

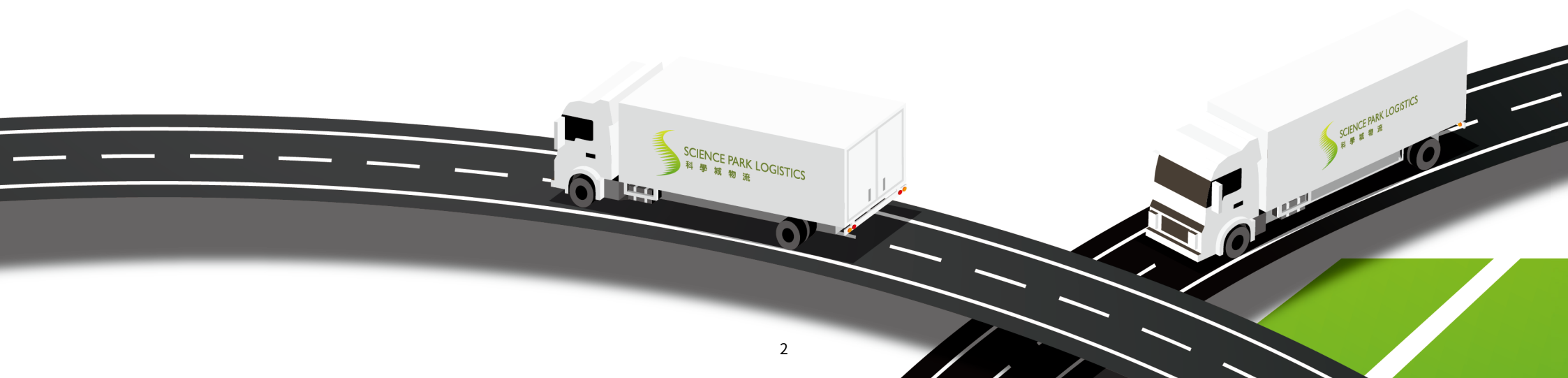


2022 Science Park Logistics ESG Sustainability Report



Contents

<p>INTRODUCTION 4</p> <p>0.1 ABOUT THIS REPORT 5</p> <p>0.2 A WORD FROM THE CHAIRPERSON 6</p> <p>0.3 2022 ESG SUSTAINABILITY PERFORMANCE 7</p>	<p>CHAPTER 1 8</p> <p>SUSTAINABILITY MANAGEMENT</p> <p>1.1 SUSTAINABILITY STRATEGY 9</p> <p>1.2 STAKEHOLDER IDENTIFICATION AND COMMUNICATION 9</p> <p>1.3 IDENTIFICATION OF MATERIAL TOPICS 11</p>	<p>CHAPTER 2 18</p> <p>SUSTAINABILITY GOVERNANCE AND MANAGEMENT</p> <p>2.1 MANAGEMENT POLICY 19</p> <p>2.2 INTRODUCTION TO SCIENCE PARK LOGISTICS 24</p> <p>2.3 GOVERNANCE STRATEGY 29</p> <p>2.4 OPERATING RESULTS AND PERFORMANCE 35</p> <p>2.5 COMPLIANCE WITH LAWS AND REGULATIONS 37</p> <p>2.6 FINANCIAL RISKS DUE TO CLIMATE CHANGE 38</p>	<p>CHAPTER 3 45</p> <p>SUSTAINABILITY VALUE CHAIN</p> <p>3.1 MANAGEMENT POLICY 46</p> <p>3.2 SERVICE QUALITY POLICY 49</p> <p>3.3 CUSTOMER RELATIONS AND SERVICES 51</p> <p>3.4 SUPPLY CHAIN MANAGEMENT STRATEGY 53</p>
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CHAPTER 4 56
SUSTAINABLE
ENVIRONMENTAL
MANAGEMENT

- 4.1 MANAGEMENT POLICY 57
- 4.2 ENERGY SAVING AND CARBON REDUCTION 58
- 4.3 WATER RESOURCES 62
- 4.4 ENVIRONMENTAL POLLUTION PREVENTION AND CONTROL 64

CHAPTER 5 65
HAPPY
WORKPLACE

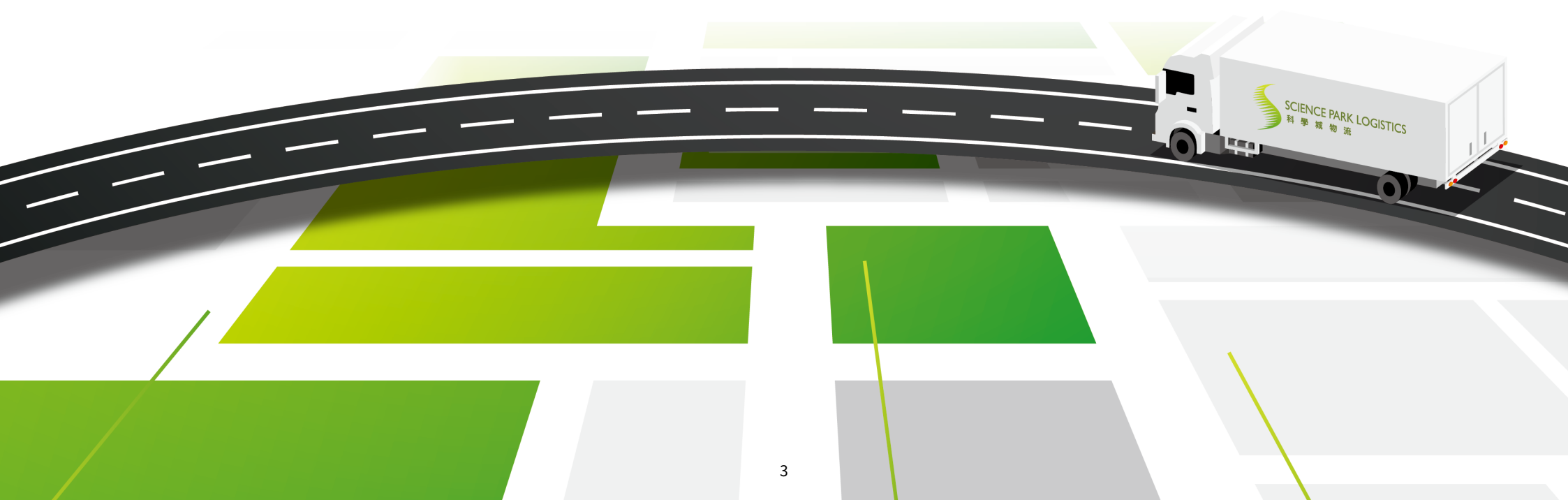
- 5.1 MANAGEMENT POLICY 66
- 5.2 TALENT RESOURCES OVERVIEW 69
- 5.3 EMPLOYEE CARE AND WELFARE 73
- 5.4 TALENT DEVELOPMENT 77
- 5.5 OCCUPATIONAL SAFETY AND HEALTH STRATEGY 79

CHAPTER 6 92
SOCIAL
INCLUSION

- 6.1 SOCIAL WELFARE 93

CHAPTER 7 96
APPENDIX

- APPENDIX I GRI SUSTAINABILITY REPORTING STANDARDS(GRI STANDARDS) TABLE 97
- APPENDIX II SUSTAINABILITY ACCOUNTING STANDARDS BOARD, SASB INDEX 106





INTRODUCTION

0.1 ABOUT THIS REPORT

0.2 A WORD FROM THE CHAIRPERSON

0.3 2022 ESG SUSTAINABILITY PERFORMANCE

0.1 About This Report

Science Park Logistics Co., Ltd. follows the Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed (OTC) Companies. The 2022 Sustainability Report is the second annual report issued by Science Park Logistics Co., Ltd. (hereinafter referred to as "Science Park Logistics", "the Company" and "we"). Through the issuance of this Report, the Company offers transparent disclosure of its sustainable actions and execution performance in the three major aspects of environmental, social, and corporate governance, allowing stakeholders to familiarize themselves with the Company's efforts in sustainable corporate development and social responsibility practices and its determination to continue progress.

Editing Principle

The content structure of this Report is written and compiled with reference to the reporting principles as set out in the GRI Standards 2021 issued by the Global Sustainability Reporting Initiatives (GRI) and the Sustainability Accounting Standards Board (SASB) (see Appendix 2 for details) to demonstrate sustainable performance in corporate operations. Although the content of this Report has not received any external assurance, the Company has ensured the accuracy of all financial, environmental and social information contained in this Report through rigorous internal control and audit mechanisms. Please see Appendix 1 for the GRI Standards indicator comparison index of this Report.

Scope and Source

The disclosure scope of this Report is mainly based on the Tainan Head Office and Hsinchu Science Park branch and does not include those subsidiaries over which the Company has no operational control. The scope of information disclosed is consistent with the Annual Report (January 1 through December 31, 2022) and presents the sustainability development topics that stakeholders are most concerned about.

This Report is divided into three aspects: economic, social and environmental. The information and data in this Report are provided by the various departments of the Company, compiled and edited by the ESG Promotion Team, and reviewed and revised by

the managers of the ESG Promotion Team. It is then submitted to the Chairperson of the Board for review and finalized for publication following administrative procedures.

Sources of financial data are based on information contained in the Annual Financial Report certified by an accountant (Deloitte Taiwan) and are all calculated in New Taiwan dollars (NT\$). In addition, performance related to environmental protection, safety and health is presented using internationally accepted indicators, while some data are quoted from information publicly released on the websites of government agencies and presented in commonly used numerical descriptions. Where there are any estimations, such will be noted in each relevant chapter.

Major Operational Changes

The Company has not had any major operational changes during the previous year, so there has been no restatement of data or reported changes. Adjustments have only been made in accordance with the updated GRI during the identification process of stakeholders and material topics. For details, please refer to sections 1.2. Stakeholder Identification and Communication and 1.3 Identification of Material Topics. The Company will also strive to maintain corporate competitiveness in the future.

Report Date of Issuance

This is the second Sustainability Report prepared by Science Park Logistics Co., Ltd. It mainly contains information for 2022 (January 1 through December 31, 2022). Parts of the data is also backdated to before January 1, 2022, and after December 31, 2022. It is expected to be issued regularly every year in the future.

- Previous release: November 2022.
- Current release: November 2023.
- Next release: September 2024.

Contact Information

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0.2 A Word from the Chairperson

2022 is a year full of changes and challenges. Various uncertain factors such as trade wars, epidemics, wars, inflation, climate change, etc. will test the adaptability and operational resilience of enterprises. All colleagues at Science Park Logistics regard challenges as opportunities for tempering and demonstrate Teamwork capabilities, collaboration with business partners and integration of internal and external resources make the company's operations more stable and competitive, and it continues to focus on service quality to build long-term customer trust.

Looking to the future, the environment is still full of many variables. The world is facing various threats and challenges such as fierce industrial competition, energy shortages, intensified climate change, and geopolitical risks. However, we firmly believe that true sustainability of enterprises must help create social value. Therefore, Science Park Logistics not only continues to demonstrate growth in corporate operations, but also pursues specific practices on climate change and environmental sustainability issues and continues to pursue excellence with a pragmatic attitude and unremitting spirit to implement "solid information security", the strategy of "sustainable logistics services" and the use of innovative technology to help the earth save energy and reduce carbon emissions.

In the process of moving towards corporate sustainability, Science Park Logistics integrates the ESG spirit into the daily operations of the company, raises employees' attention to climate change and energy conservation and carbon reduction issues, actively expands social participation, and continues to strengthen corporate governance and risk management, paying attention to and In response to the expectations and needs of stakeholders, we have also introduced a greenhouse gas inventory (ISO 14064-1) management system to review and understand greenhouse gas emissions through international standards. We have completed the greenhouse gas emissions generated by our own operating activities in various areas in 2022. Conduct gas inventory and formulate energy conservation and carbon reduction implementation plans and goals to cope with the future trend of net-zero emissions.

The road to sustainable development never ends. We always insist that business operations must be combined with sustainable goals. While continuing to strengthen core competitiveness, Science Park Logistics also strives toward environmental sustainability and looks forward to working with partners to create a sustainable corporate value for common prosperity, while moving towards the global climate goal of 1.5° C.

Chen Ruo-lan
CHAIRPERSON



0.3 2022 Sustainability Performance



ENVIRONMENT

- In 2022, the Company had **no violations of relevant environmental protection laws and regulations**, and no fines were incurred.



SOCIAL

- In 2022, there were **no discrimination cases**.
- In 2022, there were **no forced labor violations**.
- In 2022, there were **no occupational disease cases and no major occupational accident fatalities**.



GOVERNANCE

- In 2022, the Company had **no major fines or compensation due to violations of laws and regulations**.
- A specific reporting system has been formulated based on the Business Integrity Code of Conduct and the Employee Code of Conduct. So far, **no whistleblower cases have been filed by employees**.
- In 2022, the Company had **no complaints of infringement of customer privacy or loss of customer information**.
- Compared with 2021, the Company's net profit after tax in 2022 increase by **37.35%**.
- The Company-wide average customer satisfaction score in 2022 was **94 points**.
- In 2022, the Company passed ISO 2700 Information Security certification, with **zero abnormal information security incidents**.





CHAPTER 1
SUSTAINABILITY
GOVERNANCE
AND MANAGEMENT

- 1.1 SUSTAINABILITY STRATEGY
- 1.2 STAKEHOLDER IDENTIFICATION AND COMMUNICATION
- 1.3 IDENTIFICATION OF MATERIAL TOPICS

1.1 Sustainability Strategy

Science Park Logistics implemented ESG-related issues in 2022 based on organizational division of labor compiled and edited by the ESG Promotion Team. Following review and revision by the various supervisors of the ESG Promotion Team and through strict internal control and audit mechanisms to ensure the accuracy of the economic, environmental and social information, it is then finally issued after being reviewed by the Chairperson of the Board. The Company firmly believes that this Report will become an important reference in our pursuit of sustainable development goals and highlight our unremitting commitment to sustainable operations.

1.2 Stakeholder Identification and Communication

The Company's stakeholders refer to those possible stakeholders listed in the GRI Code, including business partners, social welfare organizations, consumers, customers, employees and other workers, the Government, local communities, non-governmental organizations, shareholders and other investors, suppliers, public associations, disadvantaged groups, financial institutions, academic institutions, etc., while also referring to industry stakeholders our 2021 Report.

Then, through consultation with external experts, based on the Company's actual negative impacts, potential negative impacts, actual positive impacts, and potential positive impacts on each stakeholder, and after discussions with the Company's senior managers, those stakeholders with an overall score greater than 10 points were considered the Company's 2022 important stakeholders of the year.

After discussions with external scholars and experts, the Company concluded that the five categories of stakeholders are: employees and other workers, government agencies, suppliers and contractors, customers, as well as shareholders, investors and financial institutions.

The Company's interaction and communication mechanisms with stakeholders are diversified, and include a Supplier Survey, Customer Satisfaction Survey, and Shareholders Meeting, etc. We are committed to establishing diverse communication channels and platforms, encouraging stakeholders to express their needs and questions to promote effective communication, mutual understanding and building mutual trust. By communicating with stakeholders through various channels, we can understand their needs, expectations for the Company, and projects that focus on sustainable development issues. In addition to responding immediately, the Company also uses it as a reference to promote sustainable development plans for corporate social responsibility.

The channels and frequencies of communication with each stakeholder are as shown in the table below:

Stakeholder Communication Channels

Stakeholders	Significance of Stakeholders to the Company	Communication Channel	Frequency	Communication Effectiveness
Employees and other workers	Employees are the backbone of our Company's sustainability operations and the driving force for our continued growth.	<ul style="list-style-type: none"> • Meetings • Education and training platform 	<ul style="list-style-type: none"> • Weekly 	<ol style="list-style-type: none"> 1. Improve work content based on employees' personal work needs and performance evaluations. 2. Hold regular labor-management communication meetings. 3. Established an Occupational Safety and Health Committee and obtained ISO 45001 certification for the safety management system to implement safety and health.
Government agencies	Government authorities are an important indicator of the Company's development. Following and responding to the laws and regulations of government agencies are the basic principles of corporate operations.	<ul style="list-style-type: none"> • Meetings • Phone, email • Questionnaires • Visits and official documents 	<ul style="list-style-type: none"> • Irregularly 	<ol style="list-style-type: none"> 1. Bureau of Labor Insurance: Confirm that the Company' s labor insurance, employment insurance, labor retirement insurance and benefits application operations are in compliance. 2. Environmental Protection Bureau: Confirm the legality of the Company' s storage of toxic chemical substances. 3. Fire Department: Confirm the legality of the Company' s storage of public hazardous materials. 4. Authorities: Confirm the legality of the Company' s operations 5. Motor vehicles office: Confirm that all the Company' s transportation services comply with laws and regulations. 6. Customs: Confirm that all customs clearance services provided by the Company comply with regulations. 7. National Taxation Bureau: Correctly declare and pay various taxes and be selected by the Ministry of Finance as an outstanding business operator for issuing unified invoices in 2022.
Suppliers and Contractors	Most of our transportation and warehousing services rely on the stable support of a wide range of suppliers.	<ul style="list-style-type: none"> • Meetings, phone calls, emails, visits, factory visits, faxes, Line real-time messaging app, education and training 	<ul style="list-style-type: none"> • Irregularly 	<ol style="list-style-type: none"> 1. The Company has dedicated employees responsible for supplier management. 2. Regularly review and assess supplier service quality and improve items that do not meet standards. 3. Comply with the ISO quality management system. Communicate through the Line real-time messaging app for education and training to ensure service quality and meeting customer needs. 4. A total of 143 suppliers were assessed in 2022. During the reporting period, there were no unqualified suppliers found.

Stakeholders	Significance of Stakeholders to the Company	Communication Channel	Frequency	Communication Effectiveness
Customers	Customer satisfaction is the key and mission of business development.	<ul style="list-style-type: none"> • Business visits and meetings, phone calls, emails • Customer Satisfaction Surveys 	<ul style="list-style-type: none"> • Irregularly • Annually 	<ol style="list-style-type: none"> 1. The Company has a dedicated customer service department. 2. Fully understand customer needs, complete tasks assigned by customers, conduct regular Customer Satisfaction Surveys, and aim for customer satisfaction. The average customer satisfaction rate of the Company in 2022 was 94 points.
Shareholders, Investors, and Financial institutions	<ol style="list-style-type: none"> 1. Shareholders are Science Park Logistics stockholders, and we must be responsible for them. 2. Investors seek returns on their investments and are concerned about the Company's operating performance and development prospects. 3. Financial institutions are our creditors or institutions that provide financing services. 	<ul style="list-style-type: none"> • Board of Directors • Shareholders Meetings • Public Information Service Platform 	<ul style="list-style-type: none"> • Quarterly • Annually • Quarterly 	<ol style="list-style-type: none"> 1. Announcement of Shareholders Meeting Procedural Manual, Shareholders Meeting Annual Report and Shareholders Meeting Minutes for investors' reference. 2. Monthly revenue announcement. 3. Announcement of second quarter and full year financial reports issued by accountants.

1.3 Identification of Material Topics

Material Topic identification Process

Through the material topic identification process, the Company hopes to identify those that had an important impact on the Company's operations, business relationships and sustainable development in 2022. In the management of GRI 3 material topics, we effectively responded to issues of concern to all stakeholders. In order to make the information disclosed in the Sustainability Report meet the needs of stakeholders, we use the four main steps of understanding the organizational context, identifying the actual and potential impacts of sustainability issues, assessing impact significance, and public reporting on sustainability issues to decide material sustainability topics.

<p>1 Understanding the organizational context</p>	<p>In reference to the Global Reporting Initiative (GRI) Standards material topic guidelines, and the Sustainability Accounting Standards Board (SASB), etc., 36 items were compiled for material topic options.</p>
<p>2 Identifying the actual and potential impacts of sustainability issues</p>	<p>Company representatives, department heads and external experts rated the Company's actual or potential negative impacts and positive impacts on the economy, environment, and society (people and human rights) based on the sustainability topics, and then compared the actual negative impacts and positive impacts of each topic. The scores for potential negative impact, actual positive impact, and potential positive impact on the economy, environment, and society (people and human rights) were added up and sorted, and those with a total score greater than 30 are selected.</p>
<p>3 Assessing impact significance</p>	<p>After discussions between Company representatives, department heads and stakeholders, a meeting was held with external experts for discussion. Based on past operating experience, we discussed the significance and possibility of the impact of each, and finally selected 11 items as material topics of our Company this time.</p>
<p>4 Public reporting on sustainability issues</p>	<p>Based on the analysis results of the material topics, external experts conducted a comprehensive assessment with various departments of the group to make a final decision based on the nature of the topics and 11 items were selected as material topics for the year. Material topic management policies are successively assigned to each chapter of this Report for disclosure.</p>

Material Topic Identification Results

There are 11 material topics in SPL' s 2022 Sustainability Report. In view of the fact that the process and criteria for identifying material topics last year have changed significantly from the previous year, the interpretation and understanding of material topics are also slightly different. In 2022, we removed some material topics such as Customer Privacy, Socioeconomic Regulation Compliance, Regulatory Compliance Regarding Environmental Protection, and Corporate Governance. The removal does not mean that SPL believes that the topic is no longer important. Rather, SPL believes that we should focus more on social issues this year, and the material topics that have been removed will continue to be tracked within SPL, and the importance of any topic will not be ignored.

Material Topic Identification Results

Material Topics

1. Air pollution	2. Information security	3. Economic performance	4. Risk management	5. Occupational safety and health	6. Labor-employer relationship
7. Customer service management	8. Training and Education	9. Anti-corruption	10. Integrity management	11. Customer health and safety	

Secondary Topics

12. Emissions	13. Energy	14. Waste	15. Materials	16. Supplier social assessment	17. Water and Effluents
18. Forced and compulsory labor	19. Local communities	20. Anti-competitive behavior	21. Marketing and Labeling	22. Employee diversity and equal opportunities	23. Procurement practices
24. Customer privacy	25. Supplier environmental assessments	26. Public policy	27. Child labor	28. Labor-management relations	29. Indirect economic impacts
30. Indigenous peoples rights	31. No discrimination	32. Preservation practices	33. Freedom of association and group consultation	34. Taxation	35. Market position
36. Biodiversity					

Based on the identification results of the material topics, 11 material topic management policies are listed:

Material Topic Management Policy	Description of the Organization's policies or commitments regarding Material Topics	Description of influences & impacts	Mainly affected
Air Pollution (custom topic)	<p>1. Comply with relevant environmental regulations and standards to ensure vehicle emissions comply with regulatory requirements, and gradually replace vehicles with electric ones.</p> <p>2. All vehicles operated in 2022 comply with environmental regulations.</p>	<ul style="list-style-type: none"> • Environment - Actual negative impacts : The increase in harmful substances in the air and the decline in air quality have caused. • Economy - Actual negative impacts : 1.Increased health problems leading to increased medical costs. 2.Replacing old vehicles to comply with the latest environmental regulations will lead to increased costs. • Society (people) - Actual negative impacts : Affects people' s quality of life and living environment. 	<ul style="list-style-type: none"> • Science Park Logistics (cause) • Employees and other workers (contribute) • Government agencies (Environmental Protection Bureau) (contribute) • Suppliers and Contractors (contribute) • Customers (directly related) • Shareholders, Investors, and Financial Institutions (directly related)
Information Security (custom topic)	<p>Strengthen information security management and establish a "solid information security, sustainable logistics service" strategy to ensure the confidentiality, integrity and availability of customer and employee data processing to ensure that data processing is secure. Provide safe, stable and efficient information services.</p>	<ul style="list-style-type: none"> • Society (people) - Actual positive impacts : Ensure the confidentiality, integrity and availability of customer and employee data to provide safe, stable and efficient information services, protect personal privacy rights, maintain customer trust, and reduce concerns about information security incidents negative impacts on society. • Society (people) - Potential negative impacts : If a serious information security attack occurs, it may lead to system interruption, data leakage, loss of customer trust and other negative consequences. 	<ul style="list-style-type: none"> • Science Park Logistics (cause) • Government agencies (authority) • Employees and other workers (directly related) • Customers (directly related)
Economic Performance (GRI201)	<p>Through active operational performance management, the overall annual profit target is achieved to meet the expectations of shareholders and stakeholders.</p>	<ul style="list-style-type: none"> • Economy – Potential Positive Impacts : Improvements in economic performance may lead to increases in corporate stock prices and shareholder returns and enhance shareholder confidence. • Economy - Actual negative impacts : Domestic and foreign carbon emission regulations are becoming increasingly strict, and carbon fees and carbon taxes are levied, increasing operating costs. In addition, to reduce carbon emissions, old large trucks, forklifts and other equipment need to be replaced with new ones, increasing capital expenditures. 	<ul style="list-style-type: none"> • Science Park Logistics (cause) • Government agency (Customs) (contribute) • Government agency (National Tax Bureau) (contribute) • Shareholders, Investors, and Financial Institutions (directly related)

Material Topic Management Policy	Description of the Organization's policies or commitments regarding Material Topics	Description of influences & impacts	Mainly affected
Risk Management (custom topic)	<ol style="list-style-type: none"> 1. Construct and maintain an effective occupational safety risk management structure, ensure the integrity of risk management operations and implement checks and balances mechanisms to enhance occupational safety risk management functions. 2. Establish a complete occupational safety risk management identification, measurement, supervision and control mechanism to control occupational safety risks within the Company's tolerable range, achieve the goal of rationalizing risks and opportunities, and reduce occupational safety risks. 3. Enhance and strengthen occupational safety risk management awareness and comprehensive implementation. 	<ul style="list-style-type: none"> • Environment - Actual positive impacts : Implement workplace risk management, economy and carbon reduction to reduce negative impacts on the environment. • Society (people) - Actual positive impacts : <ol style="list-style-type: none"> 1. Pay attention to workplace risk management and reduce risks to improve employee safety. 2. Pay attention to corporate social responsibility and improve human rights protection. • Economy - Potential negative impacts : Loss of property or goodwill, and possible legal violations. 	<ul style="list-style-type: none"> • Science Park Logistics (cause) • Government agency (Environmental Protection Bureau) (contribute) • Government agency (Fire Dept.) (contribute) • Suppliers and Contractors (contribute) • Shareholders, Investors, and Financial Institutions (contribute) • Employees and other workers (directly related) • Customers (directly related)
Occupational Safety and Health (GRI 403)	<ol style="list-style-type: none"> 1. Comply with occupational safety and health regulations and other requirements and develop relevant standard operating procedures and methods. 2. All employees participate in the implementation of the safety and health management system and implement various safety and health operating standards. 3. Continue to conduct hazard identification, risk assessment and control, and operate in accordance with PDCA to eliminate hazards. 4. Establish internal and external consultation and communication channels and communicate safety and health policies to stakeholders. 5. Implement education and training to enhance all employees' awareness of safety and hygiene and prevent accidents and disasters. 6. Implement and continuously improve the occupational safety and health management system and occupational safety and health performance to move towards sustainable development. 	<ul style="list-style-type: none"> • Society (people) - Actual positive impacts : <ol style="list-style-type: none"> 1. Implement the spirit of the ISO 45001 safety management system and reduce the negative impact on society. 2. Attach great importance to employee health, health management and care, and reduce illegal invasive injuries and other hazards through education, training, evaluation and analysis. • Economy - Potential negative impacts : Loss of property or goodwill, and possible legal violations. 	<ul style="list-style-type: none"> • Science Park Logistics (cause) • Suppliers and Contractors (contribute) • Shareholders, Investors, and Financial Institutions (contribute) • Employees and other workers (directly related) • Customers (directly related)

Material Topic Management Policy	Description of the Organization's policies or commitments regarding Material Topics	Description of influences & impacts	Mainly affected
Labor-employer Relationship (GRI 401)	In accordance with labor laws and regulations, we have formulated relevant management measures and actively abide by them. When new employees report for work, we explain in detail the Employee Work Rules, Measures for the Prevention and Treatment of Sexual Harassment, Procedures for the Prevention of Unlawful Harassment in the Performance of Duties, and sign employment contracts to protect the labor rights and interests of employees. In accordance with the provisions of the Labor Standards Act, a notice period shall be provided when the labor contract is terminated.	<ul style="list-style-type: none"> • Society (people) – Actual positive impacts : Provide a safe and healthy workplace, prevent and deal with sexual harassment and unlawful assault. • Economy - Actual positive impacts : Increase employee job satisfaction and productivity, positively impacting the organization's economic performance. Reduce labor disputes and legal proceedings, save costs and protect the organization's reputation. 	<ul style="list-style-type: none"> • Science Park Logistics (cause) • Suppliers and Contractors (contribute) • Employees and other workers (directly related) • Shareholders, Investors, and Financial Institutions (directly related)
Customer Service Management (custom topic)	Focus on core values, through collaborative planning, and continue to use innovative operating models to provide complete solutions to solve all problems in the supply chain for customers.	<ul style="list-style-type: none"> • Society (people) - Actual positive impacts : Provide excellent customer service, and value good communication and relationships with customers to enhance satisfaction and Company brand value. • Society (people) - Potential negative impacts : If customer satisfaction is reduced, it may damage the Company's reputation and business development. 	<ul style="list-style-type: none"> • Science Park Logistics (cause) • Government agency (Motor Vehicles office) (contribute) • Customers (directly related)
Training and Education (GRI 404)	Strengthen employee knowledge and skills, cultivate Company talent development, improve work efficiency, and continue to retain professional talents to meet the development needs of the business and market.	<ul style="list-style-type: none"> • Society (people) - Actual positive impacts : Strengthen employee knowledge and skills, cultivate Company talent development, and provide opportunities for employee growth and development. 	<ul style="list-style-type: none"> • Science Park Logistics (cause) • Employees and other workers (directly related)
Anti-corruption (GRI 205)	The Company attaches great importance to integrity and ethics and adopts a zero-tolerance attitude towards corruption and bribery.	<ul style="list-style-type: none"> • Society (people) - Actual positive impacts : <ol style="list-style-type: none"> 1. Adopt policies and commitments to prevent and combat corruption and bribery. 2. Maintain a level playing field and ensure transparency and ethical standards in business operations. 	<ul style="list-style-type: none"> • Science Park Logistics (cause) • Government agency (Authorities) (contribute) • Shareholders, Investors and Financial Institutions (contribute) • Employees and other workers (directly related)

Material Topic Management Policy	Description of the Organization's policies or commitments regarding Material Topics	Description of influences & impacts	Mainly affected
Integrity Management (custom topic)	Based on the business philosophy of integrity, transparency and responsibility, the Company formulates policies based on integrity and establishes good corporate governance and risk control mechanisms to create a business environment for sustainable development.	<ul style="list-style-type: none"> Economy – Actual positive impacts : Reducing legal risks and potential fines or losses safeguards the Company's long-term economic stability. Society (people) - Actual positive impacts : Establish a good corporate citizen image and have a positive impact on society. Maintain social responsibility and ethical standards and promote fair competition and social justice. 	<ul style="list-style-type: none"> Science Park Logistics (cause) Government agency (Authorities) (contribute) Suppliers and Contractors (contribute) Shareholders, Investors and Financial Institutions (contribute) Employees and other workers (directly related) Customers (directly related)
Customer Health and Safety (GRI 416)	<ol style="list-style-type: none"> Continuously conduct hazard identification, risk assessment and control, and operate in accordance with PDCA to eliminate hazards and protect the health and safety of customers entering the facilities. Establish internal and external consultation and communication channels and communicate our safety and health policies to stakeholders. Implement safety education and training on facility hazards to enhance customer awareness of safety and hygiene and prevent accidents and disasters. 	<ul style="list-style-type: none"> Society (people) - Actual positive impacts : Pay attention to environmental safety, protect customers' personal safety and health, pay attention to corporate social responsibility, and improve human rights protection. Environment - Actual positive impacts : Implement facility safety and regular maintenance, reduce risks caused by environmental facilities, implement a circular economy and carbon reduction, and reduce the negative impact of plastic products on the environment. Economic - Potential negative impacts : Impact on loss of goodwill, loss of customer trust in the Company, and reduction in business volume. 	<ul style="list-style-type: none"> Science Park Logistics (cause) Employees and other workers (contribute) Suppliers and Contractors (contribute) Shareholders, Investors and Financial Institutions (directly related) Customers (directly related) Government agency (Environmental Protection Bureau) (contribute)





**CHAPTER 2
SUSTAINABILITY
GOVERNANCE
AND MANAGEMENT**

- 2.1 MANAGEMENT POLICY**
- 2.2 INTRODUCTION TO SCIENCE PARK LOGISTICS**
- 2.3 GOVERNANCE STRATEGY**
- 2.4 OPERATING RESULTS AND PERFORMANCE**
- 2.5 COMPLIANCE WITH LAWS AND REGULATIONS**
- 2.6 FINANCIAL RISKS DUE TO CLIMATE CHANGE**

2.1 Management Policy

Material Topic: Integrity Management	
Main Motivation	The sustainable development of the enterprise has become market mainstream. The priority is the corporate culture of honest management and the perfect corporate governance mechanism, while abiding by laws and regulations to establish a solid foundation for sustainable enterprise development to facilitate the Company's stable development.
Policy & Strategy	Based on the business philosophy of integrity, transparency and responsibility, the Company formulates policies based on integrity and establishes good corporate governance and risk control mechanisms to create a business environment for sustainable development.
Goals and Objectives	<p>【Short-term goals】 The Board of Directors is convened at least once every quarter, and the attendance rate of directors is 100%.</p> <p>【Medium and long-term goals】</p> <ol style="list-style-type: none"> 1. Integrity management education and training are conducted every year, and the training rate of all employees is 100%. 2. There is no violation of integrity by the company's management and employees.
Management Evaluation Mechanism	<ol style="list-style-type: none"> 1. Evaluated based on the actual attendance rate of directors and supervisors. 2. Evaluated based on the actual training rate of employees. 3. Evaluated by the number of internal and external reporting cases.
Performance and Adjustment	<ol style="list-style-type: none"> 1. The attendance rate of members of the Board of Directors in 2022 was 100%. 2. It is expected that courses related to integrity management were to be held on the Company's education and training platform in 2023. 3. No internal or external whistleblowing reports were received in 2022.
Preventive or Remedial Measures	<ol style="list-style-type: none"> 1. Established a reporting channel : Dedicated email address for complaints: personnel@spl.com.tw. Complaint hotline: 886-6-511-3511. 2. The Company will immediately disclose on the internal website the job title, name, date of violation, content of the violation, and handling of the disciplinary action for violating the regulations on integrity management.

Material Topic: Integrity Management	
Main Motivation	With the vision of sustainable development, the Company will create a long-term and stable profit model for employees and shareholders and continue to expand our business territory to become the most competitive enterprise.
Policy & Strategy	Through active operational performance management, achieve overall annual profit targets to meet the expectations of shareholders and stakeholders.
Goals and Objectives	<p>【Short-term goals】 Make a profit and achieve the annual goals required by the Board of Directors.</p> <p>【Medium-term goals】 Steady growth in profits year by year of 5 to 10%.</p> <p>【Long-term goals】 Stable dividends return rate that exceeds general financial market interest rates, with a target cash yield rate of 15%.</p>
Management Evaluation Mechanism	<ol style="list-style-type: none"> 1. Hold regular management meetings to review operating performance. 2. Convene Board of Directors meetings every quarter to report operating performance.
Performance and Adjustment	The 37.35% growth in net profit after tax in 2022 is in line with the Company's goal of stable growth, and it will continue to increase operating capacity in the future.
Preventive or Remedial Measures	If operating performance fails to meet standards, measures will be implemented to increase revenue and reduce expenditure to increase profits.

Material Topic: Risk Management	
Main Motivation	<p>In order to achieve the goal of sustainable development and effectively reduce the risks of corporate operations, risk management is part of daily operations and an important basis for Company operations.</p> <p>Risk management should be carried out in accordance with relevant laws and regulations of the Occupational Safety and Health Act. If risk management is not implemented, the Company may face penalties from relevant laws and regulations in the future. Responsible risk management can reduce the Company's cost risks and establish a healthy and safe working environment for the Company.</p>
Policy & Strategy	<p>To conduct risk management against uncertain factors that may threaten the Company's business operations and ensure the Company's stable operation and sustainable development, the following are implemented:</p> <ol style="list-style-type: none"> 1. Energy policy : <ol style="list-style-type: none"> I. Risk of power shortages: generators, independent meters, energy storage equipment. II. Light management (LED) energy saving. 2. Workplace wellness policy : <ol style="list-style-type: none"> I. Construct and maintain an effective occupational safety risk management structure to ensure the integrity of risk management operations and implement checks and balances mechanisms to enhance occupational safety risk management functions. II. Establish a complete occupational safety risk management identification, measurement, supervision and control mechanism to control occupational safety risks within the Company's tolerable range, achieve the goal of rationalizing risks and opportunities, and reduce occupational safety risks. III. Upgrade and strengthen occupational safety risk management awareness and comprehensive implementation.
Goals and Objectives	<ol style="list-style-type: none"> 1. Risk of power shortage : <ul style="list-style-type: none"> 【Short-term goals】 <ol style="list-style-type: none"> I. Hsinchu Science Park and South Taiwan Science Park currently has generators installed to cope with the risk of power shortages. II. Evaluate the feasibility of setting up independent electricity meters. <ul style="list-style-type: none"> Electric light management : Gradually replace lighting with LED energy-saving lights to reach 5% of the Company's electric light coverage. 【Medium-term goals】 <ol style="list-style-type: none"> I. Gradually set up independent electricity meters, review and improve high energy-consuming equipment and propose solutions. II. Evaluate the feasibility of setting up energy storage equipment. <ul style="list-style-type: none"> Electric light management : Gradually replace lighting with LED energy-saving lamps to reach 25% of the Company's electric light coverage. 【Long-term goals】 <ol style="list-style-type: none"> I. Set up independent electricity meters across the board and review the power reduction rate of high energy-consuming equipment by 50%. II. Set up energy storage equipment step by step. <ul style="list-style-type: none"> Electric light management : Gradually replace lighting with LED energy-saving lamps to reach 90% of the Company's electric light coverage.

Material Topic: Risk Management	
Goals and Objectives	<p>2. Workplace health :</p> <p>【Short-term goals】 Promote a healthy workplace environment and continue to maintain the effectiveness of workplace health certification.</p> <p>【Medium and long-term goals】 Conduct education and training on safety and health risk management every year to build consensus on risk management among employees in all departments with class attendance rate for all employees of 100%.</p>
Management Evaluation Mechanism	<p>1. Energy policy :</p> <p>I. Risk of power shortages: Review electricity bills over the years and confirm power reduction rates. II. Light management (LED) energy saving: Use the annual light configuration table to review the annual replacement coverage rate.</p> <p>2. Occupational health :</p> <p>For ISO 45001 and healthy workplace certification, ISO appoints a third-party verification company to conduct validity verification every year and continues to conduct PDCA effectiveness evaluation.</p>
Performance and Adjustment	<p>1. Energy policy :</p> <p>I. Risk of power shortage: An inventory has been conducted this year. II. Light management (LED) energy savings: An inventory has been conducted this year.</p> <p>2. Workplace health :</p> <p>I. Healthy workplace certification has been obtained and effectiveness is continuously maintained. II. Risk management education and training has been achieved this year with 100% attendance rate for all employees.</p>
Preventive or Remedial Measures	<p>1. Energy policy :</p> <p>I. Risk of power shortage: The facilities currently have a sufficient number of generators to prepare for power shortages. II. Electric light management (LED) energy savings: Immediately replace the broken electric lights in the facilities with energy-saving lights.</p> <p>二、Workplace health :</p> <p>Continuously identify and evaluate occupational safety and health risk factors in the facilities and reduce risks.</p>

Material Topic: Corruption Prevention	
Main Motivation	Anti-corruption is an issue of global concern. Taiwan is also committed to advocating for clean government. The Company promotes a clean corporate culture to eliminate bribery and fraud.
Policy & Strategy	The Company attaches great importance to integrity and ethics and adopts a zero-tolerance attitude towards corruption and bribery.
Goals and Objectives	<p>【Short-term goals】</p> <ol style="list-style-type: none"> 1.It was expected that important suppliers will be required to sign an anti-corruption commitment letter in 2023. 2.It was expected to formulate an ethical code of conduct in 2023. 3.It was expected to conduct anti-corruption education and training for all employees in 2023. <p>【Medium and long-term goals】</p> <ol style="list-style-type: none"> 1.Anti-corruption education and training are conducted every year with a 100% training rate for all employees. 2.There were no corruption or bribery cases within the Company management and employees.
Management Evaluation Mechanism	<ol style="list-style-type: none"> 1. Indicators for important suppliers to sign anti-corruption commitment letters. 2. The ethical code of conduct has been formulated and made public. 3. All employees receive anti-corruption education and training with a training rate of 100%.
Performance and Adjustment	In 2023, important suppliers signed an anti-corruption commitment letter, an ethical code of conduct was formulated, and anti-corruption education and training was in progress.
Preventive or Remedial Measures	<ol style="list-style-type: none"> 1. Established a reporting channel : Dedicated email address for complaints: personnel@spl.com.tw Complaint hotline: 886-6-511-3511. 2. The Company's punishment for violating the provisions of the Code of Ethical Conduct will include immediately disclosing information such as the job title, name, date of violation, content of the violation, and handling of the violation on the Company's internal website.

2.2 Introduction to Science Park Logistics

Science Park Logistics is a private storage and transport corporation in STSP and HSP. It is also the first company that also operates warehousing (including terminals and international logistics centers), office and parking lot rental, warehousing management, cargo management, customs declaration, and truck freight (including bonded trucks and non-bonded trucks) as well as other multi-functional warehouses and international logistics centers. The Company can provide logistics needs such as customs clearance, warehousing and office space for equipment and raw material suppliers of logistics-related operators and park manufacturers, as well as provide services to foreign companies that do not have branches in Taiwan, including those such as manufacturer shipping center, sales agent and others.

The Company's business philosophy encompasses the following:

- Pursue the continuous growth of revenue and profit, while at the same time improving operational efficiency.
- Adhering to the business philosophy of excellent quality and occupational safety first and continue to expand revenue and implement corporate governance.
- Actively innovate logistics services and continue to improve operational performance and service quality to create maximum benefits for shareholders and employees.
- Continuously introduce information digitization, mobility, and equipment automation to improve operating efficiency.
- Continuously evaluate and plan cold chain and chemical warehousing and distribution services.
- Continuously promoting the replacement of vehicles to comply with the latest environmental regulations, reduce air pollution and reduce greenhouse gas emissions.

The Company is committed to moving towards a circular economy and green environmental protection enterprise, and aim to become the most trustworthy partner of high-tech logistics.

Company Profile

Company name

Science Park Logistics Co., Ltd.

Chairperson

Chen Ruo-lan

Other operating locations

**1.6 Gongye East 6th Road, Hsinchu Science Park,
Hsinchu City**

Established

1998 / 09 / 09

Number of Employees

356

**2.2nd Floor, 12 Hangqin North Road, Dayuan District,
Taoyuan City**

Market segment

Unlisted

Capital amount

NT\$ 716,666.67

**3.3rd Floor, 1 Zhongshan 4th Road, Xiaogang District,
Kaohsiung City**

4.8 Fengling Road, Xincheng District, Tainan City

Stock code

8343

Turnover

NT\$ 1,394,602

Main products

**Storage and distribution /
Transportation logistics industry**

Operational headquarters

**8 Daye 1st Road, Southern Taiwan
Science Park, Tainan City**



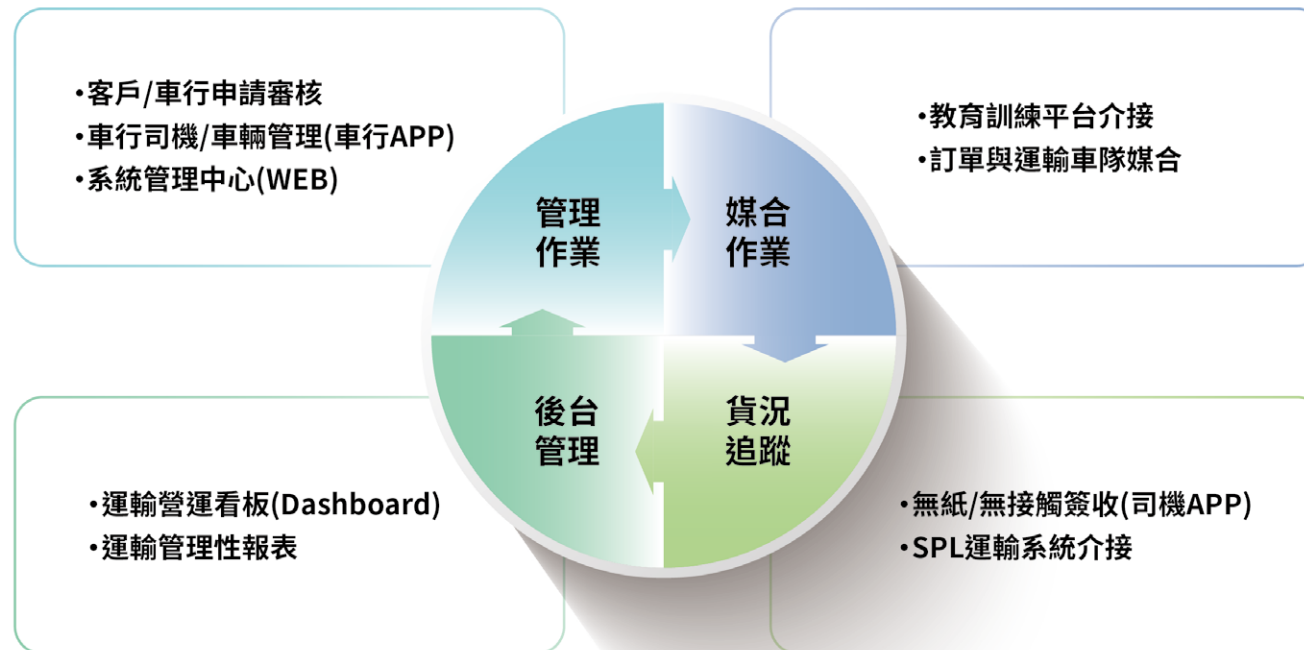
Core Business

The Company's main product categories are customs declaration, cargo transportation, and warehousing management. In order to uphold high-quality service and quality, we continue to innovate and make breakthroughs, create value for semiconductor, optoelectronics and solar energy companies, and use a proactive, positive and friendly attitude to allow customers to obtain prompt and satisfactory service.

Transportation services adopt the automatic matching platform system - rapid allocation, and the trains use online real-time dispatching. It has functions such as mobile dispatching, automatic matching of trains, cargo status tracking, and contactless signing to improve operating efficiency and ensure the quality of vehicle trips.

Products & Services			
Products & Services	Sales Area	Customer Types	Sales Volume (NT\$1,000)
Warehousing	Taiwan	High-tech manufacturers	847,455
Transportation		High-tech manufacturers, forwarders and airlines	445,411
Customs declaration		High-tech manufacturers	54,980
Leasing		Suppliers and contractors of park manufacturers	19,535
Others		High-tech manufacturers	27,221

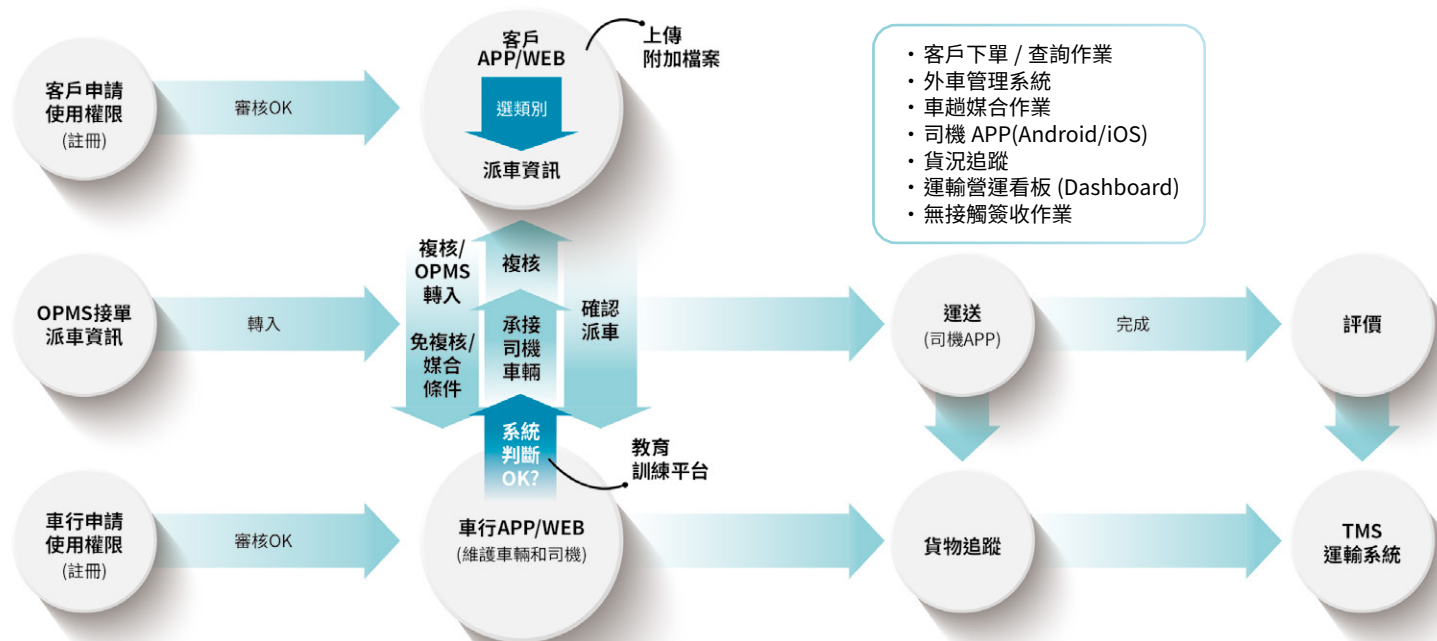
Express Allocation Platform Structure



• Express Allocation Function Description

1. Dispatch and delivery vehicles are mobile, fast and reliable.
2. The system automatically matches and dispatches vehicles, which can reduce the error rate of dispatching vehicles.
3. Cargo status tracking, check the dispatch status at any time to know whether the task is completed.
4. The driver APP can immediately respond to abnormal situations and take photos to send back, which is fast and has smooth communication.
5. Management of external vehicle resources to improve the quality of external vehicle service.
6. The dashboard function allows you to see the current situation and operating status over the past week at a glance.
7. Contactless receipt, during the epidemic period, avoid contact between collection and delivery, which may lead to contracting diseases and reducing transportation capacity.

• Schematic Diagram of transportation matching



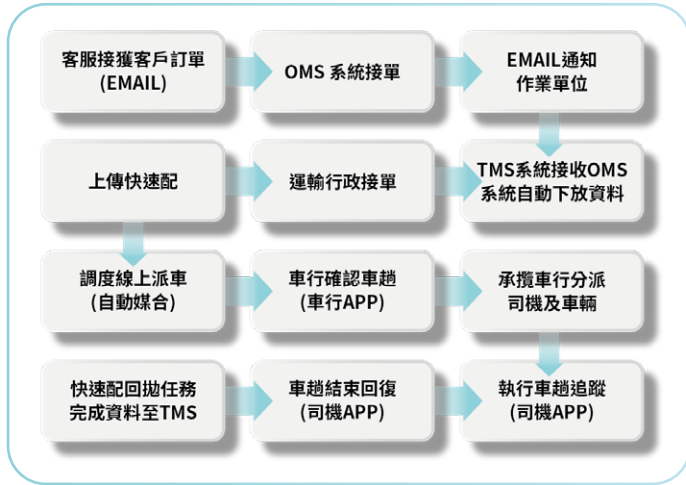
• Expected Benefits

Improve transportation efficiency and service quality.

1. For the transport sector :
 - Leveraging complex car dispatch methods through matchmaking (such as big data analysis) and assisting with scheduling.
 - Managing drivers and vehicles effectively, meeting customers' needs and complying with their policies.
 - Dispatchers can instantly grasp the current status of all transportation resources.
2. For customers :
 - The system can quickly respond to customer requests for truck dispatch.
 - Customers can track their goods in a timely manner.

CHAPTER 2 SUSTAINABILITY GOVERNANCE AND MANAGEMENT

- Perform operations, settings, maintenance, and monitoring through the website and APP



車行版 APP



司機版 APP



- KPI management report system of SPL Truck: WEB



系統管理中心(WEB)

全部(170) 煤台中(58) 已煤台(112) 拒絕(0)

勾選	任務時間 接單期限	接單狀態 司機/車號	接單號碼 運送編號 貨主
	2023/09/28 10:00	車隊承接	A202309000138 TA23090843
	2023/09/28 09:00	車隊承接	A202309000138 TA23090844
	2023/09/28 10:00	車隊承接	A202309000138 TA23090845
	2023/09/28 09:00	車隊承接	A202309000138 TA23090845

- APP for Transport dealership



Public Associations

In order to pursue the sustainable development of the industry and environment and improve service quality, the Company actively participates in many relevant public (industrial) associations and organizations and holds relevant membership qualifications to ensure that we can continue to provide high-quality services and remain committed to the sustainable development of the industry and environment. The public associations that our Company participates in are listed in the table below:

Public Associations	
Industry associations, other member associations and national or international advocacy organizations	Membership
The Allied Association for Science Park Industries	Member
Taiwan Association of Logistics Management	Member
Customs Association of the R.O.C.	Member
Taipei Customs Brokers Association	Member
Kaohsiung Customs Brokers Association	Member
Kaohsiung Airfreight Forwarder's Association	Member
Tainan Automobile Freight Association	Member

Shareholder Structure

Main shareholders and related data of Science Park Logistics are as shown in the following table:

Shareholder Structure Table		
Validity: 31 March 2023		
Shareholders	Number of shares held	Shareholding ratio
Other legal entities	63,535,114	88.65 %
Individual	8,131,553	11.35 %

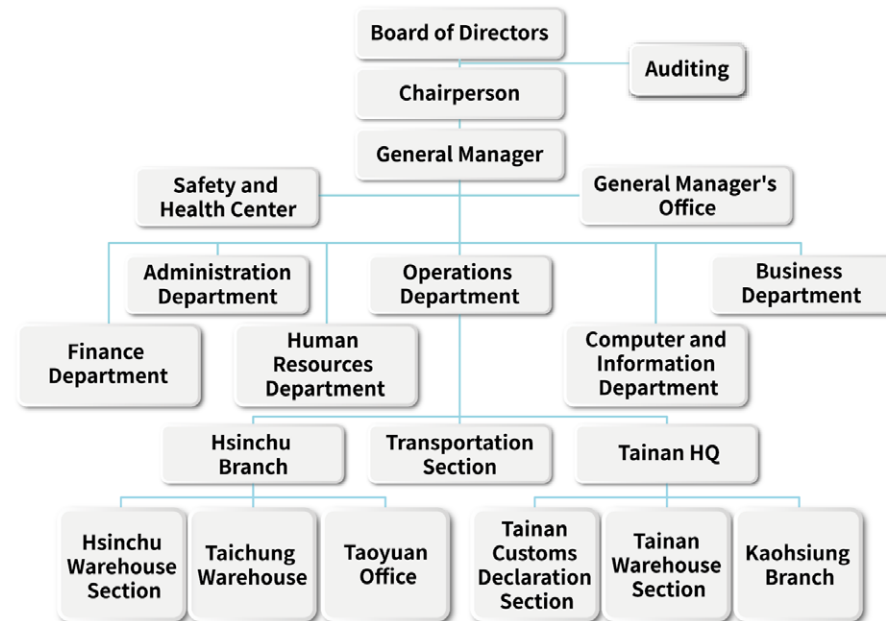
2.3 Governance Strategy

Organizational Structure

The Board of Directors is the Company's highest governing body and the center of major business decisions. Its responsibilities include appointing and supervising the Company's management, supervising operating performance, preventing conflicts of interest, and ensuring that the Company complies with various laws, exercising powers in accordance with Company's Articles of Association, or the execution of resolutions of Shareholder Meetings, and striving to maximize the rights and interests of shareholders.

The Company's organizational chart is as follows:

• Organizational Chart



Board Composition

The election of directors and supervisors of the Company adopts a single-registration cumulative voting system. The current term of directors is three years. The Board of Directors, led by Chairperson Chen Ruo-lan, implements and supervises the Company's various businesses, formulates various business plans, and coordinates and integrates between departments based on market conditions and competition. The Company clearly stipulates that directors must have professional qualifications and other conditions, such as diversity, independence, ESG professional knowledge and experience, etc., so that candidates for the Board of Directors can better meet the characteristics of the industry in which they are located and the future development needs of the Company.

Board member information						
Professional Title	Name	Gender	Date of First (Election) Appointment	Term of Office	Main Academic & Employment Background	Current Positions in the Company & other Companies
Chairperson	Chen Ruo-lan	Female	June 2008	3 years	<ul style="list-style-type: none"> • Director, Kerry TJ Logistics Co., Ltd. • Chairperson, Kerry Express Co., Ltd. • Chairperson, Kerry Tongyun Co., Ltd. • General Manager, GUT Taiwan Co., Ltd., a subsidiary of Jardine Matheson Group • Director and Supervisor, R.O.C. Container Association • Master's degree, Graduate School of Management, National Taiwan University of Science and Technology • Bachelor of Business Administration, Tamkang University 	<ul style="list-style-type: none"> • Chairperson and General Manager, Science Park Logistics • Chairperson, Kerry Automotive Freight Co., Ltd. • Vice-Chairperson, Reinvestment company
Director	Shen Zong-gui	Male	February 2019	3 years	<ul style="list-style-type: none"> • Founding Chairperson, Hong Kong & Macau Association in Taipei • Chairperson, GUT Taiwan Co., Ltd., a subsidiary of Jardine Matheson Group • Taiwan Operations Manager, American Bureau of Shipping Taiwan Co., Ltd. • Bachelor's degree, National Taiwan Ocean University, Department of Shipping & Transportation Management. • Completion of Carnegie training course in San Francisco, USA • Completion of the General Management Program at Ashridge College, London, UK • Completion of the first phase of shipping management research class of the China Maritime Institute 	<ul style="list-style-type: none"> • Chairperson of Kerry TJ Logistics Co., Ltd., and Director and person-in-charge of subsidiaries; Director of Reinvested companies

Board member information						
Professional Title	Name	Gender	Date of First (Election) Appointment	Term of Office	Main Academic & Employment Background	Current Positions in the Company & other Companies
Director	Tang Shao-ming	Female	September 2021	3 years	<ul style="list-style-type: none"> • Director, Investment Dept., Kerry Holdings Ltd. • Director, Yihai Kerry Arowana Holdings Co., Ltd. • Director, Investment Department, Wilmar International Ltd. • Executive Director, Equity Capital Markets, UBS Group • BA Law, University of Oxford, UK 	<ul style="list-style-type: none"> • Director, Kerry TJ Logistics Co., Ltd. and its subsidiaries and reinvestment companies • Director, Investment Dept., Kerry Holdings Ltd.
Director	Li Yu-qi	Female	September 2021	3 years	<ul style="list-style-type: none"> • University of Hong Kong • Master of Law • Bachelor of Business Administration 	<ul style="list-style-type: none"> • Director, Kerry Express Co., Ltd. • Director, Rongxing Investment Co., Ltd.
Director	Ruan Hui-wen	Female	February 2019	3 years	<ul style="list-style-type: none"> • Director, Finance Department, Kerry TJ Logistics Co., Ltd. • Manager, Finance Department of Kerry TJ Logistics Co., Ltd. • Finance Department, Jardine Matheson Co., Ltd., Taipei Branch • Master's degree, Graduate School of Management, National Taiwan University of Science and Technology • Bachelor of Accounting, Soochow University 	<ul style="list-style-type: none"> • General Manager, Finance and Administration Dept., Kerry TJ Logistics Co., Ltd. and Director & Supervisor of its subsidiaries; Director of Reinvested companies
Director	Zeng Jian-zhan	Male	December 2014	3 years	<ul style="list-style-type: none"> • Master's degree, Dept. of Labor and Human Resources, Chinese Culture University 	<ul style="list-style-type: none"> • Manager, Kaohsiung Branch, Taiwan Sugar Corporation
Director	Zong An-ping	Male	February 2022	3 years	<ul style="list-style-type: none"> • Master's degree, Agricultural Economics, National Taiwan University 	<ul style="list-style-type: none"> • Director of Planning Department, Taiwan Sugar Corporation

Note:
1. Except for Tang Shao-ming and Li Yu-qi, the Board members are all between 30 and 50 years old, and the rest are all over 50 years old.

Professional Title	Name	Industry Experience				Professional Abilities		
		Banking & Finance	Business Management	Business Marketing	R&D	Accounting and Financial Analysis	Information Technology	Risk Management
Chairperson	Chen Ruo-lan		V	V				
Director	Shen Zong-gui		V	V				
Director	Tang Shao-ming	V	V			V		
Director	Li Yu-qi	V	V			V		
Director	Ruan Hui-wen	V	V			V		
Director	Zeng Jian-zhan		V	V				
Director	Zong An-ping		V	V				

Avoidance of Personal Conflict of Interest

The Company has a clear policy for recusal due to conflict-of-interest by directors. In addition to matters that must be recused from in accordance with relevant laws and regulations, there are also other matters that directors should recuse themselves from. In addition, the Company and its subsidiaries have implemented relevant regulations on transactions with interested parties to ensure that the Company's interests are given priority and fair dealing principles are ensured to avoid opportunities for self-interest.

The Company's conflict of interest avoidance mechanism is explained as follows:

The Company has formulated a policy to prevent conflict-of-interest and provides appropriate channels for directors and managers to proactively explain whether they have potential conflict-of-interest with the Company. Directors of the Company should maintain a high degree of self-discipline. If they have any personal interest regarding the resolutions listed by the Board of Directors that may cause harm to themselves or the legal entities they represent, and which may be harmful to the interests of the Company, they may state their opinions and answer questions. They may not participate in discussions or votes and shall be recused therefrom. They shall abstain from voting and shall not exercise their voting rights on behalf of other directors. Directors should also exercise self-discipline and support each other appropriately. Directors and managers of the Company shall not use their positions in the Company to obtain improper benefits for themselves, their spouses, parents, children, or any other person.

Implementation of directors' disqualification due to conflict of interest-related proposals: On March 10, 2022, during the 2nd meeting of the 10th Board of Directors, they discussed the General Manager's salary adjustment. Because Director Chen Ruo-lan is the General Manager of the Company, she did not participate in the discussion and voting in accordance with the provisions of conflict-of-interest disqualification.

Director Continuing Education Status

The Company adheres to the principle of honest management and has formulated a Code of Integrity Management to fulfill its corporate social responsibilities. Through education, training and internal control self-evaluation operations, all departments conduct self-examination of their operations and implement a self-supervision mechanism. In 2022, there were no major fines related to the environment, economy, and society at any of our operating locations.

Professional Title	Name	Continuing Education Date	Organizer	Course Name	Continuing Education Hours	Total Hours
Director	Ruan Hui-wen	2022 11/18	Internal Audit Association of the Republic of China	In the face of climate change, explore the impact on corporate internal controls and countermeasures from the perspective of ESG risks	6	15
Director	Ruan Hui-wen	2022 10/05	Taiwan Corporate Governance Association	The only way to achieve sustainable business operations - external innovation	3	
Director	Ruan Hui-wen	2022 08/23	Taiwan Corporate Governance Association	Analysis and decision-making application of corporate financial information	3	
Director	Ruan Hui-wen	2022 04/26	Taiwan Corporate Governance Association	Labor dispute prevention and corporate governance	3	

Policy Commitments

Science Park Logistics adheres to the principle of integrity and pragmatism and has established codes of conduct such as the Code of Integrity Management and Work Rules, and strictly abide by the Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest or other laws and regulations related to business conduct as the basic prerequisite for implementing integrity management.

The Company is committed to following the Government's environmental protection policies and actively promoting and revising our internal control system to effectively control various risks in operations and ensure that the design and execution of the internal control system continue to be effective. We will continue to evaluate the effectiveness of the internal control system and make necessary revisions and improvements to ensure that the Company's operations can proceed smoothly. We firmly believe that through honest operation and effective internal control, we will make positive contributions to the Company's sustainable development and the protection of the interests of all stakeholders.

The Company's Board of Directors meeting is held on a quarterly basis and 5 Board meetings were held in 2022 (the average attendance rate of directors was 100%). Economic, environmental and social issues arising from operating activities were authorized by the Board of Directors to be handled by senior management and reported to the Board when necessary. All major resolutions of the Company are communicated with the directors in advance, the content of the agenda is drawn up before each meeting, sufficient meeting materials are provided, and the notification is sent together with the board meeting. Directors communicate fully with each other and can truly understand the content of the resolutions in depth.

Director Attendance				
Professional Title	Name	Actual Attendance	Delegated Attendance Times	Actual Attendance Rate (%)
Chairperson	Chen Ruol-an	5	0	100
Director	Shen Zong-gui	5	0	100
Director	Tang Shao-ming	5	0	100
Director	Li Yu-qi	5	0	100
Director	Ruan Hui-wen	5	0	100
Director	Zeng Jian-zhan	5	0	100
Director	Zong An-ping	4	1	80

Communication of Major Events in 2022			
Nature	Major Events	Communication Method and Frequency	Communication Results
Environmental Aspect	Risk Management	Convene an Occupational Safety and Health Committee / Quarterly	It is presided over by the senior management. A follow-up report on the resolutions of the Occupational Safety and Health Committee of the previous quarter will be submitted every quarter. If the case cannot be concluded, a quarterly follow-up report will be submitted to the Occupational Safety and Health Committee.
Economic Aspect	Anti-Corruption Integrity Management Economic Performance	Meeting of the Board of Directors / Quarterly	The Board of Directors authorizes senior management to handle the matter and report to the Board when necessary. Matters resolved by the Board of Directors every quarter will be reported in the meeting minutes and the implementation status will be tracked in the following quarter. If the case cannot be concluded, the Company will track and report it to the Board on a quarterly basis.
Social Aspect	Occupational Safety and Health Customer Health and Safety	Convene an Occupational Safety and Health Committee / Quarterly	It is presided over by senior management. A follow-up report on the resolutions of the Occupational Safety and Health Committee of the previous quarter will be submitted every quarter. If the case cannot be concluded, a quarterly follow-up report will be submitted to the Occupational Safety and Health Committee.

2.4 Operating Results and Performance

The Company's net sales in 2022 was NT\$1,394,602,000, an increase of 13% (NT\$160,552,000) from the net sales of NT\$1,234,050,000 in 2021. The net profit after tax in 2022 was NT\$307,388,000, an increase of 37.35% compared with the net profit after tax in 2021 of NT\$223,803,000, an increase of NT\$83,585,000. In the future, we will continue to work hard to improve operating performance and ensure that the Company continues to thrive.

Financial Information			
Category / Year	2020	2021	2022
Sales revenue (NT\$1,000)	1,047,376	1,234,050	1,394,602
Operating cost (NT\$1,000)	645,482	747,910	797,018
Operating gross profit (NT\$1,000)	401,894	486,140	597,584
Operating profit and loss (NT\$1,000)	227,192	296,829	401,487
Non-operating income and expenses (NT\$1,000)	(19,980)	(17,879)	(17,465)
Net income before tax (NT\$1,000)	207,212	278,951	384,022
Net profit after tax for the current period (NT\$1,000)	166,425	223,803	307,388
Total comprehensive profit and loss for the current period (NT\$1,000)	164,721	222,104	308,626
Earnings per share (NT\$)	2.320	3.120	4.290
Amount of employee benefits (NT\$1,000)	3,179	3,564	3,604
Dividends (NT\$1,000)	143,333	200,667	272,333
Employee salaries (including employee benefits) (NT\$1,000)	311,469	334,937	350,808
Payments to investors (NT\$1,000)	117,939	145,033	201,138
Payments to the Government (NT\$1,000)	73,636	99,395	124,912
Community investment (NT\$1,000)	3,500	3,500	2,000

Notes:

1. Payments to investors refer to dividends paid to all shareholders, plus interest paid to lenders (including interest on any form of debt and borrowing) and unpaid dividends payable to shareholders of special shares.
2. Payments to the Government refer to all taxes (including business tax, income tax, property tax) and fines.
3. Employee salaries (including employee benefits) include labor and health insurance expenses and pension expenses, etc., and the total amount of benefits provided to employees in the form of money (excluding the cost of education and training, protective equipment, or expenses directly related to the employee's job responsibilities and other related cost items). Other "employee welfare amount" refers to the total amount of welfare expenses provided to employees in non-monetary form as welfare expenses allocated to the welfare committee by the Company for employees, such as employee travel, health examinations, 3 festival gift boxes, etc.
4. Community investment refers to donations and contributions.
5. The currency is the New Taiwan Dollar.

Tax Policy

The Company's taxation is handled by the Finance Department and strictly follows business tax, income tax and other relevant tax acts. The Company has formulated relevant tax policies as follows:

Principle of Compliance with Laws	Follow tax regulations and the legislative spirit and declare and pay taxes correctly and prepare supporting documents.
Principle of Information Transparency	Regularly disclose tax information through public channels such as financial reports and annual reports to ensure information transparency.
Principle of Reasonable Structure	The corporate structure and transaction arrangements are in line with the economic substance, and special arrangements are not used for tax avoidance.
Principle of Business Substance	Transactions between related parties are in line with economic substance, and decision-makers bear the risks and receive reasonable rewards.
Principle of Conventional Trading	The prices and conditions of related party transactions should be similar to those of non-related parties in similar transactions.

For detailed information on the Company's relevant annual reports or financial reports, please see the Market Observation Post System at the following link:

<https://mops.twse.com.tw/mops/web/index>



2.5 Compliance with Laws and Regulations

Through internal control audits, the Company requires all departments and facilities to conduct self-examination of their operations, including compliance with laws and regulations, timely adjustments to the design and execution of internal control systems, and the implementation of a self-supervision mechanism. In 2022, the Company did not have any major violations, and there were no major fines or compensation due to violations of regulations. We will continue to be committed to implementing honest operations and further strengthening internal management to ensure the Company's sustainable development.

Child and Forced Labor Prevention

Neither the Company nor our suppliers have ever hired child labor, nor have we hired young workers to engage in dangerous work. Science Park Logistics does not discriminate or differentially pay employees in recruitment, selection, or employment based on gender, race, nationality, age, physical or mental disability, religion, ethnicity or other factors, and prohibits the employment of children under the age of 16 for heavy and dangerous work.

Our Company's management methods or measures for child labor are as follows:

1. Employees over the age of 16 but under the age of 18 are not allowed to engage in dangerous or harmful work.
2. When a person under the age of 18 is employed as a worker, the employer shall provide a consent form of his legal representative and documents proving their age.

Science Park Logistics encourages employees to maintain a balance between work and life. On holidays, attendance is arranged on work needs and employees' willingness and based on one fixed day off and one flexible rest day. Employees are not forced to work overtime. If it is necessary for overtime work on weekdays, supervisors will apply for compensatory leave or overtime pay depending on employees' willingness. Overtime pay will be paid according to the salary period. For compensatory leave, the employee shall arrange the date of compensatory leave before the end date of the personal annual special leave. For unused hours, the overtime pay calculation standard will be used and the salary will be paid on the end date of the special leave. Our company has never forced employees to work overtime or outside normal working hours.

Corruption Prevention System

The Company has formulated the Code of Integrity Management and Work Rules and other codes, and adheres to the principle of honesty and pragmatism, complying with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest or other laws and regulations related to business conduct as the basic prerequisite for implementing integrity operations.

Science Park Logistics strictly prohibits any corruption and requires employees to pay attention to their conduct, be cautious in their words and deeds, and employees are not allowed to take advantage of their positions for personal gain. The Company has planned to start corruption risk assessments at all of the Company's operating bases in 2023 (including South Taiwan Science Park Head Office, Hsinchu Science Park Branch, Kaohsiung Branch and Zhongzheng Operating Base) and related anti-corruption education and training courses to establish correct moral concepts among employees. It also stipulates that for those who engage in fraud, corruption, theft or embezzlement of public funds, accept bribes, commit intentional damage to company property, if found to be true, will be dismissed from their posts and terminated according to the circumstances, in order to prevent the occurrence of corruption. In 2022, the Company did not have any corruption incidents or political donations.

Complaint Process and Channels

The Company makes every effort to promote an honest and transparent corporate culture and strengthen the internal control system to give full play to its early warning function. The Employee Appraisal Methods and Employee Reward and Penalty Methods are used as the basis for employee assessment. If there are deeds that are sufficiently encouraging or behavior that should be punished, rewards and penalties will be dealt with immediately in accordance with the regulations. In addition, the Company has formulated a Code of Integrity Management and established a reporting channel. The identity of the person making the report and the content of the report are kept confidential. The Company's punishment for violating integrity management regulations will immediately be disclosed, including information such as the title, name, date of violation, content of the violation, and handling of the violation, on the Company's internal website.

We will continue to be committed to implementing honest operations and further strengthening internal management to ensure the Company's sustainable development.

Reporting Channel	
Accepting Unit	Human Resources Department, heads of departments
Contact Address	1. 8 Daye 1st Road, Tainan Science Park, Tainan City 744 2. 6 Gongye East 6th Road, Hsinchu Science Park, Hsinchu City 300 3. 2nd Floor, 12 Hangqin North Road, Dayuan District, Taoyuan City 337 4. 3rd Floor, 1 Zhongshan 4th Road, Xiaogang District, Kaohsiung City 812
Report Phone Number	886-6-511-3511
Report Mailbox	personnel@spl.com.tw

2.6 Financial Risks due to Climate Change

Due to the extreme climate caused by global warming, as well as the rising awareness of environmental protection, energy conservation, safety, health and conservation in recent years, the Company must fulfill its corporate social responsibilities in order to gain a foothold in the industry. To cope with the impact of climate change, the Company holds irregular internal meetings to discuss how to respond to climate change risks and opportunity assessments. Based on the assessment results, the Company will implement them with the hope of reducing energy consumption and carbon emissions and improving carbon reduction management performance in order to implement the goal of sustainable development of the enterprise.

Governing Units	<p>Climate change affects product development and corporate operations. We continue to pay attention to and implement various climate action goals in line with the Paris Agreement and incorporate them into sustainable development strategies.</p> <ul style="list-style-type: none"> • Board of Directors The Company's sustainable development policy is verified and approved by the Chairperson of the Board of Directors. As the Company's top person in charge of sustainability-related issues, the Chairperson's duties include verifying climate change response strategies, promoting climate action issues and target management, and regularly reporting to the Board of Directors every year. • ESG Promotion Group The management representative of the ESG Promotion Team reports to the Chairperson and is responsible for horizontal cross-department coordination and cooperation, and the implementation of sustainable strategies and climate action issues in products, operations and value chain management.
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As the threat of climate change intensifies, "Net-zero emissions by 2050" has become a common consensus in global climate action. Nearly 140 countries around the world have pledged to achieve net-zero emissions by 2050, accounting for 88% of global carbon emissions. It is clear that the world is moving toward net-zero emissions. According to the 2021 PwC Net Zero Economy Index, achieving net zero emissions by 2050 is fraught with difficulties. Only if the global decarbonization rate is increased five-fold, would it be possible to halve carbon emissions by 2030 and reach net-zero by 2050. It shows that various industries around the world must accelerate their transformation to achieve net-zero emissions.

Category	Assessment and Execution	Responsible Units
<p>Risk Categories and Strategies</p> <p>Operating Risk</p>	<ol style="list-style-type: none"> 1. System failure: <ol style="list-style-type: none"> I. Regularly and continuously test and drill the backup system. II. New customs declaration OP colleagues need to have the ability to operate the customs Web app system as a backup plan. 2. Network failure: <ol style="list-style-type: none"> I. Use a wireless network card to connect to the Internet. II. Connect to the host computer via the Internet on personal mobile phone. 3. Equipment failure: <ol style="list-style-type: none"> I. Computer: Use a backup computer. II. Printer: Use a backup printer. 4. Driving safety of customs and transport drivers: <ol style="list-style-type: none"> I. Publicize traffic accident cases at irregular meetings. 5. Inspection operations: <ol style="list-style-type: none"> I. Check the inspection equipment regularly and replace immediately if damaged. II. Education and training on cargo inspection. 6. Potential impacts of complying with net-zero emissions policies and regulations: <ol style="list-style-type: none"> I. Increased equipment replacement costs. II. Increased carbon reduction equipment cost. III. Increased renewable energy purchasing cost. 	<p>Operations Dept., Management Dept., Customs Declaration Team</p>
<p>Information Security Risk</p>	<p>The Company has implemented the ISO 27001 information security management system and regularly reviews the implementation of information security operations every year. In 2022, no information security incidents resulted in financial losses. The Company continues to strengthen information security management and establish a strategy of "solid information security & sustainable logistics services" to ensure the confidentiality, integrity and availability of data processing for customers and colleagues, by further ensuring that data processing is secure and providing security, stability and high-quality services through efficient information services.</p>	<p>Information Dept</p>

Category	Assessment and Execution	Responsible Units
<p>Risk Categories and Strategies</p> <p>Human Resources Risk</p>	<p>1. Insufficient manpower supply problem: Taiwan's declining birthrate, the retirement of the baby boomer generation from the workforce, and the rise of the gig economy have resulted in insufficient manpower supply, affecting normal labor demand.</p> <p>2. Control mechanisms:</p> <p>I. Provide competitive overall rewards and remuneration packages to increase the willingness of outstanding talents in the market to find employment, and cooperate with career development to encourage employees to obtain certificates or professional certifications.</p> <p>II. Establish diversified and open recruitment channels, actively participate in campus recruitment activities, industry-university summer work-study and internship programs, and campus career lectures to recruit talents and improve recruitment efficiency.</p> <p>III. Establish an internal recommendation system and provide rewards to colleagues who make successful recommendations.</p> <p>3. Human resources legal risks: Manage and safeguard the legitimate rights and interests of employees in accordance with labor-related laws and regulations, fundamentally protect the Company's labor rights and interests, and effectively reduce human resources legal risks.</p> <p>Control mechanisms:</p> <p>I. External lawyers with expertise in labor law are hired as legal advisors to the company to provide timely legal compliance consultation.</p> <p>II. Check whether the employee rules are in compliance with the law and whether they are implemented. When laws are revised, the Company's relevant employee rules will be updated in a timely manner.</p> <p>III. Organize internal and external trainings to continuously enhance management and supervisor awareness of labor laws.</p> <p>IV. Internal and external trainings such as on-the-job training and pre-transfer training are held from time to time to continuously improve employees' human rights and labor-related legal compliance and professional skills.</p>	<p>Human Resources Dept.</p>
<p>Compliance Risk</p>	<p>1. The Company employs permanent legal advisors to consult on domestic and foreign legal matters.</p> <p>2. The Company's ISO 45001 and ISO 27001 management systems have management mechanisms such as Safety and Health Regulations Identification and Information Security Regulations Identification, and the responsible units regularly review compliance risks.</p> <p>3. The Company's audit office regularly checks compliance with laws and regulations, and compliance work is included in the annual audit plan.</p> <p>4. The Company's legal compliance goal is to have zero illegal incidents. Each unit continues to promote the importance of legal compliance to colleagues at regular and irregular meetings or education and training courses.</p> <p>5. Established a greenhouse gas inventory as a basis for future carbon emission management: Introduced greenhouse gas inventory in 2023.</p>	<p>General Manager's Office</p>

Category	Assessment and Execution	Responsible Units
Financial Risk	<ol style="list-style-type: none"> 1. Exchange rate risk: Revenue from foreign customers accounted for 7.4% of net sales in 2022, so exchange rate changes had no significant impact on the Company. 2. Interest rate risk: Interest expenses accounted for 0.98% of net sales in 2022, so changes in interest rates had no significant impact on the Company. 3. Inflation risk: The Company's main business include warehousing, customs declaration, cargo transportation, etc., and there is no inflation risk due to inventory hoarding. 4. Vehicles are replaced with new ones every year and environmental labels are obtained to comply with environmental regulations: 1 vehicle was replaced in 2022, and 3 vehicles were expected to be replaced in 2023. All vehicles have obtained environmental labels. 	Finance Dept.
Occupational Safety and Health Risk	<ol style="list-style-type: none"> 1. Driver safety: <ol style="list-style-type: none"> I. Mental status assessment before departure (including alcohol test, etc.). II. Regular education and training at the supervision station and maintenance plant every year. III. Online GPS monitoring. IV. Vehicles are equipped with active collision avoidance systems. 2. Vehicle maintenance rate: <ol style="list-style-type: none"> I. Maintenance contracts are signed with the original manufacturers for regular maintenance and repairs. II. Drivers perform vehicle inspections before departing to ensure vehicle safety. 3. Cargo safety: <ol style="list-style-type: none"> I. Developed SOP for loading and unloading cargo, including cargo fixing. 4. Traffic accident (vehicle accident) handling: <ol style="list-style-type: none"> I. According to the emergency handling procedures, call the police and obtain the Accident Report Form. II. If there are casualties, immediately notify 119 to assist in the treatment of the injured and maintain the scene. III. Put up a warning sign behind the vehicle to prevent collisions with other vehicles. 5. Outsourced vehicle dealership management: <ol style="list-style-type: none"> I. Outsourced vehicle dealership review. II. Outsourced driver education and training. III. Outsourced audit of vehicle dealer, including the driver. 6. Respond to adverse weather (including typhoons, heavy rain, dense fog). 	Transport team
Climate Change Risk	<ol style="list-style-type: none"> 1. The severity and frequency of extreme weather, such as typhoons, floods, storms, droughts and other natural disasters, are increasing. 2. Extreme weather interrupts operations or affects work safety. 3. Extreme climate affects the stability of power supply with high frequency of electrical equipment replacement. 4. Summer temperatures are rising steadily, and existing temperature control equipment is insufficient to meet the temperature standards of customers requiring air-conditioning. 5. Sudden heavy rain destroys the waterproof structure of a building, causing water seepage in a warehouse resulting in damage to the goods. 6. Summer heat and drought affect the safety of outdoor workers. 	Transport team, Management dept., Security office

<p>Opportunity Categories and Description</p>	<ol style="list-style-type: none"> 1. Customers aim to increase their demand for outsourced services due to high investment costs in warehousing management because of climate change, thereby increasing the Company's revenue sources. 2. Improve natural disaster prevention capabilities, enhance disaster emergency response capabilities, and improve customer service quality and satisfaction. 3. Switch to more efficient electrical equipment to improve work efficiency. 4. Change official vehicles to hybrid gasoline-electric or electric vehicles to reduce fuel consumption. 5. Within two years, all paper will be recycled and reused, and paper transmission will be changed to paperless processing, such as email or system uploads, to reduce the generation of wastepaper and improve communication efficiency.
<p>Risk Management</p>	<p>In addition to risk response plans that may affect financial performance, the Company's risk management also includes risk assessment and emergency response plans for natural disasters, environmental aspects and information aspects. It also ingrains the concept of prevention into the corporate culture and eliminates as much as possible identifiable and avoidable risks and reduce possible losses from operational interruptions.</p> <p>In addition to the original system regulations and handling of the major risks faced by various business operations such as market, operation, human resource planning and financial accounting control, we also actively assess and control risk procedures and standards to take into account safety and efficiency, establishing a more cost-effective business operation model.</p> <p>As far as the environment is concerned, the Company has established and maintained its emergency response procedures in response to possible accidents or emergencies as a reference for formulating response processes and plans. The content includes the scope of the emergency response plan, organizational rights and responsibilities, and structure, initiation process, hazard identification and risk assessment, rescue plan, escape route map, safety data sheets (SDS), emergency response audit method, etc.</p> <p>Each unit will follow the above-mentioned operating procedures and related methods, and human error, natural disasters and other major emergencies are to be immediately reduced or the impact mitigated and damage such as personal injuries, property losses and production interruptions, caused by such emergencies reduced, and quickly resume normal operations.</p> <p>In order to identify and assess existing and future activities related to sustainable operations that may cause significant impacts or risks, the ESG promotion team regularly conducts organizational risk assessments, including climate change status, as a basis for policy formulation and target risk assessment. Management target measures:</p> <ol style="list-style-type: none"> 1. Understand the global economic situation, climate change and energy supply risks, formulate company development strategies and adjust operating models in advance, and actively implement relevant response actions. 2. Hold management meetings from time to time to review and adjust the organizational direction and prevent risks in advance. 3. Regularly drill the supporting measures in case of emergencies when the customs declaration system cannot be used, such as the customs Web application system and the Bureau of Science and Technology system to transmit declarations. <p>The Company promises to pay attention to global industry trends and climate change, adjust development goals and business strategies in a timely manner, and reduce potential risks.</p> <p>Risk management measures: In response to various operating risks, management meetings are held from time to time to review and adjust operating direction and prevent risks in advance.</p>

Indicators and Goals	<p>In response to the transformation opportunities arising from the challenges of climate change under the climate emergency, we hope to lead our customers towards a low-carbon green economy transformation to mitigate climate impacts. In order to concretely practice and pursue the road to sustainability, we actively promote related matters, set management strategic goals, launch various projects, and implement and evaluate effectiveness, and review performance results through external verification to implement the goal of protecting the global environment.</p> <p>Relevant carbon reduction measures are mainly as follows:</p> <ol style="list-style-type: none"> 1. Electricity consumption: Use energy-saving and environmentally friendly products in lighting equipment. Air conditioning and lighting are turned off in conference rooms when not in use. During lunch breaks, only necessary lighting is left on in offices and public areas. 2. Waste: Promote waste reduction policies, use official documents and paper, and try to print on both sides or reuse the reverse side. Photocopy paper is produced from brands with the Green Pulp mark. 3. Systematize work documents to reduce paper usage. 4. Gradually replace work tools with electric instead of diesel-powered ones. 5. Continue to adjust the proportion of self-operated and outsourced operations. 6. Vehicles are replaced with new ones every year and obtain environmental labels: One vehicle was replaced in 2022, and all vehicles have obtained environmental protection labels. 7. Drivers and vehicles are prohibited from going out in extreme weather to avoid danger and ensure the safety of customers' goods. 8. Strengthen parking lot security to prevent vehicle damage. 9. Replace old vehicles with new ones to comply with regulations. 10. Driver education training is held every year, and professionals from supervision stations and maintenance plants are hired as lecturers. Drivers' driving behavior is strengthened and fuel consumption is reduced to achieve energy conservation and carbon reduction. Driver education training was held on November 20, 2022.
Financial Impacts	<ol style="list-style-type: none"> 1. Insufficient power supply and rising electricity prices increase operating costs. 2. Basic wages, raw material prices, and waste disposal costs have skyrocketed, and operating costs have become higher. 3. The increase in customer income or prices is not as high as the operating cost expenditure, and operating profits shrink. 4. The operation process is affected and the goods are defected, resulting in property losses and revenue decline. 5. Strengthening transportation education and training and replacing old vehicles with new ones will increase operating costs. 6. Transportation disruptions caused by abnormal weather lead to revenue decline and property losses.
Carbon Pricing Basics	<p>At present, the Company has not incorporated internal carbon pricing as a planning tool. We will actively pay attention to the impact of climate change on our business and the evolution of relevant laws and regulations. A comprehensive evaluation will be conducted in the future to determine whether to incorporate internal carbon pricing into the strategy to more effectively address the challenges of climate change and fulfill our corporate social responsibilities, creating more opportunities for business growth and sustainable development.</p>
Greenhouse Gas Inventory Plans	<p>The 2022 ISO 14064-1 Greenhouse Gas Inventory has already been conducted.</p>
External Guarantees or Assurance	<p>In 2023, we made use of external consulting companies to assist in the introduction of the 2022 Annual Greenhouse Gas Inventory.</p>

Risk Management and Strategy

In order to promote and revise the internal control system, the Company effectively controls various operational risks and ensures that the design and execution of the internal control system continue to be effective.

Risk Assessment Categories and Countermeasures	
Category	Countermeasures
The impact of interest rates, exchange rate changes and inflation on the Company's profit and loss	The Company's current business scope is concentrated in the domestic market and there is no exchange risk. The main business projects are warehousing, customs declaration and truck freight. There is no inflation risk due to inventory hoarding. Only the interest expenses related to long-term borrowings will be affected by interest rate fluctuations.
Directors, supervisors or major shareholders holding more than 10% of the shares, and the impact and risks of large-scale transfer or replacement of equity	As of December 31, 2022, there were no large-scale transfers of equity among the Company's directors, supervisors or major shareholders holding more than 10% of the shares.
Working at heights requires education and training according to law	Our Company complies with the revised regulations and regulations related to the Occupational Safety and Health Act. For education and training on working at heights, we will continue to track the course opening schedule. If there is information about a course, employees will be selected for training to comply with legal requirements.



CHAPTER 3
SUSTAINABILITY
VALUE CHAIN

- 3.1 MANAGEMENT POLICY**
- 3.2 SERVICE QUALITY POLICY**
- 3.3 CUSTOMER RELATIONS AND SERVICES**
- 3.4 SUPPLY CHAIN MANAGEMENT STRATEGY**

3.1 Sustainability Value Chain

Material Topic: Information Security			
Main Motivation	The Science Park Logistics Quality Policy is Compliance with Laws, Safety, Innovation, and Customer Satisfaction. In order to ensure the normal, safe and stable operation of information system services, the overall operation of the Company's information security management system is regulated to comply with laws, regulations, competent authorities and contract requirements as well as international information security management standards. The Company has passed multiple external information security audit certifications such as ISO 27001, AEO supply chain security certification, customer and accountant information audit, etc.		
Policy & Strategy	Strengthen information security management and establish a strategy of solid information security, and sustainable logistics services to ensure the confidentiality, integrity and availability of customer and colleague data processing, while ensuring that data processing is secure and provide safe, stable and efficient information service.		
Goals and Objectives	<p>【Short term goals】 Comply with ISO 27001 standards and conduct 100% information security education and testing for employees.</p>	<p>【Medium-term goals】 In 2025, the ISO 27001:2022 revision and certification will be completed to comply with the new version of ISO 27001 specifications.</p>	<p>【Long-term goals】 Improve the information security management system and establish solid information security, sustainable logistics services, and zero information security anomaly safety guarantees.</p>
Management Evaluation Mechanism	In accordance with the ISO 27001 internal management review process, the Company conducts PDCA effectiveness assessments on information security every year.		
Performance and Adjustment	In 2022, the Company passed ISO 27001 certification, and there were no financial losses caused by security attacks throughout the year.		
Preventive or Remedial Measures	<p>The Company conducts information security management and control in accordance with ISO 27001 procedures and specifications and sets information security goals and regular reviews and confirmations. If a serious information security attack occurs, relevant countermeasures will be taken according to the severity of the incident, such as initiating manual operations or rebuilding the system. Specific measures are as follows:</p> <ol style="list-style-type: none"> 1. Prepare a budget every year to strengthen information security protection. 2. Regularly implement core system and network equipment backup drills every year to improve the continued effectiveness of operations. 3. Entrust a third-party security team to conduct vulnerability scanning projects every year and patch high or major risk vulnerabilities. 4. Regularly collect internal and external issues and concerns from interested parties every year, and conduct risk assessment operations. 5. Computer room safety management and control, monitoring of key areas and immediate notification of environmental control system detection. 6. The firewall is PaloAlto, the world's leading network security brand, and includes three important protection cores: next-generation firewall, new-generation cloud threat detection, and new-generation endpoint security control. 7. SeverFarm → , users, information personnel and wireless networks are distinguished into different network segments to avoid the spread of information security threats. 8. Use What's UP software tool to monitor host operation. 9. Collect external information security information from time to time, and regularly disseminate information to all colleagues every quarter to strengthen the concept of information security. 10. The firewall has a built-in HA mechanism to improve integrity. 11. Peplink is used to build a network LoadBalance mechanism to improve the high reliability of the company's network. 		

Material Topic: Customer Service Management	
Main Motivation	Improve customer satisfaction and loyalty. If customer service management is not carried out, customer satisfaction will not be maintained or even decline, resulting in a reduction in customer loyalty and thus affecting the company's sustainable operations.
Policy & Strategy	Focus on core values, through collaborative planning, and continue to use innovative operating models to provide complete solutions to solve all problems in the supply chain for customers.
Goals and Objectives	<p>【Short-term goals】 The company-wide customer satisfaction score remains at an average of 94 points.</p> <p>【Medium and long-term goals】</p> <ol style="list-style-type: none"> 1. The company-wide customer satisfaction rate increases to an average of 95 points. 2. Build a CRM system to conduct detailed and in-depth analysis of customer service, identify customer pain points and effectively improve them to improve customer satisfaction and create more revenue.
Management Evaluation Mechanism	In accordance with the internal management review procedures of the ISO 9001 quality management system, the Company conducts annual internal audits and holds regular management review meetings.
Performance and Adjustment	<ul style="list-style-type: none"> • We listen to customers' opinions through customer satisfaction questionnaires every year, and propose improvements, reviews, and analysis based on the deficiencies raised by customers. • In 2022, the average customer satisfaction score across the company was 94 points.
Preventive or Remedial Measures	<ul style="list-style-type: none"> • In terms of service management, in addition to providing instant feedback and face-to-face communication with customers by business and customer service personnel, the Company's official website has also established a consulting service platform (www.spl.com.tw/contact.php), hoping to maintain flexible and good communication with customers. pipeline. • Data acquisition, computer system operation and usage rights management are all in compliance with international standards, and passed the ISO 27001 information security management verification in 2022. • Improve areas where customer satisfaction is low and regularly care for customers.

Material Topic: Customer Health and Safety	
Main Motivation	Management should be carried out in accordance with relevant laws and regulations of the Occupational Safety and Health Act. If management is not implemented, the Company may face penalties under relevant laws and regulations in the future. The Company regularly implements labor working environment testing and supervision, handles industrial safety and health-related business in accordance with company regulations, prevents occupational disasters, and guides relevant units to implement relevant plans to reduce hazard risks. Responsible customer health and safety management can reduce the Company's cost risks and establish a healthy and safe working environment, improving its competitiveness on sustainability issues.
Policy & Strategy	<ol style="list-style-type: none"> 1. Continuously conduct hazard identification, risk assessment and control, and operate in accordance with PDCA to eliminate hazards and protect the health and safety of customers entering the facilities. 2. Establish internal and external consultation and communication channels and communicate our safety and health policies to stakeholders. 3. Implement safety education and training on hazards entering the facilities and improve customer awareness of safety and hygiene to prevent accidents and disasters.
Goals and Objectives	<p>【Short-term goals】</p> <p>Ensure that all chemicals used in the facilities have accurate and timely safety data sheets to protect the health and safety of customers entering the premises. If any omissions or deficiencies are discovered, corrective measures will be taken immediately to avoid customer safety risks. The placement rate of chemical safety data sheets in the facilities is 100%.</p> <p>【Medium and long-term goals】</p> <ol style="list-style-type: none"> 1. Ensure that no occupational disaster occurs to customers in the Company's facilities and protect the health and safety of customers. If an occupational accident occurs, immediate improvements will be made to the cause and accident investigation and analysis will be conducted to reduce customers' health and safety risks in the facilities. The incidence rate of occupational accidents among customers in the facilities was 0%. 2. Regularly evaluate the improvement rate of customer safety audit deficiencies, ensure that all customer safety audit deficiencies are promptly and effectively improved to enhance customers' awareness and prevention capabilities of safety and health. If any deficiencies in the improvement rate are found, remedial measures will be actively taken to continuously enhance customers' knowledge and awareness of safety and hygiene. The improvement rate of customer safety audit deficiencies was 100%.
Management Evaluation Mechanism	<ol style="list-style-type: none"> 1. Whether all chemicals that are placed on the floors comply with the safety data sheets within the deadline. 2. Statistics based on the number of reports of occupational accidents occurring in the factory by customers each year. 3. Make improvements every year based on customer safety audit deficiency reports.
Performance and Adjustment	<ol style="list-style-type: none"> 1. The placement rate of chemicals in the facilities that meet the safety data sheet within the deadline reached 100% for the year. 2. Customers had no occupational accidents in our facilities, with an incidence rate of 0%. 3. The improvement rate of customer safety audit deficiencies reached 100% this year.
Preventive or Remedial Measures	<ol style="list-style-type: none"> 1. Regular monthly on-site inspections ensure the placement of chemical safety data sheets within the deadline. 2. The facility areas are marked with information on hazards in the working environment and the contractor's construction entry application confirmation and safety promotion.

3.2 Service Quality Policy

If a customer wants to store chemicals into our Company's warehouse, the Company will ask the customer for a Chinese-language Safety Data Sheet before purchasing the goods for the security room to conduct hazard identification. The security room will determine the appropriate level based on the hazard level in the safety data sheet. Protective gear is provided for on-site workers to use in emergency response in case of leakage. If the chemicals are public dangerous goods, they will apply for approval documents from the competent authority and then store them in the Company's public dangerous goods warehouse.

In order to more effectively reduce the operating risks of on-site personnel and maintain the safety and health of workers, the Company has also specially added high-unit price equipment such as gas detectors and difluoride. In terms of transportation, dangerous goods will be applied to the supervision unit before carrying them. The vehicles must have the right of way and be carried by a driver who has obtained a road dangerous goods transport license, and the vehicle must have hazard signs placed in accordance with regulations.

In 2022, the Company had no disciplinary incidents that violated laws and regulations related to health and safety of products and services, and no disciplinary incidents that violated laws and regulations related to marketing communications (including advertising, promotions and sponsorships).

In order to implement social responsibilities, our Company also obtained ISO 9001:2015, ISO 45001:2018, ISO 27001:2013, and AEO through third-party verification. The relevant information is as follows:

Statistics on Product or Service Categories that have Obtained Safety Certification		
Product or Service Category	Safety Regulations	Proportion of Products or Services Evaluated by Customers
Transportation / Warehousing	ISO 9001	100%
Transportation / Warehousing	ISO 45001	100%
Transportation / Warehousing	ISO 27001	100%
Transportation / Warehousing	AEO	100%

Note: Percentage = (total amount of products or services provided to customers that have been evaluated/total amount of products or services provided to customers) * 100%



ISO 9001 : 2015



ISO 45001 : 2018



ISO 27001 : 2013



Hsinchu Science Park AEO



South Taiwan Science Park AEO

Logistics Safety Management

In order to improve supply chain security and global logistics capabilities, the Company uses innovative operating models to provide complete customer services, thereby enhancing the overall value of the enterprise. Therefore, the Company ensures logistics safety through the operation of safety management, taking into account trade facilitation, and jointly establishes logistics supply chain security protection with business partners in the supply chain cooperation relationship.

Science Park Logistics will adhere to the following four commitments:

1. Comply with safety regulations and requirements: Comply with the safety regulations and other requirements applicable to our Company and strive to comply with international safety standards.
2. Implement risk assessment and safety management: Through security threat identification, risk assessment and management processes, appropriate countermeasures and control methods are adopted to improve supply chain security management.
3. Strengthen education, training and safety awareness: Implement safety education and promotion to enhance all employees' safety awareness and adaptability, and encourage all employees to participate in the implementation of the safety management system.
4. Continuous management review and performance improvement: Implement and review the safety management system and make continuous improvements to ensure the applicability and effectiveness of the system.

Complete Operational Planning

Global competition prompts companies to face this issue with new thinking. Supply chain performance and global logistics capabilities have suddenly become a decisive weapon for companies to win. Science Park Logistics has planned a comprehensive logistics system based on this thinking. We focus on core values, through collaborative planning, and for process improvement, introduction of advanced equipment, and operational informatization. Only by continuing to provide complete solutions with an innovation and service operating model can we provide customers with more services, increase customer intimacy and company revenue, and enhance the Company's competitiveness.

Therefore, the Company has successively introduced the rapid distribution and transportation matching platform, as well as the revision of service systems such as education and training platforms and warehouse management systems. In order to ensure the confidentiality, integrity and availability of the Company's operational service projects and improve service quality, international management systems such as ISO 9001, ISO 45001, ISO 27001 and AEO have been introduced.

3.3 Customer Relations and Services

Customer Privacy Protection • Information Security Policy

In order to implement the safe maintenance and management of personal data, our Company has specially incorporated the Personal Data Protection Act promulgated by the Executive Yuan, Key Points for the Implementation of Personal Data Protection Liaison Operations by the Executive Yuan and Affiliated Agencies and other laws and regulations related to personal data protection. For the personal data file security maintenance plan, we also established a Personal Data Protection Implementation Team to implement relevant matters to protect customer privacy and data security. In 2022, the Company had no incidents of infringement or loss of customer information.

Actions to Protect Customer Privacy and Data

If our Company's customers or manufacturers apply for an application system account and password due to business needs, they must fill in the Data Inquiry Service Application Form. The issued connection user account and password must be properly stored and kept confidential.

When customer information files are transmitted via FTP or a third-party platform, the customer IP application binding operation will be performed.

If the customer forgets their password, they can apply through the website, and the password will be re-issued through mailbox authentication. If assistance is required, the customer will notify the business unit. The Company's maintenance and operation systems are all placed on the Company's intranet and protected by a firewall. A customer inquiry website is provided, and the information is pushed from the Science Park terminal to the external database, avoiding opening external to internal access ports.

Customer accounts of web services will undergo an inventory of inactive accounts every six months. No login activities will be regarded as inactive accounts. If necessary, the business unit will fill out the Information Service Form to apply for unfreezing.

The Company regularly holds information security publicity and education training every year.

- **Information security management structure**

Identify and evaluate the Company's internal and external environmental issues, stakeholder needs and expectations, and information asset inventory results to grasp improvement opportunities and reduce risks. For the risk assessment project, identify potential or past risks on the topic, assess possible risks to confidentiality, integrity and availability, and identify the weaknesses that cause the risks. Responses to unacceptable risks are handled according to the following principles:

- (1) Risk avoidance: Eliminate sources of risk, such as changing working methods or equipment use.
- (2) Risk reduction: Control actions should be taken based on the identification results to reduce the probability of risk occurrence.
- (3) Risk diversification: Let other groups bear or share part of the risk, including contract signing, insurance, and agency structure.
- (4) Taking risks: Consider resource allocation and Company policy requirements, know the risks and threats, and decide to accept the risks.

- **Information security management plan**

The Company has fully introduced ISO/IEC 27001 standard operating specifications and verified them with the Company's logistics service-related systems to achieve the following goals:

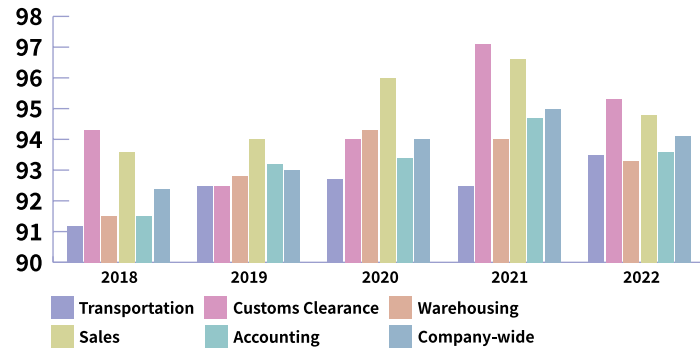
- (1) Reduce risks: Comprehensively inspect the information environment, conduct risk assessments and preventive measures, and effectively reduce corporate information security risks.
- (2) Strengthen security: In accordance with international standards, establish an information security management mechanism to improve and strengthen information security protection capabilities.
- (3) Establish standards: Plan protection and drills, incident response, post-event review and continuous improvement through the PDCA management cycle.
- (4) Improve reputation: Through information security certification and subject to third-party audits every year, customers can have peace of mind and trust.

Customer Satisfaction

We listen to customers' opinions through customer satisfaction questionnaires every year, and propose improvements, reviews, and analyzes based on the deficiencies raised by customers. The average customer satisfaction score of South Taiwan Science Park Corp. in 2022 was 94.1 points (number of questionnaires returned was 109). The average customer satisfaction score of the Hsinchu Science Park Branch was 93.7points (number of questionnaires returned was 38) with a company-wide weighted average of 94 points.

In terms of service management, in addition to providing instant feedback and face-to-face communication with customers by business and customer service personnel, the Company's official website has also established a consulting service platform in the hope of maintaining a flexible and good communication channel with customers.

• Customer satisfaction comparison chart of South Taiwan Science Park over the past five years



• Customer satisfaction comparison chart of Hsinchu Science Park over the past four years



3.4 Supply Chain Management Strategy

Procurement Ratio

The Company's main procurement items include computer software, hardware and peripheral equipment, business vehicles, warehousing equipment, air conditioning equipment, large trucks, tractor-trailers, pallets and bonded containers. During the reporting period, the Company had procurement transactions with 297 suppliers, new record. In order to support cooperation in the industrial chain of local suppliers in Taiwan, procurement targets are mainly domestic suppliers.

Supplier Procurement Ratio						
Contract Type	2020		2021		2022	
	Number of Suppliers	Proportion of this Procurement Amount to the Total Procurement Amount (%)	Number of Suppliers	Proportion of this Procurement Amount to the Total Procurement Amount (%)	Number of Suppliers	Proportion of this Procurement Amount to the Total Procurement Amount (%)
Labor Services (Contracting & Services)	87	63%	82	69%	94	74%
	0	-	0	-	0	-
Engineering (Construction & Equipment)	21	13%	21	10%	39	15%
	0	-	0	-	0	-
Other (please specify)	104	23%	94	20%	148	9%
	0	-	0	-	0	-
Other (Equipment & General Affairs)	14	1%	15	1%	16	2%
	0	-	0	-	0	-
Total	226	100%	212	100%	297	100%

Note: 100% of our company's cooperative suppliers are Taiwanese manufacturers.

Supplier Evaluation

The Company has not yet adopted environmental standards (ISO 14001 environmental management system) for evaluation. In order to select qualified suppliers, implement occupational safety and health laws, and maintain the safety of the company and the manufacturer's staff, equipment and property, the Company has formulated Supplier Management Procedures, Manufacturer Safety and Health Management Procedures and Outsourcing Operation Procedures to meet the Company's needs and stabilize service quality to achieve the goals of increasing overall efficiency and improving customer satisfaction.

The purchasing unit searches for suppliers for each business based on market conditions, logs the relevant information of the suppliers into the Supplier Information Card, and then conducts a qualification review. Manufacturers in the project contract category must comply with the relevant regulations and qualifications in the Manufacturer Safety and Health Management Procedures of ISO 45001. New suppliers will be registered as qualified suppliers after passing the New Supplier Evaluation Form evaluation. The login operation can be stored and replaced in the form of electronic files (including Supplier Information Card, Qualified Supplier List and Supplier Transaction Record Table, etc.). After passing the qualification review, the basic information will be divided by category and registered on the Qualified Supplier List.

After the procurement requirements submitted by the operating unit are approved, the purchasing staff selects suitable suppliers for quotation, price comparison and negotiation (qualified suppliers who have registered have the right to priority inquiry and negotiation), and the transaction data are logged into the supplier transactions one by one. in the record sheet. In addition, if an exception occurs in the purchase transaction acceptance, the abnormal situation will be logged in the supplier transaction record table.

In response to the needs of sustainable development that keep pace with the times, a Supplier Code of Conduct was formulated in 2023, supplier evaluation will be conducted, and corporate social responsibility was included as one of the scoring items. The Company's purchasing unit conducts supplier assessments once a year and records them in the Supplier Assessment Form. If the number of abnormal transactions occurs more than three times within a year (inclusive), the transaction will be suspended for six months (exclusive manufacturers and customer-designated manufacturers are not within this limit), and the reason for the suspension of transactions will be noted in the remarks column of the supplier's transaction record form.

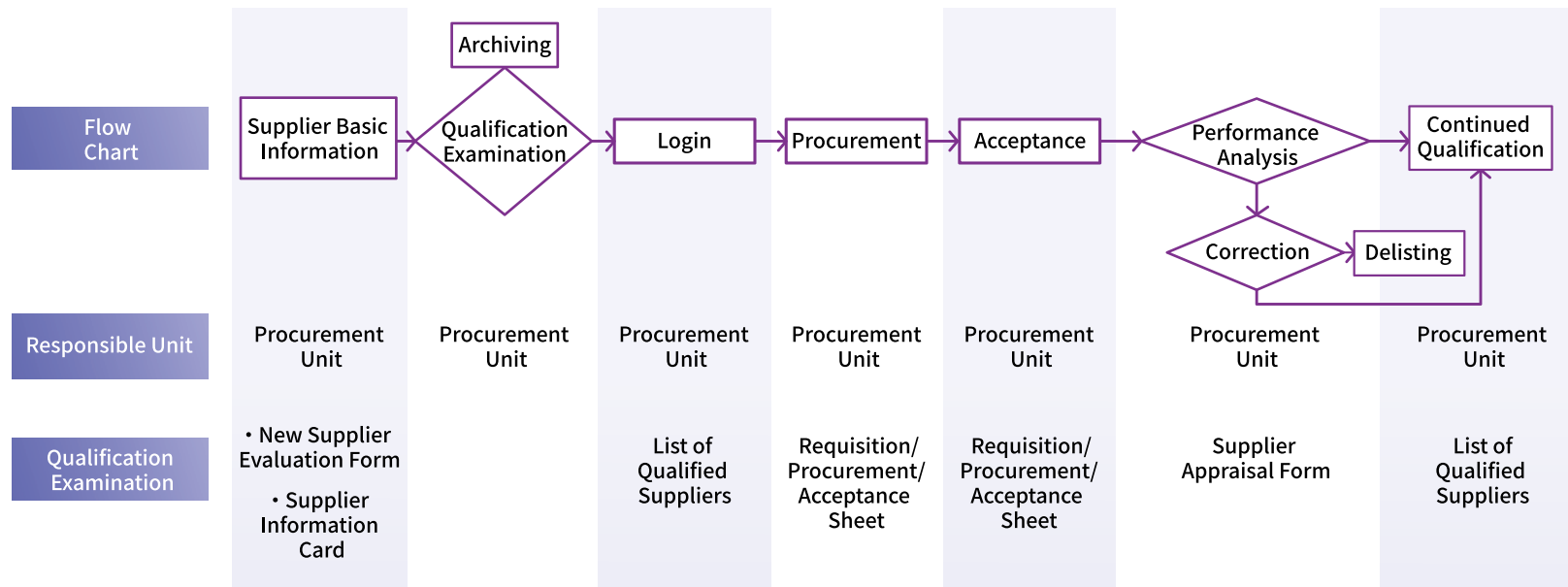


Audit Photo

Once the deadline is reached, the transaction can be resumed. If the number of transaction suspensions reaches three or more times within three years (inclusive), the company will be removed from the Qualified Supplier List. Suppliers that fall below the evaluation standards will be given one month to improve and then re-evaluated. If they cannot improve within this period, cooperation with this supplier will be terminated. However, if the unqualified supplier is in a monopoly or oligopoly market and it is difficult to find a replacement supplier within one year, the purchasing unit can submit it to the General Manager for approval and then make a special case.

A total of 143 suppliers were assessed in 2022. During the reporting period, there were no unqualified suppliers.

• Supplier Management Flow Chart





CHAPTER 4
SUSTAINABILITY
ENVIRONMENTAL
MANAGEMENT

- 4.1 MANAGEMENT POLICY**
- 4.2 ENERGY SAVING AND CARBON REDUCTION**
- 4.3 WATER RESOURCES**
- 4.4 ENVIRONMENTAL POLLUTION PREVENTION AND CONTROL**

4.1 Management Policy

Material Topic: Air Pollution	
Main Motivation	The Company is engaged in customs declaration, transportation, and warehousing business. Our customers are mainly high-tech manufacturers, and its entry and exit locations are mainly within the scope of the science park. The Science Park is committed to environmental protection, so if the air pollution problem is not solved, it may result in the inability to enter the customer's factory, resulting in the loss of customers.
Policy & Strategy	In order to effectively manage the risks of our Company's vehicle exhaust emissions and environmental regulations, we will comply with the regulations and specifications of the Air Pollution Control Act to ensure compliance with the standards of environmental regulations.
Goals and Objectives	The Company's air pollution is based on 2021 : 【Short-term goals】 Replace 20% of vehicles with Phase 6 environmentally friendly vehicles. 【Mid-term goals】 Replace 60% of vehicles with vehicles that comply with the latest environmental regulations. 【Long-term goals】 Cooperate with the development of electric trucks and make full use of electric vehicles.
Management Evaluation Mechanism	<ol style="list-style-type: none"> 1. Our Company carries out regular vehicle maintenance plans in accordance with the maintenance contract signed with the original manufacturer. 2. Smoke emission testing for all vehicles: 1 time per year. In 2022, all vehicles underwent smoke emission testing and obtain environmental protection labels. 3. Monitor driving behavior and fuel consumption analysis through GPS and real-time images.
Performance and Adjustment	<ol style="list-style-type: none"> 1. From 2022 to 2023, a budget was prepared to purchase 5 of the latest environmentally friendly vehicles, and 5 of the older ones were expected to be phased out. 2. All operated vehicles in 2022 complied with environmental regulations, and all vehicles have obtained the environmental label of passing the smoke emission test.
Preventive or Remedial Measures	<ol style="list-style-type: none"> 1. Prepare a budget every year to purchase vehicles with the latest environmental protection regulations and replace old vehicles. 2. All vehicles are required to obtain smoke emission testing and environmental protection labels every year. 3. All vehicles are returned to the original factory for maintenance. 4. All vehicles use CPC oil products. 5. Use a GPS system to monitor all vehicles for speeding, idling, etc. <p>If the exhaust gas emitted by the vehicle does not meet environmental protection regulations, a complaint can be lodged with our company.:</p> <ul style="list-style-type: none"> • Complaint hotline: STSP: 06-5051655, HSP Branch: 03-5783200.

4.2 Energy Saving and Carbon Reduction

The Company upholds the concept of corporate social responsibility, abides by relevant laws and regulations, and refers to the specifications of the Environmental Protection Agency and the Energy Bureau of the Ministry of Economic Affairs. It improves energy efficiency through purchasing energy-saving facilities and improving engineering technology and is committed to energy conservation and carbon reduction.

Energy Consumption

The energy usage of Science Park Logistics during the reporting period is as follows: The energy usage is different compared to the previous year. The main reason is that electricity has increased due to the increased demand for air-conditioned warehouses. In the future, the Company will continue to implement various energy-saving measures to achieve sustainable energy. The energy consumption used by the Company in the past three years is as follows:

Energy Usage				
Quantitative Indicators	Unit	2020	2021	2022
Electricity usage	Units / Year	6,713,758	7,584,776	8,111,964.60
	GJ	24,169.53	27,305.19	29,203.07
Gasoline usage	L / year	6,389	5,380	5,536.93
	GJ	208.52	175.58	180.82
Diesel usage	L / year	758,116	732,958	715,442.42
	GJ	26,644.44	25,760.25	25,161.48
Organization-specific Metrics	NT\$1,000 revenue	NT\$1,000 revenue	NT\$1,000 revenue	NT\$1,000 revenue
Organization-specific indicators		1,047,376	1,234,050	1,394,602
Total energy consumption	GJ	51,022.48	53,241.02	54,545.37
Energy intensity	GJ / NT\$1,000 revenue	0.0487	0.0431	0.0391

Notes:

- The calorific value of electricity is converted by 1kWh = 0.0036GJ.
- The source of the conversion coefficient is calculated using the Environmental Protection Agency's gas emission coefficient management table version 6.0.4 to calculate the calorific value of fuel. Gasoline is 7,800 kcal/L; diesel is 8,400 kcal/L; 1 kcal=4.184 KJ.

Energy-Saving Performance

Nowadays, the world attaches great importance to energy conservation, carbon reduction and environmental protection issues. Our Company is committed to improving the utilization efficiency of various resources, reducing energy consumption, and related design and energy saving measures are as follows:

Practical actions in energy conservation and carbon reduction	
Administrative improvements	1. Disposable cutlery and chopsticks are not provided for meals.
	2. Sensor lighting is used on stairs in public areas.
	3. It is recommended to turn off lights during the break time between 12:00 and 13:00 noon.
	4. Encourage carpooling when traveling for education and training outside the Company.
Service improvements	5. Provide combined vehicle services at customer-specified locations, which can reduce the energy consumption of individual vehicle dispatches by customers.
	6. Dispatch a vehicle to the nearest pick-up location specified by the customer to save fuel consumption
	7. Designate the best driving route to avoid the risk of driver detours and fuel consumption
Engineering improvements	8. All patio lights in the old building were replaced with LED lights.
	9. Purchase a new chiller and water machine to replace the old one that is 20 years old and consumes excessive electricity.
	10. The Company's trucks and trailers are gradually being replaced with vehicles below EURO4, and are gradually updated to vehicles that comply with EURO5 and EURO6 regulatory standards to reduce carbon emissions and obtain the smoke emission test qualified environmental seal issued by the Environmental Protection Bureau.
	11. Regular maintenance of vehicles and refrigeration (freezer) machines.
	12. Before driving, check whether the tire pressure is normal through the tire pressure detector, and replace the tires immediately if the tire depth is less than 2mm.
	13. GPS monitoring prevents drivers from speeding and idling.

Energy saving measures and estimated savings			
Energy saving measures	Specific actions	Estimated savings (kWh /year)	Estimated savings (MJ / year)
Replace lighting fixtures	All patio lights in the old building were replaced with LED lights	24,000	86,400
Replace ice water equipment	Purchase a new chiller and water machine to replace the old one that has been in use for 20 years and consumes excessive electricity.	24,000	86,400

Note: Each kilowatt hour=1kWh=3.6Million joules (MJ)

CHAPTER 4 SUSTAINABLE ENVIRONMENTAL MANAGEMENT

With professional technology and excellent services, our Company is committed to providing customers with energy-saving solutions and effectively managing the transportation process, thereby reducing energy consumption. Achieve energy conservation goals while promoting greener and more sustainable modes of transportation through the following:

1. Monitoring Facilities

GPS monitoring to prevent drivers from speeding and idling

Keep track of the driver's delivery location, real-time information monitoring, refrigeration temperature monitoring and driving safety alcohol testing to reduce energy consumption.

全選	分公司	車號	駕駛	時間	位置	濃度(mg/L)	顯示	下載	備註
<input type="checkbox"/>	南科	KLJ-6380	18方	2023/05/10 08:12:06	台南市新市區大業一路 【SPL總公司】附近55公尺	0.00			-
<input type="checkbox"/>	南科	KLL-6035	22莊	2023/05/10 08:07:51	台南市新市區大業一路 【SPL總公司】附近69公尺	0.00			-
<input type="checkbox"/>	南科	KLG-6803	1蔡	2023/05/10 08:02:58	台南市新市區大業一路 【SPL總公司】附近60公尺	0.00			-
<input type="checkbox"/>	南科	KLB-5172		2023/05/10 07:51:10	台南市新市區大業一路 【SPL總公司】附近67公尺	0.00			-
<input type="checkbox"/>	竹科	769-M8		2023/05/10 07:50:57	新竹市東區工業東六路 【竹料分公司】附近98公尺	0.00			-
<input type="checkbox"/>	南科	LAK-820	16陳	2023/05/10 07:47:00	台南市新市區大業一路 【SPL總公司】附近47公尺	0.00			-
<input type="checkbox"/>	南科	KLC-8207	19蕭	2023/05/10 07:38:31	台南市新市區大業一路 【SPL總公司】附近65公尺	0.00			-
<input type="checkbox"/>	南科	561-JF		2023/05/10 07:32:01	台南市新市區大業一路 【漢辰】附近120公尺	0.00			-
<input type="checkbox"/>	中正	KLJ-6191	31林	2023/05/10 07:29:08	桃園市蘆竹區中福村大興路349號	0.00			-

2. Tire Pressure Detection

Extend the service life of tires, reduce fuel consumption, avoid abnormal wear and tear of vehicle components, provide real-time notifications in the cloud system, and ensure driving safety.

日期	時間	右前 ()	右後1 ()	右後2 ()	左前 ()	左後1 ()	左後2 ()	右前溫度	右後1溫度	右後2溫度	左後溫度
2023/05/11	12:26:05	135.5	126.1	130.5	131.9	127.6	128.3	44	44	35	4
2023/05/11	12:24:58	135.5	126.1	130.5	131.9	127.6	128.3	44	44	35	4
2023/05/11	12:23:58	135.5	126.1	130.5	131.9	127.6	128.3	44	44	35	4
2023/05/11	12:22:43	135.5	NA	NA	NA	NA	NA	44	NA	NA	N
2023/05/11	12:17:56	135.5	NA	130.1	131.9	127.2	128.3	44	NA	35	4
2023/05/11	12:16:43	134.8	126.1	130.1	131.9	127.2	128.3	41	41	35	3
2023/05/11	12:15:43	134.8	126.1	130.1	131.9	127.2	128.3	41	41	35	3
2023/05/11	12:14:43	134.1	126.1	129.7	131.9	127.2	127.6	38	41	35	3
2023/05/11	12:13:43	134.1	126.1	129.7	130.8	126.8	127.6	38	41	35	3
2023/05/11	12:12:43	134.1	125.7	129.7	130.8	126.8	127.6	38	41	35	3
2023/05/11	12:11:43	133.7	125.7	129.7	130.8	126.8	127.6	38	41	35	3
2023/05/11	12:10:43	133.7	125.7	129.7	130.8	126.5	127.6	38	41	35	3
2023/05/11	12:09:43	133.7	125.4	129.4	130.8	126.5	127.2	38	38	35	3
2023/05/11	12:08:43	NA	125.4	129.4	130.8	126.5	127.2	NA	38	35	3

3. Driving Vision Assistant System

Real-time images can reduce blind spots in the turning field of large vehicles, save front, middle and rear images, control driving behavior and improve driving safety.



Greenhouse Gas Emissions

Greenhouse gas emissions are the main cause of global warming. In response to this issue and to fulfill our corporate citizen responsibilities, the Company will continue to promote greenhouse gas reduction plans in the enterprise and supply chain.

Quantitative Indicators	2020	2021	2022
Category 1: Direct greenhouse gas emissions (metric tons CO ₂ e)	1,997.50	1,929.33	2,348.28
Category 2: Indirect greenhouse gas emissions (metric tons CO ₂ e)	3,370.31	3,807.56	4,015.42
Total emissions = Scope 1 + Scope 2 (metric tons CO ₂ e)	5,367.80	5,736.89	6,363.70
Greenhouse gas emission intensity (metric tons CO ₂ e / Operating income (NT1,000))	0.0051	0.0046	0.0046

Notes :

- Category 1 refers to emissions sources that come directly from the Company owned or controlled, including stationary combustion sources, process emissions, mobile combustion sources in transportation and fugitive emission sources. The emission coefficients are based on the latest emissions from the Energy Bureau of the Ministry of Economic Affairs. Calculated based on announcement data version 6.0.4 (IPCC Sixth Assessment Report).
- Category 2 refers to emissions between energy sources, such as purchased electricity.
- Types of greenhouse gas emissions: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O).
- The purchased electricity shall refer to the electricity emission coefficient announced by the Energy Bureau of the Ministry of Economic Affairs. The electricity emission coefficient in 2020 = 0.502 kgCO₂e/kWh; the electricity emission coefficient in 2021 = 0.509 kgCO₂e/kWh; the electricity emission coefficient in 2022 = 0.495 kgCO₂e/kWh.

Air Pollution Management

During the reporting period, the Company did not emit any nitrogen oxides, sulfur oxides or other heavy atmospheric particles. There was no emission of ozone-depleting substances (ODS). The Company complied with environmental protection regulations to ensure the cleanliness and safety of the environment. We are committed to environmental protection and demonstrating excellent performance in air emissions. The Company strictly abides by relevant regulations and standards, and continuously strives to implement more environmentally friendly business strategies to ensure a clean and safe environment. This is a concrete manifestation of our care and responsibility for the environment, and it is also an effort to benefit society.

4.3 Water Resources

The Company's main water supply source is tap water, which is taken from Zengwen Reservoir and Nanhua Reservoir. We use the World Resources Institute's Water Resources Risk Assessment Tool to check whether the water resources risk at the location where we operate is low-medium risk. In 2022, annual water withdrawal compared to 2021 increase year-on-year was due to the addition of air-conditioning equipment in Buildings C and D, which has resulted in an increase in operational water consumption. The following is the Company's water consumption in the past three years:

Water Consumption			
Year	2020	2021	2022
Water Intake	16.32	22.10	23.79
(million liters)	13.06	17.69	19.03
Water Discharge (million liters)	3.27	4.42	4.76
Water Consumption (million liters)	Operating income (NT\$1,000)	Operating income (NT\$1,000)	Operating income (NT\$1,000)
Organization-specific Metric (Unit)	1,047,376	1,234,050	1,394,602
Organization-specific Indicators	0.000016	0.000018	0.000021
Notes: 1. Water consumption = water intake - water discharge. 2. Water usage intensity is calculated as: water withdrawal (million liters) / organization-specific metric			

The Company encourages colleagues to save water and install water savers on faucets to achieve water saving effect. We attach great importance to the sustainable use of water resources. Through energy-saving policies and the joint efforts of our colleagues, we are committed to cultivating the value of water conservation and avoid any wasteful behavior.

Wastewater Control

The total amount of wastewater discharged by the Company during the reporting period was 19.03 million liters. The relevant drainage testing data is as shown in the table below:

Science Park Logistics Wastewater Discharge from Operating Sites				Unit: million liters
Operation base	2020	2021	2022	
Hsinchu Science Park / South Taiwan Science Park	13.06	17.69	19.03	

Water Pollution Testing		
Water Pollution Test Category	Science Park Management Standard (ppm)	Annual Average Monitoring Value
SS	250	<2.5mg / L
COD	450	9.5mg / L
Conductivity	-	547μmho / cm
NH ₃ -N	250	2.46mg / L

4.4 Environmental Pollution Prevention and Control

Waste Management

Science Park Logistics does not use recyclable or renewable materials, nor does it recycle products and their packaging materials. During the reporting period, the Company's consumption of raw materials and non-renewable materials in recent years was as shown in the table below:

Raw Material	Unit	Renewable / Non-renewable	2022
Packaging material (Hand wrap stretch film)	Tons	Renewable	11.55

Notes :

1. Material types include: original natural resources, such as ores, iron, wood, and plastic pellets; lubricants used in machines, semi-finished components or parts; packaging materials also count.
2. Non-renewable refers to resources that cannot be replenished in the short term, such as coal, natural gas, metals, minerals, and oil. Renewable refers to resources that will grow back after being harvested.

The Company attaches great importance to sustainable operations and ecological protection. In order to comply with government regulations, prevent air pollution, and maintain the living environment and public health, the waste generated is mainly packaging materials and waste pallets, and there is no hazardous waste. Each facility entrusts legal manufacturers to process the waste of recyclable resources to facilitate the impact on the polluted environment and achieve the effect of recycling. Domestic waste is uniformly collected and transported by the Tainan Science Park Administration garbage truck, and non-recyclable waste is entrusted to qualified removalists for disposal.

Non-hazardous Waste Statistics Table		
Waste composition	Off-site	
Category	Waste Generation (tons)	Processing Method
Household waste	24.37	Incineration (excluding energy recovery)
Business waste	10.33	Incineration (excluding energy recovery)
Business waste	37.47	Other recycling operations
Scrap wood	19.87	Recycling

Notes :

1. Waste weights are in metric tons.
2. Types of recycling operations: such as reuse preparation, recycling and other recycling operations.
3. The type of recycling can be stated: such as downcycling, upcycling, composting or anaerobic digestion.
4. Other recycling operations: such as change of use or renovation.
5. Type of disposal method, such as incineration (with energy recovery), incineration (without energy recovery), landfill, and other disposal operations.
6. Other disposal operations such as dumping, open burning or deep well injection may be described.
7. "On-site" means within the physical boundaries or administrative control of the reporting organization; "off-site" means outside the physical boundaries or administrative control of the reporting organization.



CHAPTER 5
HAPPY
WORKPLACE

- 5.1 MANAGEMENT POLICY
- 5.2 TALENT RESOURCES OVERVIEW
- 5.3 EMPLOYEE CARE AND WELFARE
- 5.4 TALENT DEVELOPMENT
- 5.5 OCCUPATIONAL SAFETY AND HEALTH STRATEGY

5.1 Management Policy

Material Topic: Training and Education	
Main Motivation	Science Park Logistics focuses on professional high-tech industrial logistics services. In order to maintain its advantages in international logistics competition, talent training is the basis for the development and improvement of Science Park. In addition to focusing on training quality, it is also committed to establishing a sustainable education and training mechanism. We plan, design, implement, review, and evaluate results for training content to provide employees with the functions they need for promotion or career development and enhance their competitiveness. If the training plan is not implemented, employees will lose their ability to update professional knowledge and enhance their skills. opportunities and substitutability will also increase.
Policy & Strategy	Strengthen employee knowledge and skills, cultivate Company talent development, improve work efficiency, and continue to retain professional talents to meet the development needs of the business and market.
Goals and Objectives	<p>【Short-term goals】 The actual class opening rate is to increase by 5%.</p> <p>【Medium-term goals】 The average number of training hours per person per year to reach 24 hours.</p> <p>【Long-term goals】 The average number of training hours per person per year to reaches 28 hours.</p>
Management Evaluation Mechanism	Our Company implements PDCA effectiveness assessment in accordance with ISO 9001 human resources and training management procedures.
Performance and Adjustment	It was expected that 100 classes were to be opened in 2022, but 174 classes were actually opened, with an implementation rate of 174%, an increase of 35% from the previous year.
Preventive or Remedial Measures	<ul style="list-style-type: none"> • In order to cultivate outstanding talents and enhance the company's competitiveness, we plan talent training based on annual key goals and training needs of each department. • Handle budget preparation and execution in accordance with ISO 9001 human resources and training management procedures. The Company's training system is based on functional development and is divided into company-wide training (management, core functions) and functional training (professional) to stimulate employees' independent learning, reserve the abilities needed for the future, and regularly review personnel performance and development. • The company has multiple reporting channels. If employees encounter damage to their rights or unfair treatment, they can report to the Human Resources Department, Supervisors at all levels and they can also use the complaint hotline and the dedicated e-mail address for complaints to file a complaint: <ul style="list-style-type: none"> • Complaint contact window: Human Resources Department • Complaint hotline: 886-6-511-3511 • Dedicated email address for complaints: person@spl.com.tw

Material Topic: Occupational Safety and Health			
Main Motivation	Management should be carried out in accordance with relevant laws and regulations of the Occupational Safety and Health Law. If occupational safety and health management is not implemented, the Company may face penalties under relevant laws and regulations in the future. Our company regularly carries out labor working environment testing and supervision, handles industrial safety and health-related business in accordance with Company regulations, prevents occupational disasters, and guides relevant units to implement relevant plans to reduce employee employment risks. Responsible occupational safety and health management can reduce the Company's cost risks and establish a healthy and safe working environment, while improving competitiveness on sustainability issues.		
Policy & Strategy	<ol style="list-style-type: none"> 1. Comply with occupational safety and health regulations and other requirements and develop relevant standard operating procedures and methods. 2. All employees participate in the implementation of the safety and health management system and implement various safety and health operating standards. 3. Continue to conduct hazard identification, risk assessment and control, and operate in accordance with PDCA to eliminate hazards. 4. Establish internal and external consultation and communication channels and communicate our safety and health policies to stakeholders. 5. Implement education and training to enhance all employees' awareness of safety and hygiene and prevent accidents and disasters. 6. Implement and continuously improve the occupational safety and health management system and occupational safety and health performance to move towards sustainable development. 7. When a major accident occurs, the safety and health office immediately informs the safety and health management representative, and reports to the inspection agency within hours. When a major accident occurs, in addition to necessary first aid and rescue, the on-site conditions should be ensured not to be moved or damaged. 		
Goals and Objectives	【Short-term goals】 The number of hours of safety and health related education and training is up to 8 hours.	【Medium-term goals】 The improvement rate of security inspection deficiencies is to be 100%.	【Long-term goals】 <ol style="list-style-type: none"> 1. Continue to pass ISO 45001 certification. 2. No major occupational disasters. 3. No violation of relevant laws and regulations.
Management Evaluation Mechanism	In accordance with ISO 45001 and AEO internal management review procedures, the Company conducts effectiveness verification through a third-party verification company every year and conducts PDCA effectiveness evaluation on occupational safety and health management.		
Performance and Adjustment	<ol style="list-style-type: none"> 1. Passed ISO 45001 certification this year. 2. One major occupational disaster occurred this year. 3. No relevant laws and regulations were violated this year. 	<ol style="list-style-type: none"> 4. The improvement rate of safety and health inspection deficiencies this year is 100%. 5. The number of safety and health-related education and training hours this year reached 8 hours. 	
Preventive or Remedial Measures	<ol style="list-style-type: none"> 1. Continuous occupational safety and health education and training courses (education and training for new employees, education and training for in-service employees, and emergency response education and training). 2. The promotion of new occupational safety and health regulations and issues regulated by the Occupational Safety and Health Law shall be established and revised in accordance with relevant regulations, as well as complaint channels and dedicated lines. They shall be properly handled and responded to through the establishment of equal and convenient complaint channels. Examples: Complaint channels for sexual harassment in the workplace and complaints channels for illegal assault in the workplace. 3. In order to effectively manage occupational safety and health, our Company has obtained ISO 45001 management system certification. 4. In response to a major occupational disaster this year, the labor inspection agency has been notified in accordance with the accident investigation and management procedures and regulations, an occupational disaster accident investigation has been conducted to analyze the cause of the disaster, and a plan has been proposed for improvement. 		

Material Topic: Labor-Employment Relations	
Main Motivation	In order to move towards a sustainable and outstanding enterprise, Science Park Logistics attaches great importance to the labor-employer relationship, protects the human rights of employees, respects every colleague, and provides many job opportunities. Through a fair and equitable recruitment and selection mechanism, we create gender equality and multicultural integration, and a cross-generational friendly workplace environment.
Policy & Strategy	In accordance with the labor laws and regulations, we have formulated relevant management measures and actively abide by them. When employees report for work, we will explain in detail the Employee Work Rules, Sexual Harassment Prevention and Treatment Measures, Procedure for the Prevention of Unlawful Harassment in the Performance of Duties and sign employment contracts to protect the labor rights of employees. In accordance with the Labor Standards Act, the notice period when terminating the labor contract shall be specified.
Goals and Objectives	<p>【Short-term goals】 Gender equality education training is held every year, and the training completion rate is to be 100%.</p> <p>【Medium-term goals】 Tolerate multiculturalism, attract talents from all walks of life, provide equal employment opportunities, and maintain employment of people with disabilities and aboriginal people. The number is to be 100% in compliance with the law.</p> <p>【Long-term goals】 Maintain no major labor rights incidents that damage the goodwill of the Company and customers.</p>
Management Evaluation Mechanism	Publicly issue the Company's internal control processing guidelines, ISO 9001 and ISO 45001 internal review procedures for implementation evaluation.
Performance and Adjustment	In addition to revising various measures in accordance with labor regulations and gender equality laws to improve employee well-being, the Company adjusted salaries based on assessment results in 2022. The average salary increase is better than the market average. It also strengthens labor and employment by adjusting the frequency of employee care and work interviews with relationship and workflow improvements.
Preventive or Remedial Measures	<ol style="list-style-type: none"> 1. Set up a hotline and dedicated mailbox for complaints about workplace illegal infringements. 2. Set up a sexual harassment complaint hotline and email address. 3. In order to attract outstanding talents, Science Park recruits talents through multiple channels. Through a rigorous review process, the background and experience of the applicants are confirmed to ensure that they are the right people suitable for the job. When recruiting new personnel, priority will be given to local residents. 4. Formulated the Measures for the Prevention and Treatment of Sexual Harassment and the Procedure for the Prevention of Unlawful Infringements During the Performance of Duties to prevent any infringement. 5. Establish and improve the system and all employees sign labor contracts. 6. Regularly hold department meetings, cross-department meetings, employee job interviews, labor-management meetings, employee welfare committee meetings, and occupational safety meetings to ensure that employees' right to work and other rights and interests are protected and protected from discrimination or infringement.

5.2 Talent Resources Overview

Employee Profile

In terms of talent recruitment, we adhere to the principles of fairness, impartiality and openness, and use individuals' professional abilities, experience, moral character and job compatibility as the basis for evaluation and selection, regardless of race, appearance, gender, political stance, religious beliefs or other irrelevant factors. We systematically manage employee information and status, treat all employees equally, and are committed to promoting a harmonious and coordinated working environment to create a healthy and friendly working atmosphere. We will continue to use a professional attitude and prudent selection procedures to attract outstanding talents to the company and ensure that all employees can achieve their highest potential in a fair and equal environment.

As of the end of 2022, the Company had a total of 356 employees, including 233 males and 123 females.

Science Park Logistics Employee Data				
Region / Type		Female	Male	Total
Taiwan	Number of employees	123	233	356
	Number of full-time employees	123	231	354
	Number of temporary employees	0	2	2
	Number of full-time employees	123	233	356
	Number of part-time employees	0	0	0

Notes :

1. Official position: An individual who signs an indefinite contract.
2. Temporary: An individual who signs a fixed-term contract.
3. Full-time: Individuals who are subject to the working hours definition of the Labor Standards Act. In Taiwan, the working hours shall not exceed 8 hours per day and 40 hours per week.
4. Part-time: Excludes full-time employees.
5. This table is calculated using the headcount/full-time equivalent method.

Company Non-employee Worker Information		
Worker Type	Contractual Relationship	Total Number
Security personnel	Contracted	15
Cleaning staff	Contracted	9

In order to establish close ties with the local community and ensure stable employment of employees, we give priority to residents of Taiwan when recruiting personnel to promote the joint development of the Company and the local community. The Company's senior management is supervisors at associate level (inclusive) and above, and in 2022, we fully employed Taiwanese local residents in the recruitment of senior management, for a proportion of 100%. This situation reflects our emphasis on and support for local community talent. The distribution of employee positions in the past three years is as follows:

Company Employee Position Distribution Information					
Year			2020	2021	2022
Category / Gender		Age	Number	Number	Number
Supervisory Employees	Male	< 30	0	0	0
		30 - 50	22	21	22
		> 50	8	7	8
	Female	< 30	0	0	0
		30 - 50	6	5	6
		> 50	4	4	3
Total number of Supervisory Employees			40	37	39
Non-supervisory Employees	Male	< 30	15	19	33
		30 - 50	158	156	149
		> 50	20	17	21
	Female	< 30	18	33	45
		30 - 50	69	67	63
		> 50	6	6	6
Total number of Non-supervisory Employees			286	298	317
Total number of Full-time employees			326	335	356

Overview of New Recruitment and Departures

The Company's manpower planning and manpower needs of each unit are based on the principles of knowledge, moral character, ability, experience, and suitability for the position or job, so as to increase employee salaries and benefits and reduce the flow of talents. Compared with the previous year, the new recruitment rate in 2022 increased by 1.68%, and the turnover rate decreased by 1.53%. In addition to appropriately adjusting the human resources strategic plan, it will also expand the science park talent cultivation subsidy program, employment stations, and campus talent fairs in various ways, such as career lectures, etc., and actively recruit high-tech industry logistics talents.

Number of New Company Employees												
Year	2020				2021				2022			
gender	Male		Female		Male		Female		Male		Female	
Age \ Category	Nr.	New Entry Rate (%)	Nr.	New Entry Rate (%)	Nr.	New Entry Rate (%)	Nr.	New Entry Rate (%)	Nr.	New Entry Rate (%)	Nr.	New Entry Rate (%)
< 30	8	2.45	8	2.45	18	5.37	20	5.97	26	7.30	29	8.15
30 - 50	18	5.52	9	2.76	33	9.85	9	2.69	24	6.74	11	3.09
> 50	0	0	0	0	0	0	0	0	1	0.28	0	0
Total Number of New Entrants	43				80				91			
Total Number of Employees	326				335				356			
Total New Entry Rate (%)	13.19				23.88				25.56			
Notes :												
1. The number of new employees is the number of employees who joined the Company in the current year, and those who leave midway will not be deducted.												
2. The new recruitment rate of male (female) employees in this age group = the number of new male (female) employees in this age group that year/the total number of people in the operating base at the end of the year.												
3. Total new employee hiring rate = number of new employees in the year/total number of employees in the operating base at the end of the year.												
Number of Departed Company Employees												
Year	2020				2021				2022			
Gender	Male		Female		Male		Female		Male		Female	
Age \ Category	Nr.	Turnover Rate (%)	Nr.	Turnover Rate (%)	Nr.	Turnover Rate (%)	Nr.	Turnover Rate (%)	Nr.	Turnover Rate (%)	Nr.	Turnover Rate (%)
< 30	12	3.68	4	1.23	14	4.18	5	1.49	14	3.93	17	4.78
30 - 50	14	4.29	5	1.53	37	11.04	12	3.58	23	6.46	14	3.93
> 50	1	0.31	0	0	3	0.90	0	0	1	0.28	1	0.28
Total Number of Departures	36				71				70			
Total Number of Employees	326				335				356			
Total Turnover Rate (%)	11.04				21.19				19.66			
Notes :												
1. Departed employees are those who completed the resignation procedures in the current year.												
2. The turnover rate of male (female) employees in this age group = the number of male (female) employees in this age group who resigned in the current year / the total number of employees in the operating base at the end of the year.												
3. Total employment rate of departed employees = number of employees who resigned during the year/total number of employees at the operating base at the end of the year.												

Recruiting Diverse Talent

Taiwan is an island composed of diverse ethnic groups and has been so for a long time. Our Company inherited the spirit of Taiwan's multiculturalism, treating all ethnic groups equally and values the rights of all ethnic groups. The Company does not discriminate or differentially remunerate employees in the recruitment, selection, and employment of employees based on gender, race, nationality, age, physical or mental disability, religion, ethnicity or other factors.

In 2022, the Company did not have any discrimination incidents, and no infringement of indigenous rights has occurred. In order to ensure that the rights of indigenous people and other ethnic groups are not infringed, the company complies with relevant laws and regulations.

Number of Employees from Disadvantaged Groups				
Year		2020	2021	2022
Category / Gender	age	Number	Number	Number
Indigenous Peoples	Male	< 30	0	0
		30 - 50	2	2
		> 50	0	0
	Female	< 30	0	0
		30 - 50	1	2
		> 50	0	0
Disabled	Male	< 30	0	0
		30 - 50	1	1
		> 50	0	0
	Female	< 30	0	1
		30 - 50	0	0
		> 50	0	0

Note :
As of 2022, 2 people with disabilities were hired, and the weighted employment ratio has not reached 1% of the total number of employees. The human resource policy review shows that there are not enough people with disabilities applying, so the Company pays the difference subsidy in accordance with the law and requested the Tainan City Labor Bureau Employment Promotion Division to assist in matching qualified personnel with disabilities in the talent pool, continues to open job opportunities, and welcomes people with disabilities to apply.

Labor Laws and Regulations

In order to truly protect the rights and interests of employees at work, the Company abides by the relevant laws and regulations of the Labor Standards Act. If major operational changes occur in the future, or the employment relationship with employees is terminated, the Company will comply with the provisions of Article 11 or Article 13 of the Labor Standards Act. For those who terminate their labor contract, the notice period shall be handled in accordance with the following provisions:

1. Those who continue to work for more than 3 months but less than 1 year must be given notice 10 days in advance.
2. Those who continue to work for more than 1 year, but less than 3 years must be given notice 20 days in advance.
3. For those who continue to work for more than 3 years, notice shall be given 30 days in advance.

After receiving the notice mentioned in the preceding paragraph, workers may take leave during working hours to find another job. The number of leave hours required shall not exceed 2 working days per week, and wages shall be paid during the leave period. If the employer terminates the contract without giving notice within the period specified in Paragraph 1, the employer shall pay wages during the notice period.

5.3 Employee Care and Welfare

The salary standards for all employees of the Company are regardless of gender, race, nationality, age and other conditions. When hiring female and male employees with the same position and grade, the basic salary ratio is 1:1, and will be adjusted year by year based on work performance, expertise and skills. Salary increases and promotions based on conditions will be given accordingly.

The reason for the difference with the local basic salary ratio is that the Company takes care of grassroots employees, improves productivity, stimulates innovation and enhances human capital development. Considering the actual feedback in salary, the difference in salary ratio between male and female grass-roots employees is due to the different nature of the work. Male grass-roots employees should have government forklift operator certificates and operating skills and experience, etc., and are given corresponding bonuses.

Ratio of Starting Salary to Local Basic Salary for Male and Female Entry-level Employees	
Classification	Taiwan
The ratio of the standard salary of male junior staff to the local minimum wage	1.34
The ratio of the standard salary of female entry-level personnel to the local minimum wage	1.24
Note: The country/region where our company is located: Taiwan	

Complete Retirement System

The Company calculates and issues labor pensions in accordance with the provisions of Article 55 of the Labor Standards Act, and the old pension system accounts for 2% of salaries. The new pension system provides 6% to individual employees on a monthly basis in accordance with Article 6 of the Labor Pension Act. The Company has established employee retirement measures and complies with relevant retirement laws and systems to protect employees' retirement rights and interests so that colleagues can enjoy a secure life after retirement.

Unpaid Parental Leave Overview

The Company is committed to providing employees with a physically and mentally balanced and happy working environment. In order to allow employees to have children with peace of mind, the Company complies with the provisions of the Labor Standards Act and the Gender Equality at Work Act and implements a system of employee leave without pay for childcare, so that colleagues are able to strike a balance between work and family life. For employees who need to take care of young children under the age of 3, we will assist them in applying for childcare leave without pay and arrange for employees to return to their original unit after the leave without pay expires. We actively assist employees to reintegrate into the workplace.

Applications for Unpaid Parental Leave									
Year	2020			2021			2022		
Gender / Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Number of employees eligible to apply for parental leave A	7	4	11	10	7	17	5	3	8
Actual number of employees who applied for parental leave in the specified year B	1	3	4	2	7	9	2	2	4
Number of people to be reinstated after parental leave in specified year C	1	4	5	1	3	4	3	5	8
Actual number of employees reinstated to work after parental leave in the specified year D	1	3	4	0	0	0	2	3	5
Actual number of employees who returned to work after parental leave in the previous year E	0	2	2	1	3	4	0	0	0
Number of employees who continued to work for one year after being reinstated after parental leave in the previous year F	0	2	2	0	3	3	0	0	0
Reinstatement rate (%) for parental leave in the current year (D/C)	100	75	80	-	-	-	67	60	63
Retention rate after parental leave in the specified year % (F/E)	-	100	100	-	100	75	-	-	-

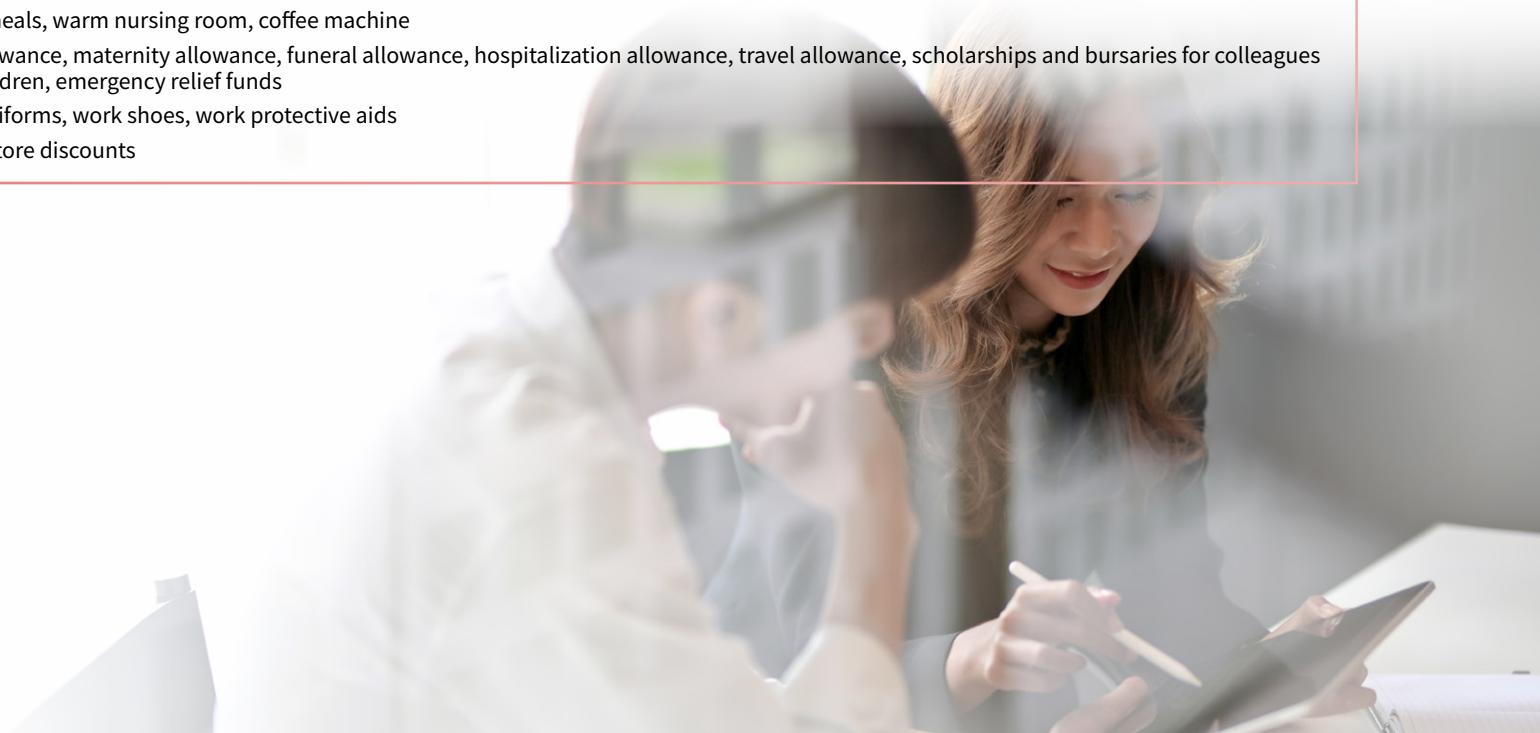
Notes :

1. The number of people who should be reinstated = the number of people who are expected to be reinstated in the current year if their jobs are suspended without pay.
2. The number of people retained in 2022 = the number of people actually reinstated in 2021 and still on the job on 2022/12/31.
3. Reinstatement rate after parental leave in the current year % = actual number of people who have been reinstated after parental leave in the current year / number of people who should be reinstated after parental leave in the current year (D/C).
4. The retention rate of parental leave in the current year % = the number of people who continued to work for one year after being reinstated from parental leave in the previous year / the actual number of people who were reinstated from parental leave in the previous year (F/E).

Employee Benefits and Allowances

Adhering to the belief of safeguarding the Company's important assets, in addition to providing a sound employee system, we also insist on providing employees with diversified and comprehensive benefits. At the same time, we increase the frequency of interaction and friendship among employees through various activities and build a happy and harmonious workplace. Employee benefits and allowances are shown in the table below.

Employee Benefits	
Salary and insurance benefits	<ul style="list-style-type: none"> • Dividends and share allotments: employee stock subscriptions • Bonus categories: year-end bonus, performance bonus, introduction bonus, Labor Day bonus, holiday bonus and birthday gift • Insurance: labor insurance, health insurance, new pension provision, employee group insurance, family preferential group insurance (self-pay) • Various study and training subsidies
Friendly and clear leave and attendance system	<ul style="list-style-type: none"> • Two days off per week, special leave (annual leave), menstrual leave, prenatal check-up leave and maternity leave, paternity check-up leave and paternity leave, family care leave, paid epidemic prevention leave that is better than the law
Employee and family care	<ul style="list-style-type: none"> • Professional nursing staff are stationed in the factory, and specialist doctors visit the factory regularly for consultation. • Better than laws and regulations, regular employee health examination every year • Domestic/overseas travel, community activities • Staff group meals, warm nursing room, coffee machine • Wedding allowance, maternity allowance, funeral allowance, hospitalization allowance, travel allowance, scholarships and bursaries for colleagues and their children, emergency relief funds • Employee uniforms, work shoes, work protective aids • Designated store discounts



Allowances and Subsidies	
Category	Subsidy Amount
Marriage allowance	Marriage, a cash subsidy of NT\$2,000 (couples who are both members can apply)
Maternity benefits	Each childbirth will receive a cash subsidy of NT\$2,000 (couples who are both members can apply)
Hospital consolation payment Four days (inclusive) or more	If a member is hospitalized for more than four days (inclusive), he or she will receive NT\$2,000 in cash per person (consolation is limited to once per year for multiple hospitalizations)
Hospital consolation payment Three days (inclusive) or less	If a member is hospitalized for less than three days (inclusive), he or she will receive NT\$1,000 in cash per person (consolation is limited to two times per year for multiple hospitalizations)
Condolence money for public injury (Including commuting)	NT\$800 per time for the member (can apply combined with hospitalization)
Bereavement allowance	Bereavement (immediate parents, minor children, spouse), NT\$5,000 in cash per person per time
Employee death	NT\$20,000 cash per person
Funeral benefit	
Birthday gift	NT\$500 annual birthday gift for each person (cash payment), effective on January 1, 2016
Spring Festival gift money	A cash gift of NT\$1,000 per person
Holiday solace payment (Labor/Dragon Boat Festival/Mid-Autumn Festival)	The consolation payment will be based on the budget and approved by the committee, and gift certificates will be issued three days before the festival.
Subsidy for cultural and recreational activities	According to the annual budget
Note: For the above welfare matters, only those who have been employed and have paid welfare funds for three months are eligible to claim the above.	



5.4 Talent Development

員工概況

The Company regards employees as important assets. In order to improve employees' functions and grow with the organization, thereby improving work efficiency and productivity, the Company regularly provides education and training, and the Human Resources Department will issue the Annual Education and Training Needs Survey in November every year to investigate the education and training needs of each unit next year.

Heads of each department can plan training courses according to their duties and actual needs through organizational analysis, job analysis and personnel analysis. If necessary, they can also use online teaching to strengthen employees' professional knowledge, skills and expertise, thereby accurately understanding the department's education and training needs and improvement of employee job performance. In order to strengthen the implementation of human rights issues, the Company implements human rights-related courses during new employee training, including courses on gender mainstreaming, sexual harassment prevention, gender equality, labor laws and labor standards laws, etc. The total number of annual human rights training is 358, the total training hours are 569.66 hours, and the statistics of education and training related data are as follows.

Education and Training									
Category / Type		Managerial Position		Non-managerial Position		Direct Employees		Indirect Employees	
Unit/Gender		Male	Female	Male	Female	Male	Female	Male	Female
Total number of people	People	81	26	185	122	234	93	32	55
Total training hours	Hours	2,835.89	611.39	5,202.63	2,136.13	7,219.2	1,645.14	819.320	1,102.38
Average training hours	Hours/Person	35.01	23.52	28.12	17.510	30.85	17.69	25.6	20.04
Training costs	NT\$	503,348	91,712	187,376	102,153	549,661	32,287	141,063	161,578

Notes :

- (Management headcount + Non-management headcount) = Total headcount at the operating base.
- (Total number of direct personnel + Total number of indirect personnel) = Total number of people in the operating base.

Talent Performance Management

Our Company encourage employees to continuously improve work efficiency and conducts regular employee performance reviews to get a comprehensive understanding of how they are performing at work and make sure they can fill in any gaps and keep up the good work. We are committed to creating an environment where employees can reach their full potential. The proportion of employees of the Company who receive performance appraisal is as follows:

Category	Managerial Position	Non-managerial Position	Direct Employees	Indirect Employees
Proportion of male employees who underwent assessment	100%	97%	98%	100%
Proportion of female employees who underwent assessment	100%	94%	94%	98%

Note: Excludes employees who have been employed for less than three months on December 31, 2022, so the assessment acceptance rate does not reach 100%.

Security Management

Security guards are all employed based on the provisions of Article 10-2 of the Security Industry Act: When security guards are employed in the security industry, they should be provided with more than one week of pre-employment professional training, and current security guards should be provided with more than four hours of on-the-job training every month. The purpose of implementing training on human rights-related policies and human rights considerations is to prevent sexual harassment, gender discrimination, or human rights violations from occurring when security personnel perform their duties. The Company conducts education and training on illegal violations in the workplace, human rights education and how to improve the quality of on-site duty services for ETUN Security, Ju Guang Security and Dayang Security. In 2022, the Company was not subject to human rights-related factory inspections by external customers.

• ETUN Security Education and Training



5.5 Occupational Safety and Health Strategy

Science Park Logistics Company is a professional logistics company. Since its establishment, we have deeply understood that employees and partners are the most important assets in the sustainable development of the company. Therefore, in various activities controlled by the Company, in addition to complying with safety and health regulations and other additional requirements, occupational health and safety should be continuously improved to avoid unsafe behaviors, environments and equipment, and to prevent occupational disasters. Ensure the safety and health of all personnel, achieve comprehensive safety and health management, and strive to create a zero-disaster working environment. Fulfill our responsibility to protect employees' occupational health and safety.

Our Company has introduced the ISO 45001 occupational safety and health management system, gradually implemented safety and health management work in accordance with PDCA and hopes to effectively prevent occupational disasters and accidents through the establishment of management procedures such as risk assessment, risk control and hazard identification. The implementation scope and applicable objects of this system cover all operating sites and all workers in each factory. The contractors and sub-participants are stipulated in the contract. The Company conducts internal and external audits regularly every year and holds ISO 45001 management review meetings to review the audit deficiencies and results to ensure that all occupational safety and health matters of Science Park Logistics Company comply with relevant regulations.

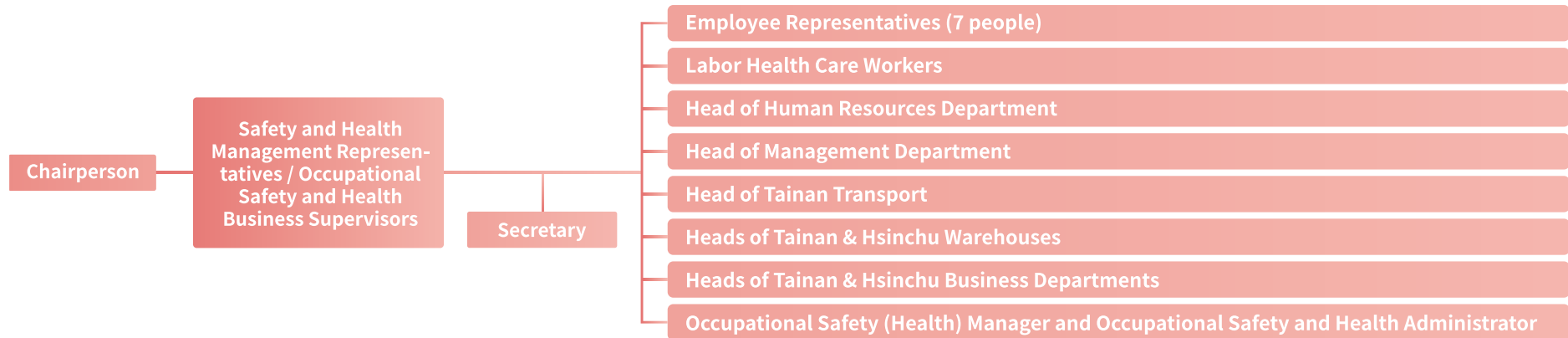
In accordance with the provisions of the Occupational Safety and Health Law, the Company has established an Occupational Safety and Health Committee, which consists of 9 labor representatives and 15 management representatives, a total of 24 members, to assist in supervising and recommending occupational health and safety-related plans. In addition, the committee meets regularly four times a year to discuss, review, coordinate and recommend occupational safety and health management promotion matters to provide employees with a more friendly and comfortable safe working environment.

The occupational safety and health management system is applicable to all 356 employees (21%) within the Company's workplace and is applicable to employees of third-party suppliers. The relevant regulations for 337 people (79%) are stipulated in the contract and attachments; after each unit conducts hazard identification and risk assessment for its operations, it will make improvements based on the risk value, and finally judge the improvement based on the quality of the performance indicators. effectiveness.

• ISO 45001 Certificate



• Safety and Health Committee Organizational Chart



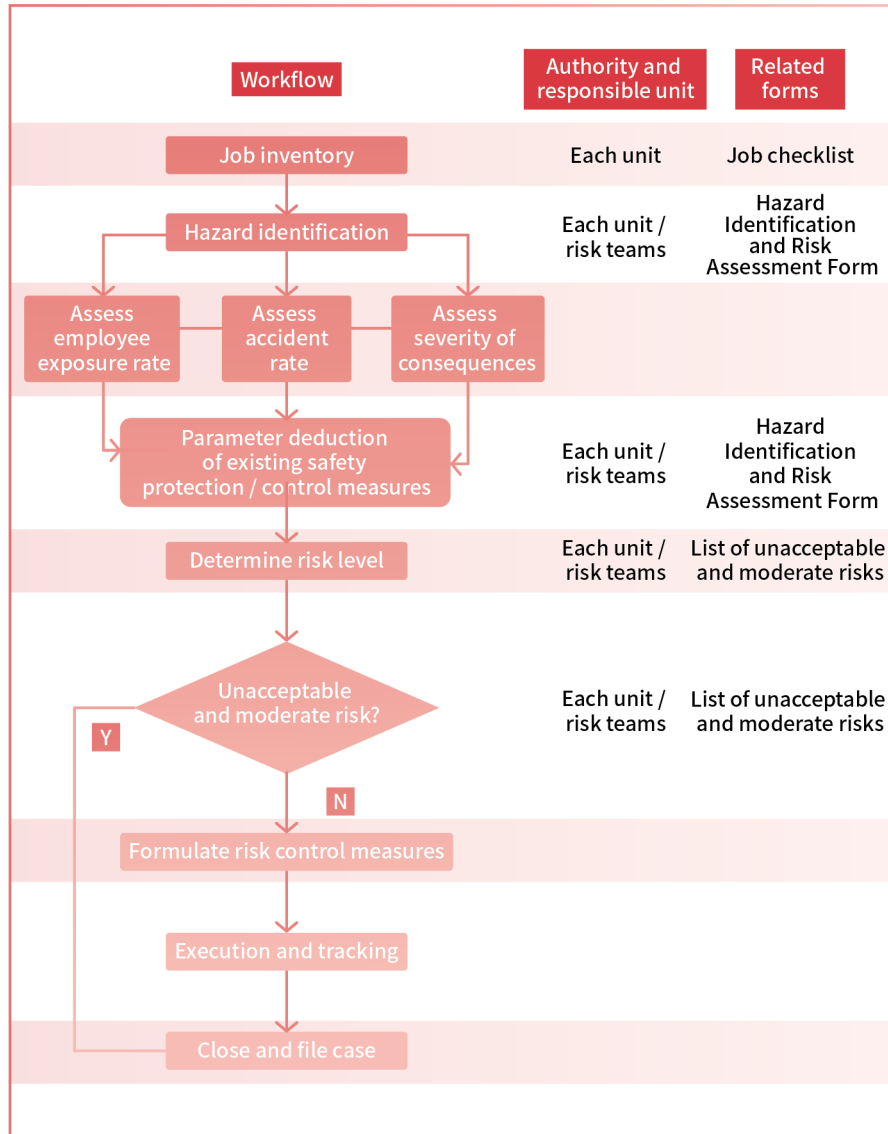
Occupational Safety Risk Prevention and Control

In order to effectively meet the safety and health management requirements, if the Company's operations or activities, services and facilities cause harm to the safety and health of personnel, thereby causing safety and health of personnel or property losses inside and outside the facilities, through continuous hazard identification, risk assessment, and taking appropriate preventive measures or implementing necessary control methods. The Company's identification and assessment results will find unacceptable medium and high-level risks, and include them in the management plan for improvement to reduce the risk level, implement risk control, and ensure the management system its effectiveness. When a major accident occurs, the safety and health office immediately informs the safety and health management representative and reports to the inspection agency within 8 hours. In addition to necessary first aid and rescue, the scene may not be disturbed or damaged. In response to a major occupational disaster this year, the labor inspection agency has been notified in accordance with the accident investigation and management procedures and regulations, an occupational disaster accident investigation has been conducted to analyze the cause of the disaster, and plans have been proposed for improvement.

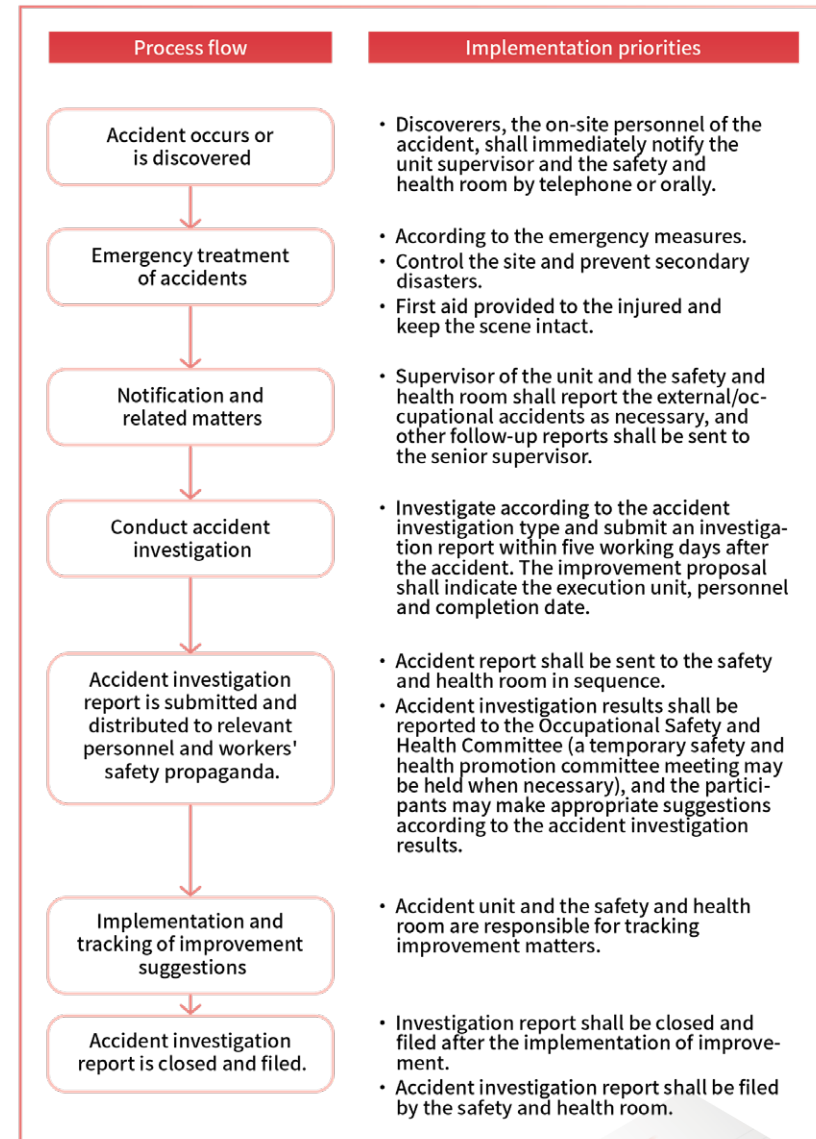
In order to establish an effective investigation and treatment system, conduct investigations into the causes and potential causes of work-related injuries, ill-health, diseases and accidents to identify errors in the safety and health management system and take effective corrective and preventive measures to avoid duplication of work-related injuries, illnesses, and accidents occur. In order to respond to possible accidents or emergencies, we established and maintain the Company's emergency response procedures as a reference for determining response procedures and plans and provide each unit with the ability to formulate response procedures, staffing, drills, and training. The basis is to prevent or mitigate the personal injuries, property losses and other impacts caused by such emergencies. Therefore, hazard identification, risk assessment and risk control planning procedures, safety and health incident handling and investigation management procedures, and emergency incident preparation and response procedures are specially formulated.

The safety and health office sets management goals in accordance with the Company's philosophy and policies, formulates execution plans, tracks and reviews management performance according to the plans, and aims at preventing occupational disasters, attaches great importance to the safety and health of each employee, and through implementation of risk assessment, hazard identification, safety and health education and promotion to improve employees' risk awareness and safety knowledge. In accordance with the law and in order to achieve the goal of zero disasters, our Company has formulated a Safety and Health Work Code and submitted it to the competent authority for review.

Safety and Health Hazard Assessment Operation Process

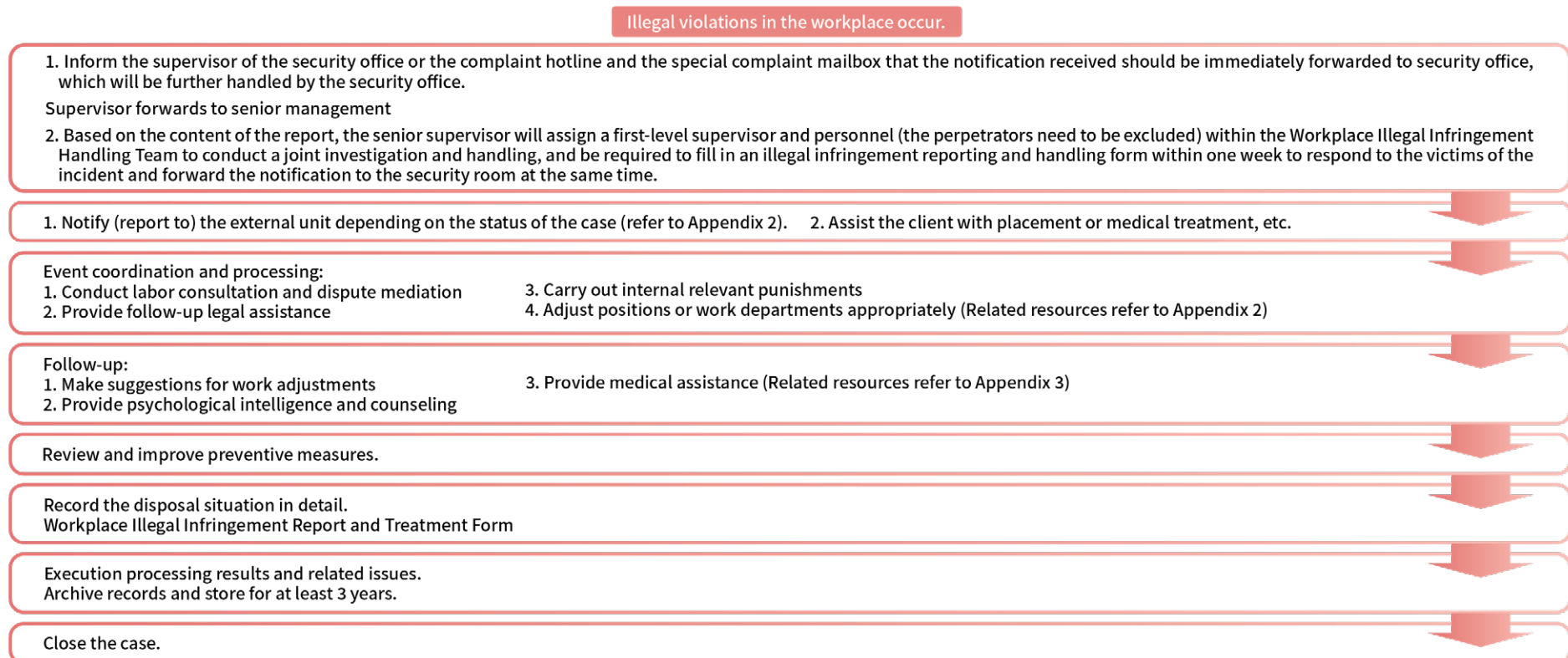


Safety and Health Accident Handling and Investigation Flowchart



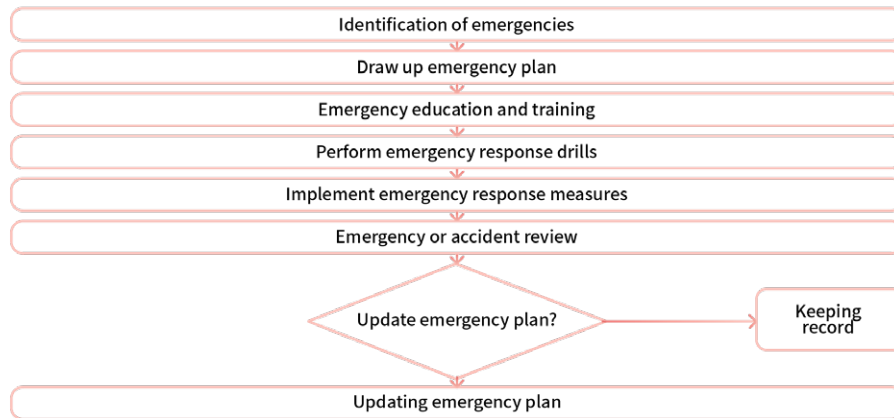
When a Company employee suffers physical or mental illegal infringement while performing their duties, they should notify the Company's security office supervisor or the complaint hotline and complaint mailbox in accordance with the handling procedures. Upon receipt of the notification, the contact person should immediately forward it to the acceptance contact (security office), which will be forwarded by the security office supervisor and submitted to the senior supervisor, Based on the content of the report, the senior supervisor will assign a first-level supervisor and personnel (the perpetrators need to be excluded) within the Workplace Illegal Infringement Handling Team to conduct a joint investigation and handling, and require a response within one week to fill in the Workplace Illegal Infringement Report and Handling Form to the victim of the incident and at the same time forward the notification to the reception window (security room). During the investigation, attention should be paid to the confidentiality of the information to ensure that all parties are treated fairly, and privacy will be respected and protected. The handling situation will be recorded in detail in the Workplace Illegal Infringement Report and Handling Form to facilitate subsequent evaluation, publicity, tracking and negotiation. In order to encourage whistleblowers to have the courage to expose illegal cases, the Company shall provide the following protection to whistleblowers: the whistleblower's identity information shall be kept confidential and information sufficient to identify him or her shall not be disclosed.

Occurrence of Workplace Illegality Violations Flowchart



Any accident or unexpected situation, no matter how serious it is, whether there is any personal injury or damage to machinery and equipment, will be dealt with immediately in accordance with the authority and responsibilities, and will be reported to the on-site supervisor immediately. Anyone who fails to report it will be punished. After receiving the report, the supervisor should immediately take necessary measures according to the situation and regulations, and then fill out the occupational accident report and investigation form and submit it to the safety and health office. If an immediate hazard occurs while performing work, employees can stop or leave on their own, and performing the above actions can protect workers from punishment.

• **Emergency Preparedness and Response Flowchart**



Health Promotion

The Company cares about the physical health of all employees, pays attention to a health and safety culture, builds an intrinsically safe working environment, promotes employees' physical and mental health, achieves work-life balance, and works with stakeholders to reduce workplace safety and health risks. We plan well-organized health examinations every year that are better than regulations, and regularly track employees' health status. Also, in addition to monitoring legal enforcement environmental monitoring data, we identify possible risks of health hazards, understand employees' health status, and provide basis for self-health management, so that prevention is better than cure, creating a safe and secure working environment. In accordance with regulations, special on-site service physicians are appointed to provide on-site services 6 times a year, and occupational health nurses are hired to perform related health services. The above applies to all colleagues in the Company.

Since our Company is a general working environment, no employees or non-employees are engaged in positions with high risks or high specific diseases. Therefore, only general health examinations are carried out for all current employees. Health examination and management are implemented for current employees, and if colleagues are found to have abnormal health check-up values, follow-up management will be carried out and health check-up statistical analysis will be made based on the health check report for reference by colleagues, and necessary individual health consultation care and guidance will be provided to enable colleagues to understand their own health conditions.

Number and Cost of Employee Health Checks Statistical Summary	
General Health Checks	
Check Items	In addition to the labor health examination items stipulated in accordance with regulations, additional examination items such as abdominal ultrasound, thyroid ultrasound, electrocardiogram, fecal occult blood test, and blood cancer index have been added.
Number of people checked	287
Check Costs (NT\$1,000)	825
Note : General employee health checks: 272 people, examination fee: NT\$600,000 Supervisor of health checks: 15 employees and check fees: NT\$225,000	

Our Company provides workers with the following services or measures related to health promotion:

Health Consulting Services	<ul style="list-style-type: none"> • The Occupational Health Nurse arranges or provides employee health consultation by appointment. Doctors provide on-site services 6 times, 3 hours each time, about 20 minutes per person. • The Occupational Health Nurse assists in collecting and evaluating employee health examination data and provides hierarchical health management, proactively provides care based on risk attributes, provides on-site services when necessary, arranges interviews with doctors and employees, and provides health guidance and care. • Physician consultation services: 124 people. • Number of doctor visits: 6 times. • Number of nursing staff health care services: 2,461 people.
Health Promotion Activities	Essential oil stress relief craft course: 22 people.
Female Employees and Maternity Protections	There is a Maternal Health Protection Plan for Female Workers, which provides a Maternal Health Hazard Assessment and Work Suitability Arrangement Form for the assessee to fill out and submit it to medical staff for assessment and appropriate work arrangements.
Abnormal Working Hours, Human Factors and Ergonomics, and Workplace Violence Protections	We have established a Workload Disease Prevention Plan and a Musculoskeletal Disease Prevention Plan to implement risk assessment and demand surveys through scales, build relevant databases for comparison, and provide appropriate treatment to at-risk workers. Education and training related to workplace violence prevention are also arranged to prevent illegal violations in the workplace.
Health Checks and Health Care	<ul style="list-style-type: none"> • We provide health examination items that are better than those prescribed by law, as well as abdominal ultrasound, thyroid ultrasound, and blood cancer index testing items so that colleagues can detect and treat them early. • Provide health management based on analysis of health examination results, and arrange on-site doctor consultation in a timely manner.
Building a Comprehensive Care Network	We liaise with external relevant resources such as the Tainan City Health Bureau, partner clinics and hospitals to provide a platform for colleagues' medical information.
Note: Applicable objects are all employees of Science Park Logistics.	

Employee Health Checks



Health Checks - Registration



Health Checks - Physiological Assessment



On-site Physician Service



Health Checks - Height and Weight Measurement



Health Checks - Blood Pressure Measurement



Essential Oil Stress Relief Lecture

Education and Training

Since accidents are mostly related to human negligence, how to train employees to avoid human negligence in their work habits is the focus of safety and health education and training. Employees of the Company should receive education and training related to occupational safety and health, the relevant statistics are shown in the table below.

Occupational Safety and Health Training Category Statistics		
Training Category	Number of Trainees	Training Costs (NT\$)
Occupational Safety and Health Managers	2	4,620
Category A Occupational Safety and Health Sales Supervisor	1	810
Category B Occupational Safety and Health Sales Supervisor	1	900
Category C Occupational Safety and Health Sales Supervisor	3	5,120
Hazardous Materials Road Transport Employees	15	46,000
Forklift Operators	38	46,480

Notes :

1. Includes both employees and non-employees whose work and/or workplace is controlled by the organization.
2. Workers who are not employees but whose work and/or workplace are controlled by the organization, such as security guards, cleaning staff, construction workers, etc. contractors and outsourcers.
3. The occupational safety and health-related education and training here include general training or training focused on specific occupational hazards and dangerous situations.

2022 Education and Training Courses			
Course Type	Course Name	Number of Trainees	Cost
External training / Internal training	General Safety and Health Education and Training	1,443	19,540
External training	Occupational Safety and Health Sales Supervisor Training	5	6,830
External training	Focus on Chemical Substances Response Specialists	5	117,500
External training / Internal training	Chemical Substances / Hazardous Materials Related Training	409	49,240
Internal training	New employee Education and Training	114	0
External training / Internal training	Fire Self-defense Safety Training	1,126	2,140
Internal training	Transportation-related Education and Training	125	13,200
External training / Internal training	Forklifts	446	46,480
Internal training	Health Lectures	2,089	8,000
Internal training	Emergency Response Training	102	0



Education and Training Course

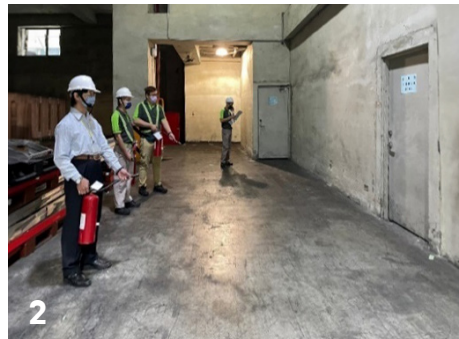
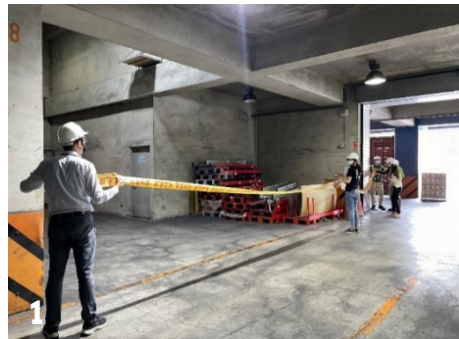


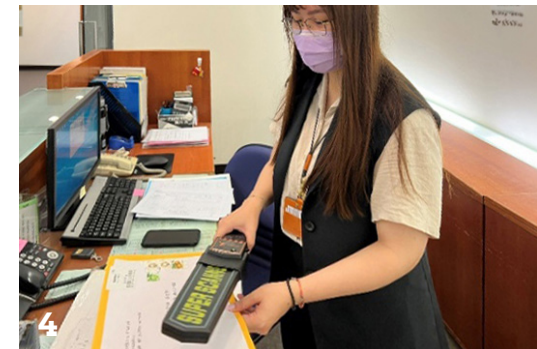


① ② ③
④ ⑤ ⑥
Chemical Spill Drill



① ② ③
Fire and safety drill, and chemical protective equipment use





① ② Disaster Prevention Drill

① Emergency Response Drill Education and Training - Response drill for suspicious persons
② Emergency Response Drill Education and Training - Unidentified Object Discovery Drill

③ Emergency Response Drill Education and Training - Receiving False Information Safety Drill
④ Emergency Response Drill Education and Training - Handling Unidentified Mail Drill

Occupational Safety and Health Management Policy

In order to establish an effective investigation and treatment system, we conduct investigations into the causes and potential causes of work-related injuries, ill health, diseases and accidents to identify errors in the safety and health management system and take effective corrective and preventive measures to avoid duplication. In the event of work-related injuries, ill-health, diseases and accidents, a safety and health accident handling and investigation management procedure is specifically formulated, which is applicable to the investigation and handling of injuries, ill-health, diseases and related accidents that occur in the Company's workplace.

When an accident occurs, it should be reported immediately, necessary immediate measures should be taken, and relevant information about the accident (parties, incident details, photos, facilities and other relevant information) should be provided for the safety and health office to carry out investigation and analysis work. The responsibility of the Occupational Safety and Health Committee is to make appropriate recommendations regarding the accident investigation results, while labor representatives conduct accident investigation, analysis and record keeping.

The Safety and Health Office investigates, reports and handles various types of injuries, ill-health, diseases and accidents, and supervises the effective implementation of corrective and preventive measures. Statistics and tracking of various accidents and providing relevant information to responsible units and the Safety and Health Management Implementation Committee. Based on accident statistics and tracking results, we require relevant responsible units to propose improvement plans and measures or invite personnel from relevant units to hold a review meeting.

In 2022, the Company's annual statistics on the number of occupational injuries were 4, and the types of occupational injuries were 2 bruises, 1 fracture, and 1 contusion. No occupational injuries occurred among non-employees. When a serious accident happens, the safety and health office has to immediately inform the safety and health management representative and reports to the inspection agency within 8 hours and ensure that the on-site conditions are not moved or damaged except for necessary first aid and rescue. In response to a major occupational disaster this year, the labor inspection agency has been notified in accordance with the accident investigation and management procedures and regulations, an occupational disaster accident investigation has been conducted to analyze the cause of the disaster, and plans have been proposed for improvement. The relevant statistics are as follows:

Occupational injuries to Employees				
Type	Category	2020	2021	2022
Total Working Hours	Total Working Hours for Females	177,511	192,260	224,864
	Total Working Hours for Males	390,579	384,884	419,608
	Total Working Hours	568,090	577,144	644,472
Number of Recordable Occupational Injuries (including number of fatalities and serious occupational injuries)	Number of Occupational Injuries for Females (instances)	2	0	0
	Number of Occupational Injuries for Males (instances)	5	4	4
	Total Number of Occupational Injuries (times)	7	4	4
Fatality Rate due to Occupational Injuries		0	0	0
Serious Occupational Injury Rate		0	0	0
Recordable Occupational Injury Rate		12.32	6.93	6.21
Notes :				
1. Death rate caused by occupational injuries = (number of fatalities caused by occupational injuries/hours worked) * 1,000,000.				
2. Serious occupational injury ratio = [Number of serious occupational injuries (excluding fatalities)/working hours]* 1,000,000.				
3. Recordable occupational injury ratio = [Number of recordable occupational injuries (including the number of fatalities and serious occupational injuries)/hours worked] * 1,000,000.				
4. A serious occupational injury refers to an occupational injury that cannot restore health within 6 months.				
5. Recordable occupational injuries do not include occupational injuries caused by commuting to and from get off work.				
6. Our Company has not had any fatal or serious occupational injuries caused by occupational injuries in the past three years.				

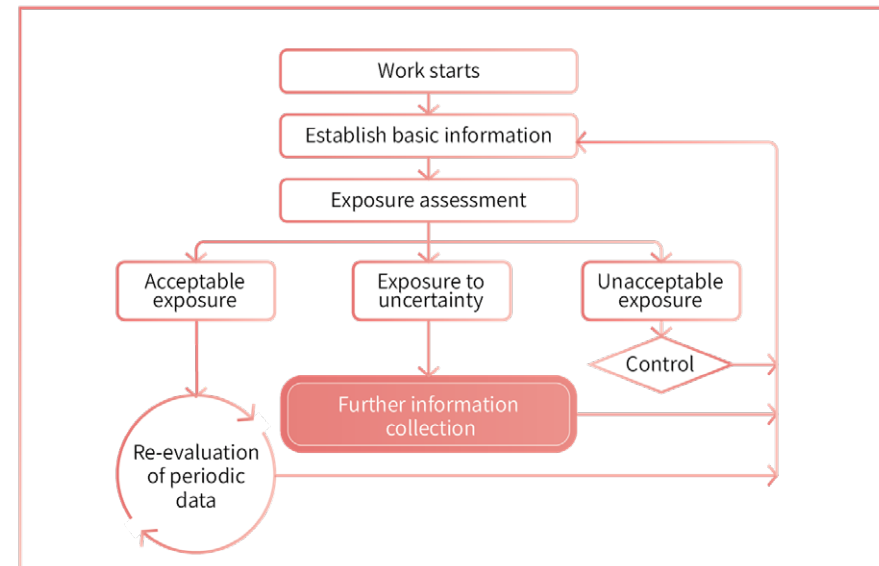
In order to protect employees from the hazards of harmful substances in the working environment, ensure that exposure conditions comply with legal standards, and provide employees with a healthy and comfortable working environment, the Company performs work related to working environment monitoring every six months in accordance with the law and formulates working environment monitoring procedures. Based on the work inventory, hazard identification and other information compiled by each unit, we can identify possible hazards in the relevant work area and environmental characteristics. Based on the preliminary review results or based on the environmental testing recommendations put forward by on-site supervisors and workers, the safety and health office plan regular or irregular environmental testing plans and the environmental testing items that should be implemented. Before planning the environmental testing plan, the safety and health office shall confirm whether there are any changes or changes in relevant regulations and standards according to the safety and health regulations identification management procedures.

In order to prevent the occurrence of occupational diseases and maintain the health of colleagues, the Company regularly conducts general health examinations and physical examinations for new employees in accordance with relevant laws and regulations to maintain and take care of the health of all employees and has formulated employee health management procedures. In accordance with the Labor Health Protection Rules, new employees are notified by the Company to go to the hospital for a general physical examination before joining the job. The inspection items refer to the inspection items stipulated in the Labor Health Protection Rules. If the inspection results in the inspection report finds that the worker is not suitable for special tasks or when a person is involved in any work that is hazardous to health, they shall not be employed to do that work. Employees must comply with the Labor Health Protection Rules. It may be implemented regularly every year depending on the Company's operating conditions.

The safety office compiles the examination results and personal health precautions into a health examination manual and distributes it to workers, and properly keeps the Company's employee health examination information. For those with abnormal results in special health examinations, review and improvement suggestions should be made in accordance with legal provisions. If it is found that the employee's health condition cannot adapt to the original

job, in addition to providing medical treatment, an on-site labor health physician should evaluate and recommend changes to work or changes. workplace, shorten working hours or take other appropriate measures. If Company employees engage in operations that are particularly hazardous to health, they should establish health management information and implement health management at different levels in accordance with laws and regulations. In 2022, there were no occupational diseases among the company's employees and non-employees.

Work Environment Monitoring Flowchart



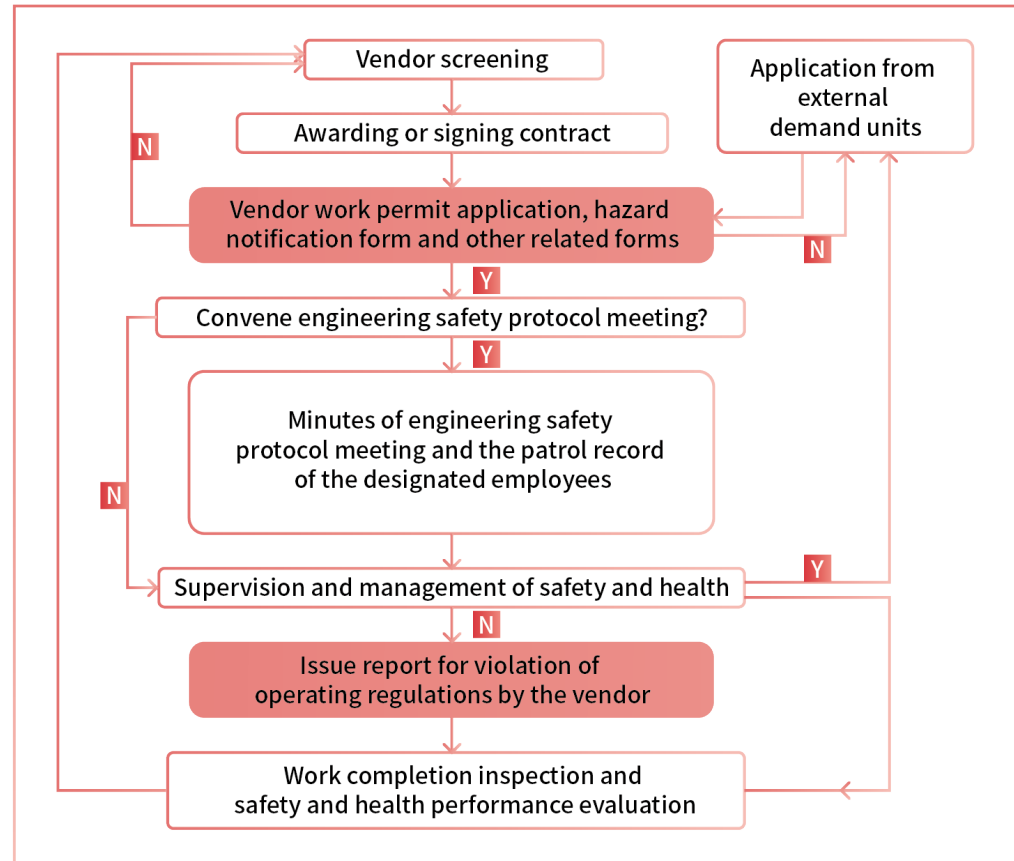
Vendor Safety

The Company requires vendors to comply with basic labor rights, corporate social responsibility, occupational safety and health management, environmental protection and other important aspects, and holds regular vendor and contractor meetings to review occupational safety and health risks once a year.

In order to implement occupational safety and health laws and maintain the safety of our Company and vendors' staff, equipment, and property, we have formulated vendor safety and health management procedures. This is applicable to the head office, branches and departments, except for business outsourcing in the following industries (printing services, software development services, insurance, tourism, health examination). It also applies to corporate customers, tenants, vendors, and construction workers etc., who enter the Company. When working in our Company facilities, vendors should abide by relevant government occupational safety and health regulations and our Company's relevant regulations. Those who have signed a project contract should also abide by the provisions of the project contract. Vendor employees should carry the temporary vendor construction badge issued by our Company at all times when entering the facilities, and wear helmets and backpack safety belts as required for safety. Relevant protective equipment must comply with national standards.

If the vendor's construction employees are not registered in the list of construction personnel in the vendor's work permit application form (this means that when the vendor's workers are added or changed, their basic information sheets have not yet been sent to the purchasing unit for reference), the workers should register and renew their badges according to normal procedures before entering the facilities. If the construction machines and protective equipment used by the vendor during operation are different from the contents of the Vendor Work Application and Hazard Notification Form originally completed, and there is a risk of seriously affecting the safety and health of on-site workers, the procurement unit, site supervisors, or safety officers, etc. may require the vendor to stop operations immediately. If there is no impact, the vendor must still correct the information in the Vendor Work Application and Hazard Notification Form.

Vendor Safety and Health Management Operation Flowchart





CHAPTER 6
SOCIAL
INCLUSION

| 6.1 SOCIAL WELFARE

6.1 Social Welfare

Because the Company's operating locations are located in science parks and industrial parks, the impact on community residents' activities is small and the operating activities comply with legal requirements. In order to reduce the impact on community residents, the company has listed the following preventive and remedial measures to reduce the impact on surrounding communities.

Potential Impact of Transportation and Warehousing Operations on the Community		
Impact Categories	Negative Impacts	Preventive & Remedial Measures
Noise pollution	Transportation and warehousing activities often involve the operation of large trucks and heavy machinery, which may produce high levels of noise pollution, causing disruption and inconvenience to the daily lives of residents near transportation routes.	All vehicles operated by our Company are equipped with silencers to reduce the negative impact on the surrounding environment and residents during transportation.
Air pollution	Transportation and warehousing activities may also produce emissions and pollutants, such as carbon dioxide, nitrogen oxides, volatile organic compounds, etc., which have a negative impact on air quality and thus harm the health of residents near transportation routes.	<ol style="list-style-type: none"> 1. All vehicles are required to obtain the environmental seal of passing the smoke emission test every year. 2. All vehicles undergo regular original factory maintenance to ensure correct operation and reduce pollutant emissions. 3. All vehicles use China Petroleum oil products.
Traffic jams	Since transportation and warehousing activities involve a large number of trucks and logistics transportation, they may cause traffic congestion and road congestion, causing inconvenience to local residents near the transportation routes.	Optimize transportation routes and schedules to reduce the use of transportation vehicles, reducing traffic congestion and disruption to communities.
Social security risks	Transportation and warehousing activities may also bring social safety risks, such as traffic accidents, transport vehicle fires, explosions, etc., posing threats and dangers to surrounding communities.	<ol style="list-style-type: none"> 1. Use the GPS system and regularly return to the original factory for maintenance. Strengthen vehicle safety monitoring to avoid accidents such as traffic accidents, fires and explosions. 2. Provide employee safety training and educate employees to comply with traffic laws and safe operating procedures, and respond quickly to emergencies to ensure the safety of employees and community residents.

CHAPTER 6
SOCIAL
INCLUSION

Science Park Logistics long-term assistance to disadvantaged children, include actively participating in public welfare activities, give back to the society and fulfill corporate social responsibilities. In 2022, the Company involvement in relevant public welfare situations of the year were as follows:

Social Welfare Activity Categories and Amounts	
Social Welfare Activity	Amount (NT\$)
Professional Golfer' s Association of Taiwan	500,000
Catholic Cardinal Shan Foundation	1,000,000
Yunlin County Yunlin Art Humanities and Ecological Care Association	300,000
Taipei Parenting Education Association	200,000

In addition, the Company also provides Industry-Academia Cooperation opportunities for students from international business, logistics and other related university departments to have on-site internships, industry learning and other opportunities at the Company, and also organizes Friendly Good Neighborhood activities to work with tenants such as the Zhongyuan Pudu, Annual Contractor Conference, etc.



Ghost Festival



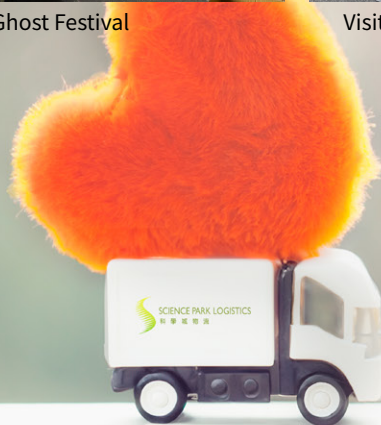
Visit to China University of Technology

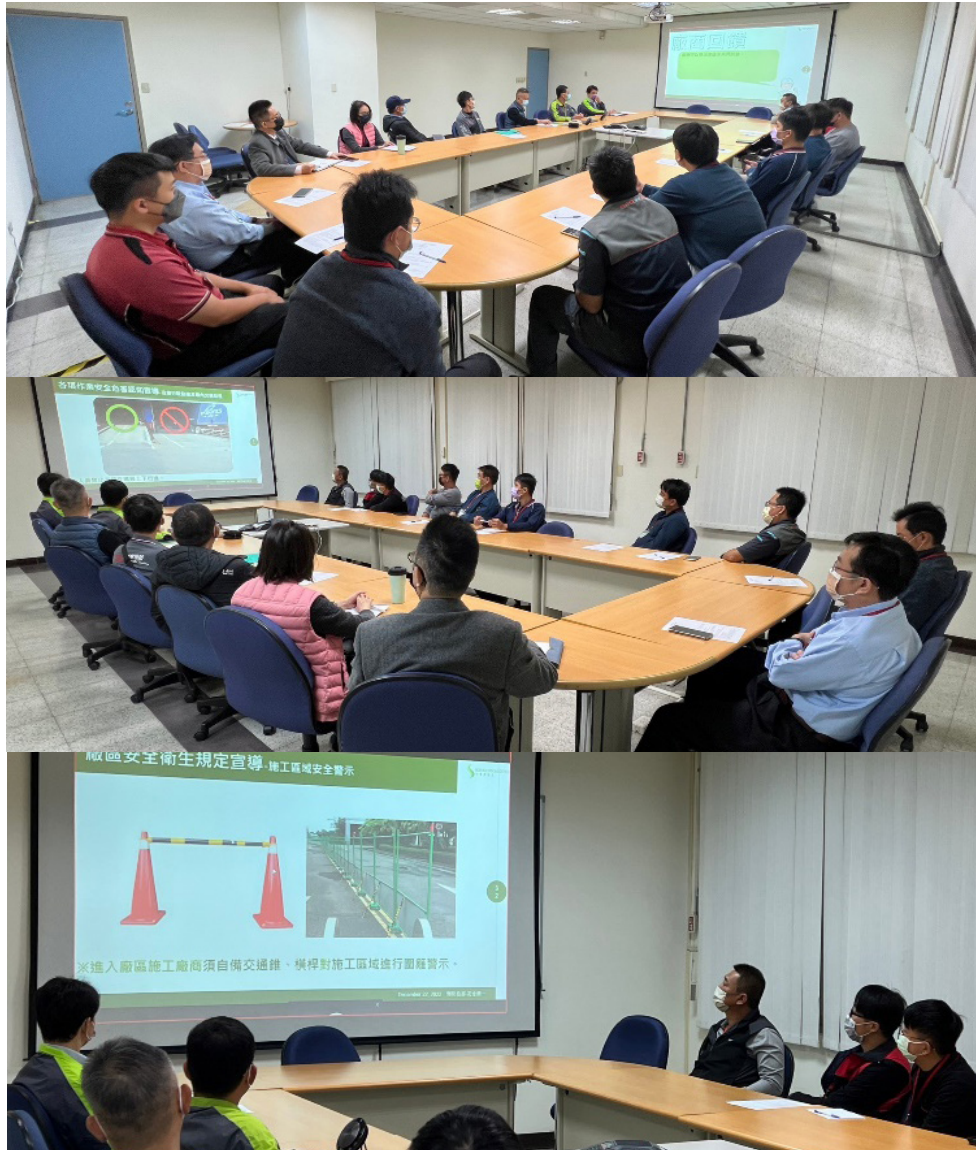


I-Shou University Student Internship at South Taiwan Science Park



National Taiwan Ocean University Student Internship

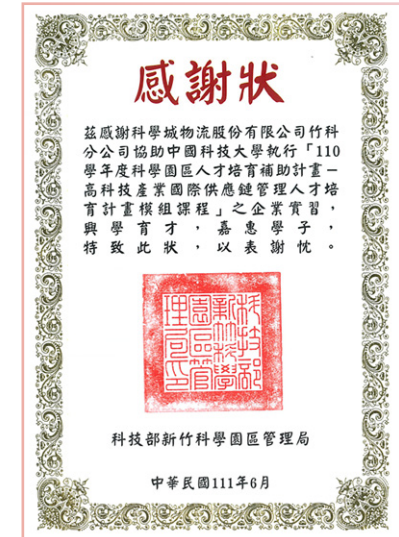




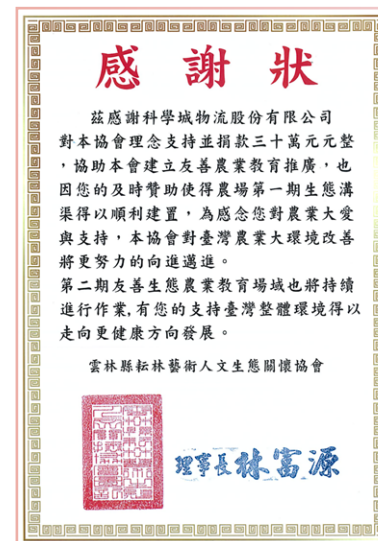
Annual Contractor Conference

The following table shows the certificates of appreciation for social welfare received by our company:

• Certificate of Appreciation for Social Welfare



Hsinchu Science Park Bureau, National Science and Technology Council



Yunlin County Yunlin Art Humanities and Ecological Care Association



Hsinchu City Government



CHAPTER 7
APPENDIX

APPENDIX I : GRI SUSTAINABILITY REPORTING STANDARDS
(GRI STANDARDS) TABLE

APPENDIX II: SUSTAINABILITY ACCOUNTING STANDARDS
BOARD, SASB INDEX

Appendix I: GRI Sustainability Reporting Standards (GRI Standards) Table

Statement of use	Science Park Logistics Co., Ltd. has reported in accordance with the GRI Standards for the period of January 1, 2022 through December 31, 2022. Data is referenced according to the GRI Content index.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Industry Guidelines	N/A

GRI Standard	GRI Code	GRI Disclosure	Corresponding Chapter	Page Nr.	Omissions & Remarks
1. The Organization and its Reporting Practices					
GRI 2: General Disclosures 2021	2-1	Organizational details	2.2 Introduction to Science Park Logistics	18	
	2-2	Entities included in the organization's sustainability reporting	About this Report	5	
	2-3	Reporting period, frequency and contact point	About this Report	5	
	2-4	Restatements of information	About this Report	5	
	2-5	External assurance / confirmation	About this Report	5	
2. Activities and Workers					
GRI 2: General Disclosures 2021	2-6	Activities, value chain and other business relationships	2.2 Introduction to Science Park Logistics	18	
	2-7	Employees	5.2 Talent Resources Overview	47	
	2-8	Workers who are not employees	5.2 Talent Resources Overview	47	
3. Governance					
GRI 2: General Disclosures 2021	2-9	Governance Structure and composition	2.3 Governance Strategy	23	
	2-10	Nomination and selection of the highest governance body	2.3 Governance Strategy	23	
	2-11	Chair of the highest governance body	2.3 Governance Strategy	23	
	2-12	Role of the highest governance body in overseeing the management of impacts	-	-	N/A
	2-13	Delegation of responsibility for managing impacts	-	-	N/A
	2-14	Role of the highest governance body in sustainability reporting	1.1 Sustainability Strategy	9	
	2-15	Conflicts of interest	2.3 Governance Strategy	23	
	2-16	Communication of critical concerns	2.3 Governance Strategy	23	
	2-17	Collective knowledge of the highest governance body	2.3 Governance Strategy	23	
	2-18	Evaluation of the performance of the highest governance body	-	-	N/A
	2-19	Remuneration policies	-	-	N/A
	2-20	Process to determine remuneration	-	-	N/A
2-21	Annual total compensation ratio	-	-	N/A	

GRI Standard	GRI Code	GRI Disclosure	Corresponding Chapter	Page Nr.	Omissions & Remarks
4. Strategy, Policies and Practices					
GRI 2: General Disclosures 2021	2-22	Statement on sustainable development strategy	A Word from the Chairperson	6	
	2-23	Policy commitments	2.3 Governance Strategy	23	
	2-24	Embedding policy commitments	2.5 Compliance with Laws and Regulations	27	
	2-25	Processes to remediate negative impacts	2.5 Compliance with Laws and Regulations	27	
	2-26	Mechanisms for seeking advice and raising concerns	2.5 Compliance with Laws and Regulations	27	
	2-27	Compliance with laws and regulations	2.5 Compliance with Laws and Regulations	27	
	2-28	Membership associations	2.2 Introduction to Science Park Logistics	18	
5. Stakeholder Engagement					
GRI 2: General Disclosures 2021	2-29	Approach to stakeholder engagement	1.2 Stakeholder Identification and Communication	9	
	2-30	Collective bargaining agreements	-	-	Company has not signed group agreement with employees
Topic-specific disclosures: 200 Series (Economic Themes)					
Market Presence					
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	5.3 Employee Care and Welfare	49	
	202-2	Proportion of senior management hired from the local community	5.2 Talent Resources Overview	47	
Indirect Economic Impacts					
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	6.1 Social Welfare	63	
	203-2	Significant indirect economic impacts	6.1 Social Welfare	63	
Procurement Practices					
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	3.4 Supply Chain Management Strategy	37	
Anti-competitive Behavior					
GRI 206 Anti-Competitive Behavior Topic Revealed 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	2.5 Compliance with Laws and Regulations	27	No anti-competitive, anti-trust, monopoly or other legal proceedings in 2022

GRI Standard	GRI Code	GRI Disclosure	Corresponding Chapter	Page Nr.	Omissions & Remarks
GRI 207: Tax 2019 Management Approach Disclosures	207-1	Approach to tax	2.4 Operating Results and Performance	26	
	207-2	Tax governance, control and risk management	2.4 Operating Results and Performance	26	
	207-3	Stakeholder engagement and management of concerns related to tax	2.4 Operating Results and Performance	26	
GRI 207 Tax Topics Revealed 2019	207-4	Country-by-country reporting	-	-	
Topic-Specific Guidelines: 300 Series (Environmental Topics)					
Materials					
GRI 301: Material 2016 Topic-specific Disclosures	301-1	Materials used by weight or volume	4.4 Environmental Pollution Prevention and Control	43	
	301-2	Recycled input materials used	-	-	Company does not recycle materials
	301-3	Reclaimed products and their packaging materials	-	-	Company does not recycle materials
Energy					
GRI 302: Energy 2016 Topic-specific Disclosures	302-1	Energy consumption within the organization	4.2 Energy Saving and Carbon Reduction	40	
	302-2	Energy consumption outside of the organization	4.2 Energy Saving and Carbon Reduction	40	
	302-3	Energy intensity	4.2 Energy Saving and Carbon Reduction	40	
	302-4	Reduction of energy consumption	4.2 Energy Saving and Carbon Reduction	40	
	302-5	Reductions in energy requirements of products and services	4.2 Energy Saving and Carbon Reduction	40	
Water and Effluents					
GRI 303: Water and Effluents 2018 (Management approach disclosures)	303-1	Interactions with water as a shared resource	4.3 Water Resources	42	
	303-2	Management of water discharge-related impacts	4.3 Water Resources	42	
GRI 303: Water and Effluents 2018 Topic-specific Disclosures	303-3	Water withdrawal	4.3 Water Resources	42	
	303-4	Water discharge	4.3 Water Resources	42	
	303-5	Water consumption	4.3 Water Resources	42	

GRI Standard	GRI Code	GRI Disclosure	Corresponding Chapter	Page Nr.	Omissions & Remarks
Biodiversity					
GRI 304: Biodiversity 2016 Topic-specific Disclosures	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	-	-	Company base is not adjacent to environmental protection zones or species-rich ecological areas
	304-2	Significant impacts of activities, products, and services on biodiversity	-	-	No violation of environmental regulations or fines in any of Company's facilities
	304-3	Habitats protected or restored	-	-	Company base is not adjacent to environmental protection zones or species-rich ecological areas
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	-	-	Company base is not adjacent to environmental protection zones or species-rich ecological areas
Emission					
GRI 305: Emissions 2016 Topic-specific Disclosures	305-1	Direct (Scope 1) GHG emissions	4.2 Energy Saving and Carbon Reduction	40	
	305-2	Energy indirect (Scope 2) GHG emissions	4.2 Energy Saving and Carbon Reduction	40	
	305-3	Other indirect (Scope 3) GHG emissions	4.2 Energy Saving and Carbon Reduction	40	
	305-4	GHG emissions intensity	4.2 Energy Saving and Carbon Reduction	40	
	305-5	Reduction of GHG emissions	4.2 Energy Saving and Carbon Reduction	40	
	305-6	Emissions of ozone-depleting substances (ODS)	4.2 Energy Saving and Carbon Reduction	40	
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	4.2 Energy Saving and Carbon Reduction	40	
Waste					
GRI 306: Waste 2020 Management-specific Disclosures	306-1	Waste generation and significant waste-related impacts	4.4 Environmental Pollution Prevention and Control	43	
	306-2	Management of significant waste-related impacts	4.4 Environmental Pollution Prevention and Control	43	
GRI 306: Waste 2020 Topic-specific Disclosures	306-3	Waste generated	4.4 Environmental Pollution Prevention and Control	43	
	306-4	Waste diverted from disposal	4.4 Environmental Pollution Prevention and Control	43	
	306-5	Waste directed to disposal	4.4 Environmental Pollution Prevention and Control	43	
GRI 306: Effluents and Waste 2016 Topic-specific Disclosures	306-3	Significant spills	-	-	Company did not receive financial assistance from the Government

GRI Standard	GRI Code	GRI Disclosure	Corresponding Chapter	Page Nr.	Omissions & Remarks
Supplier Environmental Assessment					
GRI 308: Supplier Environmental Assessment 2016 Topic-specific Disclosures	308-1	New suppliers that were screened using environmental criteria	3.4 Supply Chain Management Strategy	37	
	308-2	Negative environmental impacts in the supply chain and actions taken	3.4 Supply Chain Management Strategy	37	
Topic-Specific Guidelines: 400 Series (Social Themes)					
Labor Relations					
GRI 402: Labor Relations 2016 Topic-specific Disclosures	402-1	Minimum notice periods regarding operational changes	5.2 Talent Resources Overview	47	
Employee Diversity and Equal Opportunity					
GRI 405: Employee Diversity and Equal Opportunity 2016 Topic-specific Disclosures	405-1	Diversity of governance bodies and employees	5.2 Talent Resources Overview	47	
	405-2	Ratio of basic salary and remuneration of women to men	-	-	N/A
Non-discrimination					
GRI 406: Non-Discrimination 2016 Topic-specific Disclosures	406-1	Incidents of discrimination and corrective actions taken	2.5 Compliance with Laws and Regulations	27	
Freedom of Association and Group Consultation					
GRI 407: Freedom of Association and Group Consultation 2016 Topic-specific Disclosures	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	-	-	N/A
Child Labor					
GRI 408: Child Labor 2016 Topic-specific Disclosures	408-1	Operations and suppliers at significant risk for incidents of child labor	2.5 Compliance with Laws and Regulations	27	
Forced or Compulsory Labor					
GRI 409: Forced or Compulsory Labor 2016 Topic-specific Disclosures	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	2.5 Compliance with Laws and Regulations	27	
Security Practices					
GRI 410: Security Practices 2016 Topic-specific Disclosures	410-1	Security personnel trained in human rights policies or procedures	5.4 Talent Development	52	

GRI Standard	GRI Code	GRI Disclosure	Corresponding Chapter	Page Nr.	Omissions & Remarks
Rights of Indigenous Peoples					
GRI 411: Rights of Indigenous Peoples 2016 Topic-specific Disclosures	411-1	Incidents of violations involving rights of indigenous peoples	5.2 Talent Resources Overview	47	
Local Communities					
GRI 413: Local Communities 2016 Topic-specific Disclosures	413-1	Operations with local community engagement, impact assessments, and development programs	6.1 Social Welfare	63	
	413-2	Operations with significant actual and potential negative impacts on local communities	6.1 Social Welfare	63	
Supplier Social Assessment					
GRI 414: Supplier Social Assessment 2016 Topic-specific Disclosures	414-1	New suppliers that were screened using social criteria	3.4 Supply Chain Management Strategy	37	
	414-2	Negative social impacts in the supply chain and actions taken	3.4 Supply Chain Management Strategy	37	
Public Policy					
GRI 415: Public Policy 2016 Topic-specific Disclosures	415-1	Political contributions	-	-	
Marketing and Labeling					
GRI 417: Marketing and Labeling 2016 Topic-specific Disclosures	417-1	Requirements for product and service information and labeling	3.2 Service Quality Policy	35	
	417-2	Incidents of non-compliance concerning product and service information and labeling	3.2 Service Quality Policy	35	
	417-3	Incidents of non-compliance concerning marketing communications	3.2 Service Quality Policy	35	
Customer Privacy					
GRI 418: Customer Privacy 2016 Topic-specific Disclosures	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	3.3 Customer Relations and Services	36	

Material Topics

GRI Standard	Issue	Industry Code	GRI Code	GRI Disclosure	Corresponding Chapter	Page Nr.	Omissions & Remarks
GRI 3: Material Topics 2021	Management policy	-	3-1	Process to determine material topics	1.3 Identification of Material Topics	11	
GRI 3: Material Topics 2021	Management policy	-	3-2	List of material topics	1.3 Identification of Material Topics	11	
Material Topic: Economic Performance							
GRI 3: Material Topics 2021	Management Policy		3-3	Management of material topics	2.1 Management Policy	16	
GRI 201	Economic Performance 2016		201-1	Direct economic value generated and distributed	2.4 Operating Results and Performance	26	
			201-2	Financial implications and other risks and opportunities due to climate change	2.6 Financial Risks due to Climate Change	28	
			201-3	Defined benefit plan obligations and other retirement plans	2.3 Governance Strategy	23	
			201-4	Financial assistance received from government	-	-	Company has not received financial assistance from the Governmen
Material Topic: Anti-corruption							
GRI 3: Material Topics 2021	Management Policy		3-3	Management of material topics	2.1 Management Policy	16	
GRI 205	Anti-Corruption 2016 Topic-specific disclosures		205-1	Operations assessed for risks related to corruption	2.5 Compliance with Laws and Regulations	27	
			205-2	Communication and training about anti-corruption policies and procedures	2.5 Compliance with Laws and Regulations	27	
			205-3	Confirmed incidents of corruption and actions taken	2.5 Compliance with Laws and Regulations	27	
Material Topic: Customer Health and Safety							
GRI 3: Material Topics 2021	Management Policy		3-3	Management of material topics	3.1 Management Policy	33	
GRI 416	Customer Health and Safety 2016 Topic-specific Disclosures		416-1	Assessment of the health and safety impacts of product and service categories	3.2 Service Quality Policy	35	
			416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	3.2 Service Quality Policy	35	

GRI Standard	Issue	Industry Code	GRI Code	GRI Disclosure	Corresponding Chapter	Page Nr.	Omissions & Remarks
Material Topic: Training and Education							
GRI 3: Material Topics 2021	Management Policy		3-3	Management of material topics	5.1 Management Policy	45	
GRI 404	Training and Education Topic-specific Disclosures 2016		404-1	Average hours of training per year per employee	5.4 Talent Development	52	
			404-2	Programs for upgrading employee skills and transition assistance programs	5.4 Talent Development	52	
			404-3	Percentage of employees receiving regular performance and career development reviews	5.4 Talent Development	52	
Material Topic: Occupational Safety and Health							
GRI 3: Material Topics 2021	Management Policy		3-3	Management of material topics	5.1 Management Policy	45	
GRI 403	Occupational Safety and Health 2018 Management-specific Disclosures		403-1	Occupational health and safety management system	5.5 Occupational Safety and Health Strategy	53	
			403-2	Hazard identification, risk assessment, and incident investigation	5.5 Occupational Safety and Health Strategy	53	
			403-3	Occupational health services	5.5 Occupational Safety and Health Strategy	53	
			403-4	Worker participation, consultation, and communication on occupational health and safety	5.5 Occupational Safety and Health Strategy	53	
			403-5	Worker training on occupational health and safety	5.5 Occupational Safety and Health Strategy	53	
			403-6	Promotion of worker health	5.5 Occupational Safety and Health Strategy	53	
			403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.5 Occupational Safety and Health Strategy	53	
	Occupational Safety and Health 2018 Topic-specific Disclosures		403-8	Workers covered by an occupational health and safety management system	5.5 Occupational Safety and Health Strategy	53	
			403-9	Work-related injuries	5.5 Occupational Safety and Health Strategy	53	
			403-10	Work-related ill health	5.5 Occupational Safety and Health Strategy	53	
Material Topic: Employment Relations							
GRI 3: Material Topics 2021	Management Policy		3-3	Management of material topics	5.1 Management Policy	45	
GRI 401	Employment 2016 Topic-specific Disclosures		401-1	New employee hires and employee turnover	5.2 Talent Resources Overview	47	
			401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.3 Employee Care and Welfare	49	
			401-3	Parental leave	5.3 Employee Care and Welfare	49	

Customized Material Topics	GRI Code	GRI Disclosure	Corresponding Chapter	Page Nr.	Omissions & Remarks
*Information Security					
GRI 3 Information Security Policy	3-3	Management of material topics	3.1 Management Policy	33	
*Customer Service Management					
GRI 3 Customer Service Management Policy	3-3	Management of material topics	3.1 Management Policy	33	
*Risk Management					
GRI 3 Risk Management Policy	3-3	Management of material topics	2.1 Management Policy	16	
*Integrity Management					
GRI 3 Integrity Management Policy	3-3	Management of material topics	2.1 Management Policy	16	
*Air Pollution					
GRI 3 Air Pollution Policy	3-3	Management of material topics	4.1 Management Policy	40	

Topic	Code	Accounting Metric	Category	Chapter and Section	Page
Greenhouse	TR-RO-110a.1	Gross global Scope 1 emissions	Quantitative	4.2 Energy Saving and Carbon Reduction	40
	Gas Emissions	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	4.1 Management Policy	40
	TR-RO-110a.3	(1) Total fuel consumed, (2) percentage natural gas, (3) percentage renewable	Quantitative	4.2 Energy Saving and Carbon Reduction	40
Air Quality	TR-RO-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, and (3) particulate matter (PM10)	Quantitative	4.2 Energy Saving and Carbon Reduction	40

Appendix II: Sustainability Accounting Standards Board, SASB Index

Topic	Code	Accounting Metric	Category	Chapter and Section	Page
Driver Working Conditions	TR-RO-320a.1	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	Quantitative	5.5 Occupational Safety and Health Strategy	53
	TR-RO-320a.2	(1) Voluntary and (2) involuntary turnover rate for all employees	Quantitative	5.2 Talent Resources Overview	47
	TR-RO-320a.3	Description of approach to managing short-term and long-term driver health risks	Discussion and Analysis	2.6 Financial Risks due to Climate Change	28
Accident & Safety Management	TR-RO-540a.1	Number of road accidents and incidents	Quantitative	5.5 Occupational Safety and Health Strategy	53
	TR-RO-540a.2	Safety Measurement System BASIC percentiles for: (1) Unsafe Driving, (2) Hours-of-Service Compliance, (3) Driver Fitness, (4) Controlled Substances/Alcohol, (5) Vehicle Maintenance, and (6) Hazardous Materials Compliance	Quantitative	4.2 Energy Saving and Carbon Reduction 5.1 Management Policy 5.5 Occupational Safety and Health Strategy	40 45 53
	TR-RO-540a.3	Number and aggregate volume of spills and releases to the environment	Quantitative	4.4 Environmental Pollution Prevention and Control The company had no leakage or release of harmful substances in 2022	43

Key Performance Indicators (KPIs)	Code	Category	Measuring Unit	Correspondence of Report Content Sections	Page
Revenue per Ton-Mile (RTM)	TR-RO-000.A	Quantification	RTM	2.4 Operating Results and Performance	26
Freight Load Factor	TR-RO-000.B	Quantification	Quantity	—	-
Number of Employees, Number of Truck Drivers	TR-RO-000.C	Quantification	Quantity	5.2 Talent Resources Overview	47

