
	b) Describe the organization's processes for managing climate-related risks.	1.4.2 Climate Action	74
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	1.4.2 Climate Action	74
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.	1.4.2 Climate Action	74
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	1.4.2 Climate Action	74
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	1.4.2 Climate Action	74

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

Item	Corresponding Chapter	Page	Omission/Remarks
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	1.4.2 Climate Action	74	
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	1.4.2 Climate Action	74	
3. Describe the financial impact of extreme weather events and transformative actions.	1.4.2 Climate Action	74	
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	1.4.2 Climate Action	74	
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	1.4.2 Climate Action	74	
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	1.4.2 Climate Action	74	
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	1.4.2 Climate Action	74	
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	1.4.2 Climate Action	74	
9. Greenhouse gas inventory and assurance status (separately fill out in point 1-1 below).	1.4.2 Climate Action	74	

Appendix IX: External Verification Statement



ASSURANCE STATEMENT

SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE Taiwan International Ports Corporation, LTD.'S ESG REPORT FOR 2023

NATURE AND SCOPE OF THE ASSURANCE
 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 2023. 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 Standards and AA1000 Accountability Principles (2018) during assurance (2024/5/2~2024/5/24) 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 2023 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 assurance 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 Level (AA1000AP Evaluation only)

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SCOPE OF ASSURANCE AND REPORTING CRITERIA

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

Reporting Criteria Options

1	GRI Standards (in Accordance with)
2	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) is conducted at a moderate level of scrutiny, and therefore the reliability and quality of specified sustainability performance information is excluded.
- The evaluation of the report against the requirements of GRI Standards, includes GRI 1, GRI 2, GRI 3, 200, 300 and 400 series claimed in the GRI content index as material and is conducted in accordance with the standards.

ASSURANCE METHODOLOGY

The assurance comprised a combination of pre-assurance research, interviews with relevant employees, superintendents, ESG 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, Total Impact Measurement and Management, and 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 assurance, 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.

ASSURANCE / VERIFICATION OPINION

On the basis of the methodology described and the assurance 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, 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 2023, 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. For future reporting, it is recommended to have more descriptions on how TIPC's major topics are related to the impact on the company's operations, and how to manage these impacts. In addition, in response to the policies and commitments of each major topics, the medium and long-term goals of impact management should be appropriately disclosed.

Signed:

For and on behalf of SGS Taiwan Ltd.



Stephen Pao
Business Assurance Director
Taipei, Taiwan
28 June, 2024
WWW.SGS.COM



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臺灣港務股份有限公司
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