

**GOLDSUN BUILDING
MATERIAL CO., LTD.**

2021

Sustainability Report

Environmental , Social , Governance



GOLDSUN BUILDING MATERIALS CO., LTD.

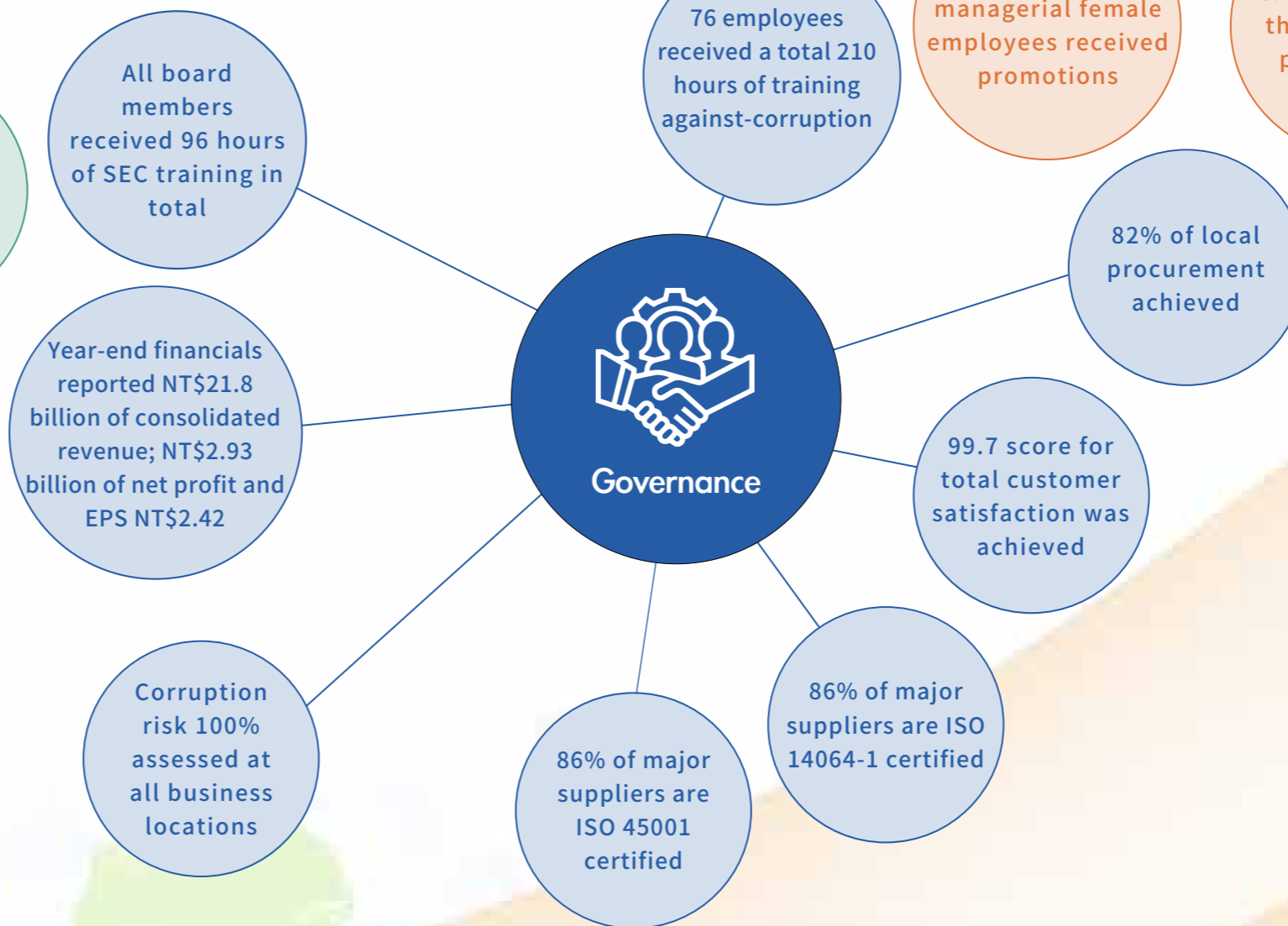
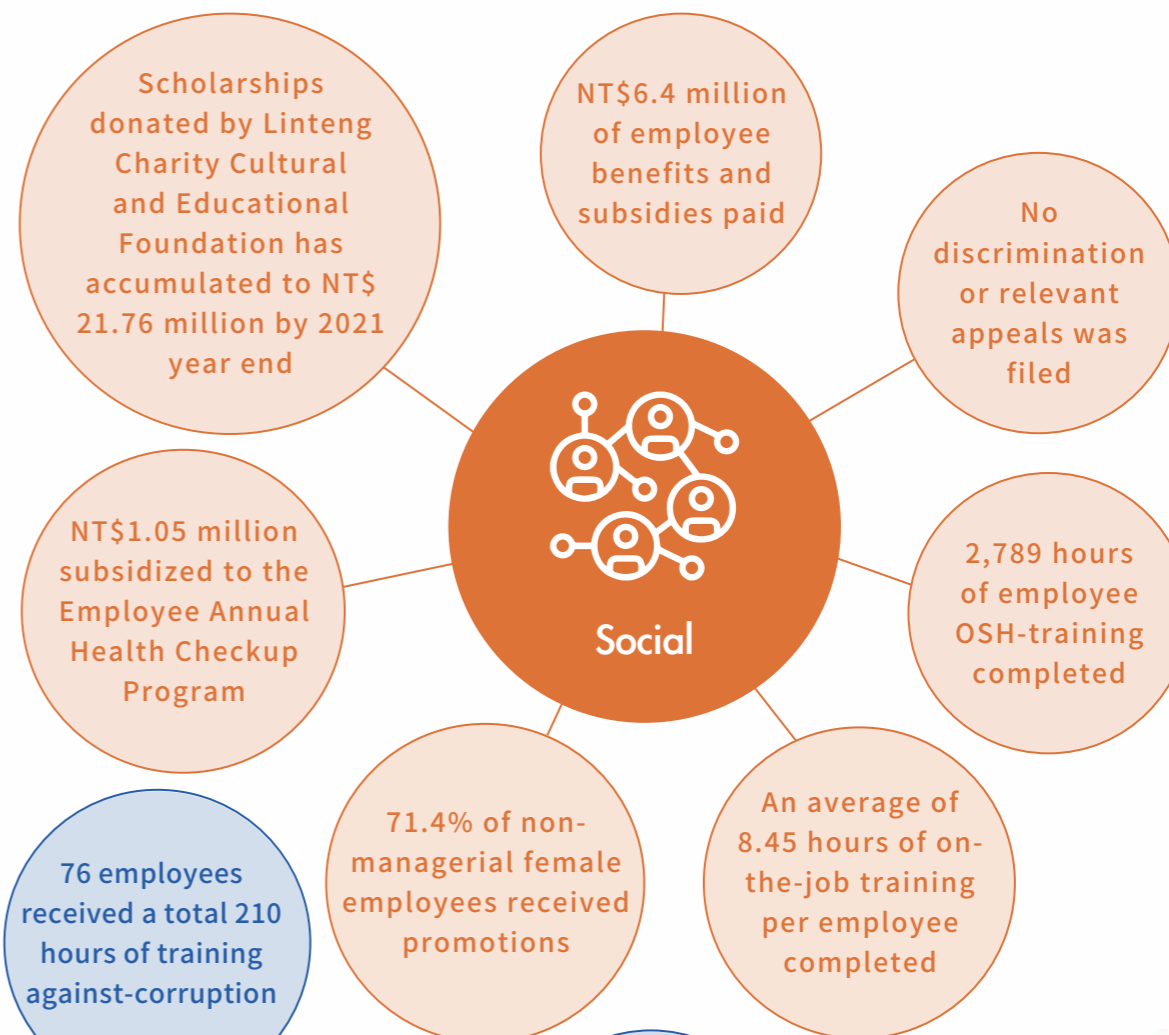
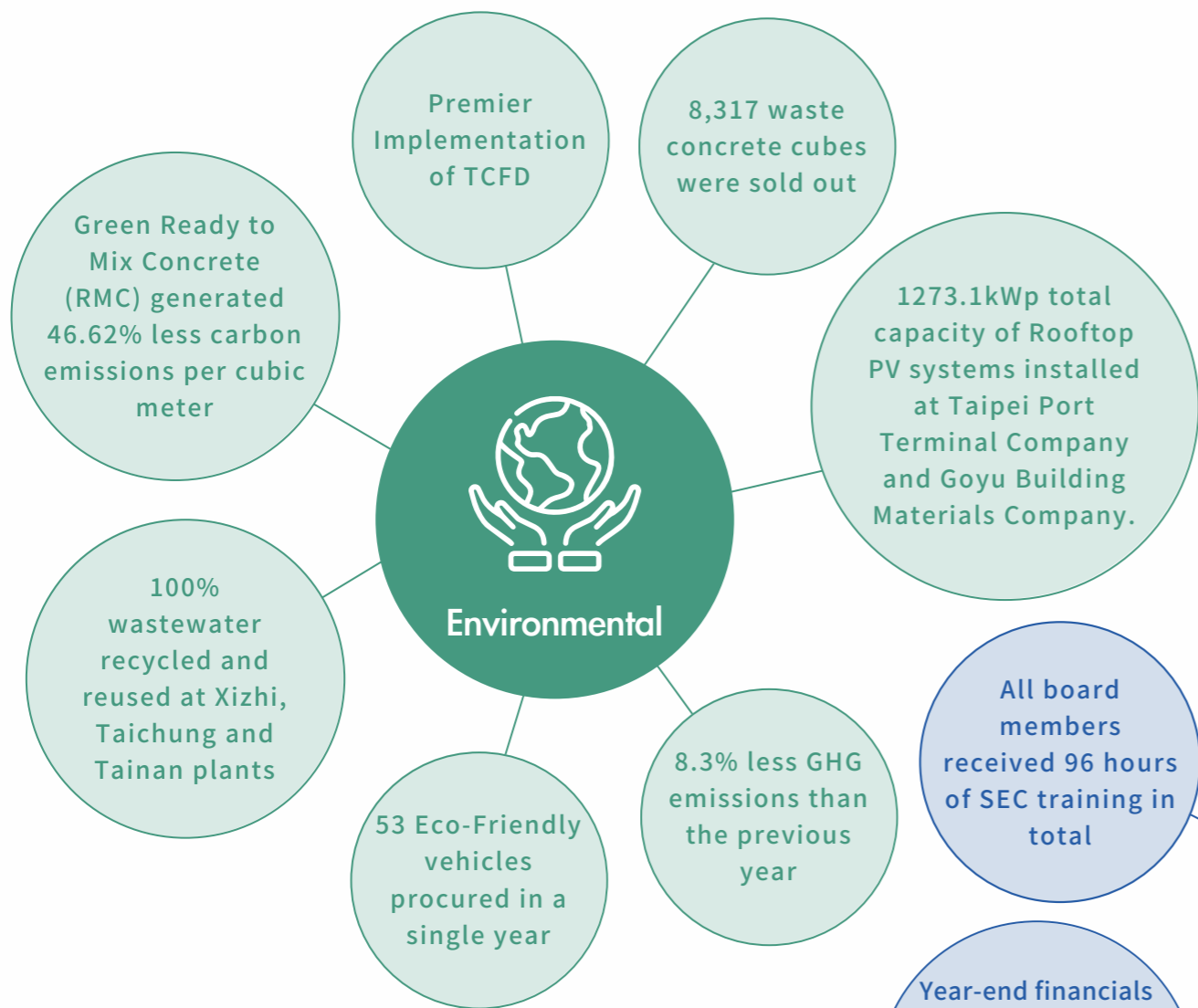
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Annual Highlights of ESG Results



Letter from the Chairman

2021 has been another challenging year for us. We have experienced relatively significant impact like the rest of the industry as a result of the waves of pandemic outbreaks and the global supply chain crisis. As such, we believe that corporate sustainability is not only vital for profitable growth, but also to maintain our solid foundation and sail steadily through the era of VUCA (volatility, uncertainty, complexity, and ambiguity). In the face of these challenges, the domestic building materials industry has demonstrated strong resilience. Not only remarkable profitability results were delivered but advancement in the overall performance of the three ESG aspects of the environment, social and corporate governance was also highly impressive. In addition, it is our commitment to devote our corporate capabilities to achieve global sustainable development at all times.

By supplying notably high-quality RMC (Ready to Mix Concrete), Goldsun has been in a market leading position in the RMC industry. It is our faith to offer people “to live in safe homes for a lifetime.” Consequently, a “Traceability Management” system was initiated in our production processes and a Transportation and Logistics Tech-control Center was established to master real-time transport dispatch. In addition, we have been promoting a “Traceable Building Material Platform” to give our customers assurance of product status. To date, construction companies and home builders all over Taiwan have posted more than 2,070 projects on the above-said Platform. Aside from the well-planned progress of e-business development, we have been recently largely devoted to ESG initiatives. By adding more ESG-driven factors to our operational advantages gained over years, Goldsun’s sustainable growth strategy kicked off from core product innovation, enhancement of the manufacturing process and subsequent sales prospecting. Furthermore, we echo to the appeals the need for energy conservation, reduction of carbon emissions and the adoption of renewable energy, and we are engaged in numerous projects in offshore wind power factories as well as other green buildings. Our products are also supplied in urban renewal reconstruction of old or unsafe buildings to meet the basic housing needs of more people.

Let's review our 2021 ESG achievements of domestic products. In terms of Environment, our R&D staff have been persistently innovating optimal concrete mix ratios to commercialize our low-carbon green concrete, which has been estimated to reduce carbon emissions by 46.62% per cubic meter. This product is projected in the pipeline to be CFV certified (CFV: Carbon Footprint Verification) in 2022. In addition, our new ALC Blocks (ALC: Autoclaved Lightweight Concrete) characterized by its distinguished fireproof and earthquake resistance and made from recycled materials has been qualified and progressively adopted by local semiconductor makers in new foundry projects. We are also engaged with CarbonCure Technologies, a Canadian-based concrete producer to co-develop trailblazing carbon mineralization technology. It is proven that 17 kg/M3 carbon can be trapped in the production process. Consequently, this effectively lessens the impact of our production processes on the environment. The initiative of a low carbon value chain is to launch more active measures in operational functions to steadily reduce our carbon footprint. As a result, GHG intensity in the past year has reduced 8.3%, 100% of wastewater was recycled and reused in most plant sites, and 53 eco-friendly vehicles were procured in one single year. We also started to follow the guidance of TCFD (Task Force on Climate-related Financial Disclosures) and outlined our specific strategies and roadmaps to mitigate climate risks accordingly.

Regarding Social Responsibility, we highly value every employee and so competitive compensation and adequate benefits are assured, with equal treatment highlighted in our human rights policy.

Last year we provided subsidies and benefits to employees totaling NT\$ 6.4 million and continuously assist our employees to maintain a good work-life balance. Enhancing on-the-job skill training is our major priority as well. Goldsun's five OJT schematics of the Goldsun Academy are built to conduct diversified training programs for all job grades, both online and offline. Specifically, an average OJT training time per coworker reached 8.45 hours in 2021. Shifting the focus to OSH, we are committed to directing a series of rolling programs dedicated to improving health, wellness and safety in the workplace, such as "Industrial Health Solutions" and the "Wellness Kiosk." Last year, we offered employee annual checkup packages totaled NT\$1.05 million, while 2,789 hours of OSH training were completed. All things considered, we spared no effort to safeguard the health and safety of every employee.

For more than 30 years, Goldsun's Linteng Charity Cultural and Educational Foundation ("the Foundation") has been take part in talent development Yilan area. The Foundation has financed nearly a hundred projects that have nurtured many talented youth in the fields of literature, technology, sports and so on. A total of 4,107 students have stood on the annual award ceremony stage, who were granted NT\$19.2 million in total by the Lingteng Scholarships. Over NT\$10 million was budgeted to launch the 2021 "Linteng's Star" Program at various academic facilities in Yilan and qualified faculty members were recruited to tutor students to obtain technical and further education certificates, in the hope of making Yilan a talent pool.

In terms of corporate governance, the strong domestic market demand in 2021 has brought us robust earnings growth. Financially, we reached NT\$21.8 billion of consolidated revenue, NT\$2.93 billion of profit after tax, and NT\$2.42 of EPS, which were all record highs in the past three years. Regardless of our exceptional profitability, we also devoted ourselves to business ethics and professional conduct, from the compliance of business ethics to the overall practical training for professional conduct, as well as the setup of a misconduct reporting e-mail box. We all affirm that zero tolerance of corruption is highly valued as our goal to achieve. In 2021, 210 hours of business ethics training were completed and all board members took part in the related courses.

As we look into the future, it is assured that Goldsun will continue to stride forward to achieve the goal of sustainable growth upon our industrial competitive advantages. It is our mission to fulfill the ESG initiatives starting from core business activities and products, then subsequently to expand our sustainability targets to meet the expectations and interests of stakeholders. We promise to realized sustainable value for the environment by bringing a shared ESG vision to life with all together.

Goldsun Building Materials Co., Ltd.
Chairman
Lan-Ying Hsu

徐蘭英

Contents of the Report

Report Overview & Publication Frequency

This eighth edition of the Goldsun Building Materials Co., Ltd. (Goldsun) Sustainability Report highlights Goldsun's Sustainability Report (From CSR to ESG Report) and the related activities and impacts created through different ESG initiatives from 2021. Goldsun promises that it will issue this report every year, while also publishing it in the investor service area of the website for stakeholders to download and read. The 2021 ESG report is already published, while the 2022 Sustainability Report is scheduled for publication in October 2022, and we expect the next report to follow in June 2023. The information provided in this report is according to a previous report and is not remade.

Reporting Boundaries and Coverage

The information provided in this report dates from January 1 to December 31 2021 and includes the headquarters, other plants in Taiwan, and partial information of subsidiaries.

The performance statistics of the economics section in this report stems from Goldsun's 2021 annual report financial statements. The primary scope of disclosure is the Headquarters and the Xizhi, Taichung, and Tainan plants. Environmental information is relates to the headquarters only. The information section in the society category and more specific information about affiliated companies can be found in the Goldsun 2021 annual report. No important changes of note were made regarding the organization scale, structure, ownership, or supply chains in the period covered in this report.

Compilation guidelines

This report has been compiled according to the GRI Sustainability Reporting Standards, GRI Standards 2016 (GRI 303; GRI 403 cross refers to the 2018 version; GRI 207 cross refers to the 2019 version; GRI 306 cross refers to the 2020 version) and is based on the core GRI Standards options. The GRI content index is attached in the appendix.

External assurance

We have sought external assurance to enhance the credibility of this report and have appointed the British Standards Institution (BSI) to perform external assurance for the information disclosed in this report. The evaluation of the nature and extent of the Goldsun's adherence to AA1000 AccountAbility Principles (2018) in this report is conducted in accordance with type 1 and Moderate Level of Assurance of AA1000AS v3 sustainability assurance engagement; therefore, the information/data disclosed in the report is not confirmed through the verification process. The financial data disclosed by Goldsun are taken from the consolidated financial statements audited and attested by Ernst & Young Global Limited according to International Financial Reporting Standards (IFRSs) and are denominated in New Taiwan dollar. Please refer to pages 112-113 for more information.

Department in charge and quality management methods

- ◆ **Compilation:** The Administration Department is responsible for the overall planning of this report. Data and information, strategic objectives, and performance indicators disclosed in the report are provided by relevant departments and are then edited and reviewed by the Corporate Governance Department Office.
- ◆ **Internal Audit:** This report must be confirmed by each department and authenticated by the director of each department.
- ◆ **External Guarantee:** The report fulfills the Independent Third Party GRI Standards & AA1000 Double International Assurance Statement issued by the British Standards Institution (BSI). (Please refer to the previous sections for the level of assurance and further details.)
- ◆ **Final:** The final version shall be reviewed and approved by the Chairman of the Board.

External Initiatives

In addition to following the GRI Sustainability Reporting Standards of the GRI Standards to publish the CSR report, Goldsun also promotes sustainable cooperate governance in accordance with the 17 Sustainable Development Goals advocated by the United Nations. We fulfill goals within the Guiding Principles on Business and Human Rights and International Labor Organization Standards and ensure that our staff is working under the protection of employees' basic rights. We also implement a human rights policy to ensure that every employee is treated equally.

Contact Information

If you have any comments or questions regarding Goldsun Building Materials Co., Ltd.'s ESG Sustainability Report, please contact us.
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Investor Relations: <http://www.gdc.com.tw/investor.aspx>

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Sustainable Management

In Goldsun, we value sustainable operations and tie the Company's core competence and corporate social responsibility to balance profits with ESG development. We adhere to the UN's SDGs and have drawn a roadmap to create a sustainable Goldsun.

Sustainability Strategy and Goals

Goldsun Sustainability Strategy

We start from what we do best and drive an innovative, sustainable value chain, creating shared value with the community.



Environmental

Green Design
Energy efficient equipment
Low carbon transportation

Designs for low-carbon products continue with energy efficient operations to achieve our net-zero goal.



The Administration Department imbeds and realizes corporate sustainable development. Summits are convened routinely to discuss the strategy and guidelines of ESG-related topics, the sustainability budget for each unit, the timetable for and execution of projects throughout the year and follow-ups on progress, ensuring sustainability policy is implemented daily in the Company. Deputy General Manager Chiu of the Administration Department issues reports on progress to the board every year, which then assesses the feasibility and advancement of projects, ensure needs are met and operating teams can successively implement the initiatives.



Governance

Operation Growth
Zero Corruption
Sustainable Supply Chain

Sustainability knowledge empowers the governance team to build a sustainable supply chain and maximize stakeholder interests



Social

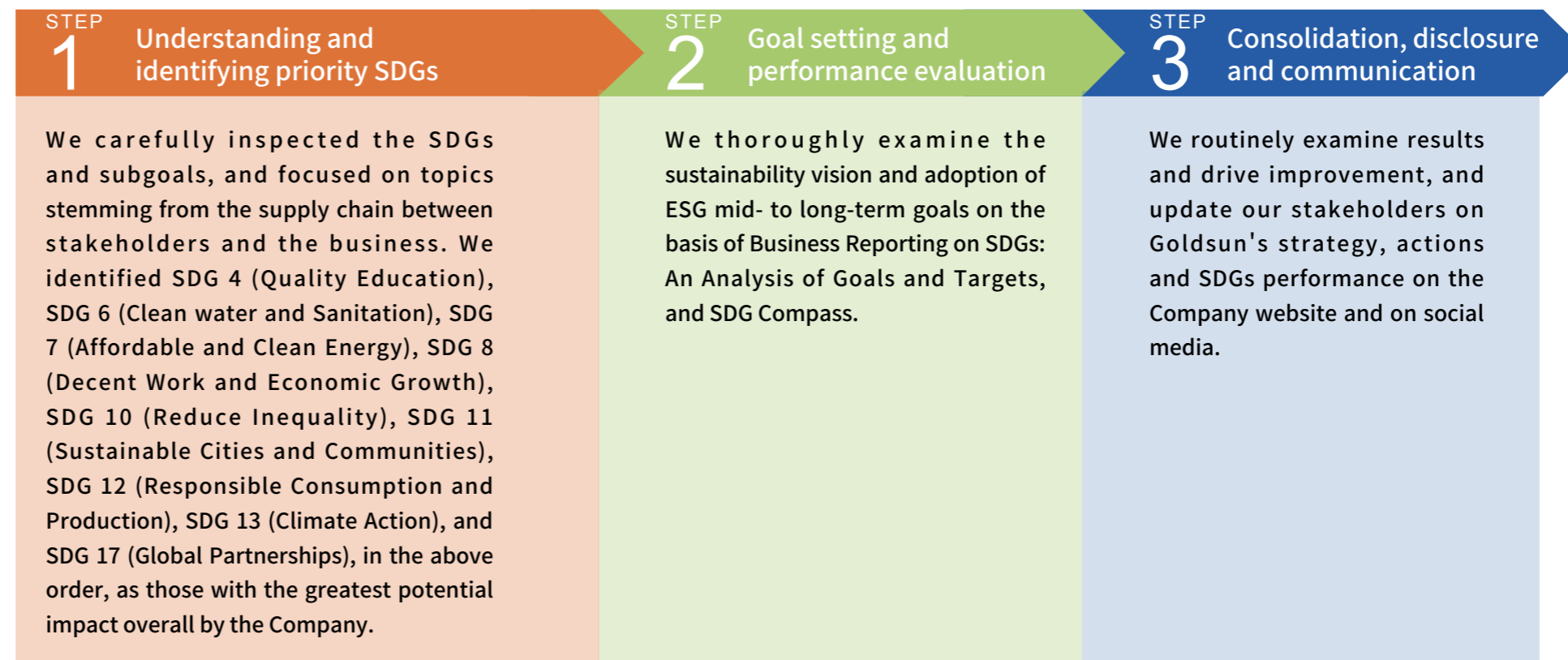
Equal human rights
Competence cultivation and welfare
The Linteng Charity Cultural and Educational Foundation

Employee rights and broader social engagement to build a common good and prosperous society

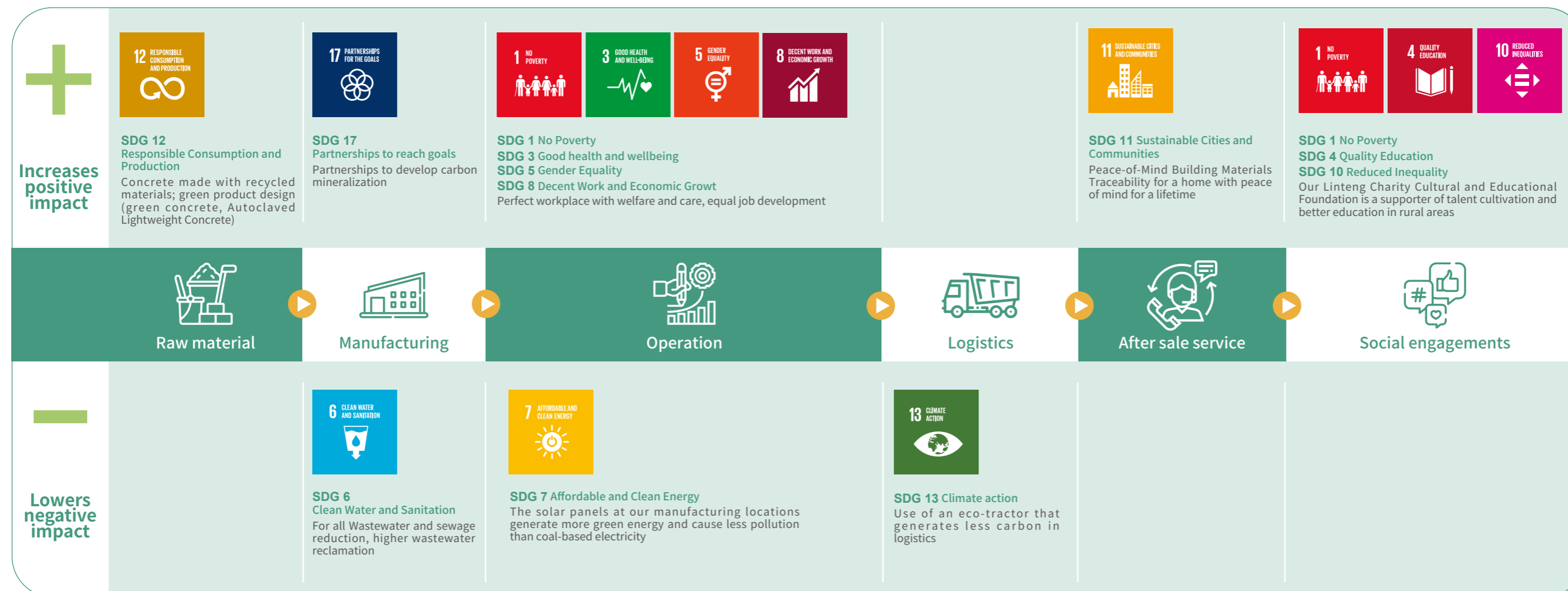


Goldsun's SDGs Value Chain


Through understanding and identifying priority SDGs, setting goals, evaluating performance and for disclosure and communication, we aligned the Company's values with the UN's Sustainable Development Goals (SDGs), and included them into our core operations. From there, the impact and key development opportunities are verified based on the industry value chain to determine a sustainable development roadmap and strategy. Core competence builds the bridge to sustainability, inclusive economic growth, community development, and environmental health. These three steps work effectively to drive corporate sustainability values, share contributions to global sustainability, and guide us to a green and sustainable world.



▼ Goldsun Sustainable Value Chain




Achievements in sustainable development




1 NO POVERTY

- ◆ Urban renewal projects to ensure safe housing for people
- ◆ 38.58% increase in employees' pay in 2021.




3 GOOD HEALTH AND WELL-BEING

- ◆ Health advice service
- ◆ Welfare Committee; health improvement courses and training subsidy
- ◆ 521 people received health checks subsidized by NT\$1.05 million.
- ◆ 2,789 employee OSH-training hours



4 QUALITY EDUCATION

- ◆ 96 board member training hours
- ◆ 8.45 training hours per employee
- ◆ Online learning platform - Goldsun e-college
- ◆ We organized a total 4 large-scale educational training.
- ◆ Better education thanks to the Lanteng Project of the Linteng Charity Cultural and Educational Foundation
- ◆ Scholarships



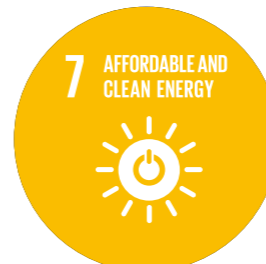
5 GENDER EQUALITY

- ◆ 71.4% non-managerial level female employees received a promotion
- ◆ Parental unpaid leave compliant with the law



6 CLEAN WATER AND SANITATION

- ◆ Sedimentation pool setup; 100% wastewater recycled at the Xizhi, Taichung and Tainan plants
- ◆ 100% compliance with the government discharge water standard
- ◆ Cleaning of chillers and water tank for computer hosts as needed



7 AFFORDABLE AND CLEAN ENERGY

- ◆ Rooftop solar panels at Taipei Port Terminal and Goyu plant generating 1,273.1kWp of capacity
- ◆ More energy-efficient air compressors in plants across the country
- ◆ Increasing number of green energy projects (wind turbines)
- ◆ 159.9 kgCO₂e reduced by switching to energy-saving lighting



8 DECENT WORK AND ECONOMIC GROWTH

- ◆ NT\$ 21.8 million consolidated revenue, 15.5% growth YOY; NT\$ 2.93 million profit after tax, 15% YOY; EPS 2.42, 27.4% growth YOY
- ◆ 82% locally sourced materials



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

- ◆ NT\$ 8.68 million invested in product development
- ◆ Nine types of Goldsun concrete to satisfy specific needs
- ◆ Use of the Technology Control and Services Center for precise transportation management
- ◆ Proprietary method pH value Accelerated Expansion Test to eliminate slag in building materials
- ◆ Partnership with Canadian company CarbonCure Technologies for carbon mineralization
- ◆ Three hour information security Risk Policy and Execution training

Achievements in sustainable development



- ◆ No discrimination or appeals
- ◆ Full employment of physically and mentally disabled workers
- ◆ Linteng scholarships for rural school students



- ◆ 2,070 vendors joining the Peace-of-Mind Building Materials Traceability system
- ◆ NT\$10.5 million annual sandstone lab budget for high-quality "Seven QC Procedures and Three Steps".
- ◆ Increasing number of old or dangerous building reconstruction and urban renewal projects
- ◆ Contingency plan to continue operations in case of natural disasters



- ◆ 8.3% of concrete sourced from renewable materials (Furnace slag, fly ash)
- ◆ Continue to design Autoclaved Lightweight Concrete sourced from recycled materials
- ◆ 8,317 blocks (19,129 tons) of scrap sold



- ◆ TCFD inclusion for the first time
- ◆ 46.62% carbon reduction per green concrete unit
- ◆ 8.3% less GHG intensity than the previous year
- ◆ 53 eco-vehicles procured in 2021 alone
- ◆ Increasing number of green energy projects



- ◆ Installation of the Ballast Water Treatment System (BWTS) to remove and destroy inactive biological organisms from ballast water and reduce the risk of transferring invasive aquatic species to other places, therefore protecting ocean biology.



- ◆ We are growing 24 bald cypresses at Taipei Port Terminal to offset around 28g CO2 each year.



- ◆ A Nomination Committee was formed to strengthen board governance
- ◆ Regulations to reflect business ethics in Goldsun
- ◆ Corruption risk assessed for all business locations
- ◆ 76 people anti-corruption trained totaling 210 hours
- ◆ Contract with attorney offices to provide online law consultation services for employees in northern, central and southern Taiwan.
- ◆ Regulations and guidelines to stop sexual harassment



- ◆ Partnership with Canadian company CarbonCure Technologies for carbon mineralization
- ◆ 86% main suppliers are ISO 14064-1 Greenhouse Gas Inventory Standards certified
- ◆ 86% main suppliers are ISO 45001 Occupational Health and Safety Management Systems certified
- ◆ 99.7% customer satisfaction

Stakeholder Engagement

Goldsun adopts the five principles of the AA1000 Stakeholder Engagement Standard, AA1000 Stakeholder Engagement Standard 2015 to identify the key stakeholders formulated by global NGO AccountAbility. The five principles are as follows: (1) Dependency, (2) Responsibility, (3) Tension, (4) Influence, and (5) Diverse Perspectives. The stakeholders identified this year include the following six groups: Government, Employees, Business Partners, Shareholders/Investors, Suppliers, Non-Profit Organizations/ESG experts.

Stakeholder engagement procedure

Departmental routine meetings share feedback on stakeholders' concerns and list topics before they determine GRI Standards-driven priorities. Below describes the standard analytical process used and approaches for responding to stakeholders and determining topics.

1. Departmental routine meetings share feedback on stakeholders' concerns and opinions from NPO and ESG experts.
2. Periodic reports from department heads to high management team for stakeholder concerns and future plans.
3. Analysis by departments of the impact of each topic on the Company.
4. We compare topics, based on cross-departmental discussion and analysis, with those of benchmark firms, to clarify the topics internationally and locally valued within the industry, then make adjustments as needed.
5. The internal engagement results are presented to the highest management team by the Administration Department to define topic disclosure and internal/external scope, as well how the Company will issue responses.
6. Internal audits inspect whether there is sufficient evidence to support information that will be disclosed publicly.
7. Meeting minutes (kept electronically or in hardcopy) are filed for progress and results of internal engagement, and can be used as proof in an independent verification procedure.
8. The determined topic disclosure scopes and boundaries will be published in a report or official newsletters as a response to stakeholders' concerns.
9. In addition to the above procedure, to allow proper, connected interaction, any questions, suggestions or grievances may be submitted to us via mail or email. Addresses for correspondence are provided on our webpage dedicated to stakeholders.

Response to Stakeholders' Areas of Concern

Communication with stakeholders forms part of our business; whether via routine survey, interviews or analysis. We have multiple communication channels help us meet the needs and expectations of all stakeholders so we can adjust our operational management approach accordingly, and give due response to the key concerns of our stakeholders.

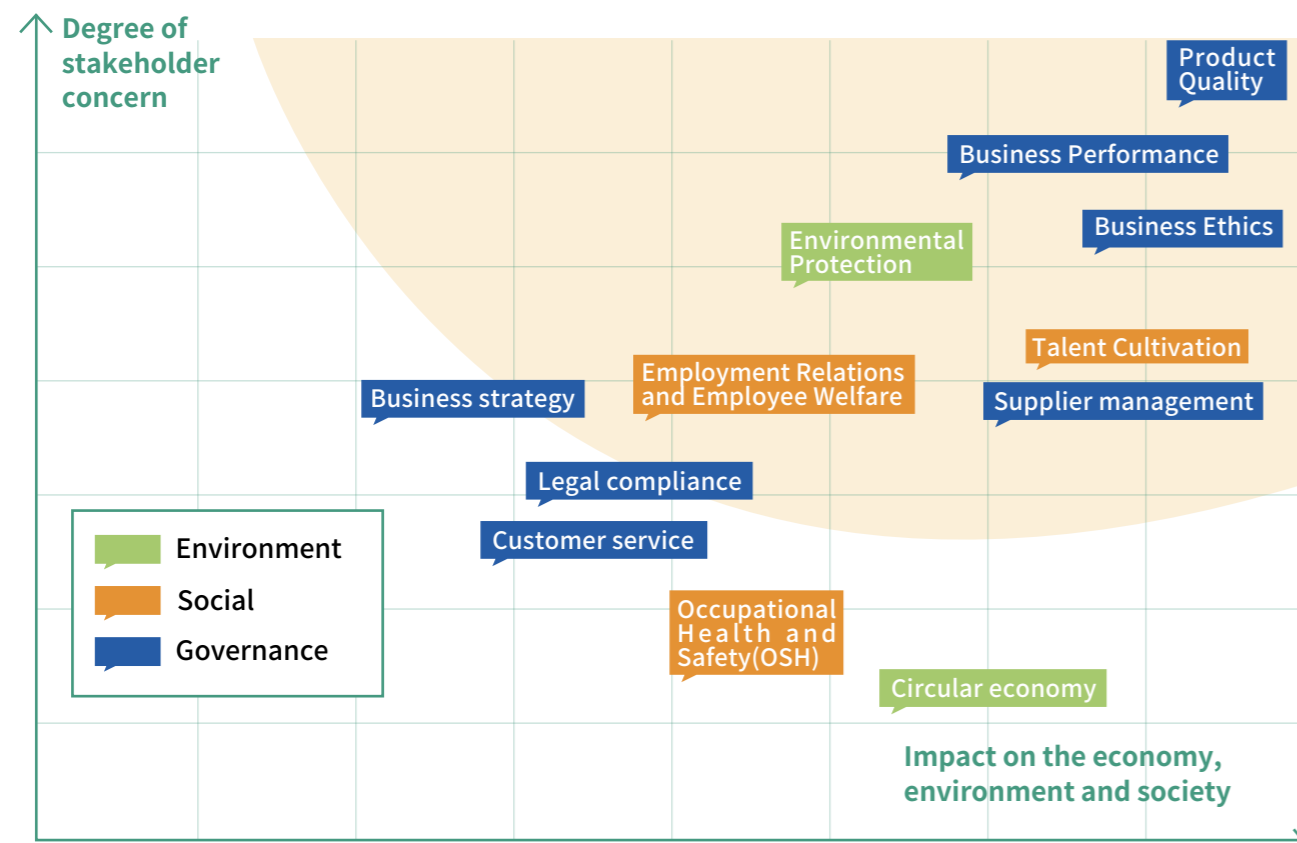
▼ Goldsun 2021 Stakeholder topics of concern and communication procedure

Stakeholder	Matters of Concern	Methods of Communication	Frequency of Communication
Government	Legal compliance Environmental protection	Visit/telephone/mail/official letter/earnings call	When appropriate
Employee	Occupational Health and Safety(OSH) Talent cultivation Employment relations and employee welfare Product quality	HR bulletin/e-journal/ department meeting/ internal and external training/ e-learning/performance interview	When appropriate
		Salary and Compensation Committee	Twice a year or more
		Spot bonus, spot communication/ labor meeting/Employee Assistance Programs, EAPs / welfare committee	When appropriate
Business partner	Customer service Product quality Circular economy	Visit/telephone/email/ business promotion/ product conference/Educational lecture / Open House /written letters/ Company website/Company social platform	When appropriate
Shareholder/ investor	Product quality Customer service Business performance Corporate governance Business ethics	Shareholder meeting/ Annual report	Yearly
		Quarterly financial statement	Quarterly
		Operation Overview	Monthly
		Telephone/important information announcement through email/press release/earnings call/Company website	When appropriate
Supplier	Business strategy Supply chain management Product quality OSH	Supplier management and audit	As per contract
		Visit/telephone/email/field trip/questionnaire survey	When appropriate
NPO/ESG experts	Social Engagement Environmental Protection Talent Cultivation OSH Employment Relations and Employee Welfare	Visit/ telephone, email/ Academia-Industry Cooperation visits	When appropriate

Topic analysis

Each Goldsun department gathers stakeholders' opinions and includes them in the priorities of the year following discussion between department heads and experts. We further list stakeholder concerns based on GRI Standards, and define the scope according to the impact of each topic. Compared to the previous reporting period, no change in topics or scope has been identified.

▼ Matrix Diagram of Major Issues






2021 Major Issues, Impact Range, and Degree of Involvement

● Direct Impact ○ Contributing Impact ▲ Business Impact

Major Issues	GRI Indicators	Importance to Operation	Stakeholder					
			Government	Employees	Business Partners	Shareholders/ Investors	Suppliers	Non-profit organizations/ ESG Experts
Product Quality	Customized material topics	Our product sets business operation standards, and our goal is to become the top concrete maker in the country.		○	▲	▲	▲	
Business Performance	201-1	Proper economic growth fuels our operation. We convert it into product design and development, and transportation methods to maximize business performance		○	▲	●		
Business Ethics	205-1 205-3	Adheres to business ethics and honest operations. Follow shareholders' interests on the path toward consistent growth long-term.	○	○	○	●		
Talent Intubation	404-1 404-2 404-3	Understand the importance of employee training and growth, and work to develop talent	○	●				
Environmental Protection	302-3 302-4 305-2 305-4	Increased investment in green products that are energy efficient and produce less carbon	○		○	▲	▲	
Supply Chain Management	204-1 308-1 414-1	Pay attention to how suppliers engage in environmental and social activities. Build a sustainable supply chain together.			▲		●	●
Employment Relations and Employee Welfare	401-1 401-2 401-3	Employees are the foundation of Company operations. We build reasonable and fair employment relations, and fortify organizational teamwork.	○	●				○

Goldsun Sustainable Strategy Blueprint

	Strategic long-term goal	Material topic	Stakeholder	GRI Material topic/ customized topic	SDGs	Management index	2021 performance	Strategic short-term goal	Strategic middle term goal
 Environmental	Designs of low-carbon products continue with energy efficient operations to reach our net-zero goal.	Environmental protection	Government supplier NPO/ESG expert	302 305	SDG 7 SDG 12 SDG 13	Scope 2 GHG intensity (tonCO ₂ e/ employee number)	2.32	Inclusion of ISO 14064-1 to abate GHG intensity	Focus on reduction of top carbon sources. Continue to replace outdated systems
 Social	Employee rights and broader social engagement to build a common good and prosperous society	cultivation	Employee	404	SDG 4	Avg. training hours	8.45 hrs	Provide different learning channels. Include diverse topics at Goldsun e-college	Goldsun College to conduct large-scale training courses to enhance occupational competence
		Employment relations and employee welfare	Employee	401	SDG 3 SDG 5 SDG 8	Increased pay	38.58 % more than previous year	Positive growth	Positive growth
						Turnover	11.2%	<10%	<8.5%
 Governance	Sustainability knowledge empowers the governance team to maximize stakeholders' interests	business performance	Employee Business partners/ Shareholders/ investors	201	SDG 8	Business Profit	Revenue NT\$ 21.8 billion	Keep positive profit	Keep positive profit
		Business ethics	Government Business partners Shareholders/ investors	205	SDG 16	Locations subject to corruption assessment	100%	100%	100%
		Supply chain management	Supplier	204 308 414	SDG 10 SDG 13 SDG 17	Local Purchase Number	82%	85% and above	90% and above
		Product quality	Business partners Shareholders/ investors Suppliers	Customized topic	SDG 9	Quality Management Certification	ISO 9001 Certified	Increased investment in material inspection	Become the top concrete provider

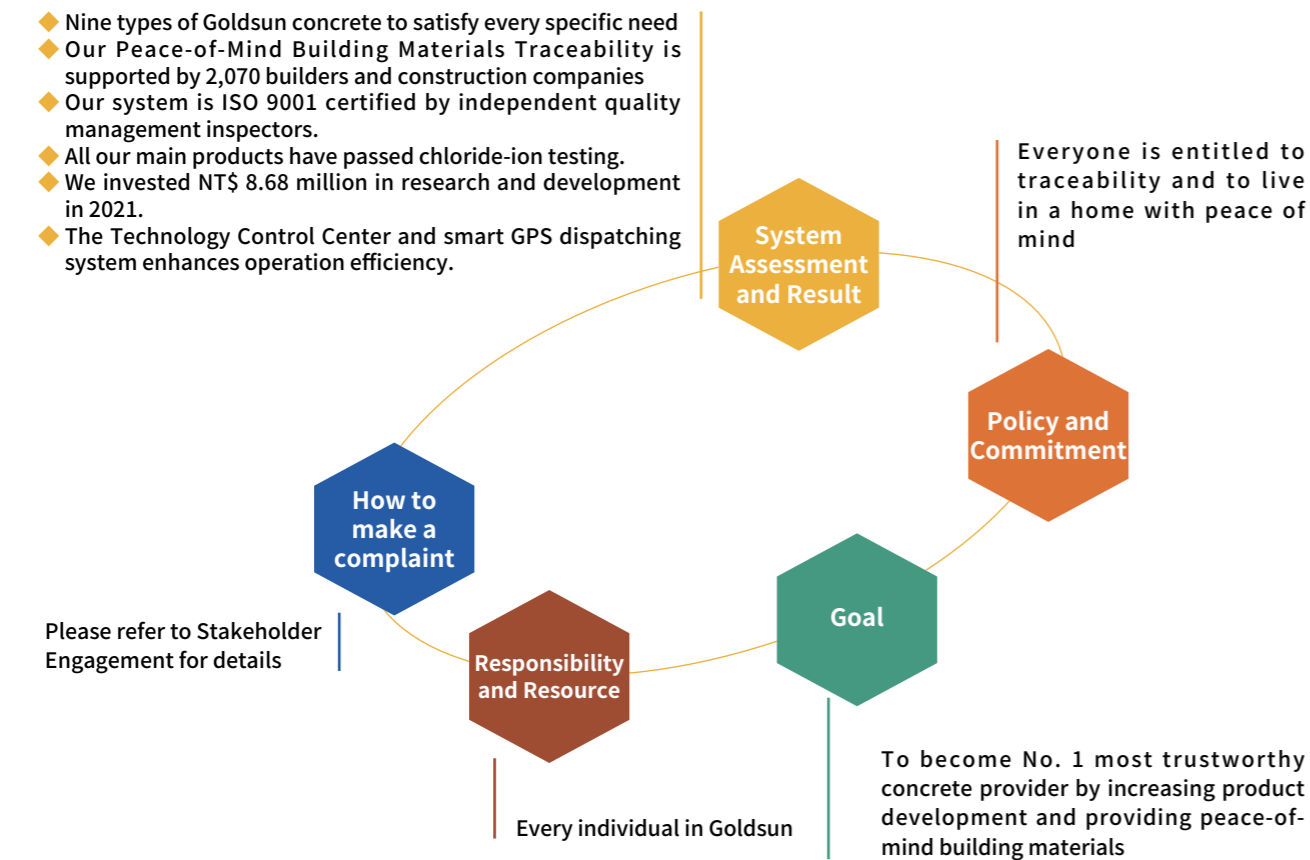


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About us

Management Approach

- ◆ Material topic – Product Quality
- ◆ Corresponding GRI Index – Customized Material Topic
- ◆ SDGs: SDG 9/SDG 11/SDG 12

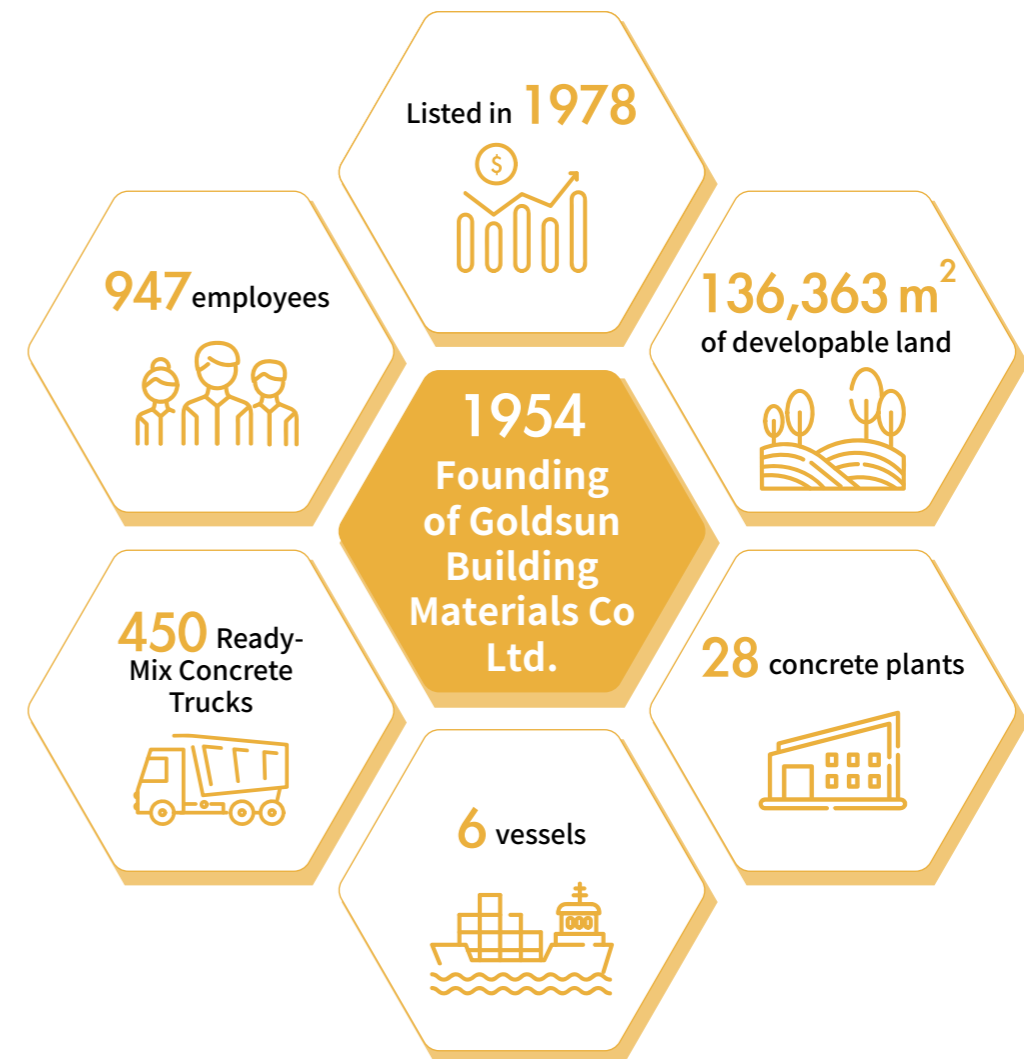


About us

In 1954, Goldsun began concrete manufacturing and transportation with a paid-in capital of NT\$11.8 billion. Ready-mix concrete is our main product, serving construction companies, builders, and public projects in the country. Our market value in 2021 was marked at NT\$22.5 billion, with net sales of NT\$21.8 billion. Ready-mix concrete accounts for 92.05% of sales, followed by flame-proof materials at 4.09%, and cement accounting for the remaining sales. We have high-end technology and a resourceful development energy that separates us from other concrete makers. Our quality products, mass concrete that blocks radiation, and green materials made of recycled glass for light partition, are our strength and the reason we stay ahead in the industry.

Goldsun Building Materials is a limited company registered in accordance with the Company Act of the Republic of China, with its ownership shared among shareholders. Including the chairman, we have 615 permanent employees as of 2021. We also possess 136,363 m² of developable land,

six vessels, and 450 concrete trucks. The efficient Traceability Management system integrates top to bottom business activities from mineral mountain investment for a quality source, to sea/inland fleets for material and product transportation. The second hub at Taipei Port Terminal is our receiving dock and transportation station of "Peace-of-Mind" building materials. Our streamlined deployment bolsters consistent growth of sales of concrete every year. By December 31, 2021, sales volumes for the year were 6.5 million m³, or 806 10-12 story buildings. Goldsun has produced 179.3 million m³ of concrete to date, catering to more than 18% of the market. One in five structures are built using Goldsun concrete.



Business location

We own 28 trustworthy production locations in Taiwan and four subsidiaries in China, all run strictly and autonomously, with technology-based dispatch center controlled processes. We ensure that from source to completion at production sites, all materials undergo high-precision inspections, including chloride-ion and slag waste hazard checks. The seven- chloride-ion quality control and inspection procedures helps screen out chloride-ion materials. We also conduct screening tests of pH levels three times a day, use the Mortar-Bar Method to eliminate slag waste and third-level QC via SGS lab sampling and tests on vessels.

◆ Taoyuan

Linkou plant | Taoyuan plant |
Zhongli plant | Luzhu No. 2 plant

◆ Hsinchu

Hsinchu plant | Dongda plant |
Zhubei plant

◆ Miaoli

Miaoli plant

◆ Taichung

Taichung plant |
Daya plant

◆ Yunlin

Dounan plant

◆ Chiayi

Chiatai plant |
Chiayi plant

◆ Tainan

Tainan plant |
Xinshi plant

◆ Keelung

Keelung plant

◆ Taipei

Taipei plant

◆ New Taipei

Xizhi plant | Tucheng plant |
Bali plant | Taipei port plant

◆ Hualien

Hualien plant

◆ Kaohsiung

Dahu plant |
Gangshan plant |
Kaohsiung plant |
Renwu plant |
Fengshan plant |
Xiaogang plant

	Plant	Location
Taipei	Taipei plant	Nangang District, Taipei City
Keelung	Keelung plant	Qidu District, Keelung City
New Taipei	Xizhi plant	Xizhi District, New Taipei City
	Tucheng plant	Tucheng District, New Taipei City
	Bali plant	Bali District, New Taipei City
	Taipei port plant	Bali District, New Taipei City
Hualien	Hualien plant	Ji-An Township, Hualien County

	Plant	Location	Plant	Location	Plant	Location		
Taoyuan	Linkou plant	Guishan District, Taoyuan City	Miaoli	Miaoli plant	Tongluo Township, Miaoli County	Tainan	Xinshi plant	Shanhua District, Tainan City
	Taoyuan plant	Bade District, Taoyuan City		Taichung	Taichung plant		Nantun District, Taichung City	Dahu plant
	Zhongli plant	Pingzhen District, Taoyuan City	Daya plant		Daya District, Taichung City		Gangshan plant	Gangshan District, Kaohsiung City
	Luzhu No. 2 plant	Luzhu District, Taoyuan City	Yunlin	Dounan plant	Dounan Township, Yunlin County		Kaohsiung plant	Zuoying District, Kaohsiung City
Hsinchu	Hsinchu plant	Zhonghua Road, Hsinchu City	Chiayi	Chiatai plant	Taibao City, Chiayi County	Kaohsiung	Renwu plant	Renwu District, Kaohsiung City
	Dongda plant	Dongda Road, Hsinchu City		Chiayi plant	Minxiong Township, Chiayi County		Fengshan plant	Daliao District, Kaohsiung City
	Zhubei plant	Zhubei City, Hsinchu County	Tainan	Tainan	Yongkang District, Tainan City		Xiaogang plant	Xiaogang District, Kaohsiung City

Products and know-how

◆ Double-certified quality concrete

We closely examine our customers' needs and developed a concrete design center. Our special concrete spans nine features. Our consultation services provide a holistic approach to finding the right solution for construction needs. Our production of ready-mix concrete complies with all Chinese National Standards (CNS) and is highly reputable. We are also a member of Good Ready-Mixed Concrete (GRMC) of the TCRI, which operates a strict review, ready-assessment, on-site assessment, and follow-up measures to ensure compliance with national standards. We have acquired certificates at seven plants to date: Xizhi Plant, Bali Plant, Taipei Port Plant, Zhongli Plant, Taichung Plant, Tainan Plant and Dahu Plant.



Goldsun displayed the strongest material at the Taipei Building Show

Goldsun and its related companies demonstrated their design strength at the Taipei Building Show. From December 9-12, Goldsun's high-end concrete series, Goyu's Autoclaved Lightweight Concrete (ALC) and Wellpool's FA Board were stars of the show, attracting buyers' attention locally and overseas. As part of our net-zero and wider ESG goals, Goldsun works with CarbonCure Technologies Inc., the world pioneer in carbon reduction technology, to introduce carbon mineralization in Taiwan, enhancing the compressive strength of concrete to reduce carbon emissions during processing.

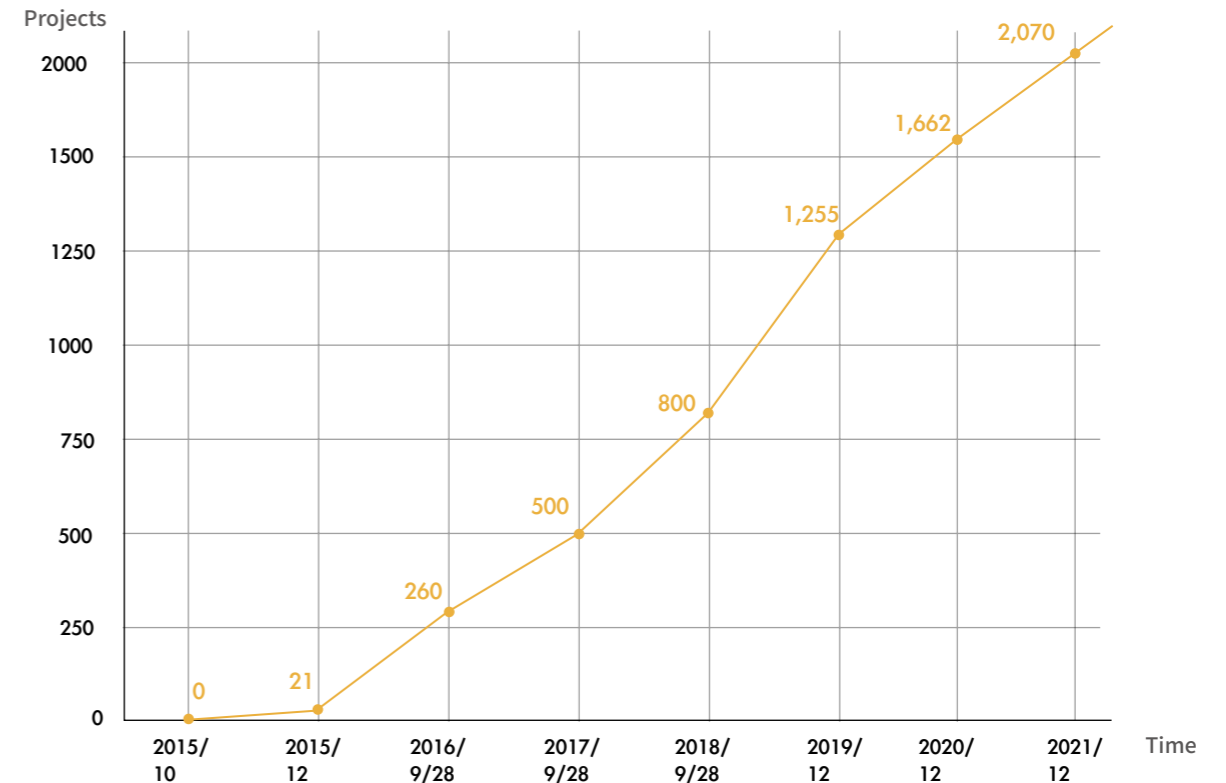
Novel technology has the power to drive quality. Goldsun's original concrete series features nine unique designs and has received multiple recognitions, achievements and awards, such as the "Oscar in Construction" in public works, aesthetic architectures and apartments.

Goldsun's nine characteristic concrete		
Architectural Concrete	Mass Concrete	Self-Compacting concrete
No-Fines Concrete	Green Concrete	Watertight Concrete
High Strength Concrete	Rolling Concrete	Lightweight Aggregates Concrete
Heavy Particle Cancer Treatment Center, VGHTPE	Headquarters, China Life Insurance Co., Ltd	Mini Suzuka Circuit, Taroko Park Shopping Mall
Mass concrete	Impermeable concrete	No-Fines Concrete
<p>Mostly used in highways and bridges. The enormous volume makes them generate heat. Our mass concrete is upgraded to a specific ratio to eradicate cracks. This concrete was particularly appreciated in the construction of the Proton and Heavy Particle Cancer Treatment Center, designated by the VGHTPE for the need to eliminate radiation. Goldsun is the exclusive 4,000 psi mass concrete supplier for the outer wall, columns and beams of the Treatment Center. Goldsun won the Concrete Engineering award following this project.</p>	<p>Impermeable concrete is extremely subtle and has superior waterproof attributes, making it a great material for basements, diaphragm walls, and construction in high humidity settings. The mixture under 28-day RCPT is measured at a value of less than 2,000 charges, coulombs, which qualifies with a 50-year impermeability guarantee – the best in the industry – and was used to build the Headquarters of China Life Insurance.</p>	<p>The Mini Suzuka Circuit inside Taroko Park Shopping Mall is the sole authorized vendor overseas by its Japanese originator. The 4,000 psi Goldsun No-Fines Concrete, as requested by Japan, was used to create a 3,000psi strength of concrete with good perviousness. The pores allow fantastic drainage, making it a great surface to ride on and grip tires, especially on rainy days.</p>
		
▲ The newly finished Heavy Particle Cancer Treatment Center, VGHTPE, winner of the 2020 Concrete Engineering Award	▲ Headquarters, China Life Insurance Goldsun impermeable concrete was used for the diaphragm walls in the basement	▲ Mini Suzuka Circuit The surface is engineered to meet the original requirements using Goldsun No-Fines Concrete to accentuate drainage and tire-gripping capabilities

◆ Peace-of-Mind Building Materials Assurance

We live to help people live in a place that gives them peace of mind for a lifetime. We established a standard that monitors the entire process, from sourcing to water/inland transportation to shipping, making sure every batch is fully controlled and reaches our high quality standards. The Concrete Development Center has been supervising raw material sources since July 2001, and also tracks GPS on vehicles from departure to arrival, and shipping at Taipei Port Terminal. From sourcing to loading, transportation, taking inventory, warehousing, plant sampling, and the construction site, inspection routes are disclosed by the cloud-powered Goldsun Peace-of-Mind Building Materials Traceability system. Scan the QR code to find out the results of seven QC procedures. We began promoting the system in October, 2015, and 2,070 builders and construction companies have joined us as of December, 2021 with a 99% customer satisfaction rate.

▼ The Goldsun Peace-of-Mind Building Materials Traceability system has been adopted by many in the industry, and the numbers are still growing (as of December 31, 2021)



◀ The cloud-powered Goldsun Peace-of-Mind Building Materials Traceability system allows users from construction companies to housing agents and consumers to get a quick view of the inspection results of the ready-mix concrete used in a building by simply scanning a QR-Code.

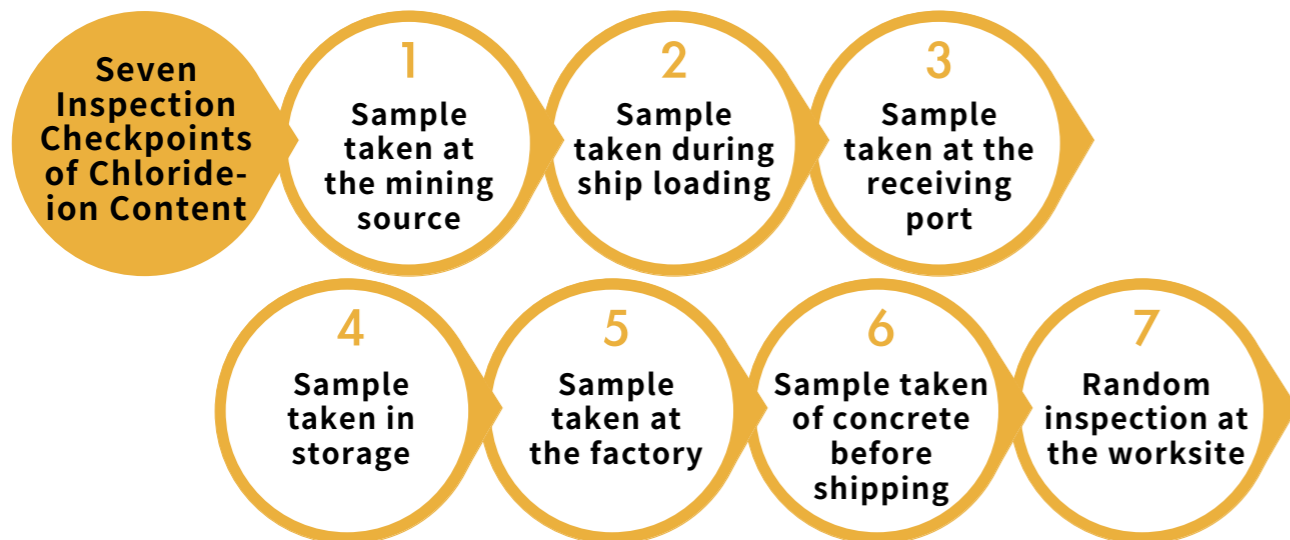
◆ Seven QC Procedures and Three Steps to admitting a seismic resistant material

The Goldsun Peace-of-Mind Building Materials Traceability system is executed following a Seven QC Procedures and Three Step. We have designated personnel to control materials from origin, ready-loading examination for content volume, unloading examination for seawater impact during transportation, and arrival examination for receiving materials at production sites. We conduct sandstone screening and analysis every day to monitor quality and chloride-ion quantity following a three-step process prior to leaving the plant. Three pH value tests also contribute to the final "Quality Assurance Certificate" and "Chloride Inspection Report". All these efforts ensure the quality of our mixture meets standards before leaving our plants. Every month a SGS chloride-ion test report is generated, of which all our main products form a part.

All seven QC procedures and Three Steps are logged in our cloud space, so every batch of Goldsun concrete is identifiable. A quick scan of a QR Code brings users to the project concrete ID so builders and companies are reassured that the project is safe. This is how we implement our vision of traceability so everyone has peace of mind in their home.

▼ Seven QC Procedures and Three Steps Quality control makes sure everyone has peace of mind in the home in which they live for a lifetime.

Seven QC Procedures	Three Steps
Tracing chloride-ion Seven QC Procedures from origin to local plant, loading and transportation, and entering the production site to the construction location. All values tested are required to be below 0.15kg/m ³ .	To eradicate slag waste, another Three Steps inspection is conducted at origin, pit, and before entering the production site to measure the pH value and run an autoclave expansion test.
	



◆ ISO 9001 certified pits

The gravel-stone ratio is critical to the quality of a mixture. Our Fuzhou Tuff Mine (dacite) comprises igneous rock, just like granite, which is extremely hard stone, and has the strength required by a quality concrete mix. To exclude any chloride-ion affected particles, we adopted and passed ISO 9001 to monitor and run inspections at the mining source, during ship loading, at the receiving port, before storage, and daily onsite and construction site samples. In addition to the Seven QC Procedures, the pits are independently examined by TCRI as part of our routine work. Another quality inspection is conducted prior to loading at Mawei Port from Minjiang River.

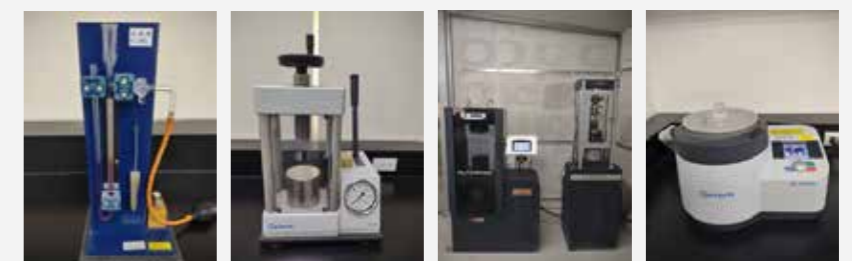
Goldsun has also formulated a rapid test, the pH value-Accelerated Expansion Test, to screen out electric arc furnace slag. The CPAMI certified proprietary test is now operated in conjunction with TCRI training courses across Taiwan to help concrete makers obtain CPAMI certificates and eradicate slag waste in the industry.

▼ Goldsun quality management is ISO 9001:2015 certified.



In-house material lab to bolster Goldsun's quality

Our lab at Taipei Port benefits from rapid, instant feedback on data and the nature of mine grit. The lab results are passed to the purchase and process teams for reference and process adjustment. All apparatus in the lab is acquired in line with national standards for material tests, including cementitious material (cement, furnace slag, fly ash), coarse and fine aggregates, and chemical admixture. The lab also features mixers, molds, cutters, grinders and compression testers for nature tests of cement mortar and concrete final products. Our 2021 lab test budget amounted to NT\$ 10.5 million.



◆ Technology control and services

Our Technology Control and Services Office (TCSO) manages the production process and coordinates trustworthy plants across Taiwan. We are capable of large-quantity concrete placement with short turnaround times to satisfy technology plants and benchmark project needs. For specific structures, our concrete series tackles unique demands with its nine different features. With three docks and six vessels at Taipei Port, 28 concrete plants, 130 dump trucks, and 320 ready-mixed concrete trucks across Taiwan, Goldsun is among the largest in the industry. We track all movement with the TCSO, linking GPS with grit carriers, dump trucks and ready-mixed concrete trucks. Each of our 320 ready-mixed concrete trucks is installed with four live cameras to limit traffic time to within 90 minutes from departure to arrival, a cash-truck competing standard. TCSO enables itself and customers to follow all routes of a batch delivery on a PC or smartphone, track delivery times and reach 100% customer satisfaction.

▼ TCSO coordinates schedules to arrange cross-zone support, boosting best worksite delivery results in Taiwan.








Leading in ESG commitments

We possess quality concrete products and design knowhow that best address customers' needs and, thus, produce the best results. From there, we bring our efforts to green buildings, wind turbine projects and social housing construction to positively impact the environment and the local community.

◆ Green building

The MOI recorded 10,296 green buildings in Taiwan by 2021, which means every year 2.351 E kWh of electricity and 114.9 million tons of water are conserved. This is a tremendous milestone for eco-friendly actions. Goldsun is aware of the importance of our ecology, and spares no effort to make a statement in green projects. Our products are seen across the country, and we engage to support the ecosystem by producing energy efficient formulas.

▼ Projects that have received Green Building Certification in recent years

Green Building Rating	Project Name
 Diamond	New construction project of Garden Mansion Sky Garden
 Gold	The Silk Court
 Silver	Guoguang Section of Sanxia District Youth Rental House YEASHIN - Home of My Heart YEASHIN Sky Tree YEASHIN Tiandixin YEASHIN SHIN-LE-ZHANG Sunland 41
 Bronze	New construction of the Neihu Art Building Link your Life Golden City Luzhou Branch
 WELL Building Standard	Care 212

▼ The diaphragm wall of the Sky Garden used watertight concrete made in Taiwan.



Quick guide to Goldsun's EEW Certificate

Q What is the EEW Certification?

A The EEW Certification in Taiwan adheres to nine indicators in a green building: foliage, water soil content, water conservation, energy savings, CO₂ emission reduction, construction waste reduction, garbage and sewage improvement, biodiversity and indoor environmental quality. The EEW has a building rating system of five levels, from basic certified, to bronze, silver, gold, and diamond. through behavior, operations and design.

Q What is a WELL building?

A The WELL Building Standard is the first system developed by the International Well Building Institute (IWBI) to measure features in the building environment that impact human health and wellbeing, through air, water, nourishment, light, fitness, comfort, and mind, and ensure health is a factor in buildings through behavior, operations and design.

◆ Wind turbines for green electricity

Goldsun shows its strength in the green market by taking over wind power construction. Our mass placements and highly collaborative engagements are key to winning green energy plant and office projects. We are supplier to Century Iron & Steel's wind turbine construction at Taipei Port, the offshore wind turbine at Xingda Port, and offshore underwater main structure. Our proprietary Peace-of-Mind Building Materials Traceability system has enhanced quality management, and the Traceability Management system based in our transportation hub has helped us stay ahead in the Taiwan wind power supply chain.

▼ Century Iron & Steel's wind turbine construction at Taipei Port south dock. The main structure is built using Goldsun 4,000 psi high end concrete.

▼ Taiwan's first offshore underwater engine room for wind power. The main body is supplied by Goldsun Gangshan. The special setting of the Xingda wind power plant required specific concrete that functions under water.



◆ Social housing

Provided by the government or lease of privately-owned empty houses to people by government agencies, social housing is available for lease only at a cheaper rate than private rent, benefiting more people through circulation of housing resources. So people live in a home that gives them peace of mind, we dig deep into the nature and quality of concrete, paying close attention to reconstruction projects for old/dangerous buildings in the country. We have been involved in many social housing projects to ensure reasonable prices for homes that are of good quality. Our proud quality management capacity has earned us recognition for several social housing projects, including the No.1 public-run residence in Zhongli and the No. 1 Social Housing in Pingzhen, both winners of the FIABCI's Taiwan Real Estate Excellence Awards in the category of Best Social Housing.

The Taiwan Real Estate Excellence Awards is the highest honor of architecture in Taiwan and is run by the FIACBI-Taiwan and honors outstanding publicly built or privately owned constructions that make a cultural and social statement.

Pingzhen No. 1 Social Housing

Social housing in Pingzhen, Taoyuan includes a rainwater reserve pool, soundproof floor and an ecological corridor to the surrounding neighborhood. The project focuses not only on a better living environment, but also blocking out unwanted noise. The community welcomes an array of services, including a parenting room, family service center, life-long learning classroom and NPO locations, among other facilities, to generate a holistic living accommodation.

▼ The main structure of Pingzhen No. 1 Social House in Taoyuan is made of concrete compressive (4,000 Psi strength) to provide ensure the structural safety for residents.



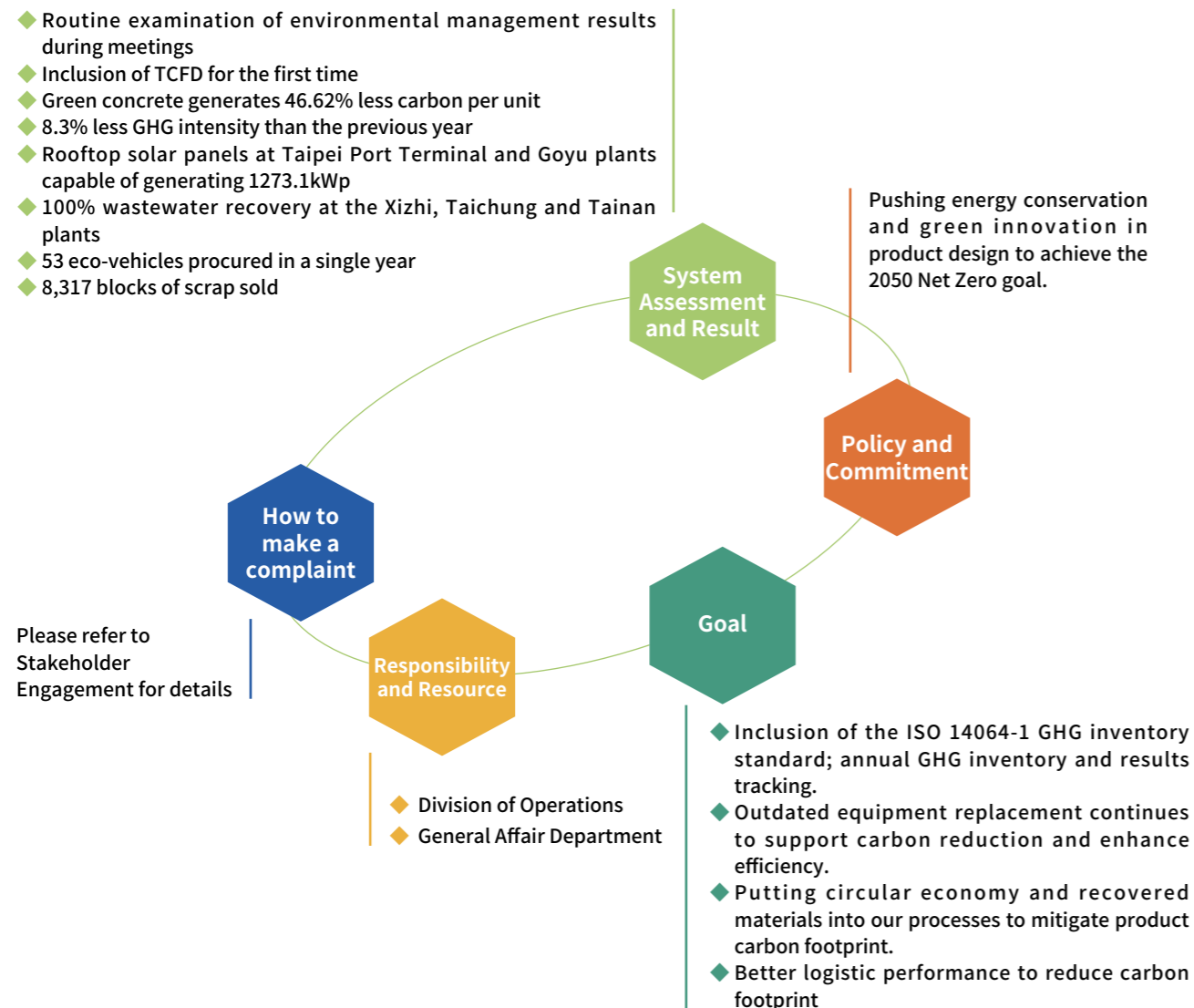
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Environmental Sustainability



Management Approach

- ◆ Material Topic: Environmental Protection
- ◆ GRI Indicator: 302-3/302-4/305-2/305-4
- ◆ SDGs: SDG 7/SDG 13/SDG 14/SDG 15



Risk and opportunity of climate change

Our business is in front of the risks brought by climate change. To manage demand, the Division of Operations has gathered departments together to undertake TCFD (Task Force on Climate-related Financial Disclosures) compliant action and identify negative and positive impacts to our operations and financial performance, with the adoption to center on Governance, Strategy, Risk Management, and Metrics and Targets. We are capable of building a preventive strategy and measures against the risks and damage that accompany climate change. With stronger resilience, we can sustain operations long-term.

Core elements of climate change management

▼ TCFD core elements and financial disclosures

Governance

Every year, the Division of Operations gathers together departments to select risk topics that have a potential internal and external impact on the organization. The agenda includes climate change risk identification, assessment, and responses. Annual meetings allow priorities to be addressed among the nominees that closely relate to corporate sustainability, climate change included, and adopt action in line with corporate social responsibility goals.

Strategy

We first examine our business and current operations. From there, we identify physical and transitional risks and opportunities, and continue to initiate our green energy policy. Our policy is to manage the impact due to global climate change and GHG, and includes energy conservation and carbon reduction actions. Detailed therein is the proper replacement of process equipment; reducing power and water consumption in offices and common areas; generating less waste and more green purchases; and pushing for certified energy-efficient, green marked products. With production design joining the action, we further explore recovered-material processes and carbon sequestration to enhance our market competitiveness. To drive toward the goal of overall carbon reduction, we have scheduled solar panels installation at production sites to replace partially outsourced power, bringing us one step closer to our 2050 Net Zero goal.

Metrics and targets

We are aware of the impact and risks of climate change, and to mitigate such negative impact, we have a set of indicators and goals to help us manage the risks and opportunities brought by extreme weather. Our efforts toward energy conservation and carbon reduction are as follows.

- ◆ Electricity: When presented with alternatives, we opt for light sources that promote power efficiency. Lighting and air conditioning in meeting rooms are switched on only when rooms are in use, and unnecessary outlets are switched off in offices and common areas during lunch breaks. Energy efficiency is also prioritized when replacing equipment in production sites. This year we successfully reduced energy intensity by 17.9% compared to the previous year.
- ◆ Water: We not only promote water conservation, but also take action by regulating the output of faucets and replacing faucets and water closets with Water Efficiency Labeled parts and products. Other improvements include routine inspections of pumps, water tanks, faucets, water connections, and checks for leakages in walls or underground pipes. The sedimentation tank also helps increase wastewater recovery and water efficiency. This year we generated full wastewater recovery at the Xizhi, Taichung and Tainan sites (everyday sewage not included).

Risk management

To identify and assess the potential critical impact and risk to sustainable operations related to existing and future activities, products and services, our Division of Operations undergoes a routine organizational risk assessment, which includes climate change progress, and uses this as the basis for policy-making and goal-setting. The assessment results allow specific climate change topics to be evaluated against potential financial impact, as suggested by TCFD's risk assessment system, and a compliant strategy to be adopted.

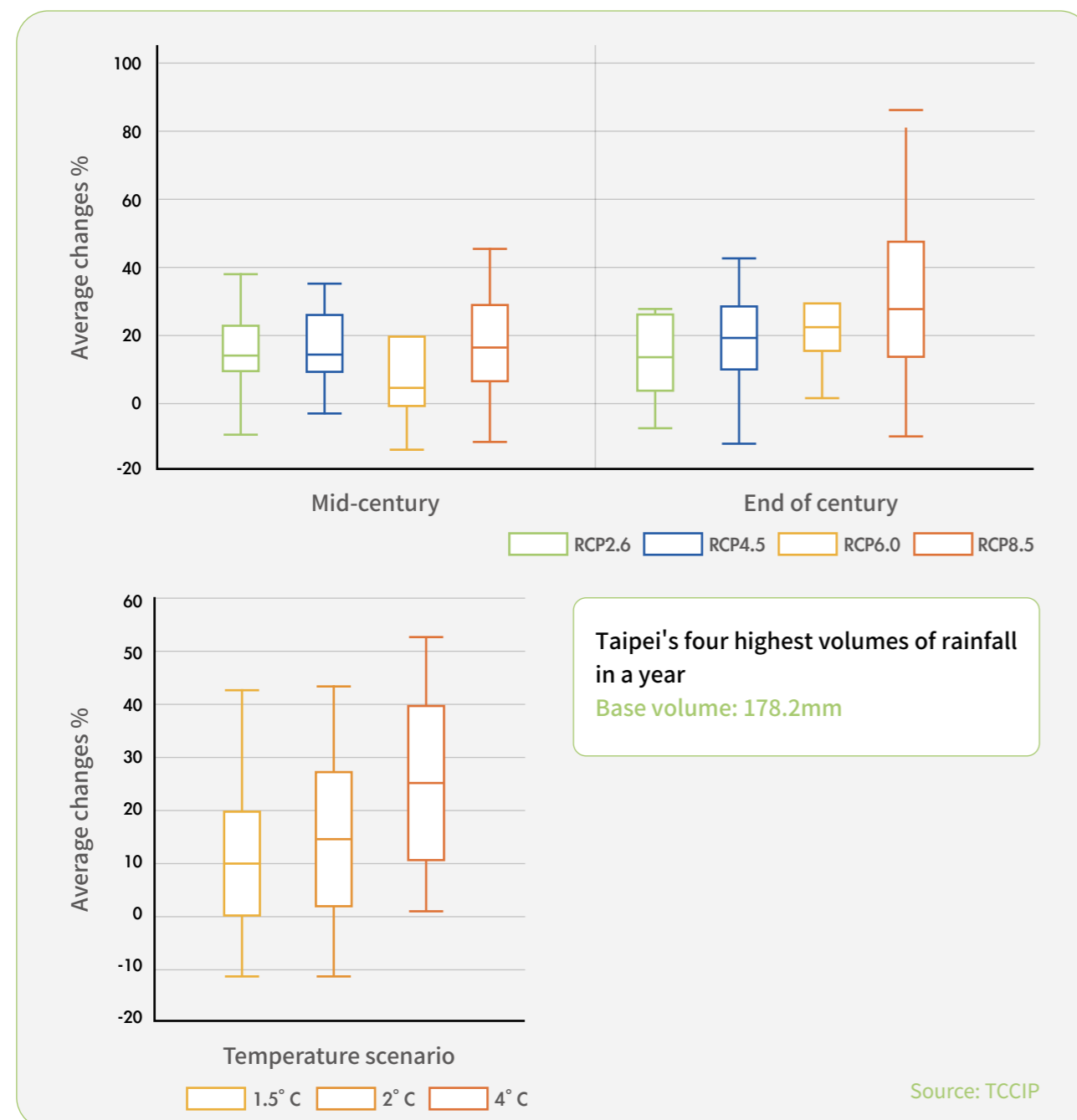
- ◆ Waste: We collected waste from the production of concrete, and formed it into blocks for reuse and sale. We sold 8,317 blocks (19,129 tons in total) this year.
- ◆ GHG: We gather energy from operations, product design and processes to ensure that we always choose better to minimize our carbon footprint. We are scheduled to use solar power generated from solar panels at our manufacturing locations to further increase our use of renewable energy and remove carbon from overall emissions. We have successfully reduced 13.4% from the 2019 base year, with 1,425 tonCO₂e in 2021, and a GHG intensity of 2.32 (ton CO₂e/no. of employee).

Scenarios

◆ Physical scenario

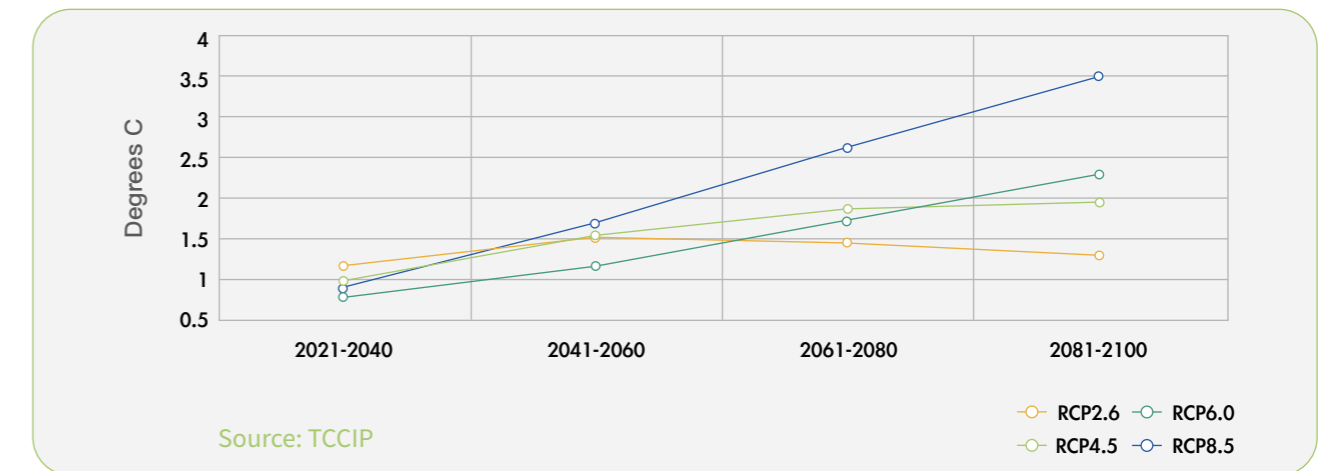
With the help of TCCIP and the 3D Disaster Potential Map, we estimated the average rainfall and highest daily rainfall in 2100 at RCP2.6, RCP4.5, RCP6.0 and RCP8.5. This increase does not meet the disaster criteria suggested by the 3D Disaster Potential Map: a potential area of 350mm rainfall in six hours; 400mm rainfall in 12 hours; and 650 mm rainfall in 24 hours. While we are not threatened by an immediate flood risk, we need to consider typhoons and other natural disasters that may cause a flood in the 500m perimeter area, and prepare for a certain degree of impact to personnel and operating equipment.

▼ Highest daily rainfall estimates at Goldsun's headquarters



In terms of yearly average temperature, as our HQ is in Neihu, Taipei, except for scenario RCP2.6 and RCP4.5, we are at the risk of a 2° C increase before 2100, a scenario where the extreme increase in power consumption and energy costs poses great threats. To prepare for this scenario, we have started replacing equipment with more efficient parts to mitigate the risk of malfunction caused by higher average temperatures.

▼ Mean annual temperature estimate at Goldsun's headquarters



◆ Transition scenario

We did a calculation based on the NDCs (Nationally Determined Contributions) and national regulations (the Greenhouse Gas Reduction and Management Act, and the Renewable Energy Development Act) as to the impact the future cost of electricity will have on our finances. With the goal of reducing GHG by 50% for business as usual (BAU) processes in 2030, Taiwan will increase its renewable energy from 5.6% in 2019 to 40% by 2030, as National Energy Policy regulates. Considering the higher cost of renewable energy in Taiwan, we project power costs to increase from NT\$2.63/kWh in 2019 to 3.88 in 2030, based on outsourced electricity.

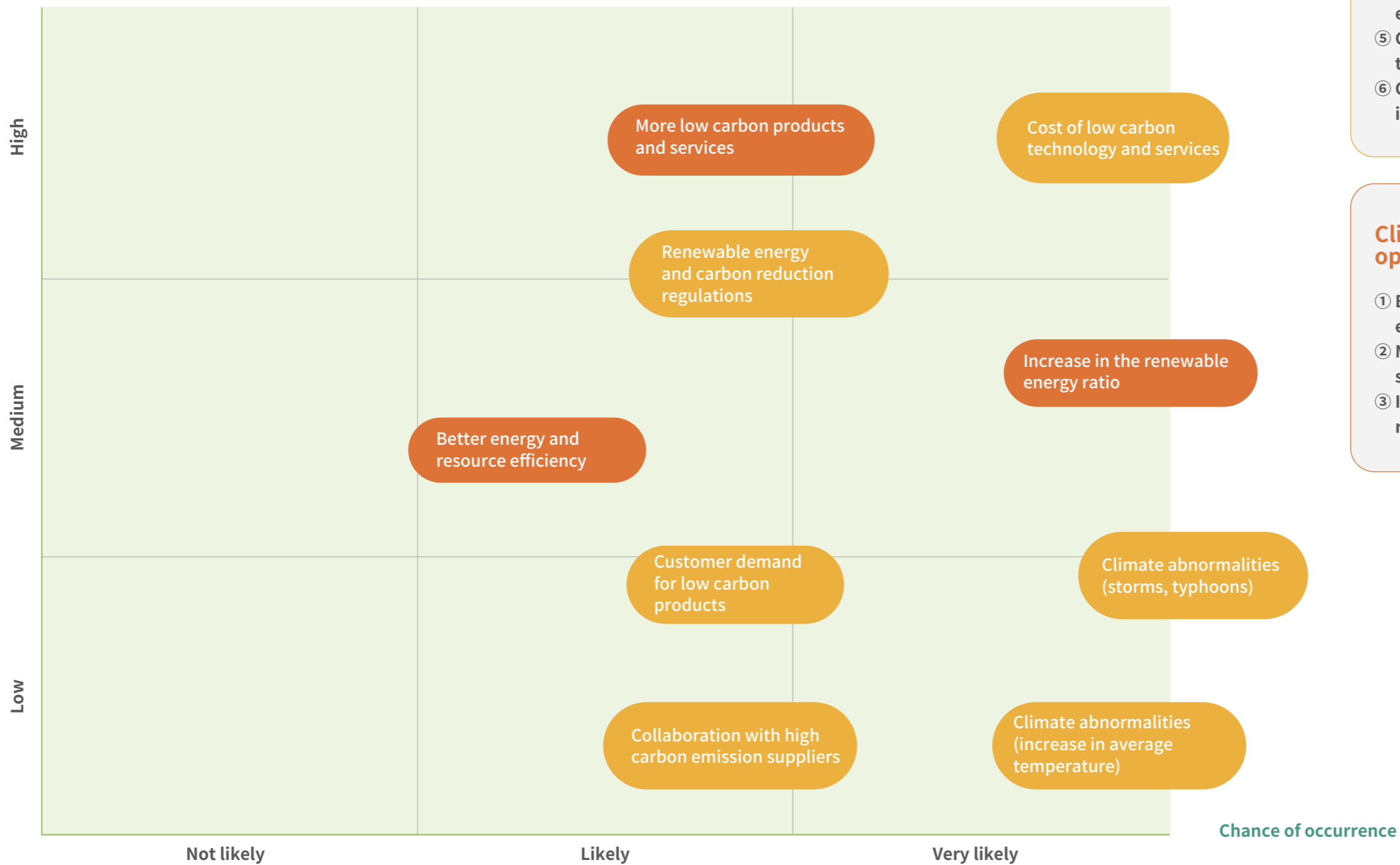
From our purchase of 2.839 m kWh power in 2021, the same amount of electricity will cost us NT\$ 11.01 million in 2030. Based on this calculation, we studied the feasibility of reducing our electricity outsourcing and installation to provide renewable energy for Company use. We have drafted a timeline for solar panels to be fixed to the rooftops throughout production sites and have retired outdated equipment to address and action the impact of our electricity use.

Financial impact due to climate change

We have assessed climate risks and opportunities, and ranked them based on the degree of impact and chance of occurrence, where the former is categorized into low, medium and high, and the latter not likely, likely, and very likely. Each risk is mapped and issued with a response or measure to build our resilience toward the positive as well as undesirable impacts of climate change.

▼ Matrix of climate-related risks and opportunities

Degree of Impact




Climate change risks


- ① Renewable energy and carbon reduction regulations
- ② Cost of low carbon technology and services
- ③ Customers demand for low carbon products
- ④ Collaboration with high carbon emission suppliers
- ⑤ Climate abnormalities (storms, typhoons)
- ⑥ Climate abnormalities (increase in average temperature)

Climate change opportunities




- ① Better energy and resource efficiency
- ② More low carbon products and services
- ③ Increase in the renewable energy ratio

Climate related risks and financial impact

Type	Climate related risk	Potential financial impact	2021 reaction
 Transitional risk	Policy and regulations	<ul style="list-style-type: none"> ◆ Increase of energy efficiency, renewable energy generation capacity, and green power certificates to meet Taiwan's GHG reduction and management regulations. ◆ Potential impact to operation costs due to carbon tax and carbon trade regulations. 	<ul style="list-style-type: none"> ◆ Solar panels have been fixed to Goyu and Taipei Port Terminal rooftops; future installation at concrete production sites for generation and use on-site. ◆ Carbon fixation through planting greens at Taipei Port Terminal. NT\$ 20 million LPG investment at Taipei Port Terminal to replace fuel and reduce carbon footprint from operations.
	Technology	<ul style="list-style-type: none"> ◆ To stay legally compliant and follow initiatives, it is necessary to develop low carbon technology, which requires additional investment in carbon reduction. ◆ The cost of applying novel technologies and alternatives in practice and in processes. 	<ul style="list-style-type: none"> ◆ Promotion of our Green Concrete formula ◆ Dig for more recovered material-based products like ALC. Goyu has invested around NT\$ 400 million in recovery-based products. ◆ Transition into green fleets to lower carbon transportation. We have an eco-vehicle procurement scheme in planning with a budget for green vehicles of over NT\$ 135 million in 2022.
	Market	<ul style="list-style-type: none"> ◆ With a better awareness of sustainability, customers may turn to lower carbon products and services in the market, resulting in a loss of revenue for Goldsun. 	<ul style="list-style-type: none"> ◆ Providing recovered material based ALC to major technology brands in the country. ◆ Making our Green Concrete a material for key green building projects in the country,
	Brand reputation	<ul style="list-style-type: none"> ◆ Partnerships with high carbon suppliers may lose customers' trust. ◆ Climate resilience can have an impact on investors and stakeholders' trust in the Company. 	<ul style="list-style-type: none"> ◆ 20% suppliers passed the 2021 ISO 14001 environmental management system certification. ◆ Pinpoint the top carbon source through independent ISO 14064-1 certification and track emissions.

Type	Climate related risk	Potential financial impact	2021 reaction
 Physical risk	Immediate risks (e.g., storm, typhoon, hurricane, flood)	<ul style="list-style-type: none"> ◆ Climate change could lead to supply suspension and damage to production lines, causing compromised production capacity and a decrease in revenue ◆ Climate-related disasters can cause machinery and equipment damage at operation locations. ◆ Affected by the weather, employees are not able to commute to work, hence limited productivity and revenue, as well as an increase in OSH costs. 	<ul style="list-style-type: none"> ◆ We apply a simulation tool (3D Disaster Potential Map) to calculate climate change risks across Company locations. ◆ Operation support plan: we have contingency plans for situations such as water and power shortages so we can resume operations quickly and production is not interrupted. ◆ Dispatch center: through monitoring instant logistics information, we can immediately dispatch and make arrangements for maximum utility. ◆ Work from remote locations using VPNs helps reduce occupational risks. ◆ We have a total of NT\$ 5 billion fire insurance from across all locations in Taiwan to manage typhoon and flood damage. Through insurance we can effectively shift risks and mitigate impact to operations.
	Chronic risk (e.g., extreme weather, increase in average temperature, rise of sea levels)	<ul style="list-style-type: none"> ◆ Rise in average temperature will increase the costs of air conditioners and electricity each year. ◆ Low altitude buildings are subject to thunder-strikes, strong winds, heavy rain, and typhoon-caused flooding, and therefore have higher maintenance and repair costs. 	

Climate-related opportunities and financial impacts

Type	Climate-related opportunities	Potential financial impact	2021 reaction
 Resource efficiency	<ul style="list-style-type: none"> ◆ Improved energy performance equipment ◆ More efficient transportation ◆ Wastewater recycling 	Better energy and resource efficiency for reduced operating costs	<ul style="list-style-type: none"> ◆ Choice of production equipment and eco-vehicles with better energy efficiency ◆ We have selected efficient light sources and achieved 159.9 kgCO₂e of carbon reduction in 2021. We are making great strides to 100% LED lighting in office areas. ◆ Our sedimentation tank helps increase wastewater recovery. This year we made full wastewater recovery at the Xizhi, Taichung and Tainan sites. ◆ The waste is transformed into building blocks and sold to parking lots and gravel plants as building materials. In 2021, a total of 8,317 units were sold, generating a revenue of up to NT\$4.53 million.
 Energy source	Use of low carbon energy	Electricity from rooftop solar panels at production sites for and a reduction in power costs	Switching the air heating furnace at Taipei Port Terminal to LPG
 Products and service	Investment in low carbon products and services	Innovation requires investment and cost, but enables collaboration with others to generate higher revenues.	Collaboration with Canadian company Carbon Cure Technologies on carbon mineralization, including CO ₂ in the concrete formula while reinforcing strength of the concrete

Type	Climate-related opportunities	Potential financial impact	2021 reaction
 Market	<ul style="list-style-type: none"> ◆ Market exploration ◆ Shifts in customer preference 	We examine and follow market trends by increasing low carbon services to build a good reputation and increased profits.	Participation in wind turbine projects and as a concrete supplier to Century Iron & Steel's wind turbine construction and offshore underwater wind turbine at Xingda Port.
 Resilience	Include climate change risks into operation management scope.	Build resilience against climate change to abate subsequent losses and disruption to supply chains.	<ul style="list-style-type: none"> ◆ Create a dedicated sustainability team for climate risk management and better operation resilience as a group. ◆ Continuing with solar energy generation at all production sites. Consider participation in the carbon credit trading market. ◆ Taking environment-related standards into the assessment of suppliers so that we build a sustainable supply chain and holistic, sustainable industry together.

Green design

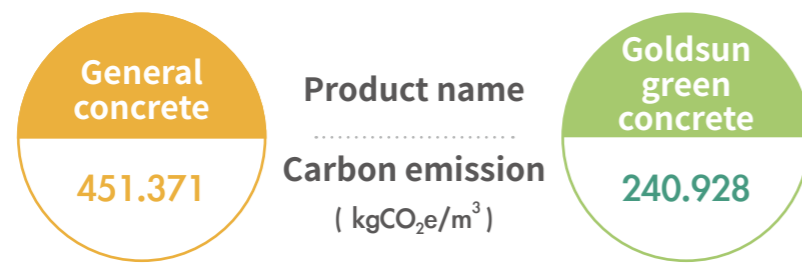
With the world facing climate change and associated risks, we are urged to explore concrete formulas that consume fewer materials and energy. This is the future direction of building material development. Therefore, our green process program aims to develop novel byproducts and product alternatives, as well as carbon fixation technology to generate efficiencies, produce less carbon, and achieve renewable materials goals.

Green Concrete

With reusable natural materials in mind, our Green Concrete combines recovered materials, mainly quenched blast-furnace (BF) slag and fly ash, and high-performance water reducing agent to fulfill a durability-based green design. The final product requires less energy and fewer materials and therefore has less of a negative impact on the environment. This is the formula that made us the first awardee of the Green Concrete certificate in Taiwan. Our Green Concrete has passed independent verification of the BSI product carbon footprint, showing powerful carbon reduction capacity.

We invested a considerable amount of time in developing the formula and ratio to cut down carbon emissions per concrete unit. It is now independently certified that, while this product meets the same construction requirements, each unit of Green Concrete produces 46.62% less carbon, from 451.371 kgCO₂e to 240.928 kgCO₂e. Taking an average 4,000 m³ concrete apartment building as an example, it emits 841,772 kgCO₂e less; the equivalent of 2.16 Daan Parks of carbon sequestration in one year* (Daan Park is estimated to sequester approximately 390 tons carbon a year).

▼ Goldsun Green Concrete is green material and BSI product carbon footprint certified



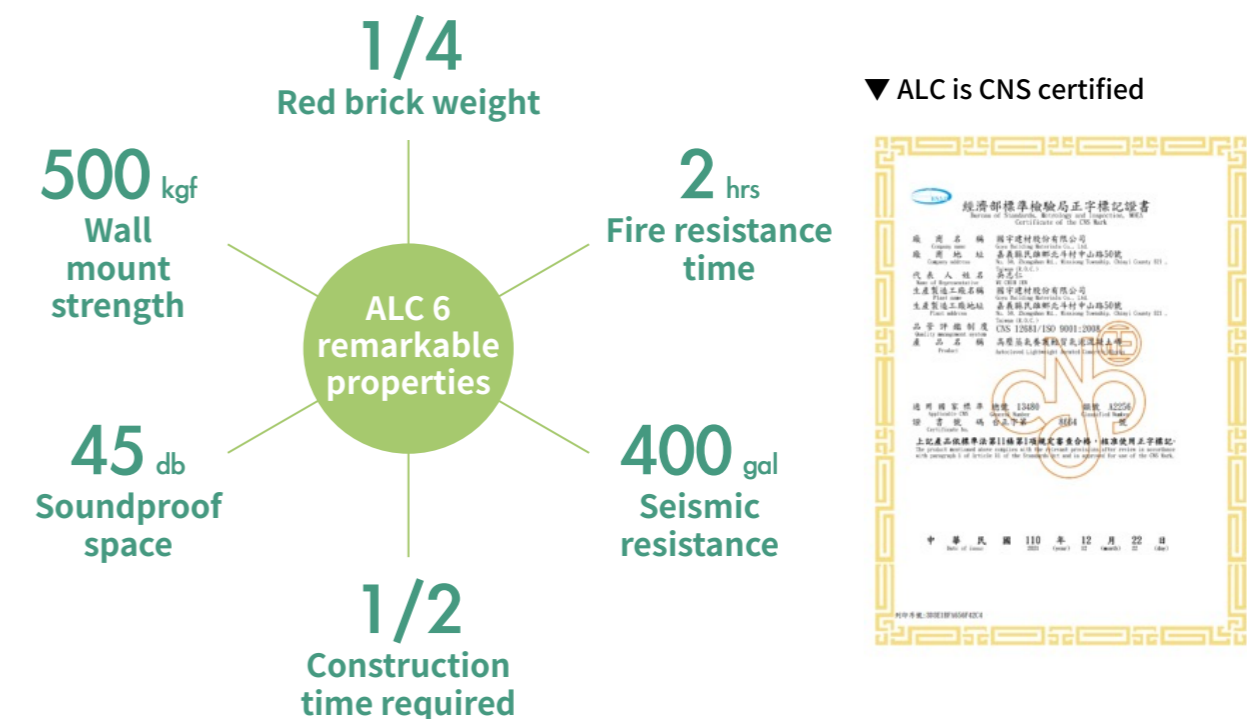
Green Concrete generates **46.62%** less carbon per unit



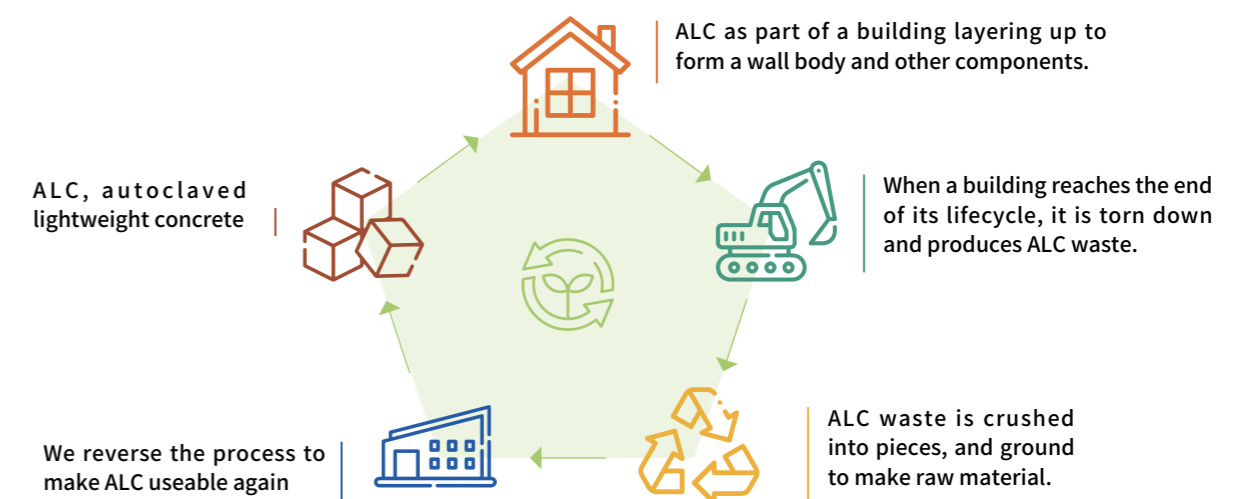
Autoclaved Lightweight Concrete (ALC)

Goldsun Group believes that the circular economy promotes sustainable ecology. Our subsidiary, Goyu, successfully incorporated recovered glass into the design of lightweight brick, and became part of the EPA's Research and Development Program for Waste Recycling. ALC is developed with waste up-cycling in mind, and has the properties of low thermal conductivity due to its porous structure, which makes for better heat insulation, retains temperature, and saves on cost of air conditioning, all of which comprise excellent green building materials.

Light in weight, fireproof, soundproof, and with seismic resistance and heat insulation, this product is the first choice in solutions for spaces that require soundproof partition. ALC has made it to Taichung's housing market, and is the designated material by Taiwan's major semiconductor makers, a formula largely preferred in building construction and by technology businesses today.



▼ ALC adopts an eco-friendly process and contributes to the circular economy.

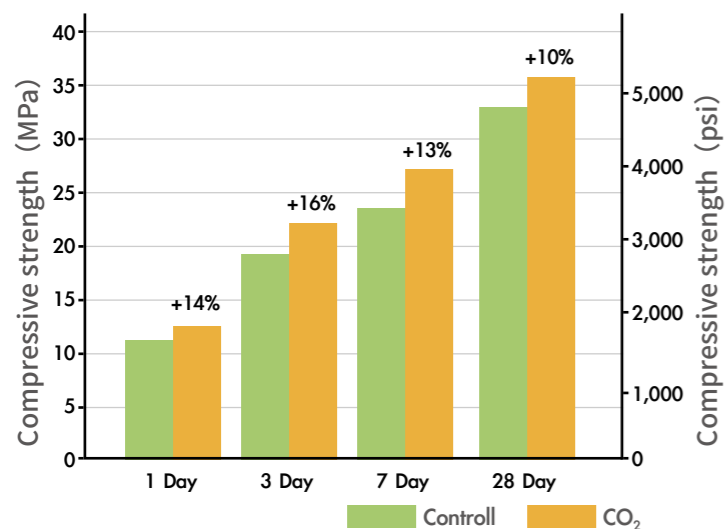


Carbon mineralization

We consider sustainable development and product competence when designing industrial byproducts and incorporating product alternatives. One of our efforts includes the 2021 partnership with Canadian concrete innovation company CarbonCure Technologies on a carbon fixation project to make ready-mix concrete, which produced an estimated reduction of 17kg carbon per cubic meter of concrete. This innovation helped us reduced the need for natural resources and curbed the negative impact on our ecology.

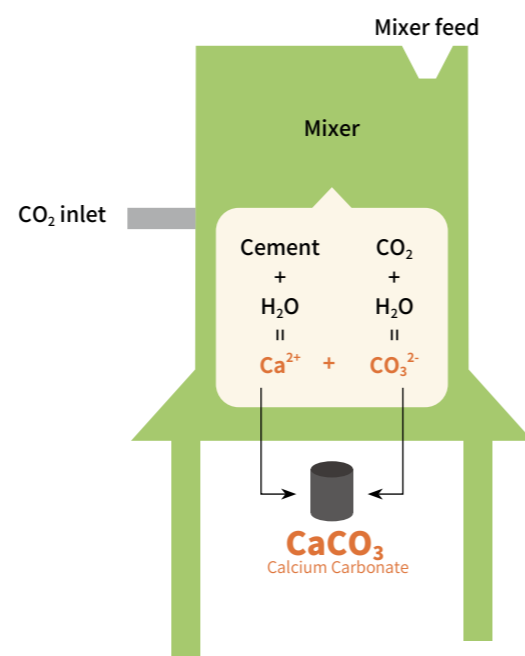
We worked together with TCRI in 2019 on a two-year academic-industry research project on Carbon Sequestration in Fresh Concrete. This project was well supported and looked into the feasibility of technology. We then furthered the research with Canadian company CarbonCure Technologies to explore the process of mass production, and validate its effectiveness. We chose to locate the equipment at the Xizhi and Tainan sites for now, and within two years all 21 concrete plants will follow up with carbon mineralization action. We also expect a proprietary carbon capture approach to be developed with collaboration within the industry and academic fields so applications can reach further afield.

▼ Carbon mineralization is used in concrete making to increase its compressive strength



- ◆ Industrial trial results from 84 batches at 13 locations.
- ◆ Average strength improvement of 10-16% across 1 through 28 days.
- ◆ Date range of 1-day 20%, 3-day 14%, 7-day 11%, 28-day 7%.
- ◆ Source : CarbonCure Technologies

▼ Process flow of carbon mineralization involved in concrete making



Renewable materials

Our formula for concrete includes sandstone, cement, furnace slag and fly ash. Furnace slag and fly ash are renewable materials. It can be seen how much we rely on natural resources by looking at the types and number of materials we use, and their accessibility. We are committed to green processes that promote the circular economy, and one of the efforts we make is increasing the amount of furnace slag and fly ash in concrete making. Renewable materials (furnace slag and fly ash) accounted for 8.3% of materials used in 2021.

	Material	Weight (tons)	%
Renewable materials	Fly ash	408,183	2.7%
	Furnace slag	851,233	5.6%
Non-renewable materials	Sandstone	12,696,402	83.1%
	Cement	1,317,763	8.6%
Total		15,273,581	100%

About Goldsun's carbon mineralization

When we combine concrete materials with CO₂ they react and produce calcium carbonate. Carbonization happens when CO₂ is added during concrete making, producing nano calcium carbonate. The process not only produces fewer carbon emissions, but also increases the concrete material properties and durability.

Our partner, Canada's novel carbon technology developer CarbonCure, worked together to transform captured CO₂ from industrial emissions into nano-sized mineral to incorporate it into concrete for a better compressive strength while reducing the product's carbon footprint.



Energy management

We believe that energy efficiency is the priority in environmental protection. Stakeholders can find information about our energy consumption in the disclosure, as well status and actions on the topic. We have made positive contributions in the past three years, and reduced energy intensity by nearly 17.8% from 2020 to the current year. The Taichung plant topped the Company's results with 14.2% less energy consumption, demonstrating what Goldsun is capable of achieving.

▼ Goldsun's energy consumption and intensity

Energy consumption calculation	2019		2020		2021	
	Energy consumed	Intensity	Energy consumed	Intensity	Energy consumed	Intensity
HQ	1,287,900	0.582	1,392,624	0.571	1,249,632	0.469
Xizhi plant	3,339,792		2,979,936		3,032,640	
Taichung plant	3,396,096		3,349,080		2,871,072	
Tainan plant	3,032,784		3,065,760		3,068,064	
Total	11,056,572		10,787,400		10,221,408	

Note 1. 1 kWh electricity = 3.6 megajoule (MJ)

Note 2. The 2019 discharge coefficient as per BOE was 0.509 kgCO₂e/kWh; 0.502kgCO₂e/kWh in 2020. The volume was not declared for 2021. The 2020 discharge coefficient was used in the calculation.

Note 3. According to the IPCC's sixth assessment report, the GWP for CO₂ is 1.

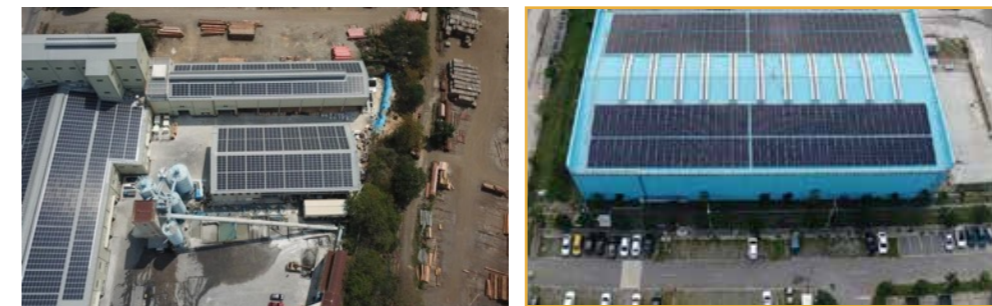
Note 4. Formula used for energy intensity calculation: Energy consumption (MJ)/revenue (NT\$ thousand).

Less energy consumption

Other than through lighting and air conditioning, we participate in Taipower's off-peak deal to boost power efficiency and power grid stability to reduce energy consumption in office areas. This also contributes to less power generator acquisition, meeting low carbon trends. To diversify power sources, Goyu and Taipei Port Terminal have installed solar panels on rooftops, the electricity from which will be used on-site to promote renewable energy in Goldsun and set a good example for remaining plants to assess this approach to generating electricity for their own operations. We take every opportunity to maximize the possibility for decarbonization.

Category	Approaches
Lighting	<ul style="list-style-type: none"> ◆ Timers and motion sensors activated in the basement parking lot to control lighting ◆ Switched off every other light in hallways ◆ Choosing energy-efficient lighting for office areas
Air conditioning	<ul style="list-style-type: none"> ◆ Fixed temperature at 26°C -28°C in the office area to avoid energy waste from unnecessary low temperatures ◆ Routine maintenance of air conditioners to maintain efficiency ◆ Prioritizing green marked and energy labeled products when purchasing air conditioners and electronic devices
Less usage during peak hours	<ul style="list-style-type: none"> ◆ Shifting to off-peak hours and reducing consumption during peak hours to help maximize power usage in lower-demand periods while saving power costs. ◆ Pay less based on the current tariff or experimental tariff during the now trail run plan to save costs, while allowing locations to prepare for the increase of power costs. This will be assessed after one year by Taipower, and a saver plan will be adopted across the Company.
Solar panels at plant sites	Rooftop panels at Goyu Building Materials and Taipei Port Terminal help reduce dependence on coal-fired power with 900 kWp at Goyu for 117,000 kWh/year capacity, and 373.1 KWp at Taipei Port Terminal for 330,000 kWh/year, lowering carbon from emissions by burning coal.

▼ Solar panels on Goldsun Group's rooftops harness renewable energy and greatly improve decarbonization efforts, making it an environmentally friendly approach to generating power.



▼ 2021 energy conservation fact sheet

Approach	Solution	Power conserved	Power consumption reduced	Carbon reduced
Shift to energy efficient lightin	85 light tubes switched from 40w T8 to 25w panels. Lights were turned on for 250 hours in total this year.	318.75 kWh	1,147.5 MJ	159.9 kgCO ₂ e

Note 1: Power saving calculation formula: [(40-25)x 85/1000]x250=318.75

GHG reduction

We are well aware of our responsibilities as a global citizen, and have taken the initiative in GHG disclosure and emission inventory. The GHG we produced is mostly scope 2. We calculated our GHG intensity using the number of employees as the denominator to calculate the percentage. To ensure operations align with local regulations, we plan to complete GHG scope 1&2 inventories by 2023.

Our total GHG emissions in 2021 continued to decline, mostly as a result of replacing equipment, which boosted overall reduction numbers. GHG intensity (tonCO₂e/no. of employee) went from 2.53 last year to 2.32, showing a decrease over two years. Compared to the 2019 base year, intensity has decreased by 13.4%, demonstrating remarkable progress.

Moreover, carbon neutrality can be achieved through the increase of foliage, which also improves air quality. Our Taipei Port Terminal has 24 larches grown inside the Port, adding nearly 288 kg in carbon offsets in a year (one larch offsets 12kg CO₂/year). Carbon fixation through trees benefits both ecology and decarbonization efforts.

▼ Goldsun's GHG emissions and intensity

Energy conservation measure	Scope 2	GHG intensity
Unit	tonCO ₂ e	tonCO ₂ e /no. of employee
2019	1,563.28	2.68
2020	1,504.24	2.53
2021	1,425.31	2.32

Note 1. The conversion coefficient in the GHG discharge coefficient management v.6.0.4 declared by the EPA on June 27, 2019.

Note 2. The 2019 discharge coefficient as per the BOE was 0.509 kgCO₂e/kWh; 0.502kgCO₂e/kWh in 2020. The volume was not declared for 2021. The 2020 discharge coefficient was used in the calculation.

Note 3. According to the IPCC sixth assessment report, the GWP for CO₂ is 1.

Note 4. The 2019 employee number was 584; the 2020 employee number was 595; and the 2021 employee number was 615.

Note 5: We apply control to verify GHG volume.

Note 6: Scope 2 GHG includes CO₂, CH₄ and N₂O.

▼ Taipei Port Terminal grows trees to mitigate the GHG effect and filtering for cleaner air, while contributing a greener space.



▼ The 2021 carbon reduction plan

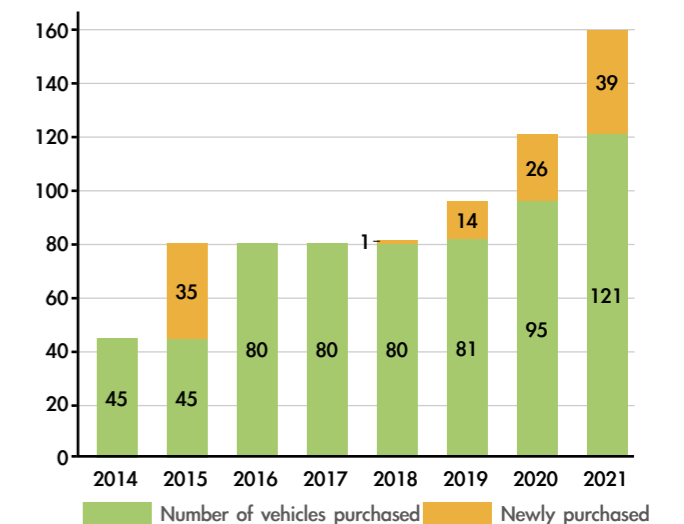
Replacements	Carbon reduction	Plant
Mixer motor	<ul style="list-style-type: none"> Outdated ones replaced with 75HP*2(IE3) dual motors IE3 motor has a higher rated efficiency and improved energy consumption Raising SCC mixing and other special formula production capacity 	Keelung plant Zhongli plant
Blower	Feeding materials with IE3-motor blower for better speed	Keelung plant
Chilling machine	<ul style="list-style-type: none"> 12R-refrigerant chiller replaced with R134a-refrigerant chiller Reduces warming and harmful greenhouse gas emissions 	Tainan plant
Air compressor	<ul style="list-style-type: none"> Water-cooled reciprocating compressors replaced with rotary compressors Simple structure, with few expandable parts (longer lifecycle), and easier maintenance Improves energy efficiency MEPS certified grade 1 efficiency; highest rating 	Hsinchu plant Miaoli plant Xinshi plant Kaohsiung plant

Low carbon transportation

Our processes take environmental friendliness into consideration. Efficiency and low carbon transportation is also one of our priorities. To reduce our transportation footprint, we own six sandstone vessels, 320 ready-mix concrete trucks, and 130 dump trucks. As a leader in the business, we first started using hundred-million-dollar EURO 5 ready-mix concrete trucks in 2014, and made 39 additions to the fleet this year, bringing us to a total of 160 trucks. This year we also replaced 14 vehicles with EURO 5 standard engineering trucks. The incorporation of the GSE GPS dispatch system and Control and Services Center has helped improve logistic efficiency, and monitoring of our transportation carbon footprint and pollutant discharge. In addition, we expect others in the industry to follow our example and conduct yearly equipment inspections and implement dump truck oil savings as they also focus on the importance of carbon reduction. Our vessels are fueled by Low Sulfur Marine Residual Fuels & Marine Gas Oil, which has less than 0.5 and 0.1 sulfur, meaning less sulfur is being emitted into the atmosphere.



▼ Goldsun EURO 5 concrete truck procurement over the years



Note: data includes only the number of concrete trucks delivered, not other eco-vehicles (e.g., QC engineering trucks)

Air pollution control

We have a qualified air pollution prevention officer at each location to take charge of relevant tasks such as air pollution prevention, safety and security, and emergency protection. Dispersed particulates are restrained through highly-efficient pulse jet bag filters, in which the cement materials are transported. To transport and store fine and coarse aggregates, we have closed-type equipment to minimize pollution during production. At the Keelung, Hsinchu, Zhubei and Miaoli plants, we continue to enhance dust collecting efficiency, and monitor discharge content for compliance so air quality in the area is duly maintained.

The cleaning pool also ensures that vehicles used for material transportation have clean tires before going on the road. Sprinklers are used when necessary to keep the air clean and free from fugitive dust outside plants and in the neighboring communities. As the Air Pollution Control Act prescribes, our disclosure includes an allowance of particulate pollutants and dust, and volumes are declared.

▼ Goldsun's PM discharge volume in the past three years

Plant		2019	2020	2021
Xizhi plant	Authorized volume	8.40225	8.40225	8.40225
	Declared volume	1.358	1.59323	1.78356
Taichung plant	Authorized volume	3.7819	3.7819	2.479
	Declared volume	1.83706	1.27492	0.83741
Tainan plant	Authorized volume	38 ^{Note2}	4.006	4.006
	Declared volume	0.088	0.08	1.804

Note 1. The calculation refers to the Xizhi, Taichung and Tainan plants; three major plants' discharge volumes.

Note 2. The Stationary Pollution Source Operating Permit is issued by the local EPB based on the individual reviewer's standard (the then-reviewer deemed that the aggregate warehouse had no benefits). The authorized discharge volume at the time was 38 tons/year. Before the EPA began to collect air pollution tax in 2019, the standard and coefficient was declared for the aggregate warehouse, and the revised yearly volume was reduced to 4.006 tons.

Unit: ton/year

▼ Goldsun's Dust collection measures

- Dumping** Dumping sandstone can cause a significant amount of dust. We fixed a steel dust house on top of discharge hoppers and a belt to block dust and prevent exposure.
- Storage** The sandstone pile yard is netted and walled for dust; cement, fly ash and slag are stored in a closed building.
- Moving** Sandstone is conveyed through closed corridors to avoid particulates from flying into the open air.
- Transportation** When vehicles are in position in the sandstone warehouse, materials are transported by the dispatch center using a computer to avoid dust flying around when receiving deliveries.
- Cleaning** Vehicles enter the pool area to wash dust from tires before entry/exit; sprinklers are outside the plant when necessary to reduce dust from flying around the atmosphere.

▼ Goldsun works to prevent air pollution. Our dust collectors minimize dust pollution during processes.



Water stewardship

The World Resources Institute's 2019 report declared that one-quarter of the world – 17 countries – are suffering from water scarcity. Goldsun therefore values water usage disclosure. The water Goldsun uses is extracted from a third party operator (tap water sourced), and is never extracted from a water pressure area.

We make sure all individuals have access to and ensure sustainable management of water and hygiene measures by mitigating the impact of extraction, consumption and discharge of water/wastewater. The reservoirs we have are for processing specific formulas. Those at Taichung, Xizhi and Tainan have a capacity of 1,100 tons, which impact the water environment less in the neighborhood. Our operation aligns with the maximum discharge limits of COD and SS for the earth-rock processing business, which are 100mg/L and 50 mg/L respectively. The sedimentation tanks further improve recycling rates, alleviating the impact on the resource through water efficiency.

To reduce the risk of transferring invasive aquatic species, our own ships have BWTS installed to remove and destroy/inactive biological organisms from ballistic water, complying with international marine biology conservation requirements. To date, three out of our six ships have completed the installation, and the remaining three will be completed by 2022 and 2023 to ensure we do our part for ocean sustainability.

▼ Goldsun's water consumption in the past three years

Year	Total m ³	Total consumption (million litre)	Total consumption (million litre)
2019	177,314	177.314	0
2020	172,392	172.392	0
2021	153,970	153.970	0



Note: The amount of water consumption includes headquarter, Xizhi, Taichung and Tainan plants.

Water scarcity

We are aware of water scarcity, and to physically conserve the resource, faucets in office areas have been replaced with water efficient ones that regulate water flow. Reinforced inspections also help detect any leakages and posters are placed at every sink to remind restroom users of the unnecessary use of water.

At operation sites, our recovery tanks help separate and concentrate wastewater and waste generated during operations. The wastewater is then washed into sedimentation tanks through ready-mix concrete trucks, and agitated before going on the road, sprinkling materials to prevent dust and powder from flying into the air, causing air pollution. This process forms part of our circular economy action. We had 100% wastewater recovery at the Xizhi, Taichung and Tainan plants in 2021.

▼ Water conservation approach

Location	Conservation measures and result
Plant	<p>Sedimentation tanks and recycling mixer water and vehicle cleaning water help reduce consumption. Wastewater recovery equipment purchased in 2021 included one 15HP grader, ten 10HP effluent agitators, two 7.5HP sewage pumps, and six 3HP sump pumps. Our wastewater has a 100% recovery rate.</p>   <p>▲ Sewage agitator tank</p> <p>Wastewater recovery results at the plants:</p> <ul style="list-style-type: none"> ◆ 6,114 tons recovered at the Xizhi plant ◆ 17,107 tons recovered at the Taichung plant ◆ 14,196 tons recovered at the Tainan plant
Office	Water efficient faucets, faucet parts to reduce water use, reinforced inspections of water leakages and educational posters at each sink to remind users to reduce water wastage.
	Recovering wastewater generated from the water dispenser to clean the toilets.
	Replaced with a water-saving flush

Contingency to water restrictions

As climate change sweeps the globe, we were amidst a serious water crisis in 2021 which saw the alert level being raised to red from northern Taiwan to central and southern Taiwan. Throughout the country, there was reduced water pressure all day every day, which had an impact on companies that need to process water as well as on the utility water supply, causing limited production and interruption. To act in case of another water shortage, we have contingency plans for each location to mitigate the potential impact and allow our operations to continue unimpeded.

▼ Goldsun's water restriction contingency at Xizhi, Taichung and Tainan

Location	Contingency
Xizhi plant	500 tons of clean water for emergencies. Additional requests can be covered by the Taipei Plant and Keelung Plant.
Taichung plant	Four reservoirs to provide 600 tons in total in case of water restrictions.
Tainan plant	In case of water shortages during restrictions, RMC trucks will be sent to Tainan City as authorized by Annan, Huweiliao and Anping water recovery stations to carry water back to plants.

Waste disposal

Among the compositions of our ready-mix concrete, cement leaves the greatest footprint. We seek a balance between quality and ecology by revamping the ratio of cement, and exploring the Green Concrete formula to significantly reduce our impact. The waste generated in the production of ready-mix concrete is mostly defective, waste materials from plant-mix and test mix, which causes minimal impact on the environment. Our disposal methods follow the Waste Disposal Act and commission legal agents to remove and reuse waste. All are properly reported as part of routine work. Our cubic-meter waste blocks are materials used for the walls of parking lots, sandstone yards and/or pile yards; they are also for sale. We made NT\$4.53 million in income by selling 8,317 blocks in 2021 alone.

To ensure we act in line with the Methods and Facilities Standards for the Storage, Clearance and Disposal of Industrial Waste, waste is handled by reuse priority. The concrete delivered by trucks is first classified through graders to separate sand and stones for recycling; a step that minimizes waste volume. Non-recoverable waste is accumulated up to a certain amount before commissioning a legal agent for disposal.

We installed a bonus plan to encourage waste reduction and material efficiency among plants, expecting maximum performance in decarbonization and resource regeneration through a collaborative effort. This year, a total of 19,129 tons of waste was generated and processed in non-hazardous, reusable methods. No hazardous waste was produced. There were also no spillages or leakages of pollutants that caused production to halt or any protests from the local community at our premises. No major fines due to environmental law violations were issued either.

▼ Composition classified waste

Composition	Waste generated	Waste diverted from disposal	Waste directed to disposal
Sandstone	15,636	0	15,636
Cement	1,752	0	1,752
Fly ash	558	0	558
Slag	1,183	0	1,183
Total quantity	19,129	0	19,129

Unit: ton

Note 1. Waste diverted from disposal includes preparation for reuse, recycling or by other means recovered.

Note 2. Waste directed to disposal includes incineration, landfill and other non-recovery disposal.

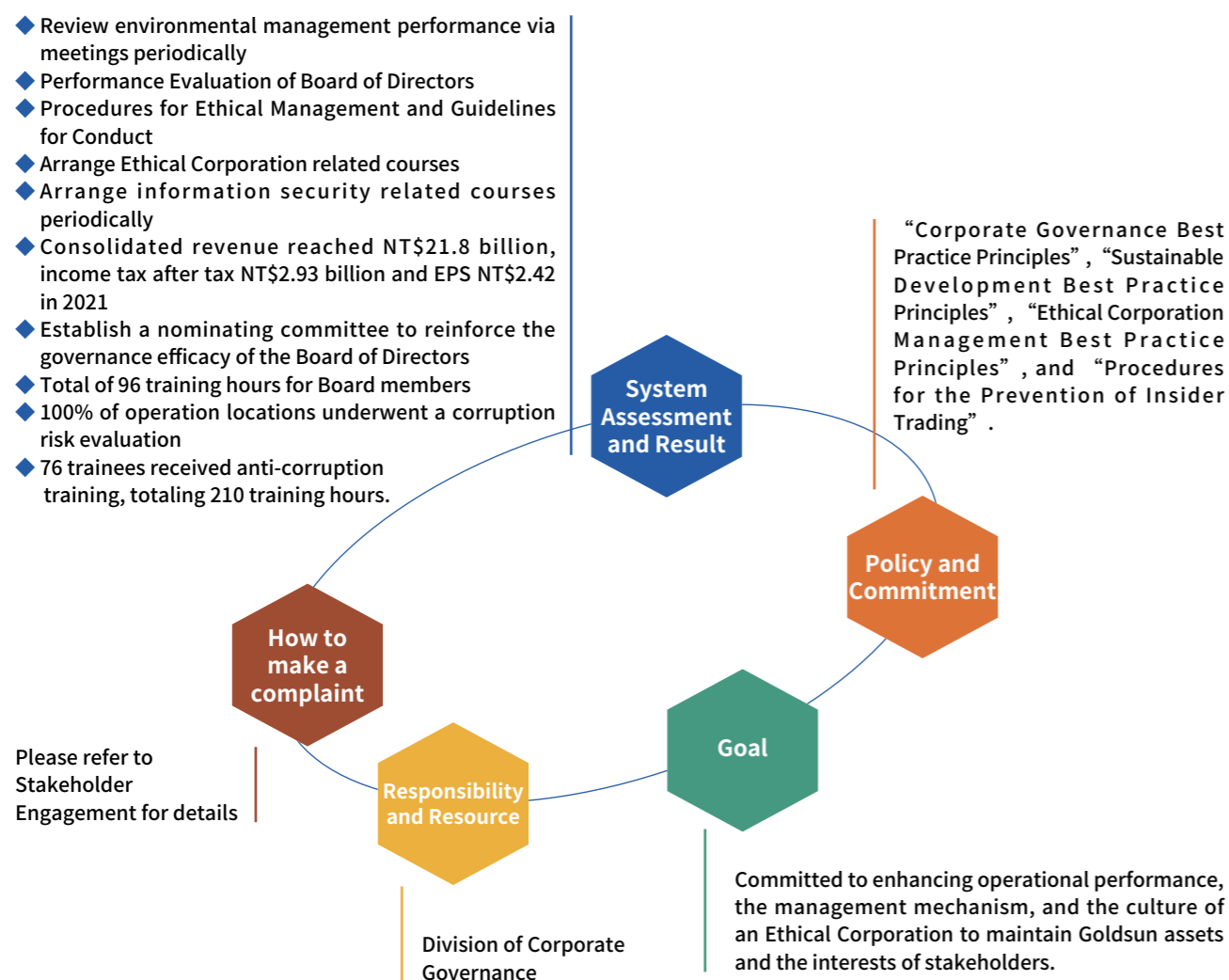


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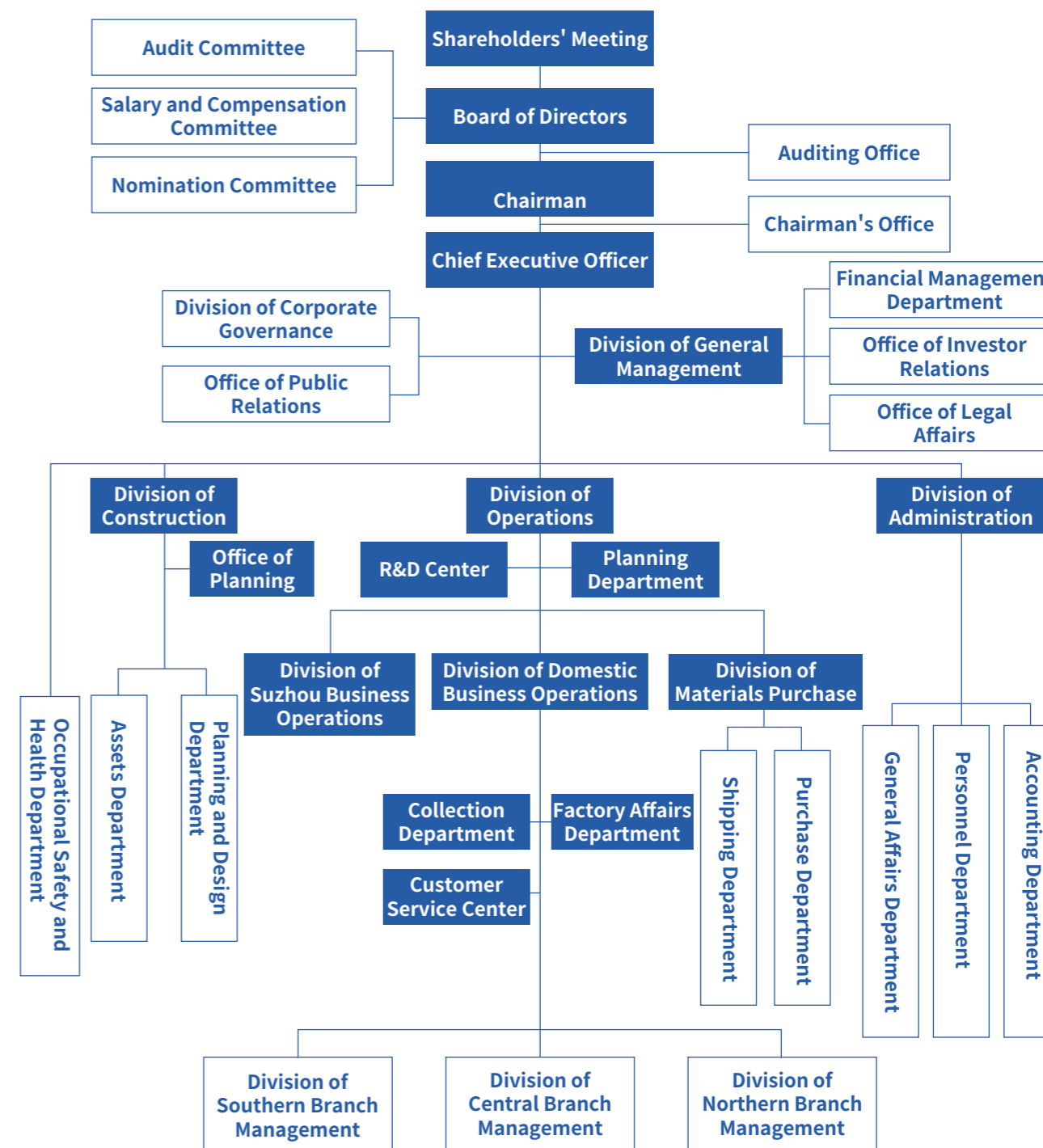
Corporate Governance

Management Approach

- ◆ Material topic: Business Performance, Business Ethics
- ◆ Corresponding GRI Index : 201-1/205-1/205-3
- ◆ SDGs: SDG 8/SDG 16



Organizational Chart



Sustainable Governance

Goldsun considers the long-term interests of the Company and all shareholders as the priority. Board members uphold the spirit of objectivity and independence to exercise their duties and action good corporate governance practices. The Board of Directors is organized via voting of all shareholders. There are different functional committees subordinated to the Board and independent directors to reinforce the competence of the Board and ensure efficient operations of the Board.

In addition, Goldsun allocates competent corporate governance personnel as appropriate and appoints the corporate governance officer to manage corporate governance related affairs. A total of five Board meetings, four Audit Committee meetings, two Remuneration Committee meetings, one Nominating Committee meeting and one shareholders' meeting were held in 2021.

Professional and Diverse Representation of the Board

In 2021, the company had 12 directors in total, including three independent directors, who accounted for 25%. To strengthen the independence and diversity of the Board of Directors, the company has established independent directors to play a strategic guiding role. The Board of Directors appointed Lan-Ying Hsu as chairman, who will hold at least one meeting every quarter. The chairman is responsible for improving corporate governance and presiding over Board operations. To implement ideal corporate governance, all members of the Board shall have the knowledge, skills, and experience necessary to perform their duties, including the following: the ability to make operational judgments, perform accounting and financial analysis, conduct management administration, conduct crisis management, lead and make policy decisions, and have knowledge of the industry and

possess an international market perspective. Any member of the Board of Directors must possess at least six of the abovementioned eight competencies. The Board of Directors met five times in 2021.

▼ Members and attendance status of the 22nd session of Board of Directors

Title	Name	Gender	Age	Attendance	Attendance rate	Term of Service
Chairman	Lan-Ying Hsu	Female	More than 51	5	100%	3 years
Vice Chairman	Vincent Lin	Male	31-50	5	100%	3 years
Director	Taiwan Secom Co., Ltd. Representative: Frank Lin	Male	31-50	5	100%	3 years
Director	Chuang-Yen Wang	Male	More than 51	5	100%	3 years
Director	Tai-Hung Lin	Male	More than 51	5	100%	3 years
Director	Shih-Tsung Chang	Male	More than 51	5	100%	3 years
Director	Po-Hsi Liao	Male	More than 51	5	100%	3 years
Director	Yu-Feng Lin	Male	More than 51	5	100%	3 years
Director	Shang Jing Investment Co., Ltd. Representative: Hong-Jun Lin	Male	31-50	5	100%	3 years
Independent Director	Wen-Che Tseng	Male	More than 51	5	100%	3 years
Independent Director	Yin-Wen Chan	Male	More than 51	5	100%	3 years
Independent Director	Chi-Te Hung	Male	More than 51	5	100%	3 years

Grouped by age: under 30 / 31-50 / over 51

Functional Committees

◆ Salary and Compensation Committee

The Committee consists of a director as the convener and two members. The Remuneration Committee assists the Board with evaluating the connection between the remuneration level of directors, supervisors and managers, and the operational performance of the Company to determine the distribution ratio, evaluate whether the remuneration of managers and company remuneration policies are appropriate, and propose suggestions related to remuneration based on the competition environment, company operational performance and benchmark market standards.

In addition, the Company routinely refers to salary investigations in the industry via consulting companies and designs its own incentive system. The proposal concerning the distribution of remuneration to employees, directors and supervisors is submitted to the shareholders' meeting and disclosed in the annual report of the Company. The Remuneration Committee held two meetings in 2021. The tenure of office of the Remuneration Committee is June 20, 2019 to June 19, 2022.

▼ The 4th session of the Remuneration Committee

Title	Name	Attendance	Attendance rate
Convener	Wen-Che Tseng	2	100%
Member of Committee	Yin-Wen Chan	2	100%
Member of Committee	Tai-Jan Chen	2	100%

◆ Audit Committee

The Audit Committee is composed of three independent directors. This committee is responsible for reviewing financial statements, auditing, the acquisition or disposal of major assets or derivative transactions, a material monetary loan, endorsement or provision of guarantee, the offering, issuance, or private placement of any equity-type securities, legal compliance,

determining whether related-party transactions exist and possible conflicts of interests involving managers and directors through fraud investigation reports and risk management for the Company. It is also responsible for hiring and dismissal of an attesting CPA and the compensation awarded thereto, and the appointment or discharge of a financial, accounting, or internal auditing officer.

▼ The 2nd session of the Audit Committee

Title	Name	Attendance	Attendance rate
Independent Director	Wen-Che Tseng	2	100%
Independent Director	Yin-Wen Chan	2	100%
Independent Director	Chi-Te Hung	2	100%

◆ Nominating Committee

To ensure the sustainable development of the Company and improve the efficacy and management system of the Board, the 15th meeting of the 21st Session of the Board of November 9, 2021 determined it would establish a Nominating Committee. The Committee consists of three directors (including two independent directors) recommended by the Board. The

Nominating Committee shall call the meeting at least once every year and submit suggestions to the Board for discussion. As of December 31, 2021, the Audit Committee had convened one meeting. The tenure of office of the Audit Committee is November 9, 2021 to June 19, 2022.

Duties and responsibilities of the nomination committee include:

- ◆ Formulate a diverse panel across professional knowledge, technology, experience, gender, background, and independence as required by members of the Board and executive managers as a basis for seeking, review and nominating candidates as directors and executive managers.
- ◆ Create and develop an organizational structure of the Board and all Committees to conduct performance evaluations for all committees, directors and executive managers and assess the independence of independent directors.
- ◆ Establish and review the study plan for directors and the succession plan for directors and executive managers.
- ◆ Establish corporate governance best practice principles of the Company.

▼ The 1st Nomination Committee

Title	Name	Attendance	Attendance rate
Independent Director	Wen-Che Tseng	1	100%
Independent Director	Yin-Wen Chan	1	100%
Independent Director	Vincent Lin	1	100%

Performance Evaluation of Board of Directors

To carry out corporate governance and enhance the functions of the Board, performance targets have been established to improve the operational efficiency of the Board. Goldsun has established Performance Evaluation of Board of Directors in accordance with the Ethical Corporation Management Best Practice Principles for TWSE/GTSM Listed Companies to regulate the performance assessment of the Board. The Goldsun Board performance assessment cycle is once every year, and the assessment methods include peer evaluation, self-evaluation of the Board of Directors, and assessments from external professional institutes, designated experts or in another manner as appropriate. The content of the Goldsun Board performance assessment is as follows:

Performance Evaluation of Boards	Performance Evaluation of Directors	Performance Evaluation of Functional Committees
<ul style="list-style-type: none"> ◆ Participation in company operations ◆ Enhancement of decision quality ◆ Board composition and structure ◆ Selection and continuing study of directors ◆ Internal control 	<ul style="list-style-type: none"> ◆ Control Company targets and tasks ◆ Cognition of the duties of directors ◆ Participation in company operations ◆ Internal relationship operations and communication ◆ Professional and continuing study of directors ◆ Internal control 	<ul style="list-style-type: none"> ◆ Participation in company operations ◆ Cognition of the duties of committees ◆ Enhancement of decision quality ◆ Organization of functional committees and selection of members ◆ Internal control



Governance team in progress

Goldsun continuously advances the sustainable knowledge at governance level. The study courses of Board members include international taxes, ethical corporations, ESG courses to understand dynamic market trends, effectively responding to rapid changes in the external environment and carrying out operational management and physical action for risk control to satisfy stakeholder interests and achieve the mission and vision of sustainable operations.

▼ 2021 Courses and total hours of continuing education of directors

Title/Trainee Training Hours	Director									Independent Director		
	Lan-Ying Hsu	Vincent Lin	Frank Lin	Chuang-Yen Wang	Tai-Hung Lin	Shih-Tsung Chang	Po-Hsi Liao	Yu-Feng Lin	Hong-Jun Li	Wen-Che Tseng	Yin-Wen Chan	Chi-Te Hung
2021 Insider Equity Trading Law Compliance Conference	3	3	3	3	3		3	3	3		3	3
Corporate Governance and Integrity	3	3	3	3	3	3	3	3	3	3	3	3
Corporate Governance and International Tax Regulation Updates	3					3						
Merger and Acquisition Workshop – Centered on Hostile Takeover	3					3						
Discuss The Laws of Directors, Supervisors and Insiders From Major Corporate Fraud Cases	3	3										
The latest developments in anti-money laundering and countering the financing of terrorism							3					
IFRS 17 Competition Blueprint and Corporate Governance 3.0							3					
Corporate Governance 3.0 Sustainable Development Blueprint - New Regulations and New Trend										3		
Discuss Corporate Tax Governance and Tax Technology Solutions from ESG Trends and the Pandemic Environment										3		
Total Hours of Individual Course	15	9	6	6	6	96	12	6	6	9	6	6
Total Hours of All Courses	96											

Economic Performance

Goldsun is committed to improving operational efficiency, continuously adjusting operational strategies and developing new markets to drive internalization, diversification and stable financial structure. In 2021, the operating performance remained excellent, with consolidated revenue of 21.8 billion, net income after tax of 2.93 billion and EPS 2.42.

▼ Consolidated financial performance of Goldsun in the past three years

Item	2019	2020	2021
Operating Revenue	19,005,069	18,877,800	21,801,699
Gross Profit	1,290,471	3,133,447	4,106,129
Operating Profit	364,231	2,323,557	3,244,392
Non-Operating Income and Expenses	906,593	382,237	401,938
Net Income for the Year	1,185,961	2,550,807	2,933,244
Earnings Per Share	0.80	1.90	2.42

Unit: NT\$1,000

Note: The scope of consolidated financial statements includes all Goldsun operational entities.

▼ The direct economic value created and distributed by the organization

		2019	2020	2021
Direct Economic Value Created	Operating Revenue	19,005,069	18,877,800	21,801,699
	Non-Operating Income and Expenses	906,593	382,237	401,938
Economic Value Distributed	Operating Costs	17,714,598	15,744,353	17,695,570
	Operating Expenses	926,240	809,890	861,737
	Earnings Per Share	0.80	1.90	2.42
	Cash Dividends	0.30	1.50	1.80
	Income Tax	84,863	154,987	713,086
	Employee Salaries and Benefits	1,248,880	1,277,276	1,400,533
	Donation to Charities, or Art and Educational Activities, Community Facilities	2,345	1,324	7,942
Economic Value Reserved		772,318	780,807	809,244

Unit: NT\$ Thousand

Note: Reserved Economic Value = Direct Economic Value Created – Economic Value Distributed

Ethical Corporation

To establish a good corporate governance system and structure, guide the actions of directors and managers of the Company in satisfactory ethical standards, and carry out our corporate social responsibility, Goldsun has established the "Corporate Governance Best Practice Principles", the

Sustainable Development Best Practice Principles, the Code of Conduct, the Ethical Corporation Management Best Practice Principles, and the Procedures for Ethical Management and Guidelines for Conduct in accordance with the regulations promulgated by the SEC and TPEX. These guidelines are published on our official website for the convenience of investors.

The formulation and supervision of the ethical corporation policies and prevention plans are mainly executed by the Division of Administration, which summarizes and reports the implementation results in relation to ethical corporation issues to the Board of Directors at least once every quarter. No violation was reported at Goldsun in 2021.

Zero-Corruption

To promote ethical and moral business practices and ensure compliance with relevant legal requirements, the Company has formulated the Procedures for Ethical Management and Guidelines for Conduct in accordance with the Ethical Corporation Management Best Practice Principles for TWSE/GTSM Listed Companies. Our directors, managers, and employees are all highly disciplined, and this is reflected in their professional behavior and ethics.

In addition to asking employees to ensure compliance with the code of conduct for professional ethics, Goldsun also asks suppliers to comply. The supplier/contractor contract includes integrity requirements, which entails a statement of guarantee for anti-corruption related risks assessment of the Company. Goldsun conducted corruption-related risk assessments for the headquarters and all operational sites in Taiwan, accounting for 100% of operation sites.

◆ Communication and Training Regarding Anti-Corruption Policies and Procedures

The Ethical Management Committee reports the operation results to the Board of Directors every year. The performance of anti-corruption and integrity policies in 2021 is as follows:

- ◆ Ethical Corporation policies advocacy: the Procedures for Ethical Management and Guidelines for Conduct was announced via email and disclosed on the intranet.
- ◆ Education training: arrange "integrity value" related courses periodically, such as courses professional ethics, duty of confidentiality and related case studies. A total of three stages were organized in 2021, with 76 trainees and completing 210 training hours. Executive managers attended ethical corporation courses: "discuss the legal risks and responses of directors, supervisors and insiders from major corporate fraud cases", and "corporate governance assessment and CSR report seminars". Twelve directors attending anti-corruption training, accounting for 100%.
- ◆ Newcomer orientation: each newcomer must accept the Ethical Corporation Policy on their first day of registration.
- ◆ Reporting system: the Procedures for Ethical Management and Guidelines for Conduct have been established. It clearly defines the whistleblowing system and complaint channels, keeps the identity and reporting content confidential to protect whistleblowers from improper disposition as a result of whistleblowing. No report letter nor case of corruption occurred in 2021.
- ◆ Business partner anti-corruption communication: explain and promote anti-corruption related policies with major material suppliers to improve the resilience of Goldsun's supply chain.
- ◆ Identify potential dishonest risks in operational activities: interviewed units with higher risk of dishonest behavior and evaluated the risk to their operational activities. The assessment result showed a low risk.
- ◆ Executive management issue statement of ethical corporation policy compliance: the President and Vice President sign a statement of integrity.

▼ 2021 Overview of Goldsun employees' participation in anti-corruption training

Employee Category	Participants	Percentage
Managerial Positions	31	5.0
Non-Managerial Positions	45	7.3

Note: Managerial positions include assistant vice president level or above; all other positions are non-managerial.

Risk Management

Goldsun convenes an operational summit and monthly meeting (once every two weeks) to conduct risk assessment and establish strategical guidelines focused on the environment, society and corporate governance in relation to Company operations. All departments actively pay attention to all risk issues in accordance with the internal control related operation principles and plan.

▼ Table of Goldsun's risk management

Risk Items	Risk Description	Department Responsibility	Strategy Formulation and Implementation
Operation Risks	Operational guidelines, organizational innovation, development, major changes in laws and policies, marketing strategies related risks	Division of Operations R&D Center	<ul style="list-style-type: none"> Call summits and different cross-department meetings periodically to propose counter measures aimed at company operation policies and market changes Continuously advance technology to satisfy diversified demands for different customer project to achieve segmentation Deepen customer relationships through irregular interviews to remove risk of customer or sales over-concentration
Financial Risks	<ul style="list-style-type: none"> The effects of interest rates, exchange fluctuations, inflation to company profits or loss and countermeasures in the future The effects of changes to important domestic and foreign policies and laws to company finance and countermeasures 	Financial Management Department, Accounting Department	<ul style="list-style-type: none"> Review domestic and foreign financial situation at all times; considering overall capital liquidity and safety, take the most appropriate capital combination and application to correspond with changes in interest rates and the exchange market Monitor demand of cash flow, predict and assure capital is sufficient for company operations Keep focus on domestic and foreign political and economic development and laws promulgated by the competent authority. Prepare proper countermeasures and comply with governmental laws to maintain sustainable development
Legal Risks	The risks of governmental laws aimed at relevant industries	Legal Affairs Office of all units	Contract with external legal consulting groups in north, central and south Taiwan to seize opportunities brought by changes to laws in related industries.
Information Security Risks	Computer virus attacks, hacker intrusion, destruction of data, database anomalies and crisis handling mechanism	Division of Administration	<ul style="list-style-type: none"> All company computers have antivirus software installed Establish an offsite backup system to efficiently prevent all anomaly conditions Appoint a professional consulting company to provide suggestions and assist with improvement aimed at the information security system of the Company Educate employees on information security to enhance crisis identification awareness
Climate Change Risks	The restriction of the government on carbon emission related laws and international initiatives may result in risk of laws and reputation	Division of Operations Division of Administration R&D Center	<ul style="list-style-type: none"> Replace current fleet with eco-friendly vehicles to reduce carbon emissions from transportation Plan to establish green power generation and use environmentally friendly energy (e.g., solar power, natural gas, etc.) Plan to introduce a carbon footprint assessment for all products. Establish product carbon footprint traceability information and a footprint database and develop concrete carbon sequestration technology

Supply Chain Management Risks	The risks of supply chains violating related governmental laws	Division of Materials Purchase	If a supplier violates the laws or an initiative, assign personnel to initiate a risk investigation and assessment immediately, and decide whether to cooperate with such supplier
Occupational Safety Risks	<ul style="list-style-type: none"> Accident occurs in production process Safety risks caused by hardware in the office building or plant The risks of noise and air pollution in the workplace 	Administration Division of Operations	<ul style="list-style-type: none"> Establish an Occupational Safety and Health Committee" to hold meetings periodically to protect the health and safety of employees Train labor safety responsible person collectively each year and provide labor safety practice training to employees in different functions Provide AED and emergency alarms on each office floor Check and repair hardware periodically to ensure safety

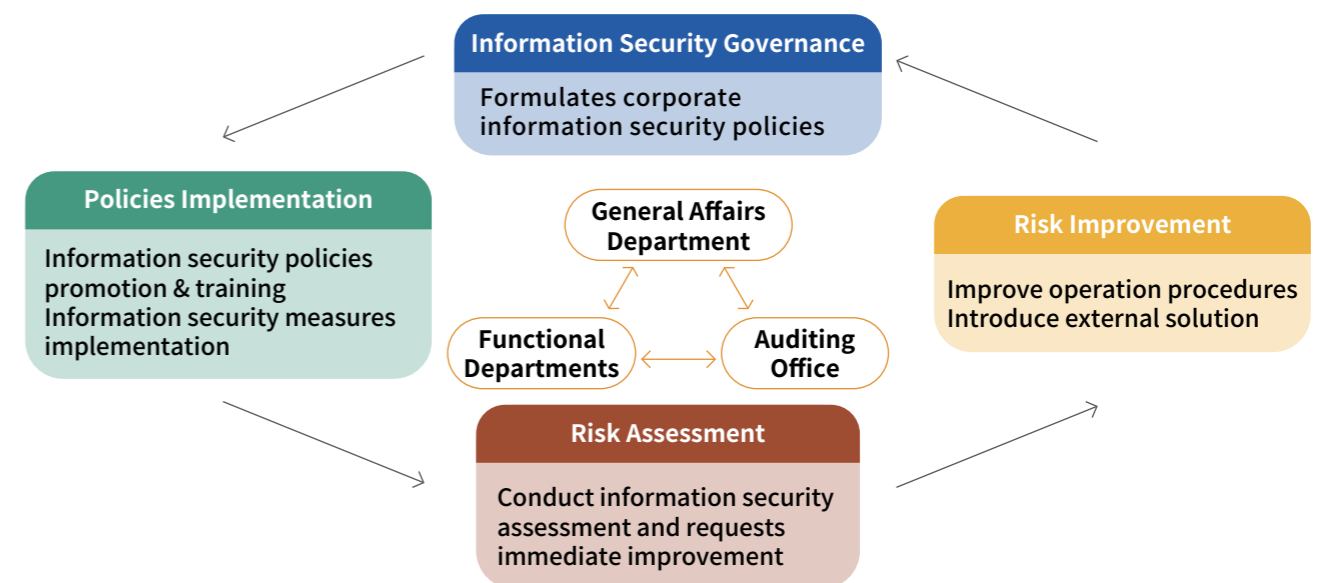
Information Security and Risk

◆ Information Security Risk Management Framework and Policies

To improve the effectiveness of Goldsun in information security management, the General Affairs Department has established company information security policies and information security operation procedures. All units promote and reinforce information security policies and information security operation procedures and engage in employee education and training to ensure awareness of information security policies. Meanwhile, the audit office conducts information security risk audits. In the event a deficiency is found, the audit office shall ask the unit under investigation to propose special improvement actions and follow the improvement results periodically.

To enhance information security, we planned to establish the "Information Security Management Committee" in 2022 to review relevant policies and supervise relevant operations within the group. Through the management, planning, supervision, and execution of our professional information security units, we expect to develop a comprehensive information security protection mechanism that raises employees' awareness of information security, performs regular risk assessments on information security, and reports to the board of directors.

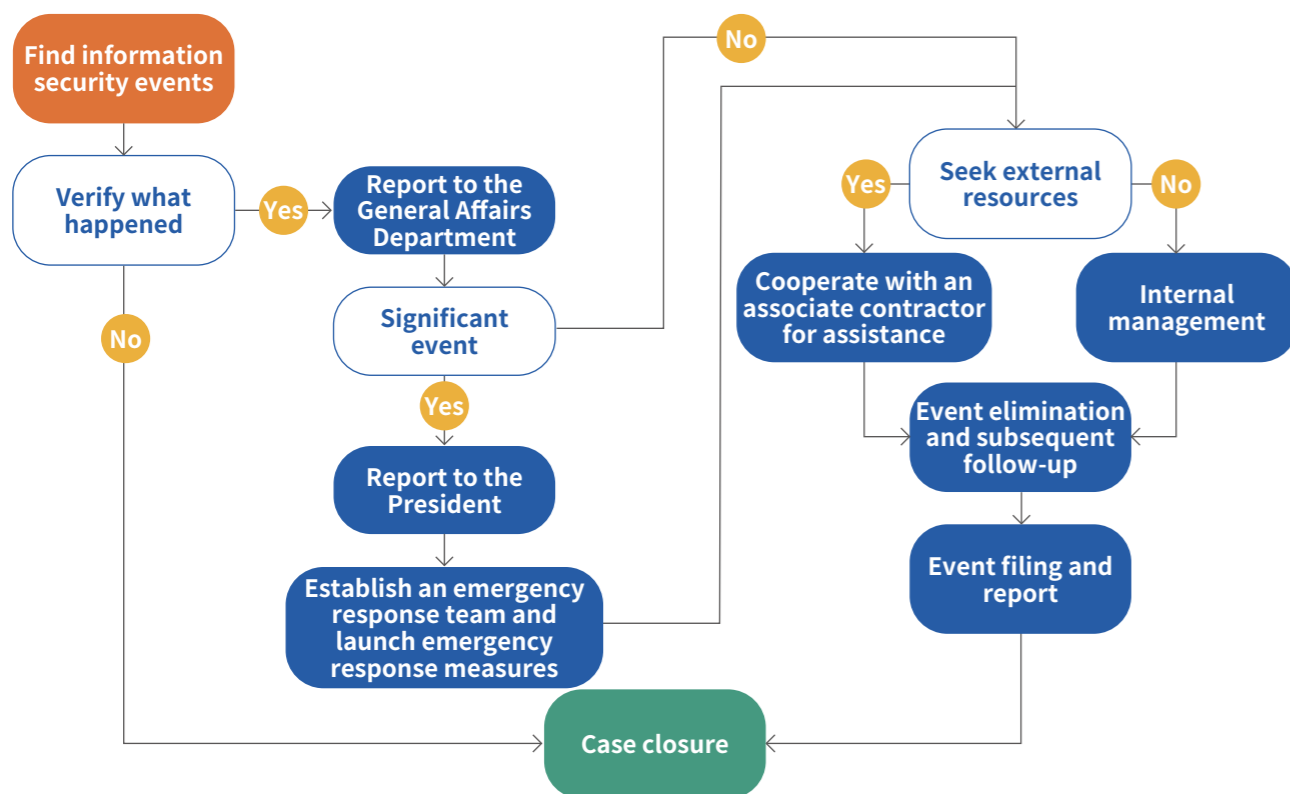
▼ Goldsun security framework



Goldsun Information Security Policies

- ◆ Effectively manage information assets, continuously implement risk assessments and take protection measures as appropriate
- ◆ Protect the information and information system from unauthorized access, and keep the information and information system confidential
- ◆ Prevent unauthorized modifications to protect the integrity of the information and information system
- ◆ Meet the requirements of laws and regulations
- ◆ Carry out information security training and information security advocacy to new joiners in the Company to improve their information security awareness.
- ◆ Implement reward and punishment mechanisms for personnel when handling matters involving information security
- ◆ Carry out service contractor management to make sure the security of information services
- ◆ Carry out audit implementation and management review process to continuously improve the information security and management system.
- ◆ Promote the integration of information security protection, reinforce joint cybersecurity protection and information sharing

Information security reporting procedures



Information Security Policy and Management

In addition to establishing information security operation procedures, Goldsun also regulates the information security behavior of personnel, implements internal audits periodically to ensure the effectiveness of relevant systems and analyzes the risk level to ensure adjustments are duly made based on needs and reinforce information security operation management. Meanwhile, Goldsun has established an information security protection system to improve the security of the information environment overall. To ensure operational behaviors of internal personnel meet company system needs and regulations, Goldsun has also introduced information security tools and implements personnel information security management measures.

To meet information security challenges, Goldsun implements security checks, information security examinations, social security and information event drills and has introduced protective software and hardware, e.g., a firewall, antivirus, intrusion protection system to reinforce the information security crisis awareness of personnel, response ability, and information security handling of personnel, with the aim of preventing, and detecting in a timely manner, any breaches to stop the crisis spreading.

Moreover, Goldsun implements employee information security training courses periodically to improve information knowledge and the professional skills of personnel. Due to the pandemic in 2021, Goldsun posted information security notices on July 29. The educational training courses are designed to promote information security policies, share information security cases, and remind employees of the importance of information security. The annual meeting of the information security team was held on November 17 to promote information security risk policies and physical action. The course provided three hours of training and participants included the convenor, the information management unit, and contact personnel of responsible units.

Four major dimensions of Goldsun's information security management

Dimension	Description	Related Operations	Resources Invested in 2021
Authority Management	The management system aimed at accounts, authority management and operation system behavior	<ul style="list-style-type: none"> ◆ Management and review of personnel account authorization ◆ Physical taking of personnel accounts and authorization 	<ul style="list-style-type: none"> ◆ Upgraded the VM backup virtual environment equipment of the Neihu Scientific Research Center and moved original equipment to the computer room in the headquarters. The synchronous offsite backup mechanism is officially launched to rapidly restore company operations should a major damage occur ◆ Antivirus host system maintenance and a legal Microsoft software license With Aion Technologies Inc. ◆ An anti-spam system is installed in Notes to avoid unknown mail or hacker intrusion ◆ Join TWCERT Information Security Alliance, which passes information security intelligence via TWISAC platform
Access Control	Measures to control personnel accessing the internal and external system and data transmission channels	<ul style="list-style-type: none"> ◆ Internal and external access control measures ◆ Measures to control information leakage channels 	
External Threat	Eliminate potential weaknesses in the international system, disconnect computer hacking channels and establish effective protection measures	<ul style="list-style-type: none"> ◆ Measures to update the host and computer periodically ◆ Virus prevention and malware program detection 	
System Availability	Reinforce the system availability status and measures for handling the discontinuation of services	<ul style="list-style-type: none"> ◆ Monitor system and network availability status ◆ Response measures to discontinue services ◆ Data backup measures ◆ Local/ offsite backup measures ◆ Periodical drills for disaster restoration 	

Pandemic Prevention Management

The COVID-19 pandemic is still severe and so Goldsun is actively expanding its epidemic prevention capacity. Business Continuity Planning (BCP) has been established in accordance with governmental guidelines, for which the Chairman is the general commander, the COO is the executive commander and the highest supervisors of all departments are members of the response taskforce for pandemic prevention drills to respond to the pandemic and physically take charge of all business, manpower and resources effectively and ensure the safety of employees and continued business operations. The physical actions implemented by Goldsun are as follows:

- ◆ Establish an autonomous health management system QR-Code to take daily temperatures and report any physical discomfort (abnormal taste and smell, diarrhea or respiratory problems), and for track and trace.
- ◆ Maintain social distancing (1m outdoors, 1.5m indoor)
- ◆ Wear masks in public places (elevator, pantry room and restroom), when doing business in other departments, when on business travels, attending meetings or training, and when field staff are in contact with customers.
- ◆ Implement work groups in turns and working from home.

- ◆ Temporarily suspend unnecessary support activities in all plants.
- ◆ All contact between the headquarters and colleagues in plants shall be via phone/communication software.
- ◆ Customer visits to the headquarters and employees in plants shall all be handled via phones. Physical visits are prohibited.
- ◆ Clean and sanitize regularly.
- ◆ Prepare a safe inventory of masks and alcohol for at least half year
- ◆ Put in place a pandemic prevention team to monitor pandemic information published by the Command Center and cooperate with the CDC Command Center for emergency response at all times.

▼ Goldsun actively promotes pandemic prevention and prioritizes the health and safety of employees



Goldsun extends the Company's power and donate pandemic prevention items

When the pandemic hit more severely and suddenly in 2021, to ensure that students are not affected by the epidemic and to help fulfill SDG3 health and welfare and SDG17 diversified partner relationships of the SDGs development goals, the Linteng Charity Cultural and Education Foundation and Taiwan Secom Cultural Foundation donated 3.5 million vaccines and other pandemic items to all faculties of public high schools and vocational schools in Ilan County and all public junior high and elementary schools in Yushan Township. A total of 2,500 people benefited from this scheme, allowing young people in education protection against the pandemic so they could continue their studies.

Regulatory Compliance

The Goldsun management team continuously pays close attention to domestic and foreign policies and laws which might affect financing and business operations. Law compliance procedures have also been established and the legal affairs unit summarizes and reviews compliance. No corporate governance or ethical corporation laws or regulations have been violated and Goldsun did not receive any material fine or other non-monetary punishment for a violation of laws in 2021.

Furthermore, seeing the diversification of businesses in the group, Goldsun has contracted with external legal consultants in north, central and south areas to provide consultation services to allow employees to understand changes to laws and regulations in relevant industries to efficiently reduce legal risks.

◆ Compliance Performance

To keep all employees informed of compliance issues, the Company provides relevant educational training and advocacy resources. Our management team continues to pay close attention to domestic and foreign policies and decrees that affect the Company's finances and operations and have established legal and regulation operation procedures. The legal unit is responsible for the integration and review of compliance measures. The audit unit also reviews compliance based on laws and regulations, and updates the relevant rules accordingly. In 2021, Goldsun did not receive any significant financial or non-monetary penalty due to non-compliance.

◆ Environmental compliance:

The Company has not violated any environmental laws or regulations, nor has it been punished or fined in 2021. There have been no complaints or appeals regarding the filing, dealing, and solving of environmental impact issues through the official complaint mechanism.

◆ Social compliance:

There have been no punishments or fines imposed due to violations of laws or regulations regarding discrimination or corruption in 2021. There have been no complaints or appeals regarding the filing, dealing, and solving of human rights issues through the official complaint mechanism.

◆ Economic compliance:

With regards to the product sales process, there were no significant fines due to a violation of laws or regulations related to the provision and use of products and services in 2021. The company was not involved in any lawsuit regarding anticompetitive, antitrust, or monopolistic practices and complies with the "Fair Trade Act".

- In 2021 there were no fines or warnings due to violations of health and safety laws of products and services or voluntary policies.
- In 2021, there were no fines or warnings regarding violations of laws on information and labeling of products or services.
- In 2021, there were no fines or warnings regarding violations of relevant marketing and broadcasting laws (including advertisements, promotion, and sponsorship).
- In 2021, there were no complaints regarding violations of customer privacy or loss of customer information.

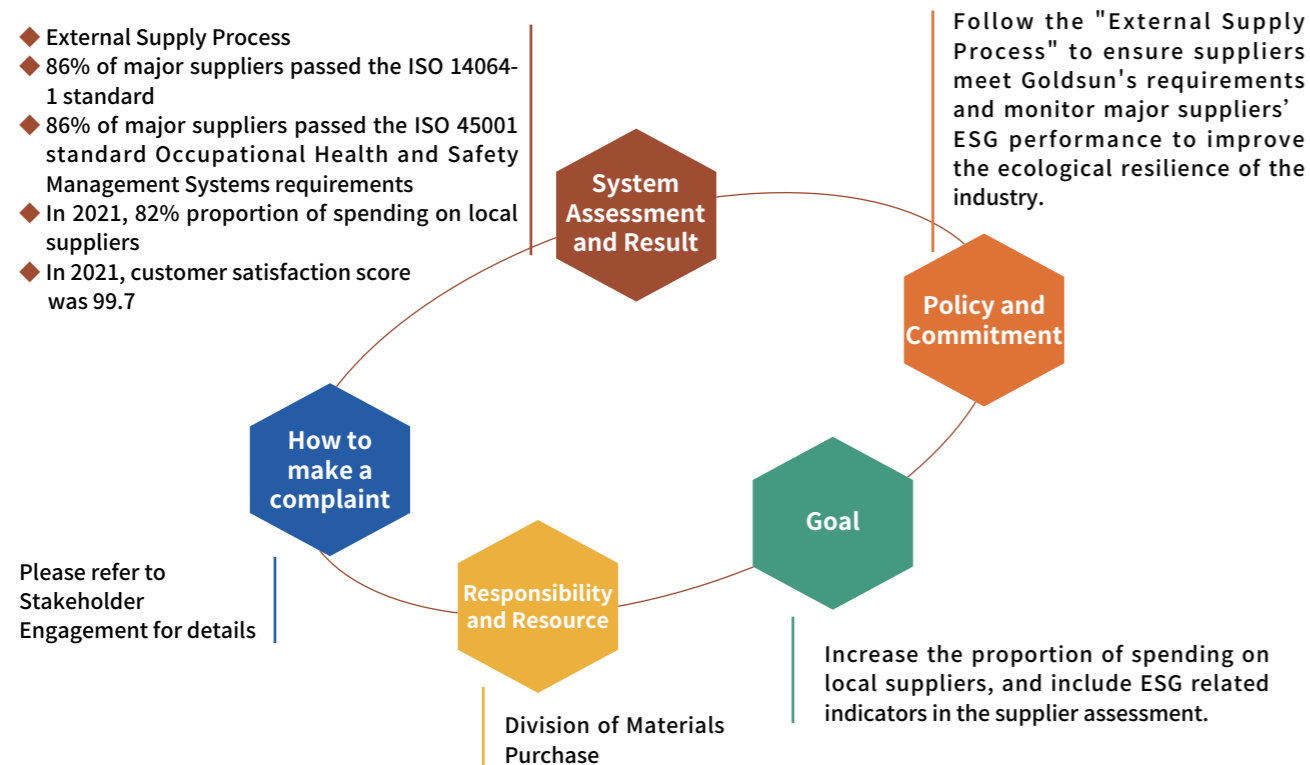


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Prosperity through Supply Chain Management

Management Approach

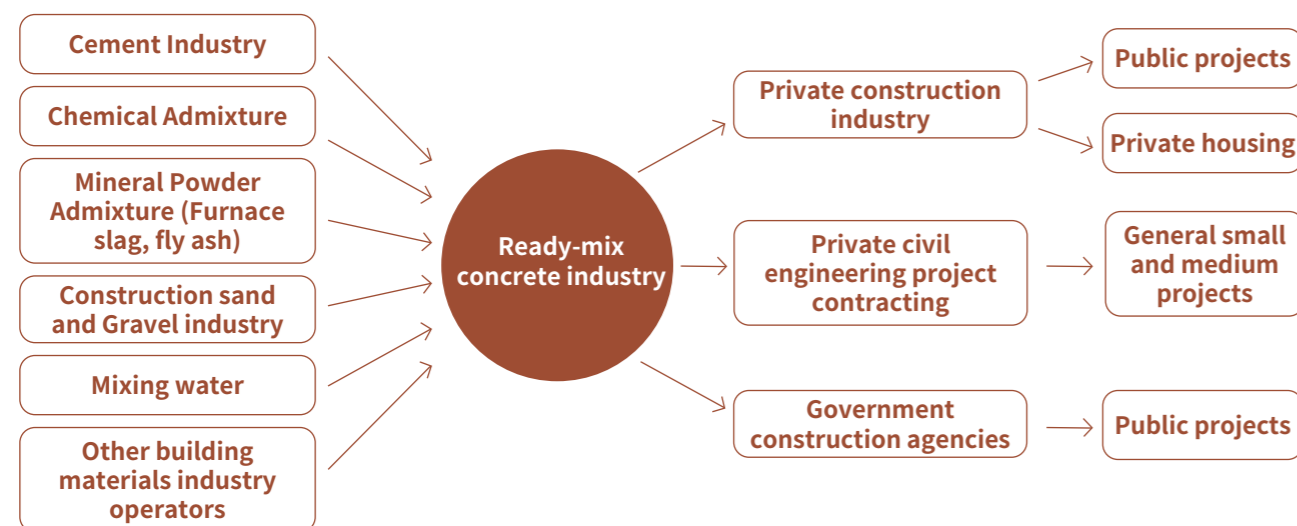
- ◆ Material topic: Supply Chain Management (SCM)
- ◆ Corresponding GRI Index: 204-1/308-1/414-1
- ◆ SDGs: SDG 10/SDG 13/SDG 17



Sustainable Supply Chain

Goldsun's primary business is ready-mixed concrete, while the mix concrete industry is the cement product processing industry, which belongs to the upstream material supply industry in Taiwan's construction system. Ensuring competitiveness and strengthening operational resilience are two of Goldsun's goals for achieving sustainable operation. No major changes were made to Goldsun's supply chain in 2021.

Supply Chain Structure



Goldsun is committed to not employ people under the age of 16, does not use forced labor, and does not permit discrimination of any kind. We also ask our suppliers to comply with international standards and labor laws and regulations that are applicable in their relevant business locations. In 2021, no child or forced labor incidents or risks occurred in either Goldsun or its suppliers.

Management & Evaluation of Suppliers

Management Policy for Suppliers / Contractors

To strengthen the sustainable management of the supply chain, Goldsun proposed and drafted the "External Supply Process" for suppliers and contractors who provide raw material commodities. A monthly evaluation and irregular audits are conducted in written or field form in accordance with procurement responsibilities. In addition, to spread risk and improve the quality of the overall supply chain, we maintain stable relationships with existing suppliers. In 2021, five major suppliers passed the ISO 14001 Environmental Management System

Our suppliers meet relevant ESG standards.

		Numbers	Percentage (%)
Environmental Side	ISO 14001 Environmental Management Systems, EMS	5	71
	ISO 14064-1 Greenhouse Gas	6	86
	ISO 50001 Energy Management System	3	43
	Circular Economy	2	29
	ISO 14046 Water Footprinting	3	43
Social Side	ISO 14067 Carbon Footprint	2	29
	ISO 45001 Occupational Health and Safety Management Systems	6	86
Governing Side	ISO 9001 Quality management systems	7	100

Note: Statistics are focused on cement suppliers.

accreditation, which accounted for 71% of total suppliers. Six major suppliers also passed the ISO 14064-1 Greenhouse Gas Inventory Standard, accounting for 86% of total suppliers. A further six major suppliers also passed the ISO 45001 Occupational Health and Safety Management Systems international standard, which accounted for 86% of total suppliers.

In the future, we will continue to assist our suppliers to implement continuous improvement plans to meet the relevant requirements of quality, environmental protection, and product safety, in addition to ensuring delivery in accordance with the schedule. In the meantime, improving employee health and safety, human rights, and corporate social responsibility should be fully implemented to continue to increase risk management capabilities.

Supplier Evaluation Measures

Goldsun conducts a monthly evaluation of the supply conditions of suppliers who are required to be evaluated in compliance with the "External Supply Process". The assessment distinguishes the supplier's level mainly according to the "Number of truck returns" and the "Number of material shortages". Follow-up work is executed according to the handling method. No major deficiencies or risks were found in the 2021 audit and assessment.

Goldsun's Supplier Evaluation Method

Level	Results of Evaluation	Handling Method
A	Two truck returns or no shortage of materials	Increasing procurement percentage; priority procurement.
B	Four truck returns or less than two incidences of a shortage of materials	No handling. Continue to conduct business with the supplier without the need to make changes.
C	More than four truck returns or more than three incidences of a shortage of materials	Request the supplier to make improvements. If no improvements are made, reduce the procurement percentage or cancel the supplier qualification.

Proportion of spending on local suppliers

All the operational activities of the company are conducted under careful planning of energy savings and emission reduction. Except for the issues of insufficient local supply or partial purchase from multiple sources for risk sharing, all other raw materials are purchased locally to minimize the carbon emissions generated by logistics and transportation. There is some advanced support for local economic development: non-local supplied raw materials are mainly planned for the use of the factories in the surrounding area of the harbor and minimize the transportation distance to reduce the carbon footprint. In 2021, local spending reached 82%; an increase of 5% compared to last year.

▼ Goldsun Building Materials Co., Ltd. local purchase spending proportion in the past three years

Year	Local raw material purchase amount	Raw material total purchase amount	Proportion of local raw material purchase
2019	7,332,089,571	9,338,142,421	79
2020	7,247,891,128	9,363,172,076	77
2021	8,144,756,477	9,897,696,303	82

Unit : NT\$ /%

Customer satisfaction and services

◆ Business team with first-level appraisal certification

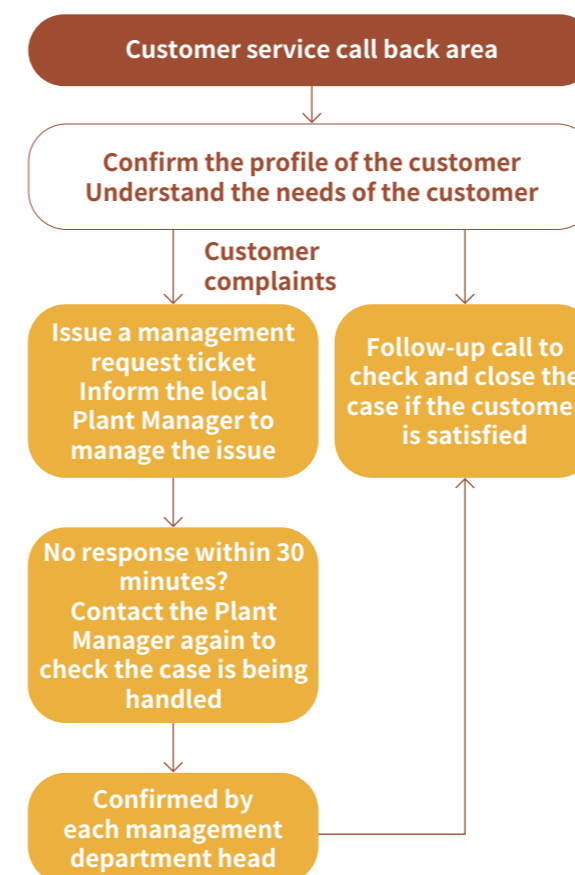
The Goldsun manufacturing process adopts a strict quality control system that incorporates "7 QC inspection points and 3-step checks." Our sales personnel in the field are expected to explain the convenience and advantages of Goldsun Building Materials to customers and as such, to strengthen the professional knowledge of colleagues, the company conducts systematic education and training, and also requires that quality control personnel must pass the third-level quality control appraisal. Sales personnel must pass the first-level appraisal, and the certification is conducted once every two years.

◆ Real-time professional services provided by the customer service center

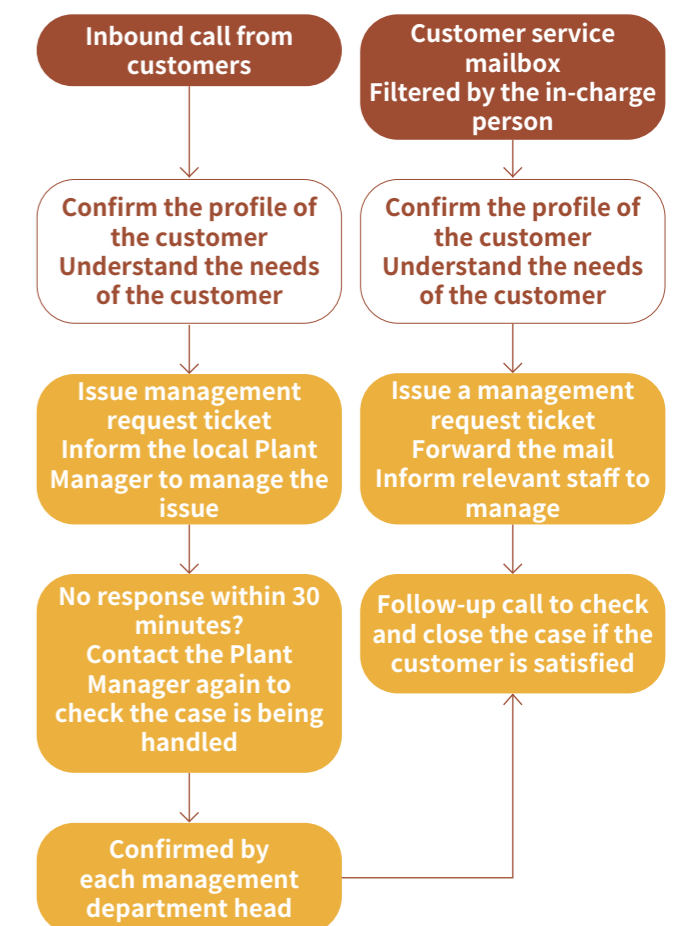
Goldsun's customer service center has integrated the information technology of the operation control center and multiple communication channels to provide the most accurate, real-time ready mixed projects and troubleshooting consultations. We proactively find solutions to customers' needs and track progress within the deadline. Customer feedback is announced to company employees to increase overall service quality and efficiency. Goldsun's customer service center provides the following services:

- ◆ Answers customer calls and complaints and works to resolve them as soon as possible.
- ◆ Calls customers the day after shipment to check the customer is satisfied and actions any improvements required.
- ◆ Tracks overall service satisfaction statistics and analysis.
- ◆ Plans and establishes the centralized dispatching system of trucks and staff

▼ Customer call back workflow



▼ Customer complaint management flow



◆ Customer satisfaction survey

Goldsun considers customer feedback an important foundation for refining customer relationship development. We try to understand our customers' needs through different channels and check the customer's thoughts regularly. By analyzing feedback, we formulate an improvement plan to complete the management process and respond to customers' needs. In 2021, Goldsun's customer satisfaction rate achieved 99.7, and a high of more than 99.5 has been sustained for six years.

▼ Goldsun customer satisfaction survey results in the past three years

Year	2019	2020	2021
Survey Returns (Cases)	45,918	45,196	42,381
Return Rate	98.87%	99.25%	99.55%
Average Customer Satisfaction Scores	99.8	99.7	99.7



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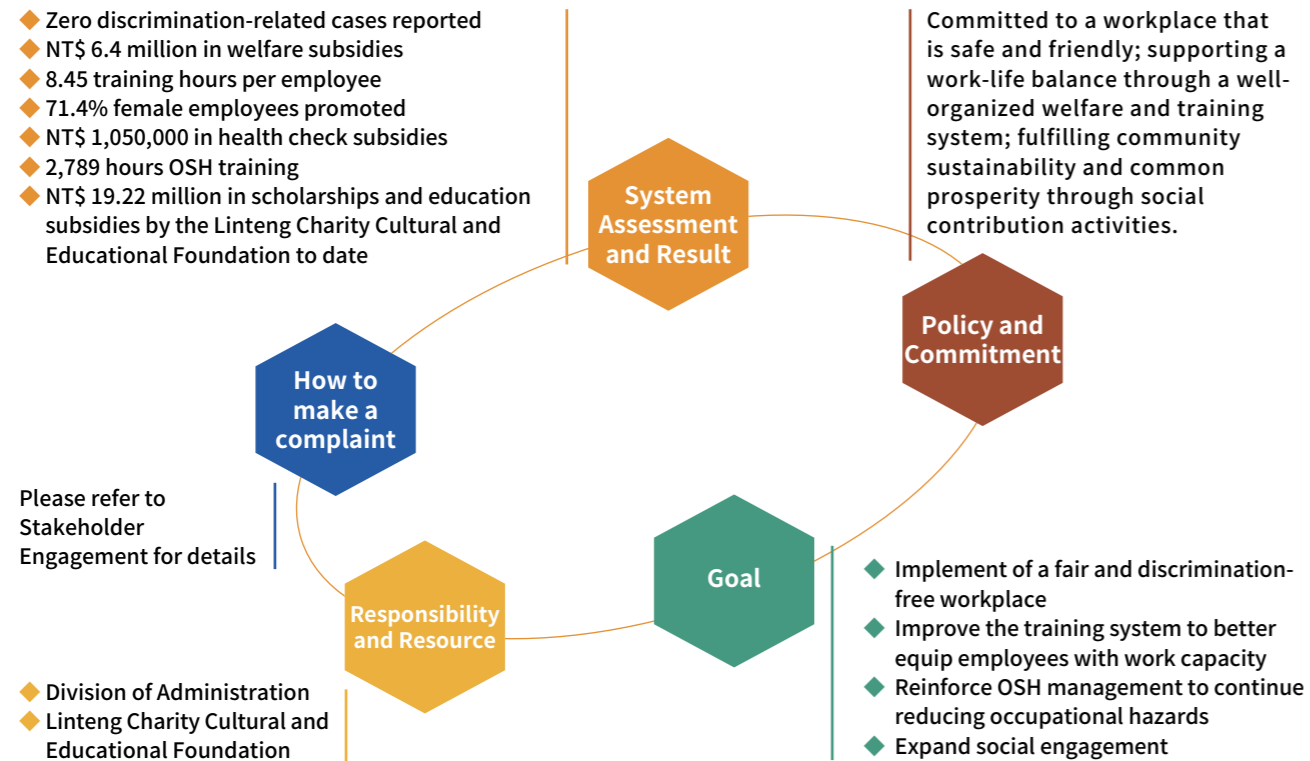
Employee Care and Community Prosperity

Management Guidelines

◆ Material topic: Employment Relations and Employee Welfare and Talent Cultivation

◆ Corresponding GRI Index: 401/404

◆ SDGs: SDG 3/SDG 4/SDG 5/SDG 8



Diversified employment opportunities

Employees are the most precious assets of a company. We are committed to creating a friendly workplace that allows all employees to reach their full potential, demonstrate their talent, make continuous progress, and find a healthy work-life balance. As of the end of 2021, there are 615 employees at Goldsun, including 131 executive staff and 484 general employees; 81% and 19% male and female, respectively.

▼ Information of Goldsun's employees and other workers in 2021

Main Category		Male		Female		Subtotal Number of people
		Taiwan	Foreigner	Taiwan	Foreigner	
		456	40	119	0	
Employment contract	Permanent contract	456	0	119	0	575
	Fixed-term contract	0	40	0	0	40
	Subtotal	456	40	119	0	615
Employment type	Full-time	456	40	119	0	615
	Part-time	0	0	0	0	0
	Subtotal	456	40	119	0	615

Main Category		Male		Female		Subtotal Number of people
		Taiwan	Foreigner	Taiwan	Foreigner	
		456	40	119	0	
Employee type	Managerial positions	101	0	30	0	131
	Non-managerial positions	355	40	89	0	484
	Subtotal	456	40	119	0	615

▼ Number and percentage of Goldsun's new recruits and employees who have resigned by age and gender

Main Category	Sub-category	Male		Female		Subtotal	
		Number of people	Percentage	Number of people	Percentage	Number of people	Percentage
New employees	21-30 years old	30	40%	9	75%	39	45%
	31-40 years old	24	22%	2	8%	26	20%
	41-50 years old	6	4%	4	8%	10	5%
	Over 51 years old	2	1%	1	3%	3	2%
Subtotal of new employees		62	13%	16	13%	78	13%
Resigned employees	21-30 years old	18	24%	2	17%	20	13%
	31-40 years old	13	12%	3	12%	16	12%
	41-50 years old	12	8%	3	6%	15	7%
	Over 51 years old	15	9%	3	9%	18	9%
Subtotal of resigned employees		58	12%	11	9%	69	11%

Note 1. The recruit rate is calculated as no. of employees of each category/total no. of employees of the same sex by the end of the period.

Note 2. The departure rate is calculated as the no. of resigned employees of the category/total no. of resigned employees of the same sex by the end of the period.

Inclusiveness, equality and a discrimination-free workplace

In addition to compliance with international human right conventions, we also adopt the ILO Declaration of Fundamental Principles and Rights at Work as our top guideline for labor relations, establishing labor equality through the legal realization of labor rights and obligation, creating equal labor relations, and a good structure for recruitment, employment and retention. Goldsun aligns with the ILO and OECD's Labor/Management Relations, and our locally compliant counseling practice lives up to international standards. Goldsun HQ employed two new employees with a disability in 2021, as prescribed by the regulations.

Our well-established communication approaches are dedicated to counseling between the organization and employees and their representatives. Labor meetings are scheduled as needed, including extraordinary meetings, to facilitate labor collaboration and coordination, improve labor conditions, and communicate on labor welfare planning, among other agenda items. Moreover, our pension based on the Labor Act continues to be updated through supervisory members meetings. During the reporting period, we experienced positive labor relations, and no labor disputes resulted in losses.



Goldsun adopts the UN's Guiding Principles on Business and Human Rights, and the ILO's International Labor Organization Standards on the stipulation of human rights policy, which form the basis for human rights across all locations. We also extend these code of conduct to our suppliers. During the 2021 reporting period, there were no discrimination-related incidents, a decline of unionization or collective dealing rights; and no incidents of child labor, coerced or forced labor.

Goldsun gender equity: Say no to sexual harassment

To protect employees at work, we have adopted Goldsun Building Materials Workplace Sexual Harassment Prevention Measures, Grievance and Punishment as the guidelines for sexual harassment grievances. We have also established a sexual harassment grievance review committee at the HQ and each location. At least half of the committee is composed of women and labor representatives.

Incidents of sexual harassment can be reported via written, verbal, telephone, fax, and email submissions. Grievances are filed to the committee. Committee meetings are confidential. When a subject is reviewed as having a need for professional counseling or medical treatment, the case will be referred to proper institution.

Employee welfare and rights

◆ Fair remuneration

We offer competitive compensation for the market, and ensure stable, sustainable development. We provide equal pay for equal labor regardless of gender. We had a 1:1 ratio of basic pay for both genders in 2021.

Pay consists of a base salary and bonuses: the base salary is paid on a monthly basis, with a review of industry standards, labor market statistics, and shifts according to position, job content, expertise, as well labor supply and demand. Bonuses are closely related to operational results and covers a year-end bonus, employee compensation, and performance bonus.

The clear pay system, the Performance Bonus Regulations and Performance Review System set the direction of the pay structure. Orientation and Company notices via email help disseminate such information.

We also adopt performance goals, and a compensation policy, system, standard and structure. Managers' remuneration is a result of the Remuneration Committee discussions and board meetings, ensuring corporate governance and pay transparency. Permanent non-managerial employees in 2021 received an average pay of NT\$ 924,000; the median pay is NT\$ 883,000.

▼ 2021 permanent non-managerial positions pay

Year	No. of permanent non-managerial employees		Permanent non-managerial employees		Average pay of permanent non-managerial employees		Average pay of permanent non-managerial employees compared to local minimum wage	
	Male	Female	Average pay	Pay median	Male	Female	Male	Female
2020	453	102	878	863	894	790	3.1:1	2.7:1
2021	475	110	924	883	938	847	3.3:1	2.9:1
Difference	22	8	46	20	44	57		

Unit: NT\$ Thousand

Note 1. The 2020 local minimum wage was NT\$ 23,800; the 2021 local minimum wage was NT\$ 24,000.

Note 2. Managerial positions: managers are defined as the range described in TFS (III) Order No. 920001301 on March 27, 2003. The range is adopted as that of managers in our annual report.

▼ Employee compensation over the past three years

Category	2019	2020	2021	Increase from 2020
Total	35,831,297	79,985,212	110,850,142	38.58%

Unit: NT\$

Note: Based on Article 25 of the Articles of Association, 3% of the profit of a year shall be set aside as employee compensation. The amount above indicates the sum set aside in each year for such purpose.

◆ Welfare and protection



We aim to provide a friendly work environment that is happy and harmonious. With a well-built welfare system, we maintain proper communication between colleagues and employer, and work as a team. The Employee Welfare Committee (EWC) was established in line with the Employee Welfare Fund Act to ensure a fund is set aside for a series of benefits and activities, improving the life and mental/physical wellbeing of employees. Subsidies in this area reached NT\$ 6,408,220 in 2021.

▼ Goldsun's permanent employee benefits



Insurance

- ◆ Employees are protected with labor insurance and NHI.
- ◆ Employee group insurance (covering accidents, occupational accidents and injuries, medical and hospitalization, life, and cancer insurance)
- ◆ Travel insurance for business trips



Health

- ◆ Physical checkup upon recruitment and Occupational Safety and Health Management Measures compliant routine health exams
- ◆ Medical advice from online practitioners
- ◆ Physical training equipment and courses

- ◆ Spring holidays, dragon boat festival, full moon festival, labor day cash
- ◆ Delicacy home delivery
- ◆ Birthday gifts (bonus)/study/marriage/senior citizen subsidy; hospitalization/condolence cash; children scholarships and study subsidy, bonus and retirement gifts
- ◆ Accommodation discount across business hotels in Taiwan
- ◆ Local and overseas employee travel; travel subsidy; travel discounts
- ◆ Year-end party
- ◆ Employee birthday meal reimbursement
- ◆ Special expense for employee gatherings (meal expense)



Subsidies and discounts





◀ Due to the pandemic, the year-end party was held online with gifts and cash giveaways.



Advanced studies

We have orientation, management training, professional skills training, and encourage advanced courses in colleges and universities.



Retirement

We have a Pension Supervisory Committee (PSC), formed by three people from the employer side and six employees to ensure the deposit and use of a pension. Following the Labor Pension Act, for new pension program amounts to 6% and is deposited monthly into individual labor accounts; for old program users, 12% is deposited, ensuring employees can enjoy their retirement.

Note 1: Since the benefits stipulated by the Employee Welfare Committee of each plant may vary, the actual details released by each Employee Welfare Committee shall prevail.

Note 2: Full-time employee benefits do not cover temporary or part-time workers.

▼ Employees traveling appreciate the contribution and it enhances teamwork.

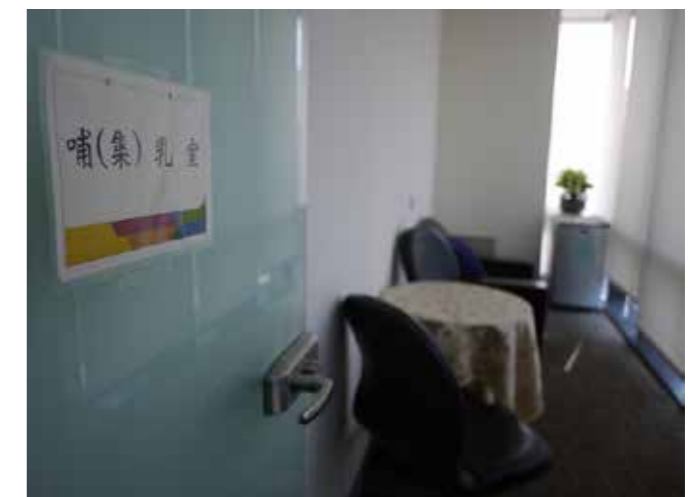


◆ Retirement system

We have formulated the Employee Retirement Policy according to the Labor Standards Act and Labor Pension Act. The Policy is applicable to all full-time employees. Due to the new and old labor retirement system, the company has made contributions to the Labor Retirement Reserve Fund and Labor Pension. We appoint an auditor to formulate the Employee Retirement Benefit Audit Report every year to ensure the company allocates an adequate amount to the Labor Retirement Reserve Fund in specified accounts of the Bank of Taiwan. The contribution is supervised by the Pension Fund Committee. Contributions are made in the name of the committee for book-keeping, management, and handling of the pension fund. Employees who qualify under the Labor Pension Act shall receive a pension of not less than 6% of the monthly salary in their Bureau of Labor Insurance accounts every month. Employees can also made voluntary contributions up to a maximum 6% of their monthly wages to their pension accounts.

◆ Maternity health protection plan

The company implements the Act of Gender Equality in Employment in accordance with the law, and advocates gender equality under SDGs Goal 5. After being in service for six months, employees may apply for parental leave without pay before any of their children reach the age of three years old for a maximum of two years. If an employee has two children aged three or under at the same time, the period of their parental leave shall be computed in aggregate and the maximum period shall be limited to two years.



▼ 2021 No. Applied for UPL

	Male	Female	Subtotal
(a) The no. of employees who qualified in 2021	19	3	22
(b) The no. of employees who applied in 2021	1	0	1
(c) The no. of estimated reinstated employees in 2021	0	0	0
(d) The no. of employees reinstated in 2021	0	0	1
(e) The no. of employees reinstated in 2020	0	1	0
(f) The no. of employees who remained employed for at least one year following reinstatement in 2020	0	0	0
UPL retention rate b/a	5.3%	0%	4.5%
Restoration rate after parental leave d/c	0%	0%	0%
Reinstatement rate after parental leave f/e	0%	0%	0%

Note:

- (a) Based on employees that have applied for maternity or paternity leave in the past three years (2019-2021).
- (b) UPL/UML that took place in 2021.
- (c) Expected reinstatement date in 2021
- (d) Expected and the actual reinstatement date in 2020.
- (e) Actual reinstatement date in 2019.
- (f) Reinstatement date in 2019 and remaining at least one year.

Labor-management relationship protection

In addition to the union, the OSH Committee convenes routine labor meetings and extraordinary ones when necessary as prescribed by Article 83 of the Labor Act to improve labor cooperation, coordination, labor condition advancement, labor welfare planning discussion and negotiation.

Moreover, when there are material changes to operations, to protect employment rights and labor conditions and minimize impact, Goldsun follows Articles of the Labor Act and terminates employment with notice. No such change has occurred during the reporting period.

◆ Smooth communication channel

To ensure positive labor relations and sustainable development, and improve communication between employees and employer, we have established a variety of open and effective approaches that welcome the voice of every individual in the Company. We hold four labor meetings each year, have a dedicated email address (suggestion@gdc.com.tw) for employee feedback, and endeavor to understand the needs and expectations of employees by responded to their topic of concerns.

We strive to provide a barrier free communication environment. We have achieved the following labor human rights protection goals in the reporting period.

- (1) Zero discrimination or related cases reported
- (2) No decline of unionization or collective dealing rights
- (3) No child labor
- (4) No coerced or forced labor
- (5) No major labor disputes
- (6) No delayed or accumulated employee feedback or grievances.

Programs for upgrading employee skills

◆ Education training

Employees are our premium assets and business partners. To ensure employees are equipped with the expertise and skills required, we put in place a five-pillar training system to provide a well-organized learning program. We also make good use of learning approaches inside and outside Company to provide a holistic training system. The learning platform is well maintained to allow efficient access and sharing of knowledge, improving competence, and growing the organization's overall capacity.



Employees of Goldsun are invested in continuous learning to improve their competency. We use OJT in daily practice. Leaders and colleagues with advanced skills help demonstrate good business practice to employees in general and to new recruits. Mentoring training ensures valuable know-how is passed around staff. Furthermore, we encourage employees to learn through Off-JT, such as professional training on production management capacity, quality management capacity, sales capacity for plant production management, quality management and sales, and to become a trainer. We also invite trainers from other organizations to share professional skills and knowledge, and engage agencies and academic bodies to inspire our colleagues with general industry news and insights through seminars and lectures.

In addition to cultivating professionalism, for leaders of different levels, we have trainings to improve the ability to control, manage, and plan. Lower-level leaders receive training on Company systems and operations and grow talent. Mid-level leaders receive training to determine the right people for the right positions, and to cultivate, promote, retain manpower, and construct a proper team structure and people system, enabling them effective department control and coordination.

We help workers around retirement age with a pension application service and retirement life planning. Based on individuals' expertise, we offer contracted rehiring and hire people as consultants. We have a career program for employees who have resigned to assist and train them, and help them find a job or a position in affiliated corporations to enhance employment capabilities. We also provide employment information.

▼ Goldsun's five training pillars



Goldsun e-College

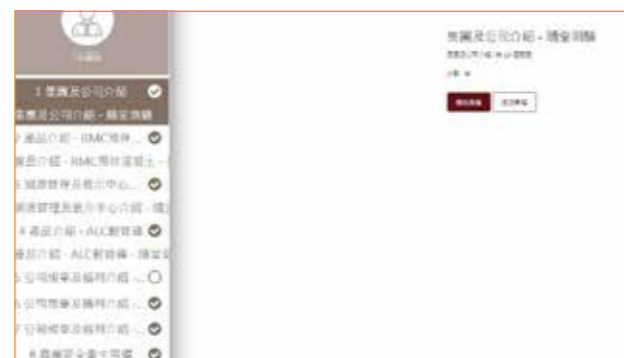
Online learning is the future! We focus on the future at Goldsun with the Goldsun e-College, an online learning platform to offer study opportunities beyond the limits of time and space, creating more learning opportunities in safe, reassured settings post-pandemic. We have orientation, and department business courses available online to date. Upcoming ESG-focused topics are being transformed into training content to further enhance colleagues' sustainability awareness.



Orientation



Online tests to verify learning



▼ 2021 employee average training hours

		Male	Female	Subtotal
Managerial level	(A1) Employees who received training DRP (during reporting period)	84	15	99
	(B1) Training hours DRP	1,035	141	1,176
	(C1) =(B1)/(A1) Average training hours DRP	12.32	9.4	11.88
Non-managerial level	(A2) Employees who received training DRP	415	76	491
	(B2) Training hours DRP	3,395	625	4,020
	(C2) =(B2)/(A2) Average training hours DRP	8.18	8.22	8.19
Total	(P) Employee no.	499	91	590
	(Q) Hours	4,430	766	5,196
Employees at end of reporting period	(R) Employee no.	496	119	615
Average training hours per employee	(S) = (Q)/(R) hours	8.93	6.44	8.45

◆ Goldsun College

We spare no effort in talent incubation. Our Goldsun College covers career core competence and operational management to enhance business capacity through a solid training system. The 2020 term included an operating strategy forum to gather mid-level leaders across the Goldsun Group for teambuilding, prospect setting and strategy. The 2021 courses focused on high-level governance and employees throughout units, as listed below.

▼ 2021 Goldsun courses

Course	Content	No. of attendees
Sales competence	1. Communication on debt collection and execution 2. Challenge your brick-building capacity 3. Concrete negotiation skills online 4. ALC practice discussion and learning 5. Get to know the Negotiable Instruments Act	86
Production management competence	1. Mixing operation process and slump low consistency 2. PM equipment maintenance and repair 3. Machinery equipment malfunction and troubleshooting 4. Introduction to instrument control equipment, malfunction and troubleshooting 5. OSH lecture	26
Production management competence – Mid-level	1. Equipment malfunction and troubleshooting case sharing (PM encyclopedia) 2. RMC vehicle maintenance and repair; OSH 3. Mixing/instrument control equipment malfunction and troubleshooting 4. Interaction and discussion about PM work	63 (2 sessions)
Advanced forum for directors and high-level leaders training	1. Corporate fraud case review 2. Legal risks of directors and supervisors and causes 3. The key to establishing criminal liability 4. Introduction to criminal litigation procedure 5. Questions and answers	46

▼ Professional, all-inclusive training at Goldsun College to ensure employee growth and Company competence.



Performance review

A probationary review for new hires first launched in 2021 to help individual development, competence management and people advancement, ensuring a fair and equal promotion system. Employee satisfaction increases with regular assessments of performance and career development, which helps colleagues better understand their performance and career prospects, such as working their way up to manager position and transferring cross-department. Through this we manage and maintain employee competence, and drive professional growth; 91.5% employees received a performance and career development review in 2021.

▼ 2021 training hours

		Male	Female	Subtotal
Managerial positions	(A1) No. of employees by the end of the reporting period (RP)	101	30	131
	(B1) No. of employees receiving regular performance and career development reviews	82	25	107
	(B1)/(A1) Rate	81.2%	83.3%	81.6%
Non-managerial positions	(A2) No. of employees by the end of RP	395	89	484
	(B2) No. of employees receiving regular performance and career development reviews	375	81	456
	(B2)/(A2) Rate	94.9%	91%	94.2%
Total	(P) No. of employees by the end of RP	496	119	615
	(Q) No. of employee receiving regular performance and career development reviews	457	106	563
	(Q/P) Rate	92.1%	89%	91.5%

Note. As prescribed by the Company Performance Review methods, the following are not annual performance review targets:

1. Assistant vice president and/or above;
2. Employees on probation (less than three months);
3. Foreign workers.

Development opportunities

We drive diversity and equality in opportunities in the workplace, reaching a broader talent base to bring us even closer to operational sustainability. We firmly believe that employment equality benefits our organization and the local community.

▼ Promotion rate by gender in 2021

	Male		Female		Subtotal	
	Number	Percentage	Number	Percentage	Number	Percentage
Managerial positions	11	42.3%	2	28.6%	13	39.4%
Non-managerial positions	15	57.7%	5	57.7%	20	60.6%
Subtotal	26	100%	7	100%	33	100%

Occupational safety and health

◆ Management principle

Our policy fully complies with the Occupational Safety and Health Act and regulations adopted between customers and Goldsun, and those between us and applicable organizations. We take full responsibility for occupational health and safety requirements of stakeholders to provide a healthy, happy workplace, including implementing auto-examinations of manufacturing equipment at operating locations, and checkpoints before, during, and post-processes to ensure the safety of equipment, tools, location and procedure. The OSH management system covers 615 employees; 100% of employees in 2021.

Moreover, each worker is equipped with OSH knowledge, and we enhance their awareness through labor safety and health trainings every year and competence-based labor safety drills at locations every February and March. AED and emergency alarms are deployed throughout every story of our office, and regular checks of fire extinguishers and other hazard equipment are carried out every year by professional companies and reviewed by the local authorities.

◆ Occupational safety and health committee

We have Labor Safety and Health Working Rules that are reported to the authorities to ensure compliance and reduce occupational accidents. The Occupational Safety and Health Committee (OSH Committee) was set up in 2015 with more than half of the representatives from laborers. Annual meeting agenda items include automatic examinations and safety and health audits, to occupational hazard investigation reports, business outsourcing of safety and healthy management, safety and health education plans, health management, and occupational diseases prevention and health promotion, to ensure a safe and healthy workplace for every worker.

The OSH Committee reviewed the following items and came to a full resolution on 1. Employee health execution progress and the description of the labor health protection regulation; 2. Vehicle accidents and insurance claims update; and 3. Occupational hazardous incident reports. The resolution covers 100% of employees.

◆ Occupational health service

To protect the mental and physical health of colleagues, our annual health check subsidy applies to permanent employees with at least three months' service. Each of such employee is entitled a NT\$ 5,000 subsidy in 2022. The yearly examinations results help us manage individual people's health and ensure follow-up examinations as needed. We also have health check subsidies for temporary workers to fully cover Goldsun's OSH risk management.

In 2021, 521 people underwent health checks, with a total of NT\$ 1,050,373 subsidized. The health rating and management program starting in 2022 will focus on the improvement of 3rd level cases through health tracking by specialized professional medicine practitioners, and hazard control and related measures to boost employee health.

▼ An overview of our employees' health examination over the past 3 years

	2019	2020	2021
Number examined	510	688	521
Subsidy	577,040	1,037,072	1,050,373

Unit: person; NT\$

Note 1. Examinees include temporary employees

Note 2. Manufacturing locations run annual health checks; HQ non-high level staff undergo an examination every three years. The most recent examination was in 2020. The entire work staff will undergo an exam every year starting from 2022, with elevated subsidies.

◆ Labor health promotion

Goldsun is one of the largest pre-mix concrete operators in Taiwan, and has invested a lot of effort to promote employee health, covering not only the mentality and physicality of workers (including temporary workers), but the constitution of the organization itself. Starting from annual general and specific health checks, the results of which are communicated with the individual by an on-location nurse and specialized practitioners to help improve physical health. For potential work-related diseases, an on-site inspection and assessment is also conducted. By the end of the 2021, no employee's examinations showed any abnormality that required a special assessment.

To help balance work, health and life, we have incorporated an EAP (Employee Assistance Program) into our organization which provides professional services internally and externally to help people manage their mental and physical health, family, legal and other that may impact their work.

- Contingency Center
- Health Line
- On-site nurses and practitioners
- Company group insurance contact: Zhong Bao Insurance Services 02-2557-9299
- Workplace violations/sexual harassment/feedback hotline/SA8000 report: email for employee feedback
- Health news: news and updates on bulletins and the intranet site to keep people informed of health matters. Covid-19 prevention measures have been announced since 2020 to enhance safety awareness among workers.



In addition, we also introduced the "workplace health management solutions" from Lee Way Electronics and Lee Yuan Biomedical subordinated to the Taiwan Secom Group. Through the digitalization of health management, we not only arrange health examinations for our employees but also allow them to consult the medical staff on an online health management platform after integrating their health examination reports and physiological measurements. At the same time, we also set up a "public health station" at our headquarters so that our employees are able to measure their health index anytime, anywhere, including blood pressure, heart rate variability analysis (HRV), etc. Since the measurements can be uploaded to the personal health file in a timely manner, our employees may keep abreast of their health conditions through their smartphone app.

▼ Lee Way's Public Health Kiosk is devised to check body conditions and levels at any time.



◆ Labor training on occupational safety and health

To take care of employee health and safety, our manufacturing equipment runs automatic inspections. We also implement checkpoints before, during, and post-processes to ensure the safety of equipment, tools, locations and procedure. To protect workplace safety from all angles, staff training is also essential to ensure safety awareness is widespread, avoiding any accidents due to unfamiliarity of procedure, including general OSH courses and work-based specific OSH topic training, such as overhead cranes, and supervisor safety training for oxygen deficiency work. We provided a total of 2,789 hours of OSH training in 2021.

Workplace safety, from work safety meetings to construction safety and health rules for contractors (contracted companies and workers) are described in contracts. Vendors are required to sign a safety and health commitment letter to safeguard non-Goldsun employees from a certain degree of occupational risk.

▼ 2021 staff OSH training

2021 trainings course	Attendees	Training hours	2021 trainings course	Attendees	Training hours
Pre-job training	76	228 hrs	First-aid team	17	246 hrs
Overhead crane operator training	8	57 hrs	Supervisor safety training for oxygen deficiency work	6	81 hrs
Dust and particles	2	27 hrs	OSH training	488	2,150 hrs
Fire administrator	13	131 hrs	Total training hours	2,789 hrs	

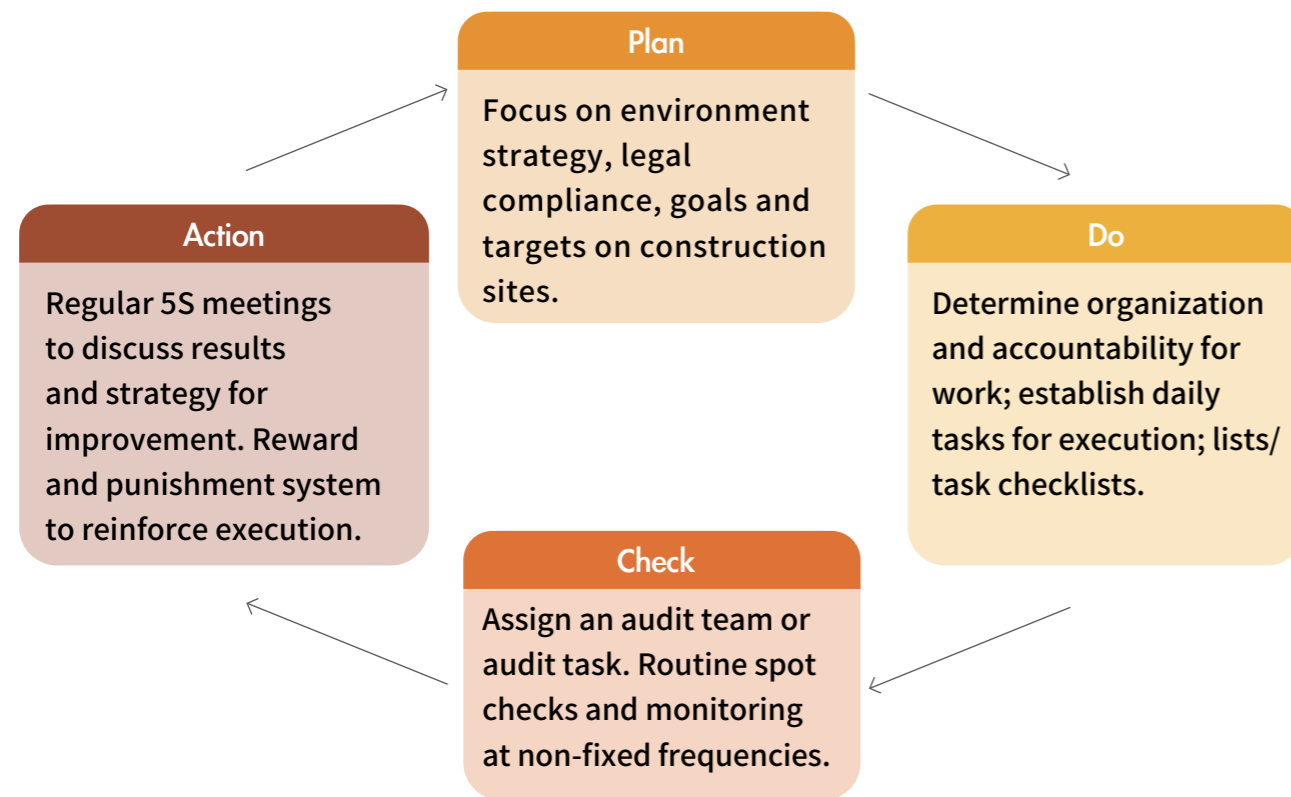
◆ Actively prevent occupational disaster

To ensure the full execution of OSH management, we conduct regular identification and risk assessment of occupational hazards. Ratings also assist with the prevention of occupational disasters at different levels and auto-examination, achieving zero disaster goals. A PDCA (Plan-Do-Check-Action) infused OSH management system further enhances our efforts. As for high hazardous work environments and high-risk jobs, we have reinforced communication to stress the importance of OSH awareness among employees/contractors and follow the Safety Guide for Falling Prevention and Pre-mix Plant Labor Safety Instructions.

When a worker identifies an occupational risk, they should communicate the issue to their immediate supervisor so the risk can be eliminated, without threat of coercion or termination of employment contract.

If an employee encounters a potential or immediate danger in the workplace, they may cease work and withdraw to a safe point without jeopardizing other workers' safety. Such employee will not be subjected to punishment, in compliance with Article 18 of the Occupational Safety and Health Act on the basic rights of an employee to withdraw from work.

▼ OSH risk identification, management and assessment order



▼ Goldsun's occupational hazard procedure

Situation control and victim treatment	Report	Investigation
<ul style="list-style-type: none"> ◆ Situation control and prevention of secondary disasters ◆ Victim first aid and post-treatment ◆ Keep location intact and untouched 	<ul style="list-style-type: none"> ◆ Accident unit leader is to complete the accident form within four hours of the accident, and report to the HQ labor safety and health team ◆ Labor health and safety team leader reports the occupational disaster within eight hours, and updates manager 	<ul style="list-style-type: none"> ◆ Accident unit investigates and has a meeting two days after the incident ◆ Accident unit leader proposes accident investigation analysis and reports within two weeks based on the investigation ◆ The investigation result becomes part of OSH training ◆ Follow up for improvement ◆ Accountable unit/business leader reviews the accident during the bi-annual health and safety management review to prevent recurrence.

◆ Defensive driving

We have 500 drivers (temporary workers included) every day on-site moving between 28 ready-mix concrete plants and numerous construction sites. To keep our people, vehicles and traffic safe, Taipei Port Terminal and Goldsun Express & Logistics run strict equipment inspections every year on drivers and vehicles to ensure safe driving practices. Examiners check and rate drivers and vehicle features using a four-element spot check, which covers vehicle lights, tires, vehicles and staff.

Other than the central policy on ecology protection, we focus on employee wellbeing. Only by working in a comfortable and safe space can we optimize performance and productivity. Novel manual tractors are designed for easy operation so that drivers concentrate on road safety; air cushioned seats enhance comfort and reduce fatigue when traveling over long distances. We are also the first in the business to introduce quality, eco-friendly tractors, boosting employee health and safety.



Goldsun's Four-Element Spot Check

1. Lights: take turns in groups to check daytime running lights, high and low beam, floor light, blinkers, turn signals, and brake lights.
2. Tire check: thread depth and pressure checked by professional tire technicians
3. Vehicle: oil, water, engine check by garage technicians
4. Staff: reviewers examine drivers' outfits, cleanliness, IDs, and interior of the vehicle.

◆ Occupational injury overview

The nature of the Company's operations involve falls, collisions, falling from height, pinching, and electric shocks. Falling from height poses the greatest risk of work injury that may result in a disability. When a work injury occurs, machines must be stopped, simple troubleshooting performed, and operators made aware of status to minimize risks. The following statistics cover all workers: the 2021 Goldsun Frequency-Severity Indicator (FSI) was 2.04, slightly higher than the industry average of 0.45. We will continue to reduce Goldsun's work safety risks for people in the future through dedicated training at the beginning of each year, quarterly work safety committee meetings, and reinforced communication of related topics.

▼ Goldsun's recordable work injuries and disabling injuries over the past three years

Year	Work hours	Injury resulting in disability	Disability rate	No. of deaths	Death rate	Recordable injury cases	Recordable work injury rate
2019	1,168,000	0	0	0	0	1	0.85
2020	1,190,000	0	0	0	0	2	1.68
2021	1,156,200	0	0	0	0	3	2.59

- Note 1. Commute hazards are not included in work hazard statistics.
- Note 2. To estimate contractors' year-round hours, the calculation assumes 8 work hours/day: (monthly working contractors x days worked per month) x 8
- Note 3. Work injury that may result in a disability is defined as a disability as a result of an injury at work that lasts for at least six months.
- Note 4. The disability frequency rate (FR) is calculated as the injuries resulting in disability (excluding death) occurred during every 1,000,000 work hours: Disability work injuries x 1,000,000 /total work hours.
- Note 5. Total Recordable Injury Frequency Rate (TRIFR) refers to recordable work injuries during every 1,000,000 work hours: recordable work injuries (as minor work injuries, work injuries resulting in disability and deaths) x 1,000,000 /total work hours.
- Note 6. 1,000,000 work hour rate refers to that within one year the work injuries of every 500 permanent workers, which is assumed based on 2,000 man hours per year.

▼ Goldsun's rate of disability and severity over the past three years

Year	Lost days due to injury resulting in disability	Disability frequency rate(FR)	Severity rate (SR)	Frequency-Severity Indicator (FSI)
2019	135	4	116	0.70
2020	34	3	29	0.27
2021	556	9	481	2.04

- Note 1. Lost work days: days the employee was unable to work (days off) including work accident leave, and excluding sick leave and menstrual leave.
- Note 2. Disability Frequency Rate = injuries resulting in disability × 1,000,000 / Employee-hours of exposure (rounded down to two decimal places)
- Note 3. Disability Severity Rate = (lost days from injury resulting in disability × 1,000,000) / Employee-hours of exposure (rounded down to a whole number)
- Note 4. FSI= √ [(FR × SR) ÷ 1,000]
- Note 5. 1,000,000 work hour rate refers to that within one year of the work injuries of every 500 permanent workers, which is assumed based on 2,000 man hours per year.

Social Engagement

On top of business profits, our social engagement initiatives focus on giving back. The Linteng Charity Cultural and Educational Foundation is a Yilan-based charity that supports local students. It has participated in nearly a hundred projects to date to nurture future literature, technology, and sports stars, contributing greatly to the development of people from Yilan.

The Linteng Charity Cultural and Educational Foundation was founded in 1989 and has invested greatly in education in Yilan, supporting local talent growth. For 30 years it has benefited thousands of students. The scholarship program expansion in 2017 now covers Poem Recitals, the Linteng Literature Award, and Lanching Elite Incubation, assisting students with rich learning resources,

connecting other cities domestically and across the world, introducing goodwill and sustainable social contributions.

On November 6, 2021, joined by nine other (vocational) high schools, we held a ceremony at Lan-Yang GSH supporting 60 students from YiLan SH, Yilan CVH, LTIVS, LTSH, LTCVS, NOSH, Lan-Yang GSH, TCVS and SAVS, with learning subsidies. Fourteen basketball team students of Yilan SH, a total of 74 students, benefited from the subsidy program. The ceremony was held in the Yilan area and more than 4,000 students were supported with the NT\$ 19.22 million budget, bolstering education among young generations.

◆ Lanteng Star, building a strong, sustainable Lanyang talent pool



The Lanteng Star program, a collaboration of the Lingteng Foundation and the Zhong Bao Culture and Education Foundation, was formed in 2021 to focus on digital education ecology in the Yilan area. As the first in Taiwan to combine the efforts of industry and the university faculty, the program drives sustainable operations and empowers students through training and courses to build their technology and English skills for their future development. The technology and English camps train students to develop their capacity in the skills considered basic for the future.

The Teaming Chung Bao Group and teachers of the NIU Electronic Engineering and Languages Education Center lead the program as consultants, and provide assistance with the Lanteng English Exam Focus Program and APCS (Advanced Placement Computer Science), supported by industry and academic resources, and aim to contribute to Yilan local education and talent cultivation. The program has just launched this year and has already been joined by three local (vocational) high schools and four junior high schools.

About Lanteng Star

Lanteng Star began operations in 2021 with facilities worth over MTD 1.1 million in the first year alone. It features the Linteng English Resource Center, the Linteng Technology education Center, the Linteng Robot Training Center, and the Linteng Network Configuration Center. During winter and summer vacations, local (vocational) high schools organize camps and cross-school programs, such as the Lanteng English Exam Focus Program, the Lanteng APCS Program, and the Lanteng ICT Program, to assist learners in obtaining the many certificates provided. With the contribution of the professional teaching team, our results are outstanding and Yilan's talent is growing.



◆ Lanteng English Exam Focus Program to develop the Yilan English education ecology

The program is convened by Lan-Yang GSH Principal Zeng. This year it featured 119 students from Lan-Yang GSH, Yilan SH, Yilan CVH, Fuhsing JH, Chunghua JH, Yilan JH and Kaihsuan JH, and comprised a 30-hour, incentive-based class over the course of two weeks. Each class was taught by Ilan University professors and assisted by Lan-Yang GSH graduates. Following each daily online class, students seek answers regarding learning issues on the collaboration platform from lecturers and assistants. The learning content and results were exceptional.

Teachers and materials are fully paid for by the Program, with incentives for those who hit target scores in tests to motivate learners. Most participants score 800+, demonstrating the excellent capabilities of the Yilan talent pool.

▼ Lanteng English Exam Focus Program greatly enhances English-language skills, motivating learners to continue studying



◆ Lanteng Star Technology Camp cultivates local tech strength

Programing language is essential in this high-developed world of technology. Today, APCS has become a key qualification exam for CSIE and Information Management. The Linteng Foundation works with the Chung Bao Foundation to introduce the Lanteng APCS Program, a summer course convened by Principal Chang of Yilan SH, with General Affairs Director Cheng as consultant. The free summer course takes place at Yilan SH, and aims to motivate and inspire young students with ambitions in the field of IT.

The program offers upgraded computers, software and learning equipment of Yilan SH. For students with different learning backgrounds, the technology camp is broken down into basic, advanced and elite classes, and is open to learners from other schools, benefiting Yilan's IT levels as a whole, and targeting local competence in the technology industry.

▼ Yilan GSH student shares what she learned at the ACPS camp



◆ Lanching Elite Incubation fosters holistic capabilities

Other than (vocational) high school subsidies and scholarships, our broad-based Lanching Elite Incubation covers math, physics, technology, literature, history, art, applied arts, and sports projects proposed by individuals and teams, and offers sponsorships to elicit diverse advancement across these territories. Projects focused on innovation, and complete ideas garner large rewards. We have had 91 approvals and awarded NT\$ 26.39 million since the start of the program in 2021. The investment equips Yilan students with the skills to increase competency.

This is the fourth year the Foundation has sponsored the Yilan SH basketball team, which has been one of the main targets of Lanching Elite Incubation. Goldsun values diverse education and development, and this year 14 players were provided with subsidies and academic learning support.

▼ YLSH Basketball team players sponsored by the Linteng Foundation



◆ Linteng Literature Award appreciates Yilan culture and innovation



Goldsun loves literature creation, and seeks to inspire a deep understanding and writing about life and people's hometowns. To encourage young people in Yilan to read and write, the Linteng Foundation's 4th Linteng Literature and High School Learning Subsidy Award in 2021 acknowledged 64 students and their beautiful work, and expects to continue to motivate young people to explore the world of literature.

Sea - Hsieh Yi-han/Jiaoshi JH
First prize winner of a short essay – Junior Team



"I enjoy writing so much. With the scholarship I can buy more books. Books are nurturing, and support me on the road of creativity."

Hsieh has had a passion for reading and writing since she was little. At the age of 12, she began to write poems and essays. As an untrained writer, she created her own path through reading and analyzing her favorite writers' works.

Not About the World - Chen Yun-rou/Luodong SH
First prize winner of new poetry – Senior Team



"This is my first literature award. What an acknowledgement!"

Chen writes about the things that interest her. This was her first competitive literature award. She walked away with the senior team first prize of new poetry. After receiving the prize, she quickly finished all the winners' works and was amazed by the topics and content; she admires how everyone else put words together to create a state of mind, a taste of innocent Yilan, and scenes of nature that are not to be found anywhere else. Her fellow outstanding writers have inspired her in every way.

◆ Tamkang group taking a traceability trip at Taipei Port Terminal

Goldsun welcomed 40 students and teachers from TKU Architecture to the second warehouse of Taipei Port Terminal to gain insights into the composition and production of concrete. During the Architecture Practice class, R&D Director Yang Zong-ru briefed these future architects on what concrete is made of and how Goldsun Traceability works, creating a one-stop manufacturer/provider experience. Goldsun's Peace-of-Mind Building Materials Traceability is logged with the inspection results of each concrete batch, from the mining source to shipping. By simply scanning the QR code, customers can see every detail about their concrete product.

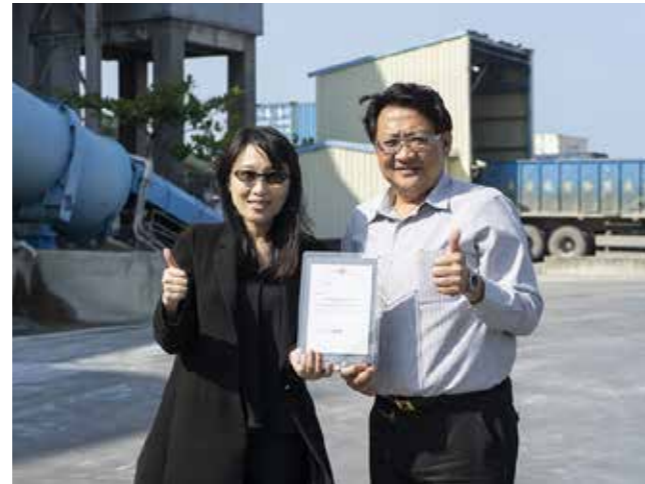


The TKU course designs field trips mostly to construction sites and buildings for a first-hand look at the construction process, methods and principle of design. This time, Goldsun took the opportunity to introduce concrete materials to the class. By learning about the concrete process, Goldsun expects future architecture designs to include the properties of different concretes and structural safety, ensuring a more reliable design and sustainable urban/country vision.

▼ A brief on concrete strength by Director Yang



▼ TKU Architecture Lecturer Chao Wan-ting acknowledging Taipei Port Terminal's Head Wu Yao-zong for their support for the field trip



Student voices



As the son of a structural technician, I take an interest in architecture planning and chose architecture design as my major. My previous experience was more based on finished buildings, internships at sites, and concrete placing. I never thought too much about the materials of concrete, or where they come from. During this trip to Taipei Port, I learned about the composition of concrete, and how nine features make a one-stop provider experience possible. What a great trip!

Dai, TKU student



I am passionate about building materials. We had a chance to make concrete mix in class. This is my first visit to a concrete plant. The highlight of the class has to be the big warehouse where the SOP is perfectly executed, and all trucks get into the right lanes to receive products in the right order. The technology assisted management also keeps the premises clean. I can see that they do their part for our environment. This trip definitely changed what I thought about traditional concrete plants.

Lee, TKU student

Work content	Budget
1. Yilan youth skills and potential incubation	19,709,812 元

Implementation method & content

Yilan-registered junior/senior high school students (individually or as a team) applied or recommended, then approved by the review panel.

The categories are:

1. Math, Physics, Technology
2. Literature, History, Arts

The 27 projects are listed as follows.

1. Yilan SH Basketball Team Sponsorship Project
2. Sponsorship Project for the LTIVS Youth Baseball Team
3. Lan-yang GSH English Improvement Project
4. YLSH Int'l Science Contest and Cross-culture Communication Skills Incubation
5. Training Program for the Maritime Skills Competition and National Welding Techniques Contest
6. Fisheries Class Training Program for the National Fishery Skills Competition
7. The Road to Lanteng Space, Yilan Center for Technology, Arts and Culture
8. Training Program for the National Skills Competition, First Half of 2021 – Mobile Robotics Category
9. National Skills Competition – IT Network Systems Administration Category, From Local to the National Finals
10. To National Game – Training Program for the LTIVS Mechanical Class for the 51st National Skills Competition, Preliminary Round
11. National Suao Marine & Fisheries Vocational High School – Fisheries Students to the International Students' Contest of Handmade Ship Models
12. National Skills Competition – Medal Winning Program for Mobile Robotics – North Region Contest
13. Legacy Project - Industry Techniques Competition - Electronics
14. Creativity lights up Lanteng – Course
15. Training Program for the 2021 Industry Techniques Competition – Robots Category
16. National Competition - IT Network Systems Administration Category – Training for the Medals Program
17. LTIVS Drafting Training Program for the Industry Techniques Competition
18. Automotive technical training for the Competition, Road to Glory Program
19. 2021 51st National Skills Competition – Medal Winner Program - Mobile Robotics Category
20. 2021 51st National Skills Competition – Medal Winner Program – Network Security and Information Network Deployment
21. Training Program for the 2021 National Student Hydrogen Vehicle Competition
22. New Poetry Tea Time – Inter-school Reading and Writing Project
23. NTHU – Daleweblove Project
24. Dreams Come True Project
25. Tsing Hua Dream
26. Ride against the wind to make dreams come true
27. Never Miss an Opportunity – The Road to Diversity

Results and benefits

1. This is the fourth year of the Linteng Cup. As HBL becomes more popular, high school matches are held throughout Taiwan. The Yilan Basketball Training Station has been around for quite some time now, and the hosting school varies each year. Last year, with the sponsorship of the Linteng Foundation, Yilan High School hosted a Linteng Cup basketball match: a never-before Yilan-based independent game that stimulated the development of basketball and other sports in the Yilan area. This year, the Yilan SH team done well, and made it to the final 12 in the second half of November, showing all their opponents what they can accomplish.
2. LTIVS Junior entered a wooden bat team in August 2019. They now training for the Linteng-sponsored Big League, and are working on boosting their speed and dexterity. The team hope to progress further next year.

3. Supported by the Linteng Charity Cultural and Educational Foundation, Lan-Yang Girl's Senior High established the Linteng English Education Resource Center last year. The sponsorship program motivate English learning on campus, and further expands the English environment across high schools in Taiwan. The first Linteng National English Communication Contest took place this winter, in which 24 teams competed and showcases their creativity and speaking skills.
4. With Principal Chang as the leader, Yilan Senior High is an incubator of science talent. Students always seek to excel, and this has been recognized by the Ministry of Education with the sole science experimental class in eastern Taiwan. Science education Yilan now has more resources and support, benefiting students in the Yilan area. Working with the Linteng Foundation, Yilan SH promotes science education in junior high schools and launched the first Linteng Junior High Science Competition, scouting for young potential in the field of science to take outstanding learners to the next level.
5. LTIVS are regulars in the Lanching Elite Incubation since its launch. As the project continues, years of support have produced good results. This year, we saw the north region silver medal winner and national honorable mention Yang Ren-jie in the 2021 National Skills Competition (NSC) – Information Network Technology; and the north region gold medalist and national bronze winner Chen Shi-ang in Information Network Deployment. His excellent performance won him a recommendation for admission to national science universities, and Chen is also eligible for the next tryout. The bronze medal is reserved until the next national champion contest second round. Tsai Jie-shun and Liao Yu-hsiang came in second place in the 51st NSC Mobile Robotics (north region). Huang Wei Hsiang won 3rd place in the National High School Industrial Skills Competition – Digital Electronics.
6. ILVS Information won medals on the “International Innovation and Invention Competition” . With the sponsorship of Linteng Foundation, the eleventh-grade of Ilan Vocation High School and his inventions made it to the 11th IIC, taking home a silver and 2 bronzes, one of which is R.O.C. patented this year, showing astonishing capacity in invention.

Project	2. Linteng Literature Award	Budget	500,124 元
Implementation method & content			
The categories include children's poems, short essays, and modern poetry, and participants include children from elementary schools, and junior high and senior high schools (freshman to juniors of five-year colleges included) in teams.			
Results and benefits			
The fourth Linteng Literature Award.			
This award was introduced to stress the importance of literature, especially in the world of economy and technology today, as words are the child of the imagination and creativity of human society, where economy and technology coincide in a collaborative way.			
The following winning works this year were inspired from daily experience and added a personal twist to the structure, the content and titles. They are "Hearing; Bird Dialogues; Next Step; Not Letting Go; Two-Fifth of Sunny Sky; and Raining Days are Good Days." For other prize winners, the patterns and expression interpreted the authors' sentiments, and their exclusive thinking and desires, presenting in-depth, abundant insights through different subjects. The winning pieces are "Pacing Rain Water; Paper Copy; Human World Not Concerned; Monologue of Palette; Sea; Adios to Covid-19; Enzyme Dance Moves; and Waltz of Mop."			

Project	3. Sports development	Budget	1,554,483 元
Implementation method & content			
School affairs assistance and sponsorship across Yilan campuses			
Results and benefits			
The budget for sports teams benefits young players with better training opportunities and facilities, allowing them to develop a good exercise routine, engage in team building, build a positive attitude towards their vision, and develop the confidence they need to seek a diverse career.			

Appendix

◆ Membership of associations

Item	Name of the organization	Status of membership
1	Industrial Association of Taipei City (IATC)	Group
2	New Taipei City Industrial Association (NTCIA)	Group
3	Taiwan Ready-Mixed Concrete Industry Association (TRMC)	Group
4	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	Group Member B
5	The Third Wednesday Club	-
6	Straits Economics & Cultural Interchange Association	-
7	The World Lin's Association	General
8	Taiwan-Japan Cultural and Economic Association (TJCEA)	Group
9	The Real Estate Development Association of Taipei	Group

Assurance Statement



INDEPENDENT ASSURANCE OPINION STATEMENT

Goldsun Building Materials Co., Ltd. 2021 Sustainability Report

The British Standards Institution is independent to Goldsun Building Materials Co., Ltd. (hereafter referred to as GBM in this statement) and has no financial interest in the operation of GBM other than for the assessment and verification of the sustainability statements contained in this report.

This independent assurance opinion statement has been prepared for the stakeholders of GBM only for the purposes of assuring its statements relating to its sustainability report, more particularly described in the Scope below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by GBM. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to GBM only.

Scope

The scope of engagement agreed upon with GBM includes the followings:

1. The assurance scope is consistent with the description of Goldsun Building Materials Co., Ltd. 2021 Sustainability Report.
2. The evaluation of the nature and extent of the GBM's adherence to AA1000 AccountAbility Principles (2018) in this report as conducted in accordance with type 1 of AA1000AS v3 sustainability assurance engagement and therefore, the information/data disclosed in the report is not verified through the verification process.

This statement was prepared in English and translated into Chinese for reference only.

Opinion Statement

We conclude that the Goldsun Building Materials Co., Ltd. 2021 Sustainability Report provides a fair view of the GBM sustainability programmes and performances during 2021. The sustainability report subject to assurance is free from material misstatement based upon testing within the limitations of the scope of the assurance, the information and data provided by the GBM and the sample taken. We believe that the performance information of Environment, Social and Governance (ESG) are fairly represented. The sustainability performance information disclosed in the report demonstrate GBM's efforts recognized by its stakeholders.

Our work was carried out by a team of sustainability report assurers in accordance with the AA1000AS v3. We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that GBM's description of their approach to AA1000AS v3 and their self-declaration in accordance with GRI Standards: Core option were fairly stated.

Methodology

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- a review of issues raised by external parties that could be relevant to GBM's policies to provide a check on the appropriateness of statements made in the report.
- discussion with managers on approach to stakeholder engagement. However, we had no direct contact with external stakeholders.
- 10 interviews with staffs involved in sustainability management, report preparation and provision of report information were carried out.
- review of key organizational developments.
- review of the findings of internal audits.
- review of supporting evidence for claims made in the reports.
- an assessment of the organization's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness and Impact as described in the AA1000AP (2018).

Conclusions

A detailed review against the Inclusivity, Materiality, Responsiveness and Impact of AA1000AP (2018) and GRI Standards is set out below:

Inclusivity

This report has reflected a fact that GBM has sought the engagement of its stakeholders and established material sustainability topics, as the participation of stakeholders has been initiated in developing and achieving an accountable and strategic response to sustainability. There are fair reporting and disclosures for the information of Environment, Social and Governance (ESG) in this report, so that appropriate planning and target-setting can be supported. In our professional opinion the report covers the GBM's inclusivity issues.

Materiality

GBM publishes material topics that will substantively influence and impact the assessments, decisions, actions and performance of GBM and its stakeholders. The sustainability information disclosed enables its stakeholders to make informed judgements about the GBM's management and performance. In our professional opinion the report covers the GBM's material issues.

Responsiveness

GBM has implemented the practice to respond to the expectations and perceptions of its stakeholders. An Ethical Policy for GBM is developed and continually provides the opportunity to further enhance GBM's responsiveness to stakeholder concerns. Topics that stakeholder concern about have been responded timely. In our professional opinion the report covers the GBM's responsiveness issues.

Impact

GBM has identified and fairly represented impacts that were measured and disclosed in probably balanced and effective way. GBM has established processes to monitor, measure, evaluate and manage impacts that lead to more effective decision-making and results-based management within the organization. In our professional opinion the report covers the GBM's impact issues.

GRI Sustainability Reporting Standards (GRI Standards)

GBM provided us with their self-declaration of in accordance with GRI Standards: Core option (For each material topic covered by a topic-specific GRI Standard, comply with all reporting requirements for at least one topic-specific disclosure). Based on our review, we confirm that sustainable development disclosures with reference to GRI Standards' disclosures are reported, partially reported or omitted. In our professional opinion the self-declaration covers the GBM's sustainability topics.

Assurance level

The moderate level assurance provided is in accordance with AA1000AS v3 in our review, as defined by the scope and methodology described in this statement.

Responsibility

The sustainability report is the responsibility of the GBM's chairman as declared in his responsibility letter. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Competency and Independence

The assurance team was composed of Lead auditors experienced in relevant sectors, and trained in a range of sustainability, environmental and social standards including AA1000AS, ISO 14001, ISO 45001, ISO 14064 and ISO 9001. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

For and on behalf of BSI:

Peter Pu, Managing Director BSI Taiwan



Statement No: SRA-TW-2021076
2022-06-17

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