



2023 ESG REPORT



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About the Report

Highwealth Construction believes that actively giving back to society and promoting sustainable development are the cornerstones of corporate operations. Therefore, the company has long been committed to corporate social responsibility, sharing its resources with the public. Since 2016, Highwealth Construction has been publishing its Sustainability Report, disclosing to stakeholders the company's operational performance and development strategies in environmental, social, and governance (ESG) aspects, as well as its management approaches and responses to significant issues.

Reporting Period

This report discloses Highwealth Construction's corporate social responsibility (CSR) execution outcomes and performance for the year 2023 (from January 1 to December 31, 2023). Highwealth Construction publishes its Sustainability Report annually, with the next report expected to be released in August 2025.

Contact Information

If you have any questions or suggestions regarding this report, please feel free to contact us:Highwealth ESG Website

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Report Boundaries and Scope

The entities disclosed in this report include Highwealth Construction Corp. and Chyi Yuh Construction Co., Ltd. The scope of the information and data covers financial, environmental, and social performance.

Data Calculation Basis

The statistical data disclosed in this report are derived from self-conducted statistics and survey results, while the financial data is publicly available information that has been certified and audited by accountants.

Preparation Guidelines and Standards

This report follows the Global Reporting Initiative (GRI) Standards as the basis for information disclosure. In 2023, it also references the Sustainability Accounting Standards Board (SASB) standards and the Task Force on Climate-related Financial Disclosures (TCFD) framework to provide information on Highwealth Construction's current ESG developments and trends.



Message from the Management

Esteemed Shareholders, Customers, Partners, and Colleagues,

Greetings! In the past year, Highwealth Construction has experienced numerous opportunities and challenges. We have always centered our efforts on the core concept of "sustainable development," striving to create long-term value for society and the environment. This Sustainability Report provides a detailed overview of the company's efforts and achievements in environmental protection, social responsibility, and corporate governance.

Firstly, in terms of environmental protection, we have implemented several proactive measures to reduce our carbon footprint and resource consumption. These include the use of Building Information Modeling (BIM) and aluminum formwork construction methods. Looking forward, we are considering the adoption of AI technology in hopes of aligning with international environmental standards to drive green transformation. We believe that sustainable business operations can only be achieved on the foundation of protecting the planet's resources.

Secondly, in terms of social responsibility, we remain focused on the well-being of local communities and the development of our employees. We actively participate in various

public welfare activities, supporting initiatives in education, healthcare, and environmental protection. At the same time, we are committed to creating a fair, diverse, and inclusive work environment, offering our employees excellent development opportunities and professional training.

Lastly, in corporate governance, we adhere to transparent, fair, and responsible business practices. We have established a comprehensive internal control system and risk management mechanism. We understand that sound corporate governance is the foundation for the long-term stable development of the company and the key to earning society's trust and respect.

Most importantly, we have further strengthened our occupational safety training. Through regular construction site safety inspections and risk assessments, we identify and eliminate potential risks promptly. Adhering to the principle of "Safety First, Prevention Foremost," we continuously improve our safety management system and raise the safety awareness of all employees.

In the future, Highwealth Construction will continue to uphold the concept of sustainable development, persistently innovate and improve. Let us work together towards a brighter tomorrow. We are grateful for your support and trust, and let us strive together for a sustainable future.

Chairperson of Highwealth Construction





About Highwealth Construction

Company Scale and Background

The company was established on January 23, 1980, under the original name "Hung Fu Construction Co., Ltd." with a paid-in capital of NT\$40 million. Its primary business focus was commissioning construction firms to build commercial buildings and public housing for rental and sale.

In May 1989, the company merged with Hung Jyu Development Co., Ltd. and was renamed "Hung Jyu Development Co., Ltd." In 2000, the shareholders approved the merger with Highwealth Construction Co., Ltd., with our company as the surviving entity. The company officially changed its name to "Highwealth Construction Co., Ltd." on May 6, 2003, following approval by the Ministry of Economic Affairs.

Since its founding, the company has primarily developed prime urban areas in Keelung, Taipei, New Taipei, Hsinchu, Taichung, Tainan, and Kaohsiung. Upholding high-quality service standards, we aim to meet consumer housing needs within reasonable profit margins, achieving stable company growth.

Construction Business

Highwealth Construction, Run Long Construction, Bo-Yuan Construction, Chyi Yuh Construction

Retail Business

The Bakery Factory, Cama Café, FamilyMart

Hotel Business

3 locations with 2 operational management partners (Hyatt Hotels Corporation and Marriott International): Jinshan Hot Spring Hotel, Aloft Tainan Anping, Hyatt Regency Kaohsiung

Reception Centers

36 locations in Northern, Central, and Southern Taiwan



Highwealth Construction Co., Ltd.

Establishment Date

January 23, 1980 (Renamed on May 6, 2003)

Chairperson

Yuan-Bo Tsao

President

Hua-Chun Fan

Company Location

10F, No. 267, Lequn 2nd Road, Zhongshan District, Taipei City
25F, No. 213, Chaofu Road, Xitun District, Taichung City
19F, No. 1507-1, Yucheng Rd., Gushan District, Kaohsiung City

Paid-in Capital

NT\$18.84 billion

Group Employee Count

1,287 people

Business Outlook

Adhering to the principles of "Integrity," "Sustainable Management," and "Giving Back to Society," Highwealth Construction is dedicated to innovation and transformation. Through diversified products, a broad range of services, and optimized development of both, the company stands strong against industry competition. Our core business strategy is based on construction, continuously acquiring land to maintain our industry-leading position, and

further seeking market opportunities for exponential growth. Compared to other construction companies, we possess more advantages that smaller developers cannot match. To further enhance our competitiveness, we not only focus on improving physical infrastructure but also emphasize collaboration between software functions to fully meet the demands of daily life.

In recent years, Highwealth has reached a new milestone by expanding its portfolio beyond construction to include multiple ventures such as The Bakery Factory, the franchised Cama Café, FamilyMart convenience stores, and international five-star hotels. These ventures aim to cater to consumer needs in all aspects of life—food, clothing, housing, and transportation—while enhancing the convenience and comfort of living environments. Simultaneously, we collaborate with world-class partners, gaining diverse experiences to offer consumers in Taiwan high-standard products comparable to international offerings.

Highwealth Group keeps a close pulse on market trends, increasing its bargaining power through cross-industry innovation, continuous transformation, and diversified strategies to reduce operating costs and ensure long-term profitability. This demonstrates our firm commitment to sustainable business operations. We focus on providing high-quality services to consumers, while also managing financial planning to ensure sufficient cash flow and capital. When market opportunities arise, we can swiftly seize them to ensure stable and sustainable growth. Highwealth Construction continues to embody a spirit of innovation, exploring more market opportunities to drive business growth. We aim to create maximum value for customers, shareholders, employees, and society, all while fulfilling our corporate social responsibility.



CH1

Stakeholder Engagement

Stakeholder Engagement

Corporate Governance and Sustainability

Secure Construction, Building Happiness

Energy Conservation and Environmental Protection, Caring for the Earth

Secure Workplace and Talent Development

Social Welfare and Shared Prosperity

Appendix



Highwealth Group has implemented a systematic materiality analysis process to identify the issues stakeholders are concerned about and the topics that have a significant impact on the company's sustainable operations. This serves as a reference for the information disclosure in the report. The analysis process includes five key steps: "Stakeholder Identification," "Sustainability Issue Collection," "Degree of Concern Survey," "Materiality Identification," and "Stakeholder Engagement." Based on the results of this process, Highwealth Group explains how it responds to the issues of concern raised by stakeholders.

1.1 Stakeholder Identification

The identification is based on "internal and external groups or individuals that affect or are affected by Highwealth Group." Following the five principles of the AA1000 Stakeholder Engagement Standard (SES-2011), the company identified seven key stakeholder groups based on characteristics such as dependency, influence, and communication frequency. These groups include employees, investors, customers, suppliers, government agencies, media, and society.



1.2 Summary of Sustainability Issues

Sustainability issues were gathered from international standards and trends (such as the Global Sustainability Standards Board's GRI Standards, the UN Global Compact, and the SDGs), industry benchmark cases, supplementary guides for the construction and real estate industries, and internal organizational development goals. Based on their relevance to Highwealth Group, 26 key topics were identified, covering three main aspects: corporate governance, environment, and society.



1.3 Identification of Material Topics

Material Topic Identification Process

01

Survey of Stakeholders' Concerned Topics

- The 26 key topics were formulated into a stakeholder survey questionnaire
- "Key Topic Assessment Survey" distributed to stakeholders
- 61 questionnaires collected
- 59 valid questionnaires

02

Operational Impact Analysis

- Department heads at Highwealth completed an "Impact Topic Assessment Survey"
- 24 valid questionnaires from department heads collected

03

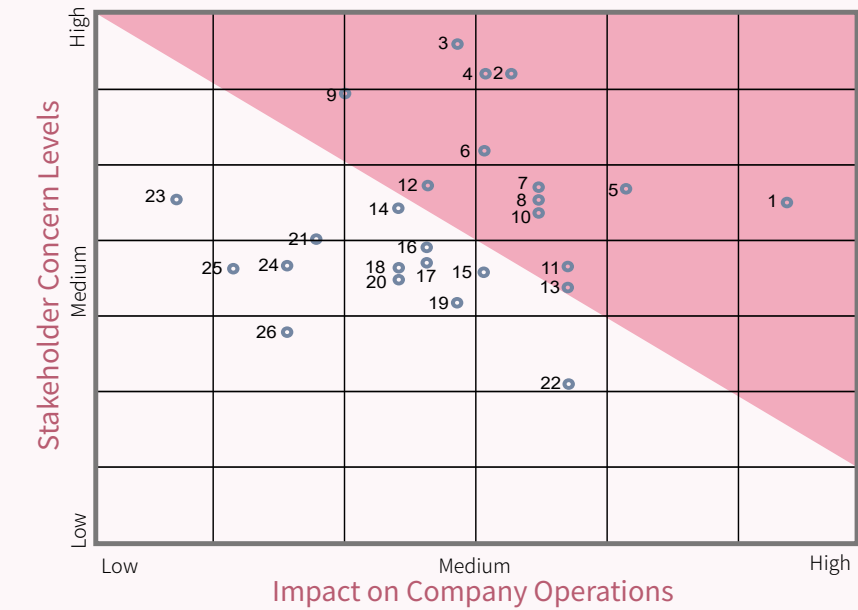
Material Topic Analysis

- Questionnaire analysis results compiled
- A material topic matrix was drawn

After weighting the results of the internal and external stakeholder surveys, a material topic matrix for Highwealth Construction was created, as shown in the image on the right. The X-axis represents the "Impact on Company Operations," and the Y-axis represents the "Stakeholder Concern." Based on the score distribution, the issues were categorized into high, medium, and low importance, and 11 material topics for the year were identified. The company further analyzed the positive and negative impacts to understand how each issue affects the company from different perspectives. Highwealth has established management guidelines for all 11 material topics, with execution performance and future goals explained in the respective chapters.



Material Topic Analysis Results



| 26 Key Topics | | |
|--|-------------------------------------|---|
| Material Topics (11 items) | Key Topics (15 items) | |
| 1. Business performance | 12. Human rights and equality | 20. Local procurement |
| 2. Information security | 13. Labor relations | 21. Talent attraction and retention |
| 3. Sustainable procurement | 14. Climate change strategy | 22. Product and service environmental impact |
| 4. Supplier management | 15. Raw material management | 23. Building waste management |
| 5. Product safety and responsibility | 16. Energy usage management | 24. Greenhouse gas inventory and reduction |
| 6. Legal compliance | 17. Grievance mechanism | 25. Water resource and building wastewater management |
| 7. Occupational safety and health | 18. Talent development and training | 26. Low carbon management |
| 8. Construction technology innovation | 19. Risk management | |
| 9. Customer relationship management | | |
| 10. Functional buildings and projects awards | | |
| 11. Local communities and social engagement | | |



Material topic management approach

| Material topics | 2023 actions | |
|-----------------------------------|---|--|
| Economic performance | Economic impact | <ul style="list-style-type: none">▪ Monthly conduct of the latest financial risk assessments to ensure the achievement of the company's economic performance goals.▪ Monthly reporting of financial risk assessment execution performance at executive meetings.▪ The consolidated pre-tax net profit for 2023 was NT\$10,752,524 thousand. |
| | Indirect economic impact | <ul style="list-style-type: none">▪ Reserve land for the group and explore the feasibility of diversified development.▪ Actively reserve prime locations and land resources to prepare for future price fluctuations.▪ Hire additional employees to increase market opportunities.▪ Diversify products and services to meet various market demands. |
| Information security | <ul style="list-style-type: none">▪ Appoint a Chief Information Security Officer and establish a dedicated information security department to oversee the planning, monitoring, and execution of the information security management operations.▪ Refer to the ISO 27001 and CNS27001 standards for information security management systems to establish information security protection and management measures.▪ Invest in information security management resources to enhance protection capabilities, regularly conduct phishing email drills company-wide, and promote information security awareness throughout the group. | |
| Sustainable procurement | <ul style="list-style-type: none">▪ Sign procurement contracts with suppliers that clearly state engineering requirements and evaluate if they have had past records of environmental and social impact.▪ Promote green procurement by choosing products with environmental certifications, such as water-saving labels or recyclable materials, to reduce ecological damage. | |
| Supplier management | <ul style="list-style-type: none">▪ Establish a supplier evaluation system, hold pre-tender briefings to ensure only high-quality and reputable suppliers participate, and conduct evaluations post-completion.▪ Require suppliers to provide certified raw materials and evaluate past environmental and social impacts.▪ Strictly stipulate compliance clauses in contracts with major suppliers, including Occupational Safety and Health Act, construction worker safety, and prohibition of employing illegal workers. | |
| Product safety and responsibility | <ul style="list-style-type: none">▪ Promote the policy of prohibiting the employment of migrant workers through internal documents.▪ Trial facial recognition technology at two construction sites to proactively manage site access.▪ Negotiate for recyclable and reusable construction equipment.▪ Select safe and stable building materials and environmentally friendly paints. | |
| Legal compliance | <ul style="list-style-type: none">▪ Highwealth Construction insists on complying with laws and regulations, viewing legal compliance as the cornerstone of sustainable business operations.▪ Establish a comprehensive legal compliance management framework to ensure the company operates legally in all activities, protecting the rights of consumers and shareholders. | |





| Material topics | 2023 actions |
|--|---|
| Occupational safety and health | <ul style="list-style-type: none">▪ Implement a complete occupational safety policy, set specific goals, management plans, and standard operating procedures.▪ Strengthen occupational safety training for new internal and external staff to raise awareness of risk prevention and effectively eliminate safety hazards.▪ Hold an annual executive occupational safety and disaster reduction seminar to develop advanced disaster reduction strategies for construction sites.▪ Through educational training, meetings, site inspections, monthly evaluations, and recognition and reward programs, the company ensures the enforcement of occupational safety at construction sites.▪ Strictly enhance professional training: hold annual professional training programs, requiring site managers and engineers to obtain an "Occupational Safety Card" or take at least 6 hours of environmental, safety, and health-related courses, along with professional license training.▪ Conduct site visits and training programs in Northern, Central, and Southern regions, encouraging employees to participate in external educational programs to enhance their expertise and contribute to industry exchanges, jointly improving workplace safety standards. |
| Construction technology innovation | <ul style="list-style-type: none">▪ Use Building Information Modeling (BIM) systems to simulate building pipelines, mechanical and electrical designs, and conduct optimized planning in advance to produce high-quality buildings.▪ Follow the green building design standards and proactively apply for green building certifications after construction is completed. |
| Customer relationship management | <ul style="list-style-type: none">▪ Adopt quality control methods and set quality and acceptance standards for each construction task.▪ Before handing over to the homeowner's committee, conduct independent third-party verification of construction quality. |
| Functional buildings and projects awards | <ul style="list-style-type: none">▪ Sustainable Building Design Guidelines: Develop high-standard sustainable building design guidelines, covering five key dimensions: strength, cleanliness, purity, respect, and competitiveness, to guide building design and construction practices.▪ Building Project Award Application Plan: Develop a plan for applying for building project awards, clearly defining the process and standards for award applications and providing corresponding support and resources.▪ Active Promotion and Marketing: Through various promotional channels, actively market the sustainable residential concepts of "energy-saving," "smart," "healthy," "environmental," and "ecological," to enhance the company's image and brand value by promoting award-winning projects. |
| Local communities and social engagement | <ul style="list-style-type: none">▪ Support for Sports Activities: Support local sports like baseball and soccer, and organize related charity events to encourage youth participation in sports and foster teamwork.▪ Community Care: Establish a "Volunteer Leave" system to encourage employees to engage in community service, increasing their social participation and sense of responsibility.▪ Regional Revitalization: Participate in local urban revitalization projects, such as community greening and improving cityscapes, to enhance community livability and attractiveness.▪ Social Contribution: Organize charitable activities to support groups such as patients with rare diseases and visually impaired massage therapists, promoting social inclusion and care.▪ Local Community: Prevent potential issues and remove obstacles before construction begins. If any disputes arise during construction, immediate repairs will be made, and the best solutions will be provided to residents. |






1.4 Stakeholder Engagement



Highwealth's seven key stakeholders include employees, investors, customers, suppliers, government agencies, media, and society. We engage in regular or ad-hoc communication through various channels to understand their needs and expectations, which serve as a reference for determining corporate operational direction and corporate social responsibility policies.

Highwealth Construction's Stakeholder Engagement Channels and Key Topics

| Category | Key Topics | Significance to Highwealth | Communication Achievements |
|--|--|---|---|
|  Employees | Products, services, and labeling Labor relations Employee training and education Labor relations | Employees are Highwealth's core resource, responsible for actual work that influences productivity and service quality. Employee performance directly affects the company's achievements and reputation. For Highwealth, employees' significance goes beyond daily business operations—they represent talent, creativity, and commitment. Satisfied employees improve work efficiency and product quality while helping maintain a stable work environment and corporate culture. Therefore, Highwealth should prioritize employee welfare, training, and development, and establish good communication and interaction with them | <ul style="list-style-type: none">Internal website or email announcements: announcements on various employee benefits (health checks, group insurance, etc.), Welfare Committee information, important operational updates, training course information, annual performance management tasks, etc.External training for employees.Annual free health checks and group insurance for employees.Weekly and quarterly supervisor meetings. |
|  Investors | Risk management Legal compliance Economic performance Customer health and safety Product safety and responsibility | Investors provide Highwealth with capital, supporting its business operations and development plans. They are concerned with the company's financial health, profitability, and long-term growth potential. Highwealth's success directly affects investors' return on investment and risk tolerance. Therefore, Highwealth reports transparently to investors about its financial status, performance, and future development strategies, and actively responds to investors' concerns and suggestions, building trust and cooperative relationships. | <p>[Regular]</p> <ul style="list-style-type: none">Regularly publish financial reports and related operational information.Hold annual shareholder meetings and provide annual reports.Host annual investor briefings. <p>[Ad-hoc]</p> <ul style="list-style-type: none">Disclose major announcements on the Market Observation Post System.Invitations to attend domestic forums.Company website provides an email inbox and contact number, establishing smooth communication channels between investors and the company. |



| Category | Key Topics | Significance to Highwealth | Communication Achievements |
|--|--|--|---|
|  Customers | Construction technology innovation Product safety and responsibility Customer health and safety, product services and labeling Customer relationship management | Customers are the source of Highwealth's revenue. They purchase the company's products and services, supporting its business operations and growth. Customer needs and satisfaction directly impact the company's market position and business results. Highwealth is customer-centric, meeting customer needs by providing high-quality products and services. Building strong relationships with customers helps increase customer loyalty, repeat purchases, and word-of-mouth recommendations, while also expanding market share and attracting new customers. | <p>[[Ad-hoc]</p> <ul style="list-style-type: none">Advertising and promotions, social media.Providing multiple communication channels for customers: Service hotline, customer complaint hotline, website visitor messages. <ul style="list-style-type: none">Appointment hotline for house viewings, after-sales service hotline, and survey feedback.Online customer service contact area, corporate website. |
|  Suppliers | Product services and labeling, product safety and responsibility, customer relationship management Construction site environmental management | Suppliers provide the materials, equipment, and services necessary for Highwealth's production and operations. Supplier performance directly affects the stability and cost-effectiveness of Highwealth's supply chain. Highwealth builds a relationship of mutual trust and cooperation with suppliers to ensure smooth operations and quality control in the supply chain, helping explore innovative and sustainable development solutions together. | <p>[Ad-hoc]</p> <ul style="list-style-type: none">Ad-hoc or regular project meetings to review suppliers' progress, quality, and safety management.Internal evaluations of suppliers.Ad-hoc supplier discussions.Communication through various messaging software. |
|  Government agencies | Occupational health and safety Construction technology innovation Building greenhouse gas emissions, building waste / wastewater management | Government agencies establish and enforce regulations and policies that directly affect Highwealth's business operations and development. Government agencies oversee matters related to environmental protection, land use, building regulations, safety standards, etc., and Highwealth must comply with relevant laws and regulations. A cooperative relationship with government agencies is crucial. Compliance with regulations is not only a legal obligation but also a social responsibility. Highwealth should establish strong collaborative relationships with government agencies, actively participate in policy development and industry standards discussions, and proactively cooperate with government oversight to ensure legal and compliant operations. | <p>[Ad-hoc]</p> <ul style="list-style-type: none">On-site visits and communication with government officials.Compliance with laws and regulations.Official correspondence.Telephone and in-person communication.Government briefings. |

| Category | Key Topics | Significance to Highwealth | Communication Achievements |
|--|---|--|--|
|  Media | Customer health and safety, product safety and responsibility Products, services, and labeling | The media is a key source of public information and can influence public perceptions of Highwealth's image and reputation. Media coverage of the company's business activities, social responsibility, and environmental performance can affect its reputation and market position. Highwealth values media reports and attention, actively communicates with the media, and provides accurate and complete information to maintain its image and reputation. At the same time, Highwealth can use media platforms to promote its core values, sustainability concepts, and social responsibility actions, increasing public awareness and trust in the company. | [Ad-hoc] <ul style="list-style-type: none">• Responding to media-related inquiries.• News and magazine information.• Company website.• Facebook. |
|  Community and society | Customer health and safety, product safety and responsibility Products, services, and labeling Construction site environmental management | Highwealth's business activities directly impact the interests and well-being of local communities and society. Community residents and stakeholders may be concerned about the company's environmental impact, social contributions, and contributions to the local economy. Highwealth actively participates in community and social activities, establishing a positive social image and corporate citizenship. Through communication and collaboration with the community, Highwealth can gain local residents' support and recognition, address potential environmental, social, and economic issues, and achieve a win-win situation for both the company and society. | [Ad-hoc] <ul style="list-style-type: none">• Actively participating in events organized by schools or social welfare organizations.• Sponsoring various charitable activities and provide scholarships.• Sponsoring relevant organizations and groups.• Communication through newspapers and magazines.• Company website.• On-site communication. |



External organization participation

In 2023, Highwealth did not participate in any international initiatives. However, since its establishment, the company has actively engaged with industry-related associations to stay updated on industry trends and news, as well as to obtain the latest information on regulatory and policy changes. The external organizations Highwealth participates in are as follows:

- The Real Estate Development Association of Taipei
- The Real Estate Development Association of New Taipei
- The Real Estate Development Association of Taoyuan
- The Real Estate Development Association of Taichung
- The Real Estate Development Association of Kaohsiung
- The Real Estate Development Association of Tainan
- The Real Estate Development Association of Hsinchu City
- The Real Estate Development Association of Hsinchu County



CH2

Corporate Governance and Sustainability

2.1 Economic Performance

In 2023, due to the government's continuous investment in public infrastructure, the trend of Taiwanese businesses returning to invest in Taiwan, and industrial transformation and upgrades, private investment momentum was boosted, providing opportunities for the construction industry. Furthermore, the government implemented various plans to reduce the pressure of rising material costs for construction companies undertaking public infrastructure projects. With new opportunities in commercial, factory, and office construction, the impact of rising material costs remains, pushing large construction companies toward high-profit commercial and industrial projects. Highwealth Construction remains focused on its core construction business. In addition to collaborating with partner contractors to refine various construction methods to ensure projects are completed on time and with quality, the company continues to introduce smart construction technologies, research new construction methods and material applications, and align with ESG action goals. These efforts aim to address the shortage of skilled labor, improve on-site management efficiency, and mitigate environmental impact by utilizing high-strength materials or modularized structures.

This report reclassifies the annual consolidated income statement from an economic distribution perspective and adjusts the amounts paid to investors and the government on a cash basis to prepare an economic income and distribution table.

Highwealth Group aims to vertically integrate upstream, midstream, and downstream business operations to enhance competitiveness, continue transformation and diversification, reduce operational costs, and spread risks. The goal is to become a leading developer in the Asia region, meeting the lifestyle needs of a broad Asian consumer base while ensuring profitability and creating more corporate value.



Three-Year Consolidated Financial Analysis

Unit: Billion NT\$

| Item | Year | | |
|--|--------|--------|--------|
| | 2021 | 2022 | 2023 |
| Operating revenue | 442.82 | 266.27 | 440.67 |
| Non-operating revenues and expenses | 11.82 | (7.64) | (9.60) |
| Operating fees | 37.11 | 33.29 | 37.08 |
| Operating costs | 305.56 | 176.61 | 286.47 |
| Employee salaries and welfare expenses | 12.69 | 13.06 | 13.07 |
| Dividend payouts (cash dividends) | 2 元 | 4.01 元 | 0.5 元 |
| Tax payments / income tax expense | 16.08 | 9.73 | 19.21 |
| Pre-tax profit | 111.97 | 48.732 | 107.52 |
| Earnings after tax | 95.89 | 39.06 | 88.35 |

Three-Year Return on Investment and Earnings per Share

| Item | Year | | |
|--|-------|-------|-------|
| | 2021 | 2022 | 2023 |
| Return on assets (%) | 5.41 | 2.20 | 4.33 |
| Return on equity (%) | 23.52 | 8.24 | 16.61 |
| Net profit before tax to paid-in capital ratio (%) | 80.39 | 28.42 | 57.07 |
| Net profit margin (%) | 21.65 | 14.67 | 20.05 |
| Earnings per share (NTD) | 6.45 | 2.29 | 1.33 |



2.2 Ethical Corporate Management

Fully-Owned Investees (Unit: Shares)

Unit: Shares

| 被投資公司名稱 | 股數 | 持股比例 |
|---|-------------|------|
| Chyi Yuh Construction Co., Ltd. | 388,500,000 | 100% |
| Ju Feng Hotel Management Consultant Co., Ltd. | 2,500,000 | 100% |
| Highwealth Realty Co., Ltd. | 700,000 | 100% |
| Yeh Kee Enterprise Co., Ltd. | 2,200,000 | 100% |
| Bi Jiang Enterprise Co., Ltd. | 150,720,000 | 100% |
| Highwealth Trading (Xiamen) Co., Ltd. | 0 | 100% |
| Highwealth Construction (Shanghai) Co., Ltd. | 0 | 100% |
| Shing Fu Fa Construction Co., Ltd. | 26,500,000 | 100% |
| Guang Yang Investment Co., Ltd. | 29,900,000 | 100% |
| Bo-Yuan Construction Corp. | 122,900,000 | 100% |
| Well Rich International Co., Ltd. | 18,100,000 | 100% |

Highwealth Construction's Ethical Corporate Management Unit consists of the Audit Unit under the Board of Directors, the Administration and Management Department, and the Legal Department of the President's Office. This unit is responsible for ensuring that no breaches of ethical business conduct occur within the company. Based on the responsibilities and scope of each department, it assists the Board of Directors and management in overseeing and implementing the company's ethical management policies and prevention measures, with a plan to report to the Board of Directors at least once a year on the execution of these policies. Highwealth Construction has established a "Code of Ethical Management Conduct," which requires any amendments or terminations to be approved by the Board of Directors. The Board is obligated to act with the duty of care to help supervise the company in preventing unethical behavior and ensuring the full implementation of ethical management policies.

The company has also established "Insider Trading Prevention Management Measures," which prohibit insiders from trading company stocks from the date they learn of the company's financial reports or related performance information, during a closed period of 30 days prior to the announcement of the annual financial report, and 15 days before the quarterly financial report announcement. In 2023, neither the company nor its insiders were subject to any penalties or significant deficiencies for violating internal control systems. Additionally, no whistleblower reports were received, and no unlawful activities were discovered.

2023 Execution Results

Internal and External Education

The Legal Department regularly invited law firms to conduct virtual educational sessions in Northern, Central, and Southern Taiwan on topics such as ethical business practices, insider trading, and anti-corruption

Performance Evaluation System

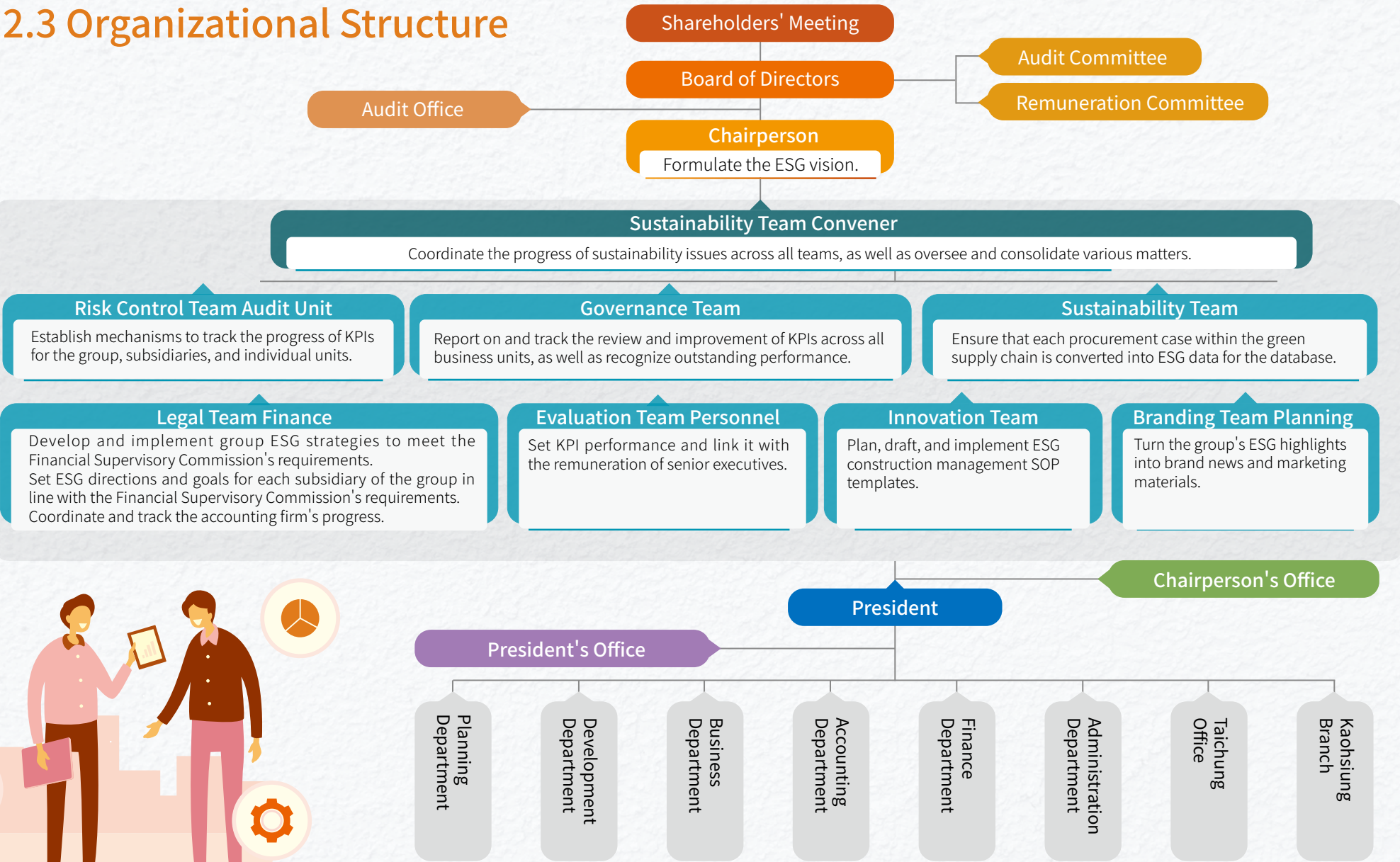
Ethical management was incorporated into employee performance evaluations and human resource policies, with a clear internal disciplinary system established.

Whistleblower Mechanism

Whistleblower channels were established on both the company's internal and external websites to accept reports of any illegal or unethical behavior. An independent unit is responsible for investigating these reports, ensuring the confidentiality of the whistleblower's identity and the content of the report, and committing to protecting the whistleblower from any unfair treatment resulting from the report.



2.3 Organizational Structure



2.4 Board of Directors and Functional Committees

2.5 Risk Management

The highest governing unit of Highwealth Construction is the Board of Directors, which includes the Audit Committee and the Remuneration Committee. Under the Board of Directors, an Audit Office is established to assist the Board in fulfilling its supervisory responsibilities. The results of self-checks and audit reports from the Audit Office are reviewed annually by management and the Board of Directors.

Highwealth Construction’ s Board of Directors consists of 7 members (6 male and 1 female), each with a 3-year term. The primary responsibilities of the Board are to appoint and oversee the company's management team to ensure the rights of stakeholders and maximize shareholder value. In 2023, the Board held 10 meetings, with an average attendance rate of 97% for individual directors. The Board of Directors operates in accordance with relevant laws, company regulations, and board meeting protocols, leveraging the expertise and industry experience of its members in various fields to fulfill their supervisory and management responsibilities through collaboration and communication.



Product Construction Risk

01

For hillside and geologically sensitive areas, the engineering department must conduct an in-depth assessment of the geologically sensitive land in the early stages. Geological improvements, foundation engineering, and structural engineering are utilized to overcome potential risks.

Product Design Risk

02

A product warranty is provided for sold products, and proactive site inspections are conducted to reduce the likelihood of more severe risks occurring.

Customer Data Risk

03

A Personal Data Protection Act notification is issued to customers, requiring them to sign to acknowledge their understanding. Consent is obtained for the use of their personal data, including the period, region, recipients, and method of use.

Market Development Risk

04

Actively explore local consumer needs and design products based on these needs to reduce risk.

Financial Investment Risk

05

A conservative financial strategy is currently employed, with idle funds primarily used to repay loans.

Climate Change Risk

06

Prior to land acquisition, typhoon and flood risks are evaluated for the area. A heat hazard prevention program is also promoted among workers to mitigate risks associated with climate change and reduce financial losses caused by climate impacts.



Cybersecurity Management

- (1)Deploy enterprise-grade firewalls to block illegal hacking attempts.
- (2)Utilize HiLink VPN enterprise-exclusive lines for operations between northern, central, and southern branches, encrypting data to prevent illegal interception during transmission.
- (3)Implement an Internet behavior management system to control network access, blocking harmful or policy-restricted websites and content, enhancing network security, and preventing improper bandwidth usage.

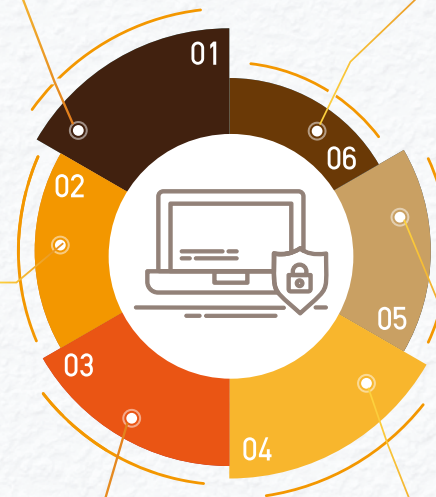
Computer Equipment Security Management

- (1)The company's computer hosts, application servers, etc., are housed in dedicated server rooms, which are locked at all times. Personnel access is strictly controlled and recorded for future review.
- (2)The server rooms are equipped with independent air conditioning and uninterrupted power supply (UPS) systems to ensure that computer equipment operates at the appropriate temperature and that operations continue during power outages.
- (3)A device management system is in place, allowing only company-approved mobile devices and USB devices to connect to the internal network and access data. °

Ensuring System Availability

- (1)A backup management system is in place. Daily backup data is stored in two locations: one copy in the server room and another at a remote site (Taichung branch server room) to provide mutual backup.
- (2)Regular disaster recovery drills are conducted, where the system is restored to a selected recovery point using backup files.

Highwealth Construction's Specific Information Security Management Measures



System Access Control

- (1)The use of company application systems requires an information service request process. After approval by the relevant supervisors, the IT department creates an account, and system administrators grant the requested permissions.
- (2)Passwords must meet the required strength, mixing letters and numbers, to ensure security.
- (3)When an employee resigns, the HR department coordinates with the IT personnel to delete system accounts.

Implementation of Information Security Training

- (1)Information security courses are included in the onboarding training for new employees.
- (2) In-service employees receive quarterly training, with special courses provided to those who violate information security regulations.

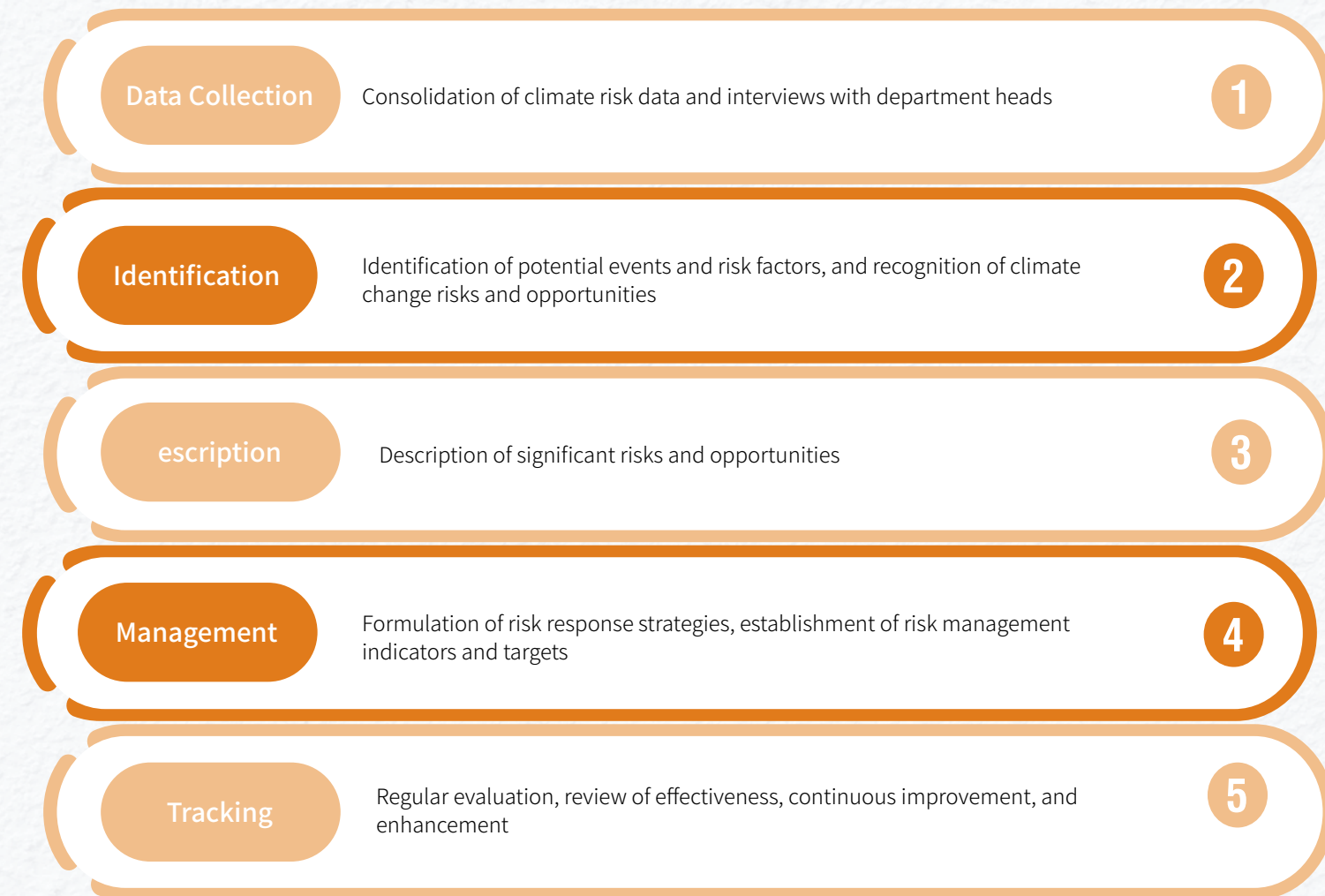
Virus Protection and Management

- (1)Endpoint protection software is installed on servers and employee computers, with virus definitions automatically updated to guard against the latest threats.
- (2)The email server is equipped with a spam filtering mechanism to prevent viruses or junk mail from reaching user PCs.

2.6 Information Security Management

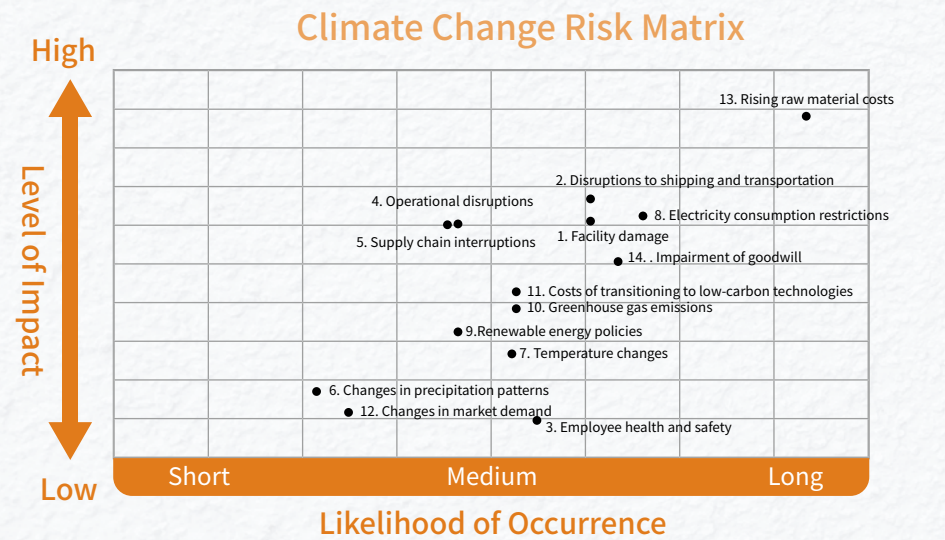
2.7 Climate Change Risk Management

Climate Change Risk and Opportunity Identification Process



Climate Change Risk Identification

Highwealth distinguishes industry-related risks into two categories: transition risks and physical risks. By collecting global industry risk management reports and Taiwan's regulatory policies, a list of risk and opportunity topics has been developed. To stay updated on changes in climate change risks, the company annually reviews the risk assessment results and adjusts climate change strategies to reduce risk impacts and seize climate-related opportunities. In 2023, Highwealth explained the significant items affecting its operations, identifying 14 major risk issues and 10 climate change opportunities. In addition to preparing for and preventing future risks, the company also considered market development directions for potential opportunities to support Highwealth's sustainable development.



Physical risks Immediate risks Extreme weather events

1 Facility damage

2 Disruptions to shipping and transportation

3 Employee health and safety

4 Operational disruptions

5 Supply chain interruptions

Long-term physical risks Long-term climate impacts

8 Electricity consumption restrictions

9 Renewable energy policies

10 Greenhouse gas emissions

Transition risks Policy and regulatory risks

11 Costs of transitioning to low-carbon technologies

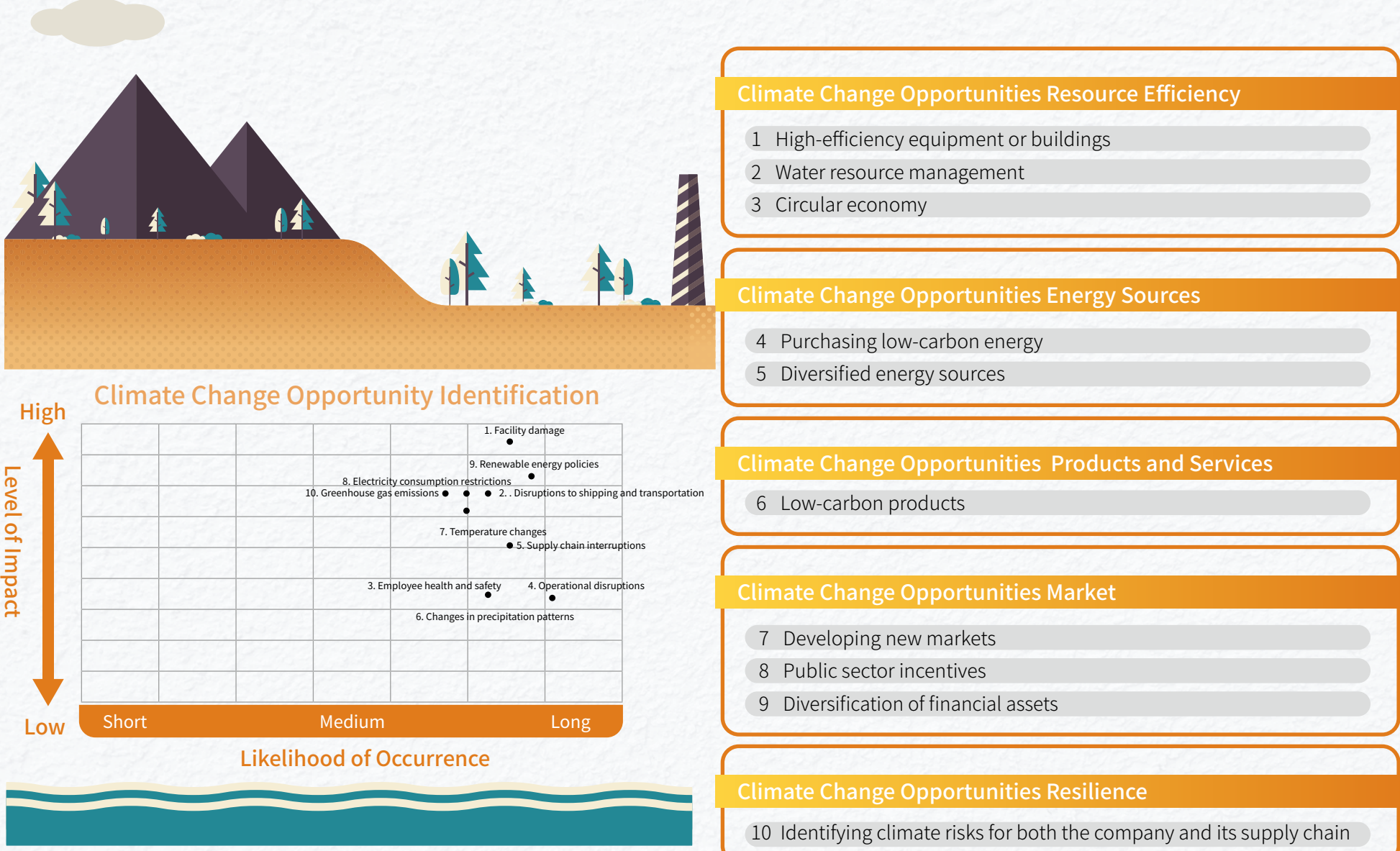
Transition risks Market risks Technological risks

12 Changes in market demand

13 Rising raw material costs

Transition risks Reputation risks

14 Impairment of goodwill





CH3

Secure Construction, Building Happiness

Stakeholder
Engagement

Corporate Governance
and Sustainability

Secure Construction,
Building Happiness

Energy Conservation and
Environmental Protection,
Caring for the Earth

Secure Workplace and
Talent Development

Social Welfare and
Shared Prosperity

Appendix



3.1 Product Safety and Development

Household structures are becoming more diverse, with an increasing trend of small families, dual-income couples without children (DINKs), and single-person households. This has led to a higher demand for housing near work areas, reducing the demand for large properties while increasing the demand for smaller units and properties in city centers. Highwealth Construction follows market trends by optimizing sales and planning through service design. This involves selecting regions and designing units in line with market demand to create products that better suit consumers. Highwealth Construction upholds a "customer-first" approach, offering high-quality products and professional sales services, with the goal of increasing customer satisfaction and building brand loyalty.

Product Research and Development

Architectural Design and Planning

Adhering to the three principles of practicality, durability, and aesthetics, Highwealth plans products that complement the characteristics of the surrounding environment, aiming to meet the diverse needs of consumers.

Construction Engineering and Management

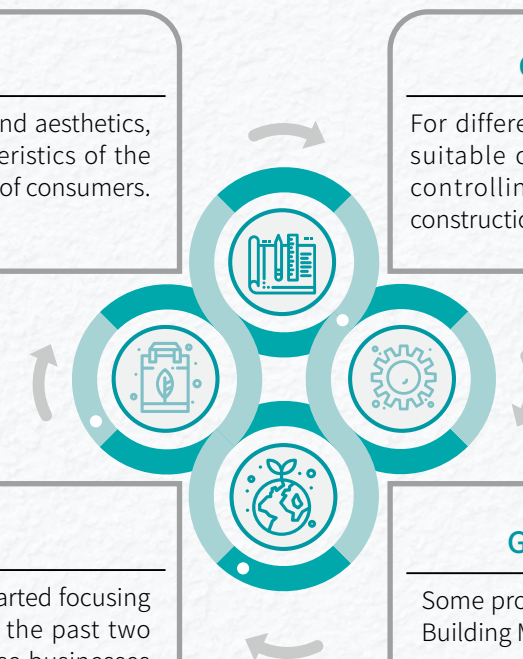
For different types of construction sites, Highwealth develops the most suitable construction techniques and management systems, strictly controlling quality, progress, and costs while ensuring the safety of construction site employees.

Market Research and Development

In addition to residential products, the company has also started focusing on the development of commercial office products over the past two years to meet the increasing office demand from Taiwanese businesses returning to Taiwan for investment.

Gradual Adoption of Green Building Materials

Some projects have adopted green building materials and received Green Building Material Certification.



Architectural Planning and Development Process

Highwealth Construction adheres to the motto "Quality First, Service Supreme" and continuously improves product processes, aiming to create comfortable, safe, and convenient living environments for customers, contributing to the development and progress of cities.



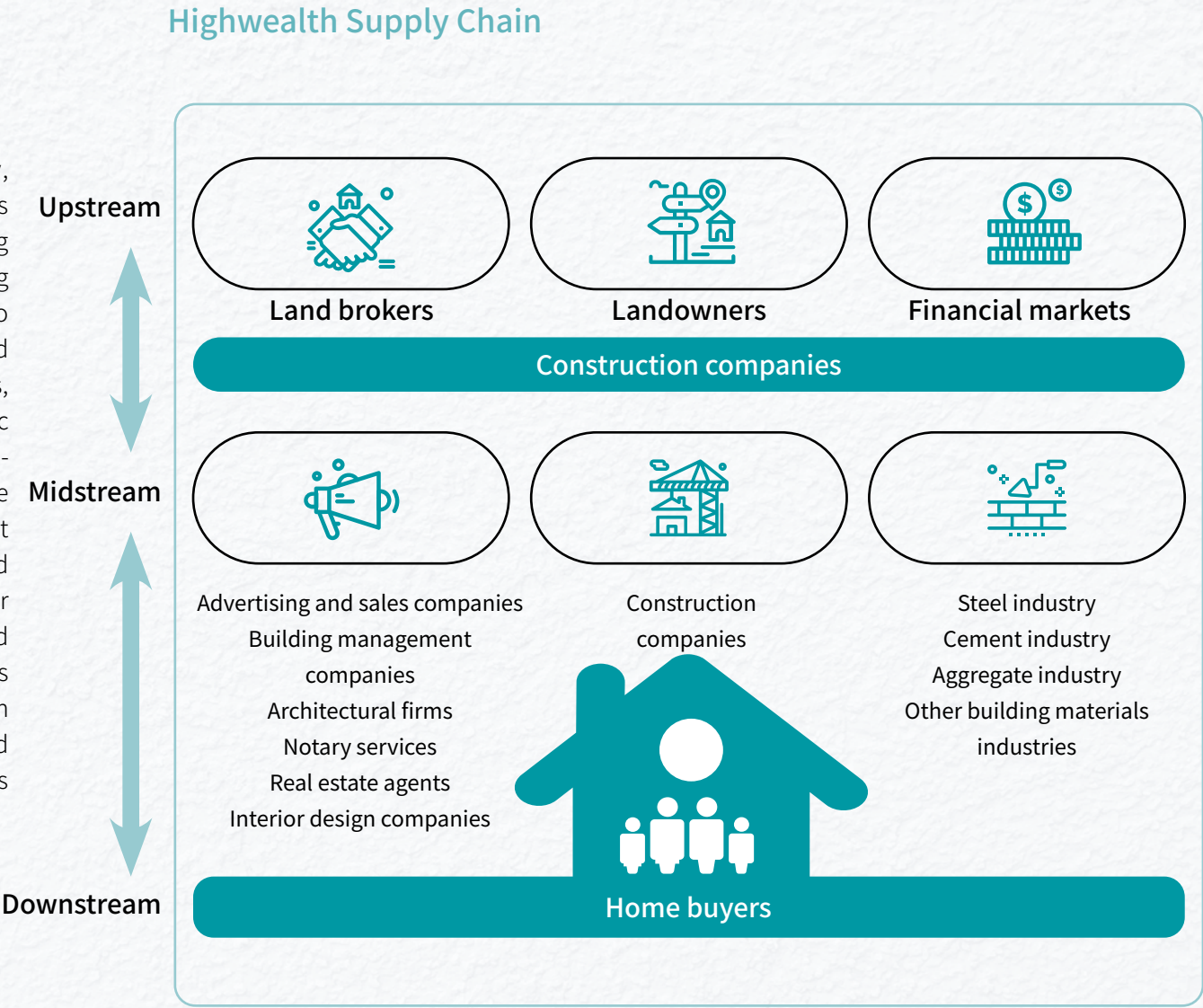
3.2 Legal Compliance

To protect the rights of consumers and shareholders, Highwealth Construction focuses on regulatory research. At each stage, from land acquisition to obtaining building permits, construction, and completion, the company ensures compliance with relevant central and local government regulations. Below are the regulations that must be adhered to at each stage of execution:

| Implementation Stage | Legal compliance |
|----------------------|---|
| Planning Stage | <ul style="list-style-type: none"> ▶ Urban Planning Act-related regulations ▶ Building Act-related regulations ▶ Regulations Governing Construction on Hillside Land ▶ Environmental impact assessment-related laws ▶ Others: such as flight control, military construction restrictions, meteorological construction restrictions, high-voltage power tower construction restrictions, etc. |
| Construction stage | <ul style="list-style-type: none"> ▶ Transportation-related laws and regulations ▶ Construction management-related regulations ▶ Usage management-related regulations ▶ Regulations concerning the five major pipelines |
| Sales stage | <ul style="list-style-type: none"> ▶ Standard contract clauses set by the Ministry of the Interior ▶ Fair Trade Act ▶ Consumer Protection Act ▶ Supervisory authorities may conduct on-site inspections or send letters for spot checks; there must be no infringement of third-party intellectual property rights. |

3.3 Supply Chain Management

As a leader in the construction industry, Highwealth Construction actively undertakes national infrastructure tasks, not only investing in industrial zone development and securing government public works projects but also aiming to drive demand in related upstream and downstream industries, create job opportunities, and meet the needs of national economic development and public welfare. To create high-quality, safe, and comfortable buildings, we are committed to perfecting our supplier management system. Through strict selection criteria and ongoing cooperation, we ensure that every supplier and partner meet environmental protection and social responsibility requirements. We also focus on long-term cooperation and development with suppliers, continuously innovating high-standard engineering and creating excellent products together to promote new sustainable buildings.



Supplier Selection

Highwealth has always emphasized the sustainability of its supply chain and strives to ensure that its partners meet high standards of social and environmental responsibility. Currently, Highwealth Construction has not yet established an evaluation mechanism for selecting new suppliers based on environmental or social standards. Therefore, no new suppliers have been identified with actual or potential negative environmental or social impacts (since this data has not been collected, the number is 0). However, considering the increasing attention from external stakeholders on this issue and the fact that a supplier social standard screening mechanism can effectively reflect our management effectiveness in supply chain sustainability, we plan to gradually implement this mechanism in our future management policies and regularly monitor progress, moving towards the goal of a sustainable supply chain.



Raw Material Procurement Policy

Rebar, steel, stone, concrete, and glass are the primary raw material categories for the construction industry. Highwealth Construction adheres to a commitment to superior quality during the procurement and contracting phases, strictly controlling the procurement process for raw materials and general supplies.



3.4 Quality Management

| Implementation period | Quality Management Policy | |
|--|---------------------------|---|
| Pre-project Preparations | 1 | Product configuration and architectural layout (including height settings) |
| | 2 | Façade design, landscaping, and public facilities planning |
| | 3 | Review of central and local regulations |
| | 4 | Setting and planning of the five major mechanical, electrical, and plumbing (MEP) systems |
| Permit review procedures | 1 | Preparation and review of related reports for review processes |
| | 2 | Drawing and review of building permit blueprints |
| | 3 | Review of construction drawings (BIM model drawing checks and revisions) |
| Pre-construction site inspection | 1 | Review of the five major MEP systems |
| | 2 | Management and handling of inspection-related matters |
| Construction and inspection procedures | 1 | Review of construction drawings and confirmation of building materials |
| | 2 | Construction estimation and procurement operations |
| | 3 | Construction inspection and resolution of queries |
| | 4 | Review of construction progress and building methods |
| | 5 | Review of changes and modifications |
| Licensing and | 1 | Review of as-built drawings, correction of completion deficiencies, and final acceptance inspection for usage licensing |
| | 2 | Post-licensing regulation management (Green Building Label application) |

3.5 Building Innovation

Building Information Modeling (BIM)

Highwealth Construction is the first construction company in Taiwan to have a Building Information Modeling (BIM) team. Since the establishment of the BIM Center in 2011, the company has used Building Information Modeling as the core technology to apply 3D modeling to construction projects. With a team of nearly 100 people, the company primarily invests in the simulation and review of construction projects under the Highwealth Construction Group, making it the first large-scale construction company in Taiwan to widely adopt the BIM system in its projects.

The Five Key Advantages of Using BIM System for Products and Environmental Impact

Standardized Construction

Highwealth's projects achieve standardized construction processes through the review procedures of the BIM Center and practical application on construction sites.

1

Time Savings

The collaborative platform allows design and construction teams to use the same model on the platform, ensuring alignment between both parties, reducing misunderstandings of design intent, and minimizing on-site construction difficulties.

2

Cost Management

BIM enables accurate cost estimation and helps reduce unnecessary waste during construction, effectively lowering building costs.

3

Construction Site Safety

Using models for interference checks during the design phase helps pre-plan construction paths, reducing on-site risks and ensuring construction safety.

4

Environmental Protection

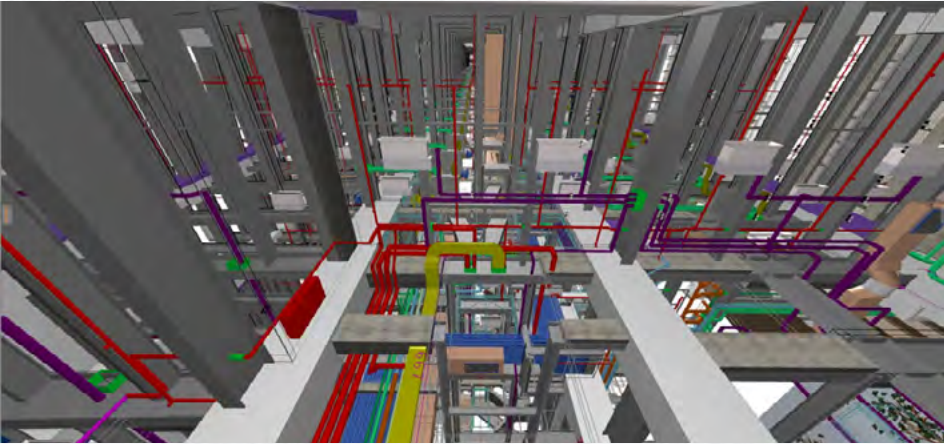
By reviewing blueprints in advance, BIM helps reduce construction errors, saving materials and minimizing waste.

5

BIM Achievements Over the Years

| Year | Number of cases completed |
|-----------|---------------------------|
| 2017-2019 | 56 |
| 2020 | 22 |
| 2021 | 34 |
| 2022 | 14 |
| 2023 | 9 |

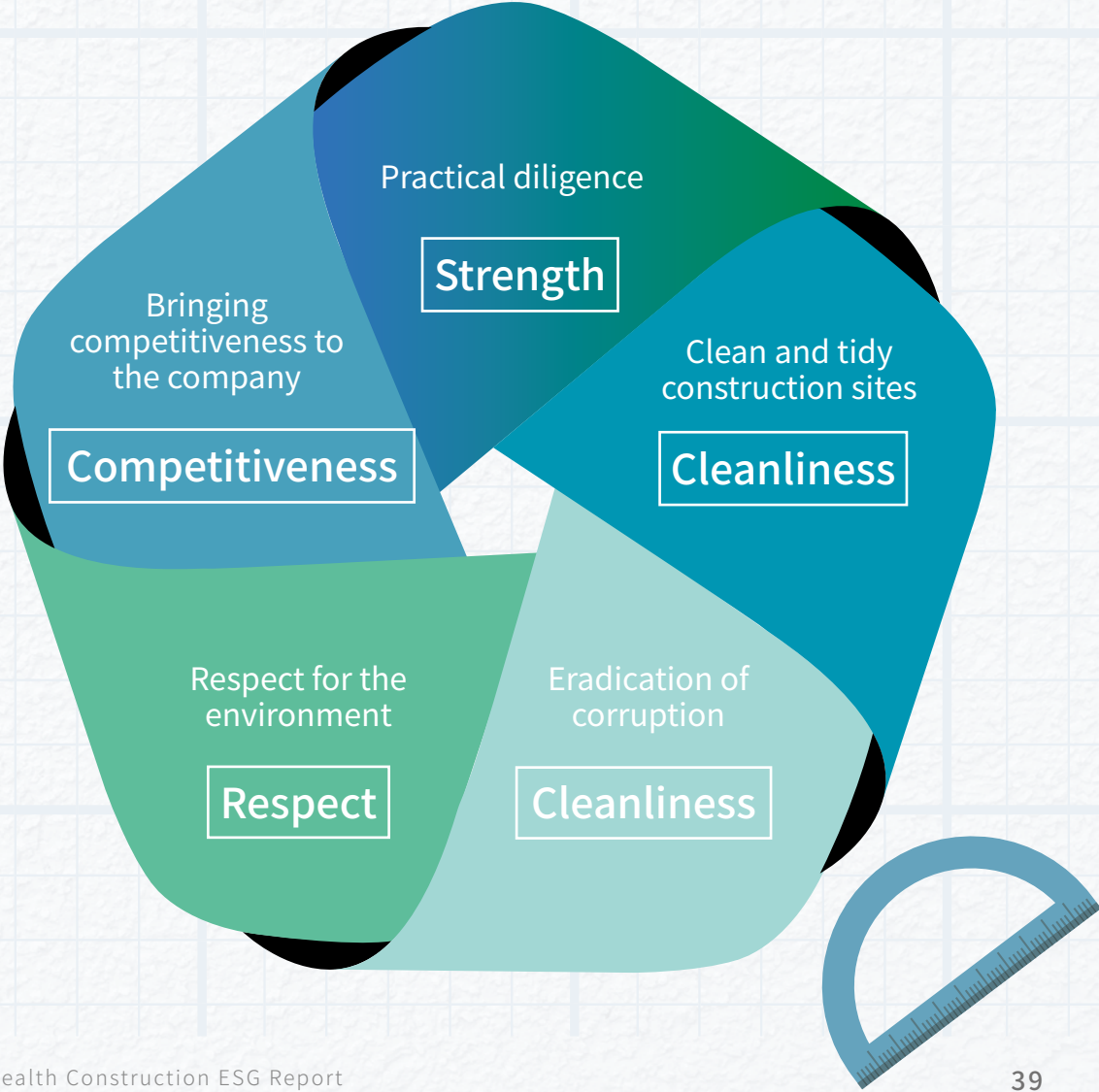
From 2017 to 2023, a total of **135** projects have been completed. As of the end of 2023, **29** projects are still in progress.



Structural and MEP Clash Detection Diagrams

Sustainable Building Design Standards

Highwealth Construction is dedicated to promoting green buildings in response to evolving trends. Environmental protection considerations are integrated into building designs, adhering to the five principles: Strength, Cleanliness, Purity, Respect, and Competitiveness. We emphasize Strength in practicality, Cleanliness in construction sites, Purity in eradicating corruption, and Respect for the environment. During the execution of each construction task, we carefully consider the best possible choices, continuously reviewing and improving our methods with a rigorous attitude, pushing ourselves to progress. We demand high standards of improvement, aiming to create Competitiveness for the company, thereby creating welfare for society and profits for shareholders and investors.



Green Building Certificate

Candidate Green Building Certificate

Gold Level (1 project)

Beitou District, Taipei City, Daye Section Residential Complex Construction Project
4 underground floors, 21 above-ground floors, steel frame office and residential building.

Green Building Certificate

Silver Level (1 project)

Kaohsiung CBD Economic and Trade Center Office Building Construction Project
6 underground floors, 35 above-ground floors, steel frame and reinforced concrete office and residential building.

Bronze Level (1 project)

Guishan District, Taoyuan City, Shanjie Section New Construction Project
4 underground floors, 18 above-ground floors, reinforced concrete residential and other types of buildings.

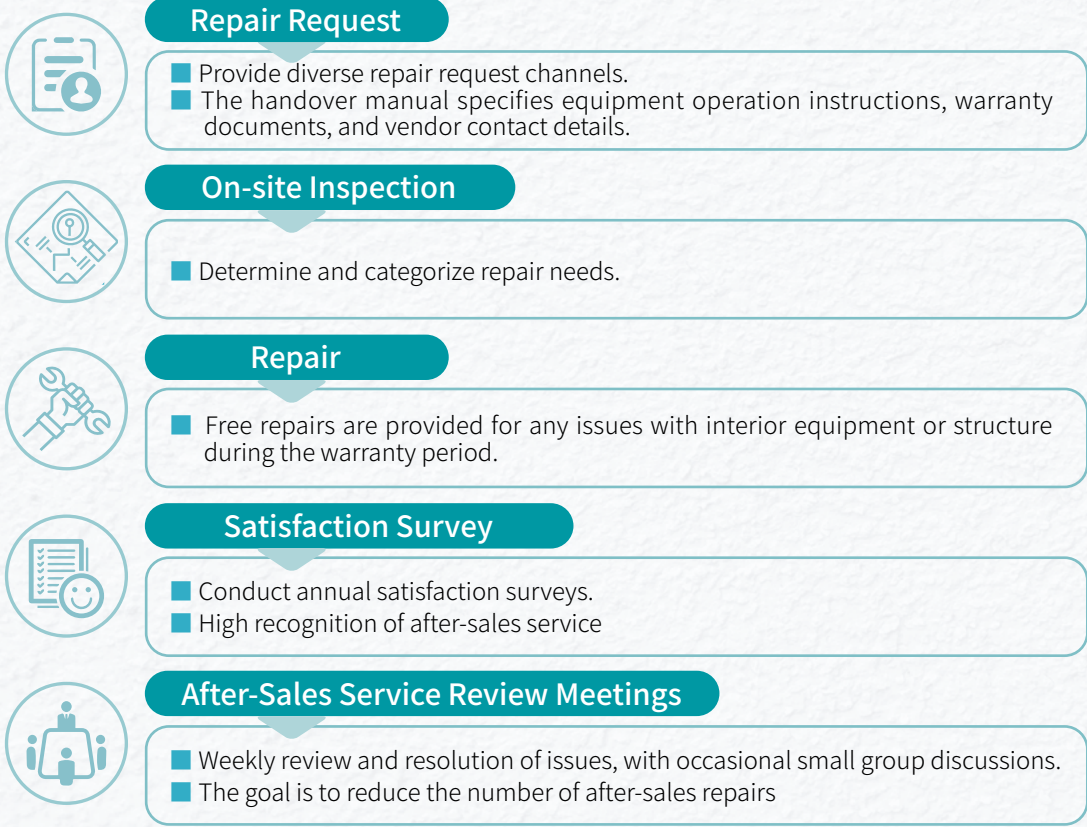
Green Building Label Certificate



3.6 Customer Service

To provide customers with products that embody a sense of happiness, Highwealth Construction clearly defines procedures and control items within the home purchasing process, adhering strictly to the Ministry of the Interior's regulations to ensure customer rights as the fundamental principle of service. With a commitment to service, the company regularly dispatches personnel to inspect equipment after the warranty period has expired. If customers require repairs, Highwealth proactively offers paid repair services or recommends repair vendors, assisting in tracking the repair process to ensure that residents feel secure and their daily lives are not disrupted.

Highwealth After-Sales Service Process



Customer Satisfaction Survey Results

To optimize customer service quality, Highwealth Construction established an after-sales service department to collect customer satisfaction feedback, ensuring understanding of customer experiences after purchasing a home. The survey uses a four-point scale, ranging from "Very Satisfied" and "Satisfied" to "Average" and "Dissatisfied," with the past three years' data shown below:

| | 2021 | 2022 | 2023 |
|----------------|-------|-------|-------|
| Very satisfied | 1,580 | 1,460 | 4,170 |
| Satisfied | 1,920 | 1,552 | 2,107 |
| Average | 198 | 276 | 228 |
| Dissatisfied | 4 | 4 | 16 |



CH4

Energy Conservation and Environmental Protection, Caring for the Earth

4.1 Energy Resource Management

Highwealth's primary energy consumption comes from purchased electricity, amounting to a total of 633,400 kWh in 2023, which is equivalent to 3,130 metric tons of CO₂. Highwealth Construction has integrated energy management into its daily operations and has implemented a series of energy-saving measures over the years, focusing on managing energy use in air conditioning, lighting, and office equipment. The company requires employees to adhere to relevant behavioral guidelines and regularly reviews energy usage to monitor trends in the company's energy consumption.

Highwealth Construction's Electricity Consumption and CO2 Equivalent from 2021 to 2023

| | 2021 | 2022 | 2023 |
|--|---------|---------|----------|
| Annual Electricity Consumption (kWh) | 483,393 | 572,064 | 633,455 |
| Greenhouse Gas Equivalent (tons CO ₂ e) | 242.663 | 310.622 | 1030.598 |

Note 1: The electricity emission factor is based on the version announced by the Energy Bureau: 0.509 for 2019 and 0.502 for 2020.

Note 2: The primary source of CO₂ emissions is Scope 2, purchased electricity.

Note 3: In 2023, the overall emissions increased due to an expansion of the inventory sites and the alignment of disclosures with the scope of individual financial reports.

Note 4: The 2023 emission data was obtained through the ISO 14064-1:2018 greenhouse gas inventory, covering the operational boundaries of the parent company. The greenhouse gas equivalent for 2021 and 2022 was calculated based on the electricity consumption of Highwealth offices in those years multiplied by the electricity emission factor.

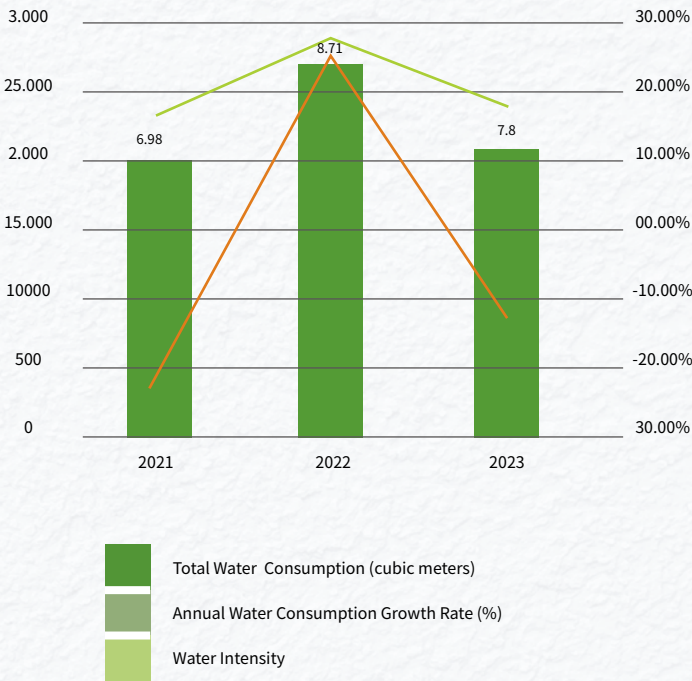


4.2 Water Resource Management

Highwealth Construction proactively adopts various water-saving measures in its daily operations, as shown in the table below. In 2023, Highwealth Construction's total water consumption amounted to 2,161 cubic meters, representing a 12.96% reduction compared to the previous year. The company's water resources are 100% sourced from Taiwan Water Corporation, and regular monthly reviews are conducted to ensure water use efficiency.

Water Consumption in Highwealth Construction Offices

| | 2021 | 2022 | 2023 |
|---|--------|-------|--------|
| Total Water Consumption (cubic meters) | 2,011 | 2,483 | 2,161 |
| Annual Water-Saving Percentage (%) | -22.02 | 23.47 | -12.96 |
| Number of Highwealth Employees | 292 | 280 | 278 |
| Per Capita Water Consumption (cubic meters) | 6.89 | 8.71 | 7.80 |



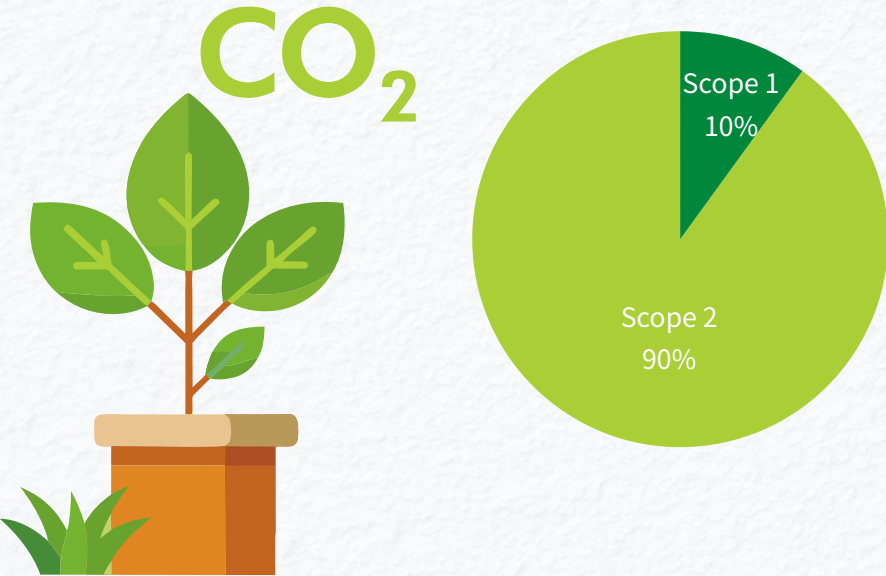
Note 1: Highwealth's per capita water consumption is 7.97 cubic meters (baseline year 2018).

4.3 Greenhouse Gas Management

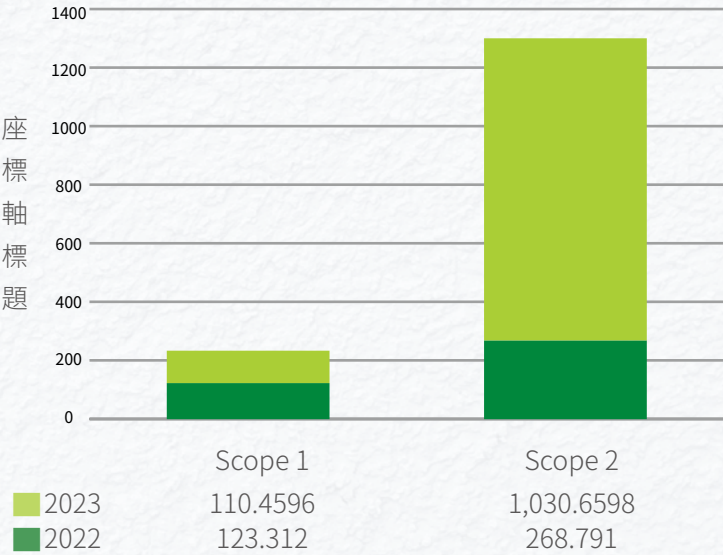
In response to national policies and corporate responsibility, Highwealth Construction has been conducting greenhouse gas inventories since 2022 in alignment with the government's "Sustainability Development Path for Listed Companies." The company has established and implemented a greenhouse gas inventory system in accordance with the ISO 14064-1:2018 standard for greenhouse gas management. Through the establishment of this inventory

system, Highwealth aims to strengthen its greenhouse gas risk management and reduction activities, moving toward a low-carbon economy and assuming responsibility for the global environment. Based on the inventory results, Highwealth has identified greenhouse gas emission hotspots and will regularly monitor and adjust its carbon reduction strategies to achieve the goal of reducing emissions.

Highwealth Greenhouse Gas Emissions



Trend of Greenhouse Gas Emissions



4.4 Construction Site Environmental Management

Pollution Prevention at Construction Sites

In addition to complying with Taiwan's building, safety, and fire regulations, Highwealth Construction also aligns with international trends by incorporating green building design concepts. This approach aims to reduce the environmental impact of the construction process through a sustainable building mindset.

Highwealth actively coordinates with subcontractors to implement standardized control forms and checklists, requiring subcontractors to conduct self-checks and for safety teams to inspect and control any potential external negative effects, such as noise, vibration, air quality, waste, and water pollution caused during construction. Subcontractors must be aware of these impacts and devise solutions. For example, random inspections are conducted daily, recorded in environmental logs, and corrective measures are implemented for any identified issues to manage the environmental impact of the construction process.

Highwealth Construction strictly regulates and controls the environmental impact caused by its construction activities. Chyi Yuh Construction goes beyond regulatory compliance in managing construction site pollution, implementing the following measures:

Note 1:

Highwealth Construction conducts inventories following ISO 14064-1:2018. The data is self-reported and has not yet been verified by a third party. The inventory boundary is determined using the operational control method and covers Highwealth Construction's Taipei headquarters, Hsinchu office, Taichung office, Tainan office, and Kaohsiung branch.

Note 2 :

Greenhouse gas emissions are measured in carbon dioxide equivalents (CO₂e), calculated as: activity data × emission factor × global warming potential (GWP).

Note 3 :

The types of greenhouse gases inventoried by Highwealth include carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF₆), and nitrogen trifluoride (NF₃), all of which are included in this project's greenhouse gas categories.

Note 4 :

Scope 1 emission sources include company vehicles (including vehicle air conditioning refrigerants), domestic air conditioners, water dispensers, refrigerators, and septic tanks. Scope 2 emission sources include office electrical equipment at Highwealth Construction.

Note 5 :

Global warming potential (GWP) values are referenced from the IPCC Sixth Assessment Report (2021).

Note 6 :

Scope 1 direct greenhouse gas emissions are calculated using the Environmental Protection Administration's greenhouse gas emission factor management table (6.0.4), while Scope 2 electricity emission factors reference the 2022 electricity emission factor of 0.495 kg CO₂e, as announced by the Bureau of Energy in 2023.

Note 7 :

The greenhouse gas emission intensity in 2023 (CO₂e tons per million NT\$ in revenue) was 0.0862.



Noise and Vibration Control

Construction activities often generate machinery noise. Highwealth follows regulations such as the Noise Control Act, Noise Control Act Enforcement Rules, Noise Control Standards, Regulations for the Installation and Operation Permits of Noise-Prone Equipment, and Environmental Sound Volume Criteria, adopting noise and vibration prevention measures to protect the rights of nearby residents.



Adjusting Construction Times:

Construction times are chosen to minimize environmental impact, avoiding sensitive periods such as early morning, late night, or midday rest periods.



Improving Construction Techniques:

For unavoidable high-noise or vibration operations, these should be restricted to daytime hours.

Air Pollution Control

Highwealth's air pollution control measures adhere to the Air Pollution Control Act Enforcement Rules, Emergency Control Regulations for the Serious Deterioration of Air Quality, Air Quality Standards, Regulations Governing the Collection of Air Pollution Control Fee, and Air Pollution Control Act. The company has implemented eight control measures to strictly manage potential air pollution from construction sites.



General Air Pollution Control Measures



Related Projects Air Pollution Control Measures



Clean the entrances and exits of the construction site.



Dust control for vehicles



Dust control for pathways and exposed surfaces.



Information of dust-proof screens and nets.



Dust control and ventilation in poorly ventilated areas.



Maintenance plans for construction machinery and equipment.



CH5

Secure Workplace and Talent Development

Stakeholder Engagement

Corporate Governance and Sustainability

Secure Construction, Building Happiness

Energy Conservation and Environmental Protection, Caring for the Earth

Secure Workplace and Talent Development

Social Welfare and Shared Prosperity

Appendix



5.1 Human Rights Policy

Highwealth Construction focuses on its social responsibility and has long been committed to employees and society by implementing a human rights policy, striving to be an outstanding employer in the minds of its employees. Highwealth Construction adheres to various international human rights declarations and standards, including the "United Nations Universal Declaration of Human Rights," ensuring the legal rights of its employees. The company promotes harmonious labor relations and aims to create a happy work environment.

Highwealth Construction strictly complies with all labor regulations, striving to provide a non-discriminatory workplace. The company does not tolerate any form of discrimination based on ancestry, skin color, beliefs, gender differences, genetic characteristics, immigration status, marital status, mental disability, nationality, physical disability, race, religion, gender, sexual orientation, or income, and prohibits any acts that violate or infringe on human rights.

International Human Rights Standards Followed by Highwealth

United Nations Universal Declaration of Human Rights

OECD Guidelines for Multinational Enterprises

ILO Declaration on Fundamental Principles and Rights at Work

United Nations Global Compact

United Nations Convention on the Elimination of All Forms of Discrimination Against Women

OECD Guidelines for Multinational Enterprises

FLA Workplace Code of Conduct and Compliance Benchmarks

United Nations Guiding Principles on Business and Human Rights

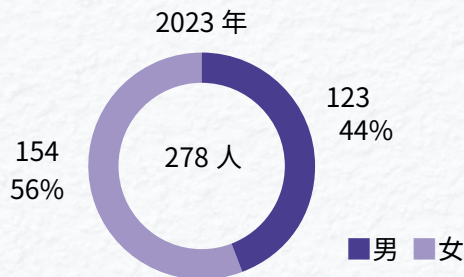
United Nations Convention on the Rights of the Child

5.2 Human Resources Overview

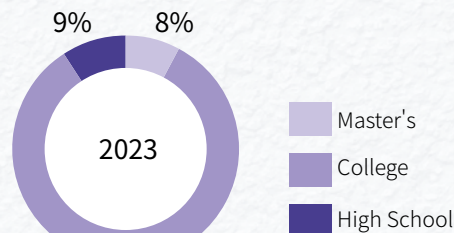
Educational Background Distribution

Highwealth Construction considers talent as the core of the group's value creation. 91% of its employees hold a college degree or higher. After joining the company, employees continue to receive training in various fields to ensure that every team member continues to enhance their professional knowledge.

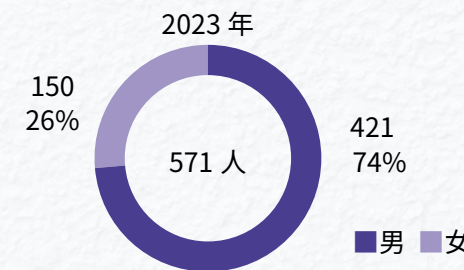
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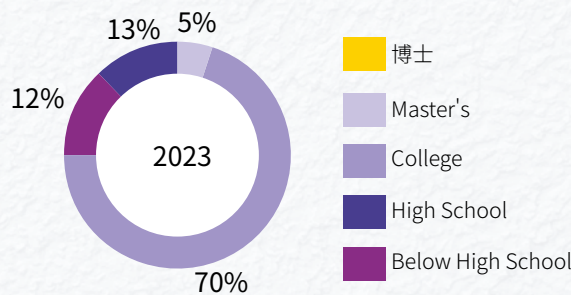
Highwealth Construction



Chyi Yuh Construction



Chyi Yuh Construction



Note: Employee statistics do not include contract workers.

Age Distribution

The majority of Highwealth Construction's employees fall within the age range of 31-50, accounting for approximately 61.3%, with the average employee age being 42.15 years. The average age of male employees is 44.1 years, while the average age of female employees is 40.6 years. The company actively safeguards the working rights of all age groups, ensuring that all employees, regardless of age, enjoy the same benefits, rights, and opportunities for promotion.

Average Employee Age

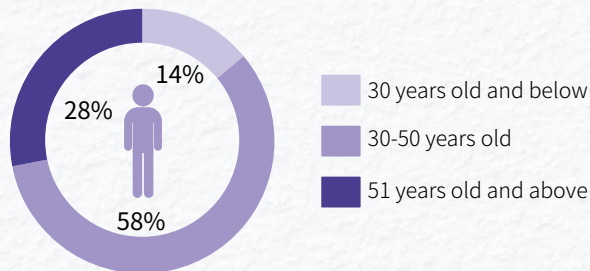


Average Years of Service



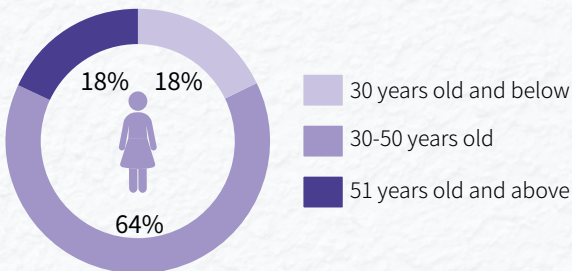
Highwealth Construction

Male Employees by Age Group



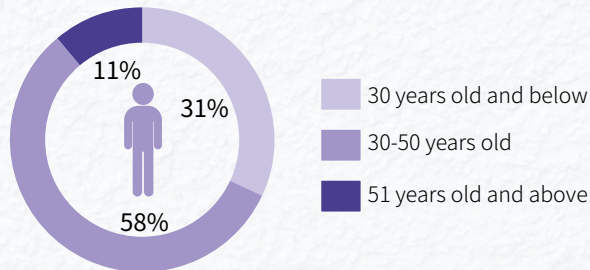
Note: Employee statistics do not include contract workers.

Female Employees by Age Group

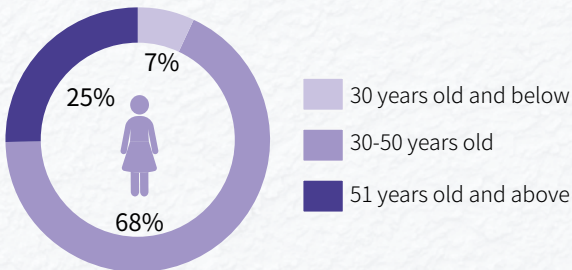


Chyi Yuh Construction

Male Employees by Age Group



Female Employees by Age Group



New Hires and Departures

Highwealth Construction

2023 New Hire Rate: 13.00%

| Year | 2022 | | 2023 | |
|---------------------------|--------|--------|--------|--------|
| Gender | Male | Female | Male | Female |
| Under 30 years old | 5 | 13 | 7 | 2 |
| 30-50 years old | 15 | 15 | 13 | 12 |
| 51 years old and above | 2 | 2 | 1 | 1 |
| Total | 22 | 30 | 21 | 15 |
| Total Number of Employees | 280 | | 278 | |
| New Hire Rate | 18.57% | | 13.00% | |

2023 Employee Turnover Rate:13.72%

| | | | | |
|---------------------------|--------|----|--------|----|
| Under 30 years old | 5 | 16 | 5 | 2 |
| 30-50 years old | 13 | 22 | 15 | 13 |
| 51 years old and above | 6 | 2 | 1 | 2 |
| Total | 24 | 40 | 21 | 17 |
| Total Number of Employees | 280 | | 278 | |
| New Hire Rate | 22.86% | | 13.72% | |

Chyi Yuh Construction

2023 New Hire Rate: 59.54%

| Year | 2022 | | 2023 | |
|---------------------------|--------|----|--------|----|
| Gender | 男性 | 女性 | 男性 | 女性 |
| Under 30 years old | 86 | 27 | 114 | 45 |
| 30-50 years old | 111 | 23 | 132 | 24 |
| 51 years old and above | 15 | 4 | 25 | 0 |
| Total | 212 | 54 | 271 | 69 |
| Total Number of Employees | 482 | | 571 | |
| New Hire Rate | 55.19% | | 59.54% | |

2023 Employee Turnover Rate:42.20%

| | | | | |
|---------------------------|--------|----|--------|----|
| Under 30 years old | 62 | 15 | 66 | 27 |
| 30-50 years old | 77 | 29 | 89 | 30 |
| 51 years old and above | 12 | 2 | 25 | 4 |
| Total | 151 | 46 | 180 | 61 |
| Total Number of Employees | 482 | | 571 | |
| New Hire Rate | 40.87% | | 42.20% | |

5.3 Employee Communication and Benefits

Highwealth Employee Benefits

| Employee benefits | Description |
|--|--|
| Holiday Bonuses | Bonuses provided for Dragon Boat Festival, Mid-Autumn Festival, and Lunar New Year. |
| Travel Subsidy | Depending on the company's financial status, a travel subsidy is generally provided once a year. |
| Wedding and Funeral Subsidy | Subsidies for employee weddings and funerals. |
| Health Checkups | General health checkups are conducted once a year, while senior employees receive a comprehensive checkup every two to three years. |
| Uniforms | Employees are provided with winter and summer uniforms. |
| Club Activities | A monthly subsidy of NT\$5,000 is provided for various clubs. |
| Performance Bonuses and Profit Sharing | Two performance bonuses and one profit-sharing payout are provided each year. |
| Children's Scholarships | Scholarships are available for employees' children. |
| Emergency Loans and Assistance | In the event of a disaster affecting an employee or their family, Highwealth offers interest-free emergency loans of up to NT\$30,000 and emergency relief funds to help with financial difficulties. |
| Team Building and Year-End Activities | The team-building and year-end activities include a 2-day, 1-night group training conference at The Great Roots Forestry Spa Resort in Sanxia, New Taipei City. It was the first in-depth team-building activity in the Northern region, featuring a year-end banquet, team competitions, and ecological experiences, leaving employees with unforgettable memories. |
| Other | Activities such as employee gatherings, sports competitions, and athletic events are also held. |

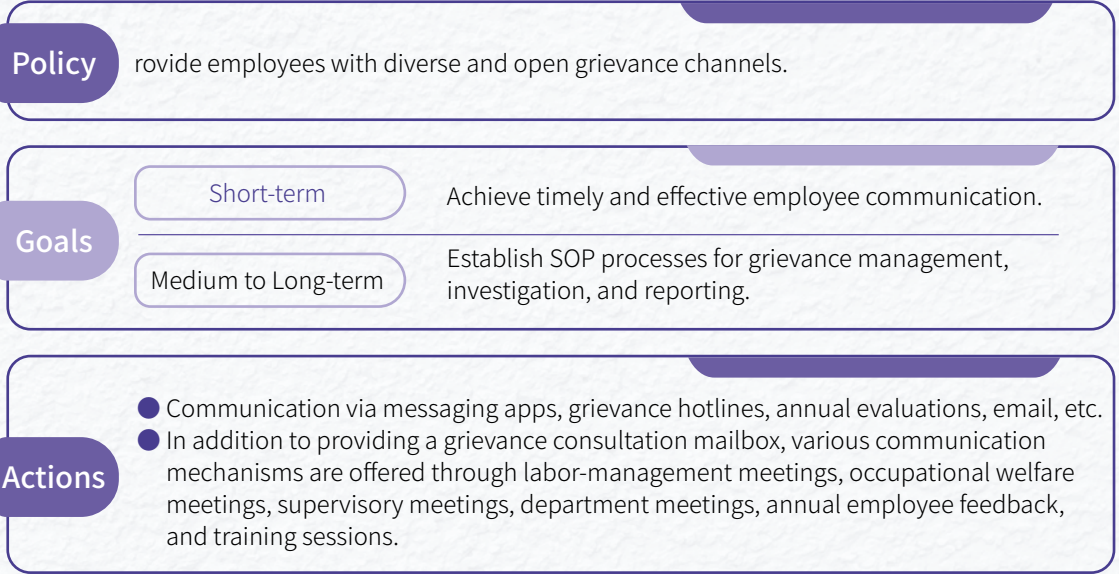
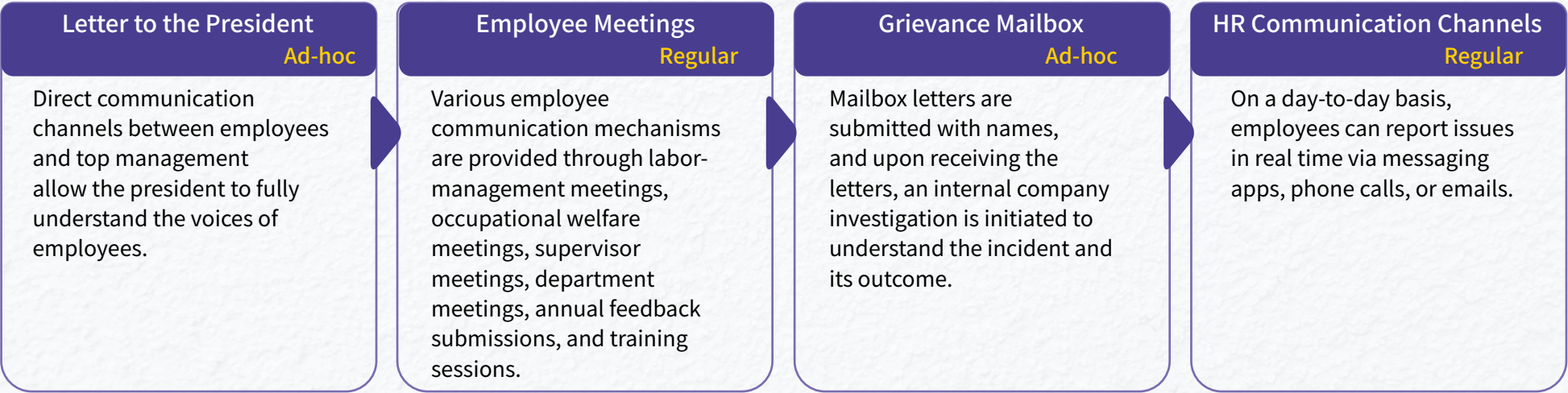
Retirement System

In 2023, a total of **NT\$29,172,024** in employee welfare subsidies was distributed, showing care for employees' families and well-being.

The company has established an "Employee Retirement Plan." The retirement system follows the provisions of the Labor Standards Act and calculates retirement pensions accordingly. Since July 1, 2005, in line with the implementation of the Labor Pension Act, employees who chose the old pension system have had 6% of their monthly salaries deposited into a labor retirement reserve account at the Bank of Taiwan. For employees who chose the new pension system, 6% of their monthly salaries are contributed to their individual labor pension accounts at the Bureau of Labor Insurance. As of December 31, 2023, a total of NT\$37.2 million has been set aside for employees under the old pension system.

Employee Grievance Channels

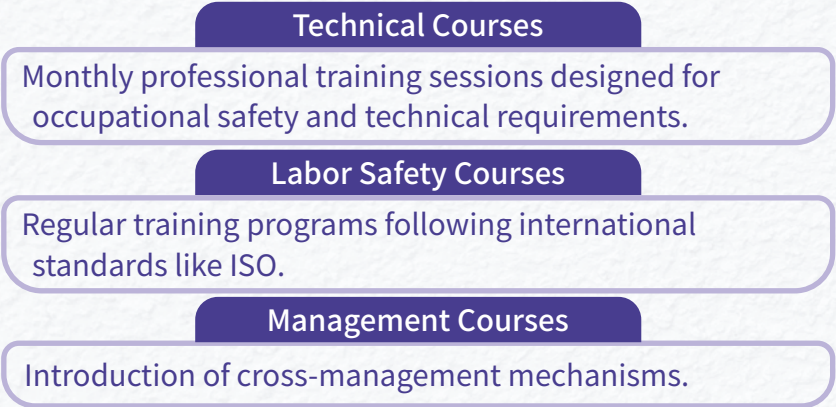
Although the company does not continuously conduct employee satisfaction surveys, due to concerns about errors caused by cross-influencing factors, it has established a variety of grievance channels, such as messaging apps, grievance hotlines, annual evaluations, and email, to promptly understand and resolve employee issues. In the short term, the goal is to achieve timely and effective employee communication, ensuring that employee feedback can be quickly relayed to management. In the medium to long term, the company aims to establish SOPs for grievance management, investigation, and reporting, providing employees with multiple open communication channels. In 2023, Highwealth did not experience any legal disputes resulting in financial losses due to violations of labor laws.



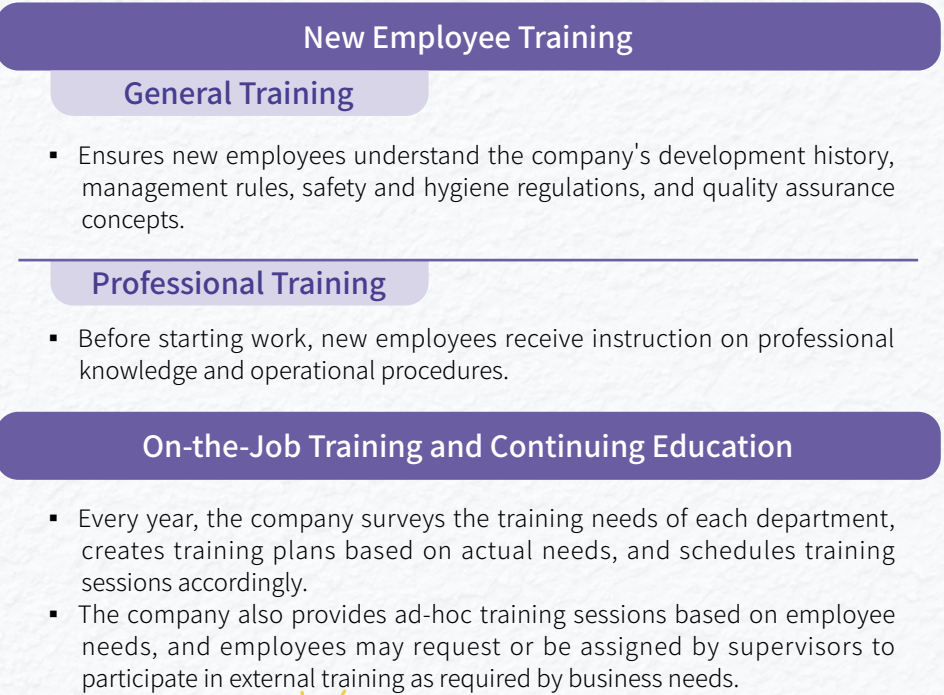
5.4 Talent Development and Training

Highwealth Construction believes that happy and proactive employees are the key to providing greater value to customers and society, while upholding the company's values on multiple levels. Highwealth Construction and its subsidiaries cater to the needs of employees by offering various types of training, such as new employee training and professional skills training. Employees can proactively request training, or supervisors can assign training based on business needs, ensuring employees receive comprehensive professional skills development and personal growth opportunities.

Training Programs



Cross-Observation Mechanism: A key aspect of employee training, involving significant human and material investment, often requiring days of work stoppage to facilitate observation and learning. The focus is on fostering integration capabilities, understanding the different positions of each project, and varying subcontractor management approaches. The ultimate goal is to standardize and synchronize project management requirements.



Training Hours

| Employee Category | Content | Year | | |
|-----------------------|-----------------------------------|-------|-------|------|
| | | 2021 | 2022 | 2023 |
| Senior Management | Total Training Hours | 632 | 183 | 135 |
| | Average Training Hours per Person | 21.77 | 10.80 | 4.35 |
| Mid-Level Management | Total Training Hours | 3045 | 2460 | 1732 |
| | Average Training Hours per Person | 17.98 | 9.85 | 1.37 |
| Entry-Level Employees | Total Training Hours | 4161 | 5072 | 2496 |
| | Average Training Hours per Person | 10.73 | 7.91 | 1.47 |

Talent in Taiwan – Talent Sustainability Action Alliance

Talent is the lifeblood of Highwealth's sustainable development. The company continuously provides opportunities and environments to cultivate the talent needed for corporate growth, adhering to the principles of "integrity" and "sustainable operation." Guided by the spirit of "innovation, quality, and service," Highwealth continues to improve business performance and pursue sustainable development. In response to the global focus on ESG, DEI, and corporate social responsibility for talent, Highwealth officially announced its participation in the "TALENT, in Taiwan - Taiwan Talent Sustainability Action Alliance." This initiative combines talent development with the ESG philosophy, aligning talent cultivation with corporate sustainability. This initiative not only showcases Highwealth's eagerness to attract talent but also demonstrates the company's commitment to sustainable talent recruitment internally. Through this initiative, Highwealth gains insights into external talent information in Taiwan, further expanding its recruitment channels and scope.

Highwealth is committed to promoting the following six key indicators for talent sustainability, aiming to maintain competitiveness in a rapidly changing industry:



Occupational Safety Management

In 2023, we invested more effort in strengthening safety education and training for new employees to raise disaster prevention awareness, continuing our work toward eliminating OSH risks.

Heat Hazards

- ## Falls

- ## Cutting

- ## Falling Objects

- ## Collapse of Objects

-
- 高度 1.8 公尺以上
- 距離開口 2 公尺

Electrocution

- ## Contact with Hazardous Materials

- Improve ventilation.
- Provide appropriate personal protective equipment.
- Conduct environmental monitoring.



-

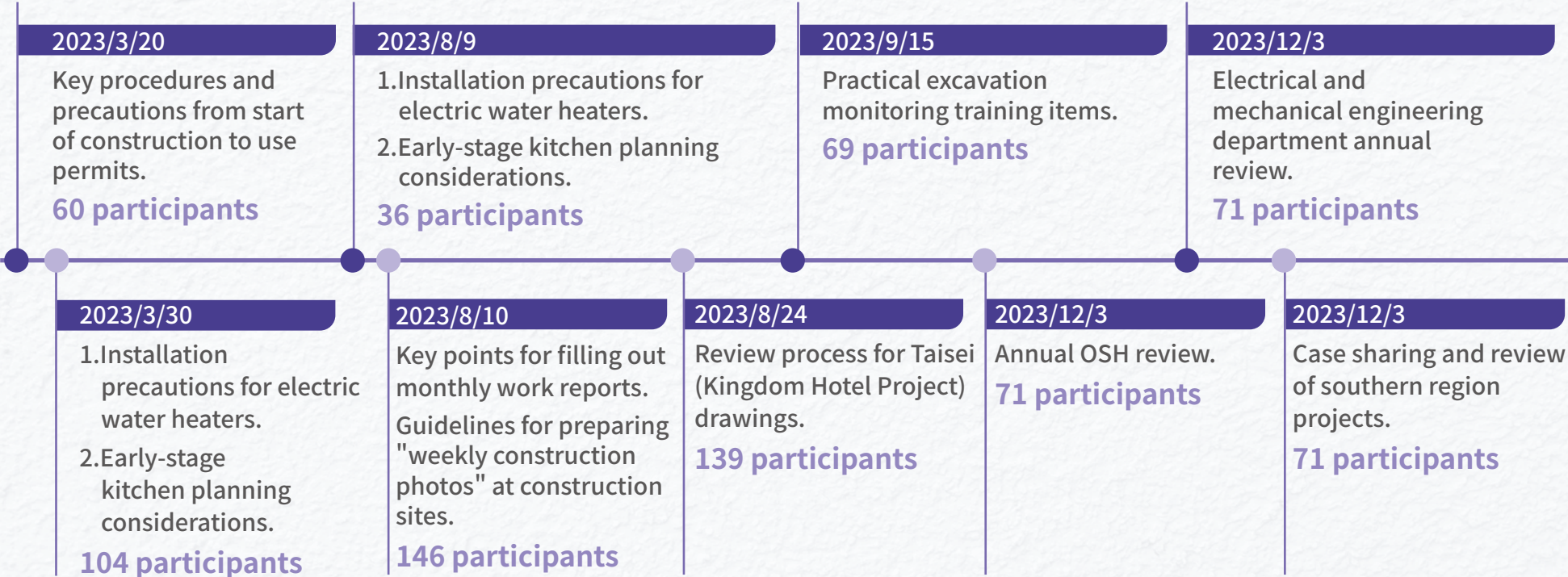
Earthquake Preparedness

-

Occupational Safety and Health (OSH) Education and Training

Highwealth Construction places great importance on the ethics and core education of frontline personnel. Each year, professional contractors or senior supervisors are invited to provide specialized training for relevant work areas. Additionally, site managers and engineers are required to obtain the "OSH Card" and complete at least 6 hours of relevant courses. The company continuously arranges relevant education and training, covering topics such as safety and environmental protection standards, basement structural engineering, foundation engineering, diaphragm wall engineering, etc. Irregular

site visits and educational tours are also organized across Northern, Central, and Southern regions, promoting mutual learning through observation of current construction work at different sites. This year, the company intensified education efforts, significantly reducing workplace injury rates and striving to ensure employee safety. For professional licensing training (e.g., site managers, safety and health officers), employees are encouraged to participate in external education courses. The expertise and extensive knowledge of Highwealth's senior employees have led to them being entrusted as instructors for external safety and health training, contributing to industry exchange and sharing of experience.



OSH Protective Measures

| Implementation Stage | Protection Content |
|--|--|
| Preparatory work before commencing on-site construction. | <ul style="list-style-type: none">▪ Entry registration and signing.▪ Completion of new worker safety training (3 hours).▪ Contractors' completion of safety and health education training (6 hours). |
| 8:00AM Morning Meeting | <ul style="list-style-type: none">▪ All site managers participate, promoting safety and health policies and regulations.▪ Track attendance of workers, check appropriate protective measures, and record on the OSH bulletin board. |
| 3:30PM Work Crew Meeting | Daily meeting attended by all site managers to discuss construction quality, worker performance, coordination matters between contractors, daily labor deployment, material scheduling, construction elevator use, and OSH conditions. |
| 5:00PM Internal Meeting | Review of each person's work-related issues, quality progress, and OSH precautions. |
| Weekly Site Inspections | Each week, the director leads engineers on a site inspection, recording issues and assigning responsibility to relevant workers for corrections. Inspection covers safety, hygiene, construction quality, and material storage. The responsible worker must document before-and-after conditions and report to the director. |
| Coordination Meetings | Chaired by the director, held every 2nd and 4th week, attended by work crews and their supervisors. |
| Monthly OSH Awards | Monthly evaluations, with public recognition and encouragement for the best and most improved contractors. |





CH6

Social Welfare and Shared Prosperity

Stakeholder Engagement

Corporate Governance and Sustainability

Secure Construction, Building Happiness

Energy Conservation and Environmental Protection, Caring for the Earth

Secure Workplace and Talent Development

Social Welfare and Shared Prosperity

Appendix



6.1 Social Care

Highwealth Construction aims to establish itself as a model corporate citizen. In addition to continuous profitability and maximizing shareholder value, the company fulfills its social responsibility through social engagement and community care, striving to create a happier life for people. Beyond developing secure and reliable building products, Highwealth Construction carries a sense of cultural empathy and mission. By actively engaging in social initiatives, the company builds connections with society, allowing internal employees, investors, consumers, and the general public to feel the company's deep commitment to being a responsible part of society.

Social Welfare Contributions by Highwealth Construction in the Past Three Years

| Item | 2021 | 2022 | 2023 |
|--|-----------------|------------------|---------------|
| Charity Support | NT\$5.2 million | NT\$5.93 million | NT\$7 million |
| Donations to Charitable Organizations | - | NT\$570 million | - |
| Sponsorship of Government and Local Events | - | NT\$3 million | - |




In 2023, Highwealth contributed a total of NT\$7 million to promote sports.

| | | |
|------------------|--|---|
| NT\$4 million | Department of Sports, Taipei City Government -- Co-sponsored the Taipei Highwealth Baseball Team | Title sponsorship for 8 consecutive years |
| NT\$2.65 million | Association of Cross-Strait Exchange Athletics, Culture and Education -- Title sponsor of the 2023 Highwealth Summit Youth Basketball Invitational | Title sponsorship for 2 consecutive years |
| NT\$200,000 | FJCU Cup New Southbound Basketball Game | |
| NT\$50,000 | Tainan City Yizai Elementary School baseball team | Sponsored for 3 consecutive years |
| NT\$50,000 | Taipei Municipal Minzu Junior High School soccer team | Sponsored for 10 years |
| NT\$50,000 | Taipei City Ming Dao Elementary School soccer team | Sponsored for 5 years |

6.2 Local Care

Highwealth Construction has not only increased its annual investment in social welfare but also established the "Volunteer Leave" program in 2023. Each employee is granted 8 hours of paid volunteer leave per year to participate in social service, demonstrating the company's dedication to fulfilling corporate social responsibility. With the launch of the "Volunteer Leave" program, employees in the Southern region entered the community and participated in the Father's Day volunteer event at the Eden Social Welfare

Foundation's Yanchao Home. They served the foundation's beneficiaries and spent a heartwarming Father's Day with the service users and their families. Additionally, through a beach cleanup event organized by colleagues from the Kaohsiung Finance Department, we visited the Alangyi Trail on Chaishan for a coastal cleanup. Not only did this effort contribute to environmental protection, but it also gave office workers an opportunity to immerse themselves in nature and discover the beauty of this once-military-restricted coastline.



1


Environmental Protection

Environmental Protection

Employees can form volunteer teams to participate in tree planting, beach cleanups, and other environmental protection activities, contributing to increasing forest coverage, reducing plastic waste, and enhancing the sustainability of local ecosystems.

Resource Conservation

By engaging in activities such as resource recycling and energy-saving campaigns, employees can raise awareness of resource conservation and promote sustainable development.



2


Social Care

Community Engagement

Through volunteer services, strong connections are built with local communities, while providing support to local schools, medical institutions, or other charitable organizations, thereby improving the quality of life within the community.

Training Programs

Employees can organize volunteer teams to participate in social welfare-related training programs, instilling a spirit of social care in employees.



3

Corporate Governance

Volunteer services also promote employee participation, strengthen corporate culture, foster closer teamwork, and enhance employee loyalty and sense of purpose. Publicly showcasing the outcomes and impact of volunteer work demonstrates the company's commitment to corporate social responsibility, improving its image and reputation.

6.3 Local Co-Prosperity

Local Community Management

Managing local communities is not only about a company's image and reputation but also about the quality of life for community residents and the sustainable development of the community. Highwealth Construction takes on social responsibility by actively participating in various engineering projects, promoting local economic development, and being involved in local community management to improve environmental quality and achieve a win-win situation for both the company and the community.

Local Community Management Policies

Pre-construction Neighbor Assessment

In accordance with the relevant construction procedures and regulations of various city and county governments, Highwealth hires professional technicians to conduct assessments of neighboring buildings around the construction site. Highwealth maintains good relationships with suppliers to ensure they fulfill contracts reliably, fostering mutual prosperity.

1

Pre-construction Briefing

Local community leaders are requested to post notices, inviting nearby residents to attend pre-construction briefings where the site manager explains the construction details, addressing safety concerns.

2

Emergency Response Plan

The company ensures smooth traffic routes around the construction site and establishes key contact points with emergency services to prepare for any crisis. Highwealth develops procedures for medical rescue, fire and flood control, safety measures, internal and external communication, evacuation, and recovery, ensuring the safety of surrounding residents.

3

Neighbor Assessment

Damage to neighboring buildings caused by foundation excavation is a known risk. Therefore, regulations require contractors to conduct an assessment of neighboring properties before construction, documenting the current condition of nearby buildings. This record serves as objective data for comparison in case of damage, helping to clarify responsibilities and protect the rights of both parties. Building projects typically take 1 to 3 years from excavation to structural completion, potentially impacting nearby residents. Highwealth Construction carefully conducts thorough neighbor assessments for every project.

- 1

Before the project begins, Highwealth commissions a third-party impartial agency to perform the assessment, with company engineers accompanying the assessment. Afterward, company personnel visit neighboring households to explain the current conditions and ensure that all relevant parties are informed.
- 2

Neighbor assessments are carried out in accordance with the dispute resolution procedures for construction disputes (or damage to neighboring properties) established by local governments. Highwealth aims to exceed these regulatory requirements.
- 3

If disputes arise during construction, Highwealth makes every effort for repairs. In cases where there is a significant difference from the initial assessment record, Highwealth will commission the original third-party agency (the technician from the guild who initially recorded the site) to conduct a new assessment, and efforts will be made to repair and communicate with the neighbors.
- 4

For neighbor assessments, Highwealth selects engineers with extensive experience or relevant training in this field. These professionals serve neighbors with professionalism, enthusiasm, sincerity, and a spirit of service, ensuring effective communication.



Selecting experienced engineers for neighbor assessments



Thoroughly documenting and communicating assessment results

Appendix

Appendix 1: Global Sustainability Reporting Standards – GRI Content Index

| Disclaimer | Highwealth Construction has reported the content for the period from January 1, 2023, to December 31, 2023, in accordance with GRI standards. | | | | |
|-----------------------------------|---|---|--|--------------|-------|
| GRI 1 used | GRI 1: Foundation 2021 | | | | |
| Applicable GRI industry standards | N/A | | | | |
| GRI standards | Disclosure items | | Corresponding sections | Page numbers | Notes |
| GRI 2: General Disclosures 2021 | General Disclosures | | | | |
| | Organization and reporting practices | | | | |
| | 2-1 | Organization details | About Highwealth Construction | 6 | |
| | 2-2 | Entities included in the organization's sustainability reporting | About the Report | 3 | |
| | 2-3 | Reporting period, frequency, and contact person | About the Report | 3 | |
| | 2-4 | Restatement of information | About the Report | 3 | |
| | 2-5 | External assurance/verification | Appendix 4: Independent Assurance Report by the CPAs | 77 | |
| | Activities and workers | | | | |
| | 2-6 | Activities, value chain and other business relationships | 2.1 Economic Performance | 19 | |
| | 2-7 | Employees | 5.2 Human Resources Overview | 54 | |
| | 2-8 | Non-employee workers | 5.2 Human Resources Overview | 54 | |
| | Governance | | | | |
| | 2-9 | Governance structure and composition | 2.3 Organizational Structure | 23 | |
| | 2-10 | Nomination and selection of the highest governance body | 2.3 Organizational Structure | 23 | |
| | 2-11 | Chair of the highest governance body | 2.3 Organizational Structure | 23 | |
| | 2-12 | Role of the highest governance body in overseeing impact management | 2.3 Organizational Structure | 23 | |
| | 2-13 | Person in charge of impact management | 2.3 Organizational Structure | 23 | |
| | 2-14 | Role of the highest governance body in sustainability reporting | 2.3 Organizational Structure | 23 | |

Appendix 2: Sustainability Accounting Standards Board (SASB) Index Reference Table

Highwealth Construction has selected applicable indicators from the Sustainability Accounting Standards (SASB) Materiality Map, based on the industry classification results from the SASB official website. From 11 sectors and 77 industries, the following indicators were chosen for disclosure:

Sector: Infrastructure

Industry: Home Builders

| GRI standards | Disclosure items | | Corresponding sections | Page numbers | Notes |
|---------------------------------|------------------------------------|---|------------------------------------|--------------|-------|
| GRI 2: General Disclosures 2021 | 2-15 | Conflicts of Interest | 2.3 Organizational Structure | 23 | |
| | 2-16 | Communication of key material events | 1.4 Stakeholder Engagement | 14 | |
| | 2-17 | Collective expertise of the highest governance body | 2.3 Organizational Structure | 23 | |
| | 2-18 | Performance evaluation of the highest governance body | 2.3 Organizational Structure | 23 | |
| | 2-19 | Remuneration policy | 2.3 Organizational Structure | 23 | |
| | 2-20 | Remuneration decision process | 2.3 Organizational Structure | 23 | |
| | 2-21 | Annual total remuneration ratio | 5.2 Human Resources Overview | 54 | |
| | Strategies, policies and practices | | | | |
| | 2-22 | Statement of sustainability strategy | 2.1 Economic performance | 19 | |
| | 2-23 | Policy commitments | 2.1 Economic Performance | 19 | |
| | 2-24 | Inclusion of policy commitments | 2.1 Economic Performance | 19 | |
| | 2-25 | Procedures for addressing negative impacts | 1.4 Stakeholder Engagement | 14 | |
| | 2-26 | Mechanisms for seeking advice and raising concerns | 2.3 Organizational Structure | 23 | |
| | 2-27 | Legal compliance | 3.1 Product Safety and Development | 31 | |
| | 2-28 | Membership in associations | 1.4 Stakeholder Engagement | 14 | |
| | Stakeholder engagement | | | | |
| | 2-29 | Stakeholder engagement approach | 1.4 Stakeholder Engagement | 14 | |
| | 2-30 | Collective bargaining agreements | 1.4 Stakeholder Engagement | 14 | |

| Disclosure topic | Indicator code | Disclosure indicator | Nature | Description | Page numbers |
|--------------------------------|----------------|---|--------------|--|--------------------------|
| Land use and ecological Impact | IF-HB-160a.1 | (1) Number of land plots delivered and (2) Number of housing units delivered in the re-developed areas | Quantitative | 1.Delivered land area: 8,561 ping 2.Delivered housing units: 1,812 units | Refer to the left column |
| | IF-HB-160a.2 | (1) Number of land plots delivered and (2) Number of housing units delivered in the (extremely) high water withdrawal areas | Quantitative | Taiwan is not classified as a high-water withdrawal area, and Highwealth Construction has not delivered land or housing in such areas. | Refer to the left column |
| | IF-HB-160a.3 | Monetary losses due to environmental regulation litigation | Quantitative | Highwealth Construction’ s total monetary loss due to lawsuits related to environmental regulations in 2023 was NT\$0. As Highwealth is not the actual contractor, any violations of environmental regulations are handled by the construction firms, which receive notices from regulatory agencies and pay fines independently. Highwealth Construction currently has no such lawsuits. | Refer to the left column |
| | IF-HB-160a.4 | Discussion on integrating environmental considerations into location selection, site construction, and development | Qualitative | Highwealth Construction considers the following during site selection: 1.Whether the site is affected by geological contamination (if so, the site will not be developed). 2.For sites in geologically sensitive areas, structural design will be specially reinforced. 3.The development of the site follows building regulations to ensure that neighboring communities’ solar access rights are not impacted. 4. Site construction avoids ecologically sensitive areas, contaminated soil, and geologically fragile zones. Environmental monitoring is conducted, and relevant countermeasures are evaluated based on monitoring and survey | Refer to the left column |

| Disclosure topic | Indicator code | Disclosure indicator | Nature | Description | Page numbers |
|----------------------------------|----------------|---|-------------------------|---|--------------------------|
| Worker health and safety | IF-HB-320a.1 | (1) Total Recordable Incident Rate (TRIR) and (2) Fatality Rate for (a) direct employees and (b) contract employees | Quantitative | In 2023, there were 0 incidents involving direct employees. | Refer to the left column |
| Building resource efficiency | IF-HB-410a.1 | (1) Number of homes with HERS® Index scores and (2) average score | Quantitative | No statistics or disclosures were made regarding this indicator in 2022. | Refer to the left column |
| | IF-HB-410a.2 | Percentage of water fixtures meeting WaterSense® certification standards | Quantitative | No statistics or disclosures were made regarding this indicator in 2022. | Refer to the left column |
| | IF-HB-410a.3 | Number of delivered housing units certified by third-party green building standards | Quantitative | Highwealth Construction delivered a total of 1,674 housing units certified with the EEWB Green Building Label. | Refer to the left column |
| | F-HB-410a.4 | Explanation of how resource efficiency is integrated into home design to benefit customers, and a description of associated risks and opportunities | Discussion and analysis | See section 3.2 Product Planning and Development. | Refer to the left column |
| Community impact and development | IF-HB-410b.1 | Description of how proximity to infrastructure, services, and economic centers influences site selection and development decisions | Discussion and analysis | The 2023 Highwealth Construction Sustainability Report does not disclose information regarding the impact of proximity to facilities and economic centers on site selection and development decisions. For more information, please visit Highwealth Construction’ s website. | Refer to the left column |
| | IF-HB-410b.2 | (1) Number of land plots delivered and (2) Number of housing units delivered in developable areas | Quantitative | 1.Total delivered land area: 8,561 ping 2.Delivered housing units: 1,812 units Note: *Developable Areas: Idle or underutilized land with existing infrastructure such as roads, power lines, sewers, and water services. | Refer to the left column |

| Disclosure topic | Indicator code | Disclosure indicator | Nature | Description | Page numbers |
|---------------------------|----------------|---|-------------------------|---|--------------------------|
| | IF-HB-410b.3 | (1) number of delivered housing units and (2) average density in high-density development areas | Quantitative | 1.Total number of delivered housing units: 1,812 units 2.Average density: 0.064 units per square meter Note: Since Taiwan's regulations have not defined high-density development areas, Highwealth Construction discloses information based solely on the existing delivered area and number of units. | Refer to the left column |
| Climate change adaptation | IF-HB-420a.1 | Number of land plots in 100-year flood zones | Quantitative | Taiwan is not classified as a 100-year flood zone, and Highwealth Construction does not hold land in these areas. | Refer to the left column |
| | IF-HB-420a.2 | Climate change risk exposure analysis, describing systemic risk exposure and risk mitigation strategies | Discussion and analysis | See section 4.5 Climate Change Risk Response. | Refer to the left column |
| Activity indicators | IF-HB-000.A | Contract land area | Quantitative | 8,561 ping | Refer to the left column |
| | IF-HB-000.B | Number of delivered housing units | Quantitative | 1,812 units | Refer to the left column |
| | IF-HB-000.C | Number of active sales communities | Quantitative | 24 | Refer to the left column |

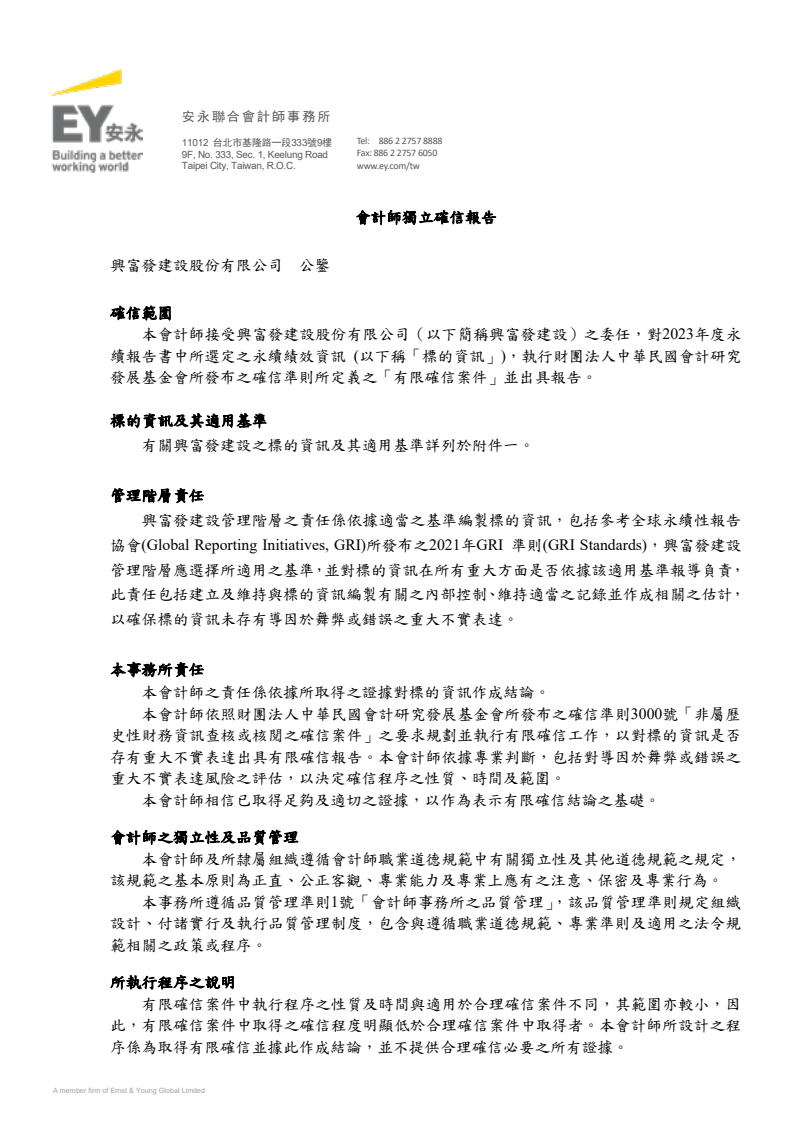
SASB Materiality Map: <https://materiality.sasb.org/>
SASB official website: <https://www.sasb.org>

Appendix 3: TCFD Index Table

Refer to Section 2.7 of the report - Climate Change Risk Management

| Recommended Disclosure Items | Page numbers |
|--|--------------|
| The board's oversight of climate-related risks and opportunities | 27 |
| Management's role in assessing and managing climate-related risks and opportunities | 27 |
| Identified short-, medium-, and long-term climate-related risks and opportunities | 28 |
| Impact of climate-related risks and opportunities on the organization's business, strategy, and financial planning | 28 |
| Organizational resilience, considering various climate-related scenarios | 28 |
| The process for identifying and assessing climate-related risks | 27 |
| The process for managing climate-related risks | 27 |
| Integration of climate-related risk identification, assessment, and management processes into the organization's overall risk management framework | 27 |
| Indicators used by the organization to assess climate-related risks and opportunities | 28 |

Appendix 4: Independent Assurance Report by the CPAs





附件一：

| 編號 | 章節 | 內文標題 | 標的資訊 | | 適用基準 | | |
|----|-----|--------|---|--------|---|--|---|
| 1 | 5.1 | 人力資源概況 | 男性各年齡層比例 | | 興富發 2023 年度 員工人數依照各 年齡層及性別統 計。 | | |
| | | | 30 歲以下 (含) | 15% | | | |
| | | | 30-50 歲 | 60% | | | |
| | | | 51 歲以上 (含) | 25% | | | |
| | | | 女性各年齡層比例 | | | | |
| | | | 30 歲以下 (含) | 21% | | | |
| | | | 30-50 歲 | 62% | | | |
| | | | 51 歲以上 (含) | 17% | | | |
| 2 | 2.1 | 公司治理 | 2023 年董事及獨立董事針對誠信經營、公司治理與法令遵循等相關課程，進修時數達 39 小時。 | | 興富發 2023 年度 董事及獨立董事 之進修時數統計。 | | |
| | | | | | | | |
| 3 | 6.1 | 社會關懷 | 2023 年振興體育總計 700 萬捐款 | 400 萬 | 台北市政府體育局-合作冠名臺北興富發棒球隊 | 興富發 2023 年度 有關全年度振興 體育之捐贈資料 統計。 | |
| | | | | 265 萬 | 中華文化教育暨體育交流促進會-冠名贊助 2023 興富發登峰造極青年籃球邀請賽 | | |
| | | | | 20 萬 | 輔仁大學新南向籃球賽 | | |
| | | | | 5 萬 | 臺南市億載國小棒球隊 | | |
| | | | | 5 萬 | 台北市民族國中足球隊 | | |
| | | | | 5 萬 | 台北市明道國小足球隊 | | |
| | | | | | | | |
| | | | | | | | |
| 4 | 5.3 | 人才培育 | 員工類別 | | 年度/內容 | 2023 | 興富發 2023 年度 有關全年度各職 階員工區分之教 育訓練時數統計。 |
| | | | 高階主管 | 總受訓時數 | 135 | | |
| | | | | 平均受訓時數 | 4.35 | | |
| | | | 中階主管 | 總受訓時數 | 1,732 | | |
| | | | | 平均受訓時數 | 1.37 | | |
| | | | 一般員工 | 總受訓時數 | 2,342 | | |
| | | | | 平均受訓時數 | 1.42 | | |