

2023

Sustainability Report



洋基工程
YANKEY ENGINEERING



Advancing Sustainability

Towards a Better Life

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2023 Yankey Engineering Sustainability Report



Chairman Yu-Chung Lai

賴有忠



Message from the Management

In 2023, the overall global environment continues to be impacted by external environmental impacts such as the Sino-US trade war, the Russia-Ukraine war, and the low-carbon transition derived from EU's carbon tariffs, resulting in a high degree of uncertainty and risk in the overall global market. Within this environment, Yankey Engineering continues to focus on our core business and adheres to the sustainable management beliefs of "integrity, professionalism, and pragmatism", improve our core competitiveness, and provide quality services, and have become a trusted partner of customers. In terms of internal management, we understand the professionalism and complexity of the engineering industry, and sufficient engineering professional and management talent is critical to the Company's development. Therefore, the Company has established a professional and high-quality team through talent recruitment and training to address operational challenges.

- ✓ For 2023, the annual consolidated net operating revenue reached NT\$15.51 billion, an increase of 11% over the NT\$13.97 billion reported in the previous year.
- ✓ The earnings per share was NT\$20.22.

In recent years, due to the impact of global climate change, stakeholders are paying more and more attention to sustainable corporate development. Since 2022, we have also compiled a sustainability report every year to review our sustainable development strategies from the three core aspects of sustainable development: environmental, social and corporate governance, and disclose our efforts in sustainable development to stakeholders who are concerned about the sustainable development of Yankey Engineering through the release of the sustainability report.

General Managers Jack Liu

劉士源



Message from the Management

In terms of the environment, Yankey Engineering is committed to becoming a high-quality and outstanding engineering service provider. Although the Company's operations are low-carbon in nature, we actively invest in innovative R&D to fulfill our responsibility towards sustainable environmental development. From the perspective of life cycle consideration, priority is given to compliance with international environmental regulations in all stages of R&D, procurement, engineering outsourcing and after-sales service, in order to achieve the goal of green engineering services. In addition, in response to the government's concept of energy conservation, carbon reduction, and pollution prevention, we have conducted administrative advocacy on environmental protection issues such as water consumption, electricity conservation, and waste classification. Under the joint implementation of environmental protection by the employees, the relevant environmental performance is as follows:

- ✓ Completed greenhouse gas inventory in 2023 which was verified by a third party.
- ✓ Gasoline consumption in 2023 decreased by 474.33 GJ, or 9.4% compared to 2022.
- ✓ There were no violations of environmental protection laws and regulations in 2023.

Responsible corporate governance is the foundation of the Company's sustainable operations. We uphold the principles of transparency, fairness, and accountability, have established comprehensive internal control and risk management systems, and regularly disclose our financial and non-financial information to the outside world. We also value corporate ethics and legal compliance, and have formulated sustainable development policies and codes of conduct, which all employees and partners are required to comply with. In addition, the Company's Sustainability Committee is responsible for planning and supervising our sustainable development strategies and implementation results in environmental, social and corporate governance aspects. Our major achievements in 2023 are as follows:

- ✓ The Sustainable Development Committee, which was originally under the President, was upgraded to a functional committee under the Board of Directors to strengthen the sustainable development supervision responsibility of the governance unit.
- ✓ Passed the ISO/IEC 27001 Information Security Management System certification
- ✓ Established Yankey (Thailand) Engineering Co., Ltd.

General Managers Jack Liu

劉士源



Message from the Management

In terms of society, we pay attention to the welfare and development of employees, provide diversified training and health promotions, and have established an employee communication platform and grievance mechanism to allow employees to express their opinions and demands. We give back to the society and work with the community for the better by also actively participating in social welfare activities such as caring for remote areas, blood donation, industry-academia collaboration, sponsorship of professional baseball events, and promotion of arts and cultural activities. Our major achievements in 2023 are as follows:

- ✓ The average number of training hours of all employees is 30.65, the average number of training hours of female employees is 28.48, and the average number of training hours of male employees is 31.62.
- ✓ Zero major occupational injuries by a third party.
- ✓ Participated in the Guanyin Mountain Cleaning Program in New Taipei City.
- ✓ Industry-academia collaboration - the investment in talent development amounted to NT\$14,234 thousand.

Looking forward to the future, we still have much room for improvement on the path to sustainable development. To continuously improve our sustainability and influence, we will continue to learn and refer to international sustainable development indicators and standards, and communicate and exchange with various stakeholders. In the short term, and we will incorporate sustainable development performance into the Company's business goals, and we look forward to working with value chain partners to jointly promote sustainable development and create a better future!

Editorial Policy

The reporting period of this sustainability report is from January 1 to December 31, 2023, and the report is voluntarily disclosed by Yankey Engineering Co., Ltd. (herein referred to as Yankey Engineering) and covers sustainability indicators on corporate governance, economic, social and environmental aspects. To fully disclose the effectiveness of Yankey Engineering's sustainable development and present the results of communication with stakeholders, we adopted the latest GRI Standards, referred to SASB's Sustainable Accounting Standards and TCFD Climate Change Financial Disclosures, and the "Regulations Governing the Preparation and Filing of Corporate Sustainability Reports by Listed Companies" as required by the governing authorities; we also aligned with the UN's Sustainable Development Goals (SDGs) to report the Company's strategies and activities in the economic, environmental, and social aspects to stakeholders with a responsible attitude, and demonstrate the determination to implement our social responsibility and sustainable development.

● Explainer on the Review of the Report

The information and data in this report were collected by the Corporate Sustainability Committee directly under the Board of Directors. Each member of the Corporate Sustainability Committee collected domestic and foreign economic, environmental, and social sustainability issues, understood the issues of concern to various stakeholders through diverse channels, utilized the engagement process and analysis to identify the material issues related to the Company, collected management policies and performance information based on such issues to compile the report, and had it reviewed and confirmed by the Sustainable Development Committee after consolidation. Finally, the report is released to stakeholders through open channels after the approval of the Board of Directors. The financial data in this report is based on the information in the annual financial report. In order to improve the quality of the report's disclosure, GREAT Certification was entrusted to conduct Type 1 moderate assurance verification in accordance with AA 1000: AS v3 to confirm compliance with the requirements of the 2021 GRI Standards, and a Statement of Assurance was obtained, which is provided as an appendix for reference.



● Principles and Guidelines in the Preparation of the Report

Yankey Engineering considered industry requirements and important international economic, environmental, and social issues, collected stakeholders' impact assessment results through questionnaires, and convened sustainability committee meetings in combination with the Company's operational strategy, with material issues screened and approved by the committee chairman for the implementation results disclosed in this report. The economic aspects and financial management performance of this report are the same as those within the consolidated financial statements. The monetary value of financial data is denominated in NT\$. The scope of Yankey Engineering's environmental and social performance indicators is disclosed based on the Company's operating base in Taiwan, and other investees are not included in the scope of this report. Any part beyond the scope is specifically explained in the chapters and sections of the report.

Report Management Process

Stage	Issue	Responsible unit
Gather issues	1.Determine stakeholders 2.Gather issues of concern	SDC
Determine material issues	1.Assess external economic, environmental and human impacts on stakeholders 2.Assess the impact from of internal operations 3.Resolutions of the Sustainable Development Committee	Sustainable Development Committee
Consolidation of information	Management approach and performance data collection	SDC.
First draft writing	Compile report information	SDC/relevant operation departments
Review and finalize draft	Internal review of the report	SDC.
Public announcement and release	Reporting to the Chairman/report release	SDC.

SDC. (Sustainable Development Committee)

Release date and cycle

The Company releases this report on an annual basis, and the timing for release of this report is as follows:

Last release: September 2023.

Current release: August 2024.

Next release scheduled: August 2025.

Status of Recompilation

This report did not have to be recompiled due to major changes in the organization or the scope of the reporting period this year. If there are adjustments or changes to some of the information, they are explained in the corresponding chapters and sections.

Contact Information

In response to paperless environmental protection and the fulfillment of corporate citizenship, this report is released in traditional Chinese on the Company's website for readers' review. You are welcome to visit the Company's website

<https://www.yankey.com.tw/esg/>
to download the report (**PDF format**).

Please feel free to contact us if you have any questions or suggestions about this report.

Address :

18F-3, No.266, Sec. 1, Wenhua 2nd Rd., Linkou Dist., New Taipei City

Contact person :

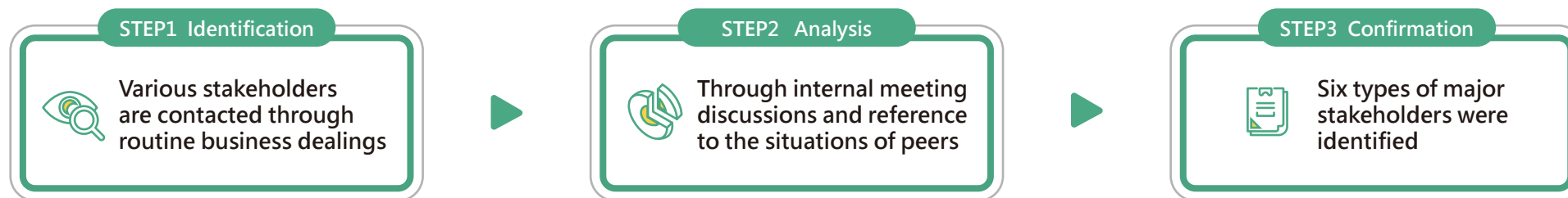
Secretary General of the Sustainable Development Committee

Tel : 02-26001350#0212

Email : dereklin@yankey.com.tw

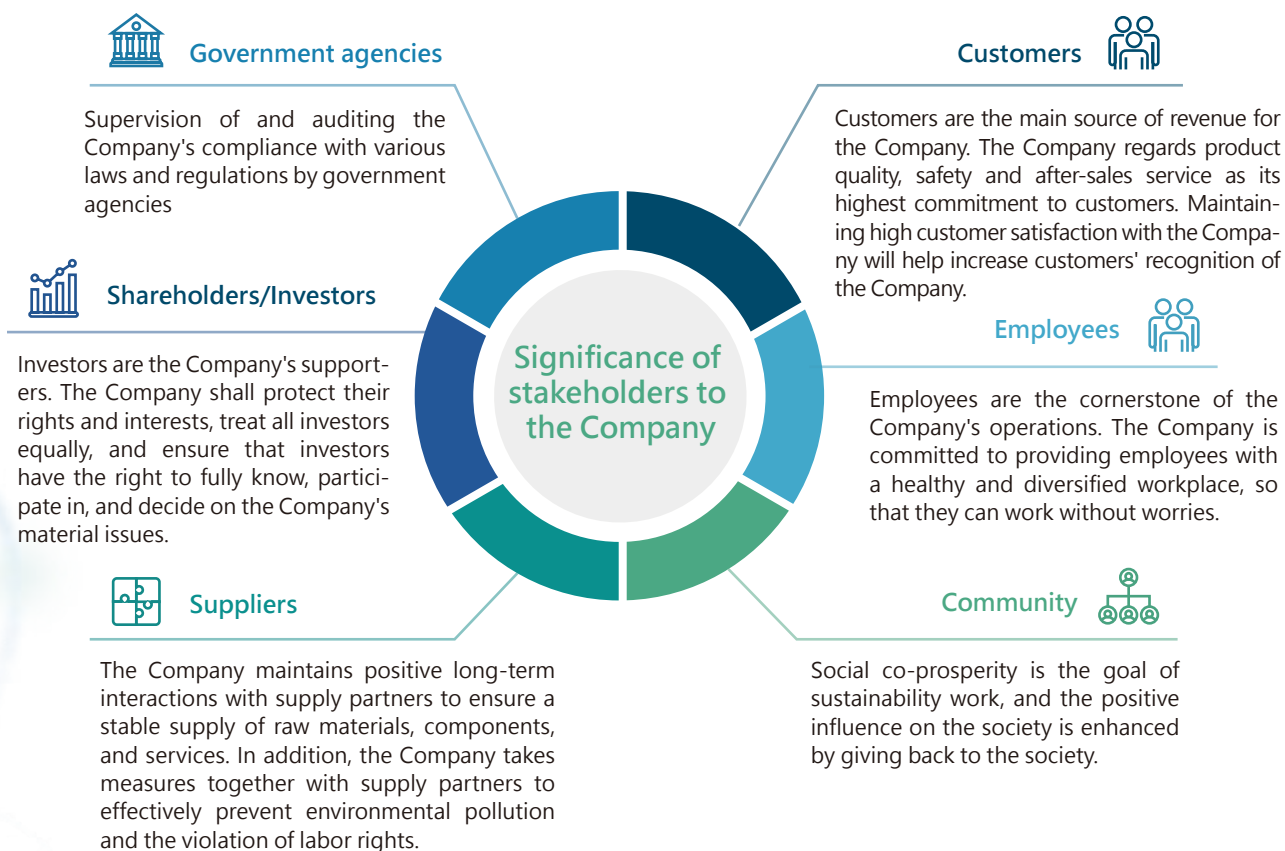
Company website : <https://www.yankey.com.tw/>

Stakeholder Communication and Identification of Material Issues



Identification of Major Stakeholders

At Yankey Engineering, we value the voices of our stakeholders while pursuing sustainable corporate management. Any individuals or groups that may have a significant impact on the Company's operations are listed as stakeholders. Based on the five principles of the AA1000 Stakeholder Engagement Standard (SES), the Company's Sustainability Committee identified key stakeholders as employees, customers, suppliers business, government agencies, shareholders/investors and community based on the characteristics of dependency, responsibility, influence, diverse perspectives, and tension of attention.

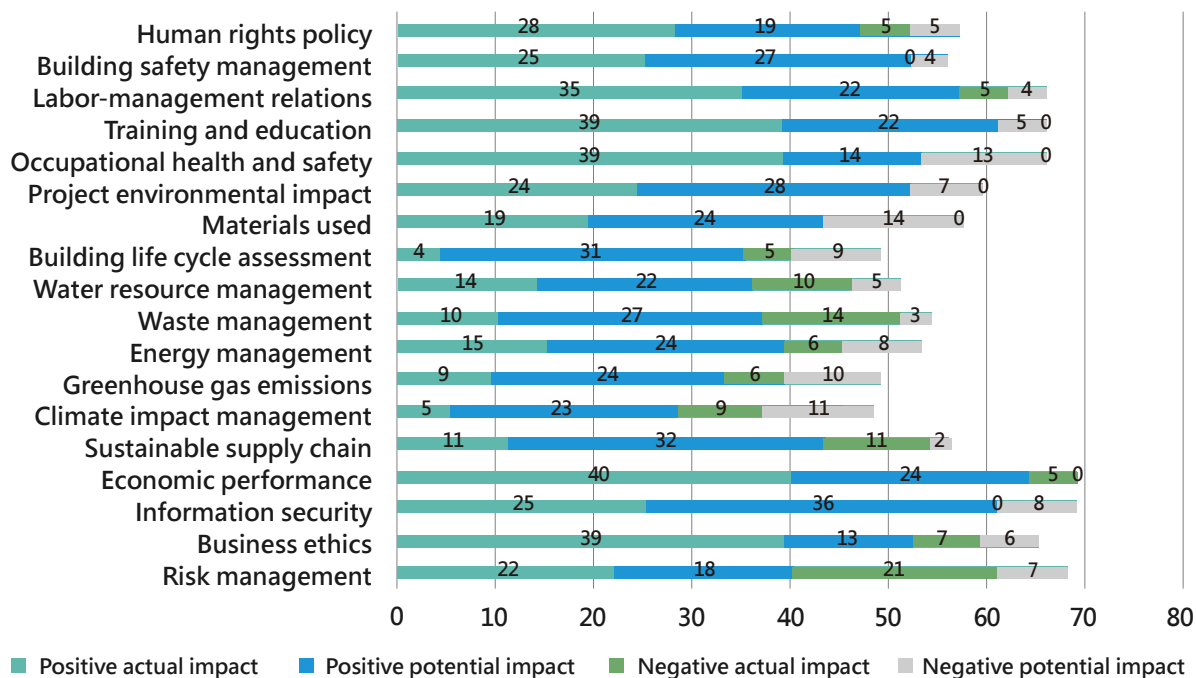


Stakeholder Communication Channels and Issues of Concern

Stakeholders have different issues of concern about Yankey Engineering due to their different identities. Yankey Engineering provides relevant information about the Company's sustainable development on its official website, and has open and direct communication channels with stakeholders to grasp the requirements and expectations of stakeholders and respond in a timely manner, in the hope to achieve a win-win situation with stakeholders to achieve the concept of corporate sustainable management, and continue to review and improve our performance in corporate sustainable development. The communication with major stakeholders is reported at the board meeting every year as a reference for sustainable strategic planning.

The Sustainability Committee consolidated the issues of concern of Yankey Engineering through communication between various departments and key stakeholders in daily operations. At the same time, with reference to the specific issues in the GRI Standards 2021 version and the SASB Industry Sustainability Indicators, the actual and potential positive and negative impacts of the issues on the economy, environment, and people were accessed to summarize 18 sustainable issues, covering economic, environmental, and social aspects to ensure that the sustainable information disclosed by Yankey Engineering in the E (environment), S (society), and G (corporate governance) dimensions meets the expectations of stakeholders.

Assessment of positive and negative impacts of sustainability issues





Government agencies

Issue of concern

- Information security
- Occupational health & safety
- Energy management
- Waste management
- Business ethics
- Climate impact management

Communication channel

- MOPS / Irregular
- Corporate Governance Evaluation / Annual
- Visits by competent authorities / Annual
- Policy advocacy meeting / Irregular
- Official letter correspondence / Irregular

Frequency of communication

- ✓ In 2023, 492 letters were received and 25 letters were issued.
- ✓ 96 emails were received from TWSE



Shareholders/Investors

Issue of concern

- Business ethics
- Economic performance
- Risk management
- Greenhouse gas emissions
- Climate impact management

Communication channel

- MOPS / Irregular
- Monthly revenue and quarterly financial reports / Annual
- Shareholders' meetings / Annual
- Company website, tel, e-mail / Irregular
- Briefing sessions to institutional investors / Annual

Frequency of communication

- ✓ Shareholders' meeting attendance rate was 59.33%.
- ✓ Investor hotline handled 60 calls.
- ✓ Held one briefing session to institutional investors.



Suppliers

Issue of concern

- Sustainable supply chain
- Energy management
- Materials used
- Economic performance
- Information security
- Business ethics
- Occupational health and safety

Communication channel

- Supplier/contractor meeting /Irregular
- Safety and health instructions for contractors /Irregular
- Supplier/contractor audit /Annual
- Supplier questionnaire /Irregular

Frequency of communication

- ✓ Project toolbox meeting - 22 meetings per month.
- ✓ Agreement organization meeting (once a month) - according to Article 38 of the Occupational Safety and Health Regulations, agreements are held on a regular or irregular basis.
- ✓ Supplier communication meeting (2 to 3 times a week at Yankey Works) - Confirm and discuss work methods for high-risk operations, and propose reasonable implementation methods.



Customers

Issue of concern

- Sustainable supply chain
- Information security
- Building safety management
- Business ethics
- Economic performance
- Occupational health & safety
- Risk management
- Waste management
- Energy management
- Human rights policy
- Information security
- Climate impact management
- Greenhouse gas emissions
- Project environmental impact
- Building life cycle assessment
- Water resource management

Communication channel

- Customer meeting /Irregular
- Customer satisfaction survey /Annual
- Customer audit /Irregular
- Customer questionnaire /Irregular

Frequency of communication

- ✓ Conducted customer satisfaction surveys: 2 companies in 2023.
- ✓ Large-scale project agreement organization meetings are held about 600 times a year.



Employees

Issue of concern

- Business ethics
- Economic performance
- Labor-management relations
- Training and education
- Occupational health and safety
- Human rights policy

Communication channel

- Labor-management meeting /Quarterly
- Employee complaint email /Irregular
- Employee Welfare Committee meeting /Irregular
- Managers' meeting /Irregular
- Department meetings and performance interviews /Quarterly
- Internal announcement /Irregular
- Safety and Health Committee meeting /Quarterly

Frequency of communication

- ✓ Frequency of on-site labor health services (4 sessions by physicians/year & 4 sessions/month by nurses), with a total of 189 on-site services provided throughout the year.
- ✓ Annual employee meeting - 100% attendance by all employees
- ✓ 4 labor-management meetings/year
- ✓ 1 supervisor meeting/month



Community

Issue of concern

- Climate impact management
- Energy management
- Waste management
- Water resource management
- Greenhouse gas emissions

Communication channel

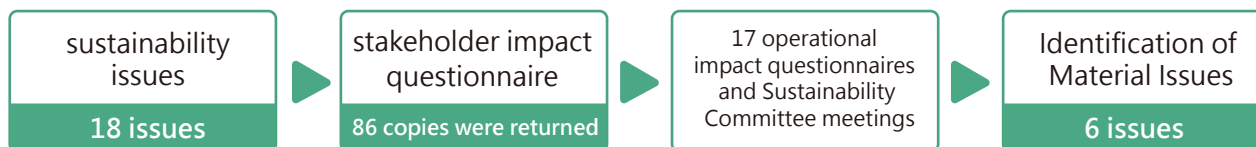
- Community meeting / Irregular
- Donations to public welfare activities

Frequency of communication

- ✓ 4 school appreciation certificates
- ✓ 3 certificates of appreciation from industry associations
- ✓ 2 certificates of appreciation from NGOs
- ✓ Participation in the mountain cleaning activity once

● Identification of Material Issues

Process for Identification of Material Issues



The Yankey Engineering Sustainability Committee has formulated 18 sustainability issues, and distributed online questionnaires to key stakeholders. A total of 86 valid questionnaires were returned, and ratings from key stakeholders on the impact of various sustainability issues related to corporate governance, environment, and demographics were obtained. In addition, the members of the Sustainable Development Committee completed 17 operational impact questionnaires. Finally, the Sustainable Development Committee took into account the perspectives of stakeholders and determined the impact of internal operations after discussion, and the President confirmed that Yankey Engineering should prioritize the disclosure of six major issues related to the environment, society, and economy for the current year. In this report, Yankey Engineering will describe the management approach and related disclosure items for each material issue.



Labor-management relations, training and education, and occupational health and safety

Economic performance and information security



Change and ranking of material issues

Change of material issues		
2022	2023	Change in ranking
Economic performance	Information security	↑ 4
Energy management	Economic performance	↓ 1
Occupational health and safety	Occupational health and safety	
Labor-management relations	Labor-management relations	
Information security	Training and education	↑ 1
Training and education	Greenhouse gas emissions	New



Ranking of material issues					
Ranking	Sustainability issues	Ranking	Sustainability issues	Ranking	Sustainability issues
1	Information security	5	Training and education	14	Waste management
7	Business ethics	9	Project environmental impact	15	Building life cycle assessment
8	Risk management	10	Human rights policy	16	Energy management
2	Economic performance	11	Sustainable supply chain	6	Greenhouse gas emissions
3	Occupational health and safety	12	Building safety management	17	Water resource management
4	Labor-management relations	13	Materials used	16	Climate impact management

Note Material issues are highlighted with a yellow background.

● List of Material Issues

Material issue	Positive and negative impacts	GRI Standards	Value chain impact boundary of material issues						Management policy disclosure chapters & sections
			Co.	Cust.	Gov.	Supp.	Comm.	S/Inv.	
Information security	The Company continues to strengthen the information security mechanism, and continues to invest resources to effectively reduce the occurrence of information security incidents. This is a positive potential impact.	Customized issues	●	●	●	●		●	1.6 Information Security
Labor-management relations	To fulfill our social responsibilities and reduce human rights risks, we provide a friendly workplace for employees, value employee benefits, provide channels for employee communication and grievance, and actively optimize the good working environment to be in line with the Company's development goals. This is a positive and tangible impact.	GRI 401-1 GRI 401-2 GRI 401-3	●	●	●		●		3.2 Right Duties for the Right Employee
Greenhouse gas emissions	Yankey Engineering continues to supervise or improve the carbon reduction aspect such as energy management and greenhouse gas emission management, and plans the implementation of the manufacturing industry chain. This is a positive potential impact.	GRI 305-1 GRI 305-2 GRI 305-3	●	●	●			●	4.1 Energy Management
Occupational health and safety	Yankey Engineering provides a healthy and safe workplace environment for our employees to work without worries, and there were no major occupational injuries in 2023. This is a positive and tangible impact.	GRI 403-1 GRI 403-10	●	●	●	●			4.4 Work Safety
Training and education	Through comprehensive education and training planning and implementation, we ensure that each employee continues to improve his/her work skills and physical and mental health management knowledge to achieve talent sustainability. This is a positive and tangible impact.	GRI 404-1 GRI 404-2 GRI 404-3	●						3.2 Right Duties for the Right Employee
Economic performance	Stable revenue is the foundation of the Company's sustainability, and the revenue in 2023 continued to grow. This is a positive and tangible impact.	GRI 201-1	●	●		●		●	2.3 Operating Performance

Co.(Company) / Cust.(Customers) / Gov. (Government Agencies)/Supp.(Suppliers) / Comm.(Community) / S/Inv.(Shareholders / Investors)

CHAPTER 01

Responsible Corporate Governance



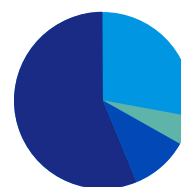
1-1 About Yankey Engineering

Founded in 1980, Yankey Engineering focused on the R&D and planning of refrigeration technology for food factories in its early years. With Taiwan's economic take-off and industrial transformation, the Company officially entered the electronics industry in 1985, and set foot in the panel, solar energy, semiconductor, optical, panel, biotechnology and other industries, and has served countless customers.

The global operating headquarters of the Yankey Group is located in Linkou, Taiwan. In response to globalization and the golden intersection of cross-strait development, in addition to setting up branches in Hsinchu, Taichung, and Tainan in Taiwan for corporate expansion, the Group is now committed to planning its development prospects in China. Currently, the Company has set up branch offices in Suzhou and Dongguan to serve Taiwanese and Chinese enterprises, and has successfully taken a solid first step in the development of the Chinese market.

Yankey's 2023 Operational Data

Engineering experience	Share capital	Revenue for 2023
43⁺ years (Established in 1,980)	882,793 (unit: NT\$ thousand)	15,513,571 (unit: NT\$ thousand)

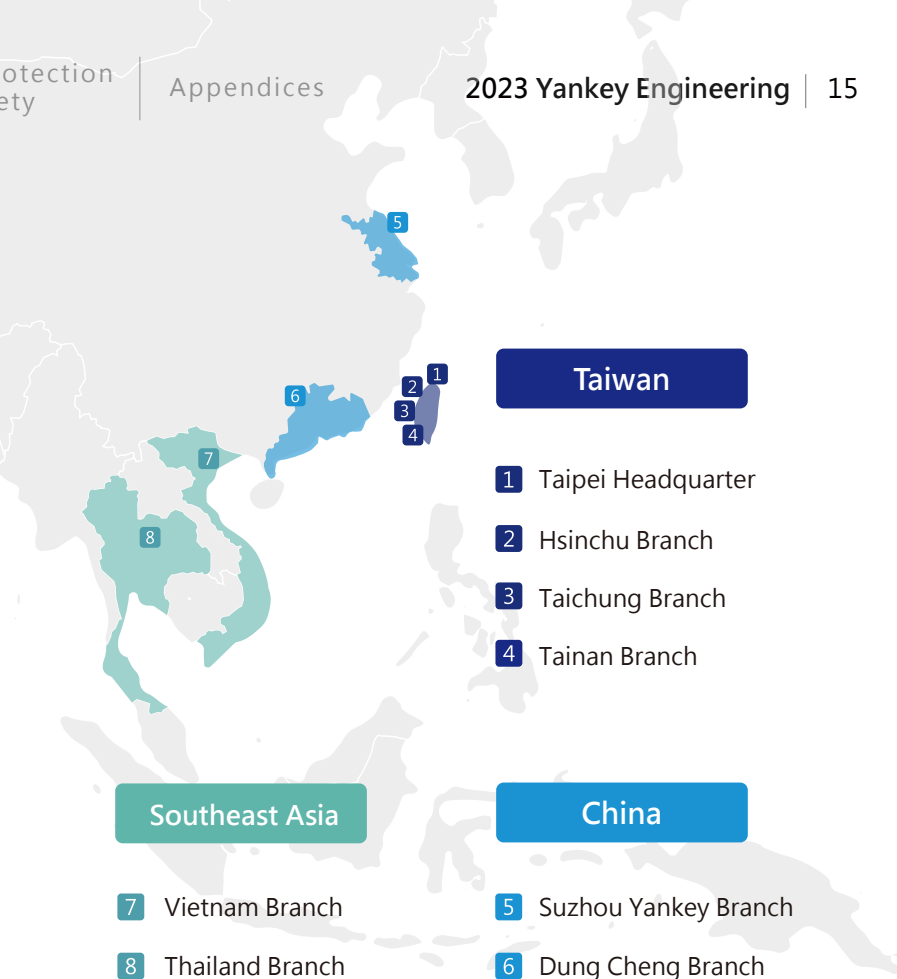


Note

The statistical data for the proportion of the Company's equities owned by overseas Chinese and foreigners is the same as that in the annual report.

Shareholding structure and ratio

56.25 %	28.14 %	5.25 %	10.36 %
Domestic corporations	domestic individuals	foreign institutions & foreign individuals	financial institutions



1-1 About Yankey Engineering












After entering the 21st century, Yankey Engineering's main business continues to focus on the mechanical and electrical turnkey integration projects of high-tech factories, such as mechanical and electrical air-conditioning, clean rooms, commercial office buildings, hotels, and medical centers. In a highly technology-intensive industry, the growth of professional breadth and depth is inevitable. Currently, the Company has introduced 3D BIM layouts to effectively create value projects, and has passed the ISO 9001 International Quality Management System certification, ISO 45001 Occupational Safety and Health Management System, and ISO/IEC 27001 Information Security Management System, all of which lay a good foundation for the long-term stability of corporate governance.

Since its establishment, the Company has always adhered to the "serious, responsible, and rigorous" attitude, and used its professional knowledge and rich engineering experience to provide customers with a one-stop service of planning, design, construction, testing, acceptance, completion, and energy-saving technologies after the project concept is formed. The Company has long adhered to the sustainable management beliefs of "integrity, professionalism, pragmatism, and partnership with customers and manufacturers". Our financial performance has grown year by year, and we have long been highly recognized by the industry.



Policy and Commitment

Yankey Engineering actively promotes corporate sustainable development. We uphold the business philosophy of ethical management, implementation of corporate governance, fulfillment of social responsibilities, and pursuit of sustainable management. We have implemented sustainable management in all operational decisions and actions of the Company to fulfill our social responsibilities, and create the sustainable value of the enterprise.

ESG	Action & Plan	SDGs
 Environmental aspect	<ol style="list-style-type: none"> Committed to energy conservation and carbon reduction in engineering equipment and construction methods to reduce environmental burden, mitigate climate change, and maintain ecological balance. Increase the efficiency of energy and resource use. Promote the reuse of waste and promote the development of circular economy. 	
 Social aspect	<ol style="list-style-type: none"> Pay attention to human rights, equality, diversified development, and labor rights. Ensuring a safe working environment for employees and the supply chain to jointly promote the sustainability of the supply chain. Engage in charitable activities and implement social care. 	  
 Corporate Governance Aspect	<ol style="list-style-type: none"> Emphasize corporate economic, environmental, and social risk management to seek corporate sustainability. Comply with laws and regulations and implement international initiatives and standards. Strictly adhere to ethical corporate management and reject improper advantages, corruption, and bribery. Enhance information openness and transparency, and balance disclosure. 	   

Policy Statement

Description



Quality Policy

Let customers receive the most satisfactory service

- 1 The participation of all employees of the Company to provide high-quality construction and services that meet customer requirements is the direction of the Company's unanimous efforts.
- 2 We expect that all employees strengthen our quality, let quality speak for the Company, truly satisfy customers, and continue to improve the effectiveness of the quality management system to strengthen the partnership with customers, with the hope of achieving progress in quality management in a better way. We aim to achieve the goal of exceeding customer expectations and work towards total quality management.

Safety & Health
Policy

Yankey Engineering's Commitment

- 1 Observe and comply with domestic safety and health-related laws and regulations and other requirements, and implement various safety and health regulations.
- 2 Create a safe and accident-free work environment.
- 3 Establish an effective emergency response system to reduce the risks associated with employees, suppliers, and contractors in organizational activities.
- 4 Make plans to first identify risk factors that affect environmental safety and health, and then eliminate or minimize the probability of their occurrence.
- 5 Establish and maintain a safety and health management system, continuously improve and review it, and enhance the performance of each management system.

● Sustainable Development Committee

In response to the fact that sustainable development covers environmental, social, and governance (ESG) aspects, in 2022, Yankey Engineering established the Sustainable Development Committee led by the President with divisional supervisors and above. In 2023, the Organizational Rules of the Committee was formulated and approved by the Board of Directors, and the Sustainable Development Committee was upgraded to a functional committee under the Board of Directors to jointly formulate sustainable development strategies and goals of the Company, as well as supervise the relevant management policies and specific promotion plans. The Sustainable Development Committee has a special group under it where the responsible department collects stakeholders' concerns on environmental protection, occupational safety, supply chain management, labor rights, operational performance, and corporate governance. Based on the respect for the rights and interests of stakeholders, a stakeholder section was set up on the Company's website to appropriately respond to the important sustainability issues of concern to stakeholders.



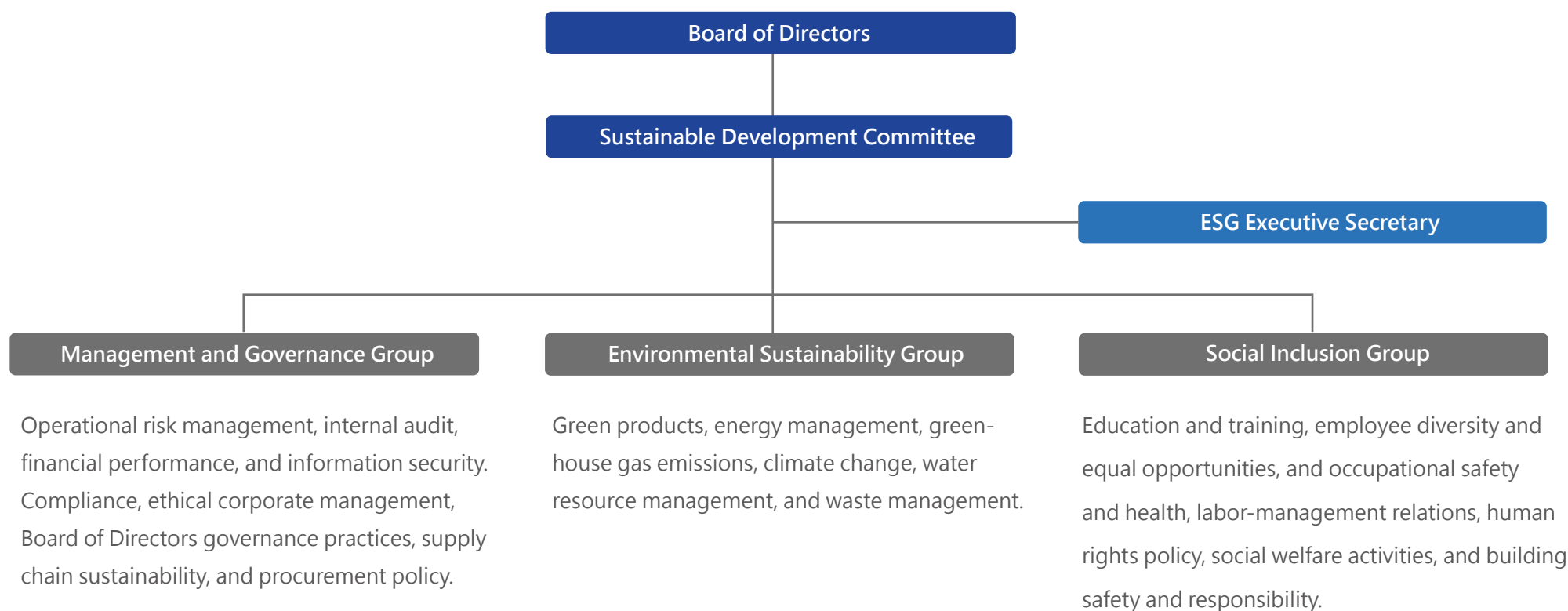
Stakeholder Section

Functions of the Sustainability Committee	Duties of Executive Secretary
<ul style="list-style-type: none"> ✓ Establish goals and strategies for corporate sustainable development work. ✓ Promote and supervise corporate sustainable development work. ✓ Review the results of corporate sustainable development work. ✓ Handle other matters related to sustainable corporate development. ✓ Review the sustainability report. 	<ul style="list-style-type: none"> • Assist in the formulation of sustainable development policies. • Lead the implementation of various policies and the preparation of the sustainability report. • Regularly report the implementation of sustainable development to the Sustainable Development Committee.



Yankey Engineering Sustainability Committee




In principle, the Sustainable Development Committee convenes at least one meeting a year to discuss the implementation goals and results of each working group. The number of meetings may be flexibly adjusted if necessary in response to changes in the environment or laws and regulations. In addition to the members' routine meetings, the committee chairman may invite members of working groups to participate in the meeting according to the content of the motions. Minutes are taken for the resolutions passed or matters discussed and approved in the Sustainability Committee meeting, and reported to the Board of Directors every year. We hope that the operation of the Sustainability Committee can strengthen the Company's implementation of sustainable development, enhance the disclosure of sustainability-related information, and strengthen information security in accordance with the management spirit of the PDCA cycle, with the expectation to lead Yankey Engineering to constantly improve and grow on the path to sustainable development.








🕒 Sustainable Development Goals

The UN's Sustainable Development Goals (SDGs) is a plan released by the United Nations in 2015, with 17 sustainable development goals and 169 detailed goals proposed to serve as the guiding principles for member states and global businesses to practice sustainable development by 2030.

Yankey Engineering has incorporated the sustainable development goals into the Company's business strategy, and expanded the previous thinking mode of focusing on financial performance to environmental protection and other compliance with laws and regulations, improvement of employee treatment to retain outstanding talents, elimination of various unequal workplace conditions, and slowdown of the discharge of wastewater and emission of greenhouse gases, as well as invitation of suppliers to make joint efforts in environmental improvement and workplace treatment. Looking ahead, Yankey Engineering will continue to make more contributions to the sustainable development goals and fulfill its corporate social responsibility.

SDGs	Detailed goals	Response from Yankey Engineering
	1.4 Ensure that all men and women, especially the poor and disadvantaged, have fair rights and access to economic resources.	<ul style="list-style-type: none"> • Provide compensation superior to legal and regulatory requirements which is competitive in the market as well as comprehensive welfare measures, so that employees can work with dignity and improve the economic living standards of the individuals and their families. • Increase employee loyalty to the Company by appropriately increasing employee compensation based on the Company's profitability.
	4.5 Eliminate the education gap and ensure access to all levels of education and vocational training by the disadvantaged, including the physically and mentally challenged, indigenous peoples, and disadvantaged children. 4.7 Promote education for sustainable development, sustainable lifestyles, human rights, gender equality, and peace without violence.	<ul style="list-style-type: none"> • Arrange competency training for employees with different business attributes to ensure that each of them receives vocational training opportunities. • Plan courses on sustainable development, workplace equality, and labor rights to encourage employee participation.
	5.1 Eliminate all forms of discrimination against women. 5.4 Recognize and value women's family care responsibility through social protection policies.	<ul style="list-style-type: none"> • Gender is not used as a factor in employee appointment, evaluation, and promotion. • Provide employees of both genders with the right to apply for unpaid parental leave.

SDGs	Detailed goals	Response from Yankey Engineering
	<p>8.5 Realize full productive employment, provide good jobs for all men and women, including young people and people with disabilities, and achieve equal pay for equal work.</p> <p>8.7 Strictly prohibit child labor and oppressed labor.</p> <p>8.8 Protect the rights and interests of workers, and promote a safe working environment, especially for women and workers who perform hazardous work.</p>	<ul style="list-style-type: none"> • Gender is not used as a factor in employee appointment, evaluation, and promotion. • Increase employee loyalty to the Company by appropriately increasing employee compensation based on the Company's profitability. • Respect for labor rights, including the prohibition of child labor and any form of workplace discrimination. • The duties of maternal employees are adjusted according to the law to reduce their workload and protect maternity employees tangibly. • In 2023, there were no complaints of discrimination or suspected incidents of discrimination. • Implement the occupational safety and health management mechanism to effectively improve the workplace safety of employees.
	<p>10.2 Promote socioeconomic inclusion, regardless of age, gender, disability, religion, economic status, or other status.</p> <p>10.3 Ensure equal opportunities and reduce inequalities, including practices that eliminate discrimination.</p>	<ul style="list-style-type: none"> • The Company's recruitment, evaluation, and promotion mechanisms do not take into consideration employees' physical or psychological differences. • There are employee whistleblowing channels and comprehensive whistleblowing procedures to protect whistleblowers.
	<p>12.5 Substantially reduce waste generation through prevention, reduction, recycling, and reuse.</p>	<ul style="list-style-type: none"> • Implement green products, optimize the design process, and reduce the output of waste.
	<p>13.2 Integrate climate change measures into policies, strategies, and plans.</p>	<ul style="list-style-type: none"> • In 2023, we implemented climate change risk governance with reference to the TCFD climate-related financial disclosure requirements, and disclosed them in the Sustainability Report. • We completed greenhouse gas inventory which was verified by a third party.
	<p>16.6 Develop an effective, accountable, and transparent system at all levels.</p> <p>16.7 Ensure that the decisions made at all levels respond to public opinions and are inclusive, participatory, and representative.</p>	<ul style="list-style-type: none"> • Strengthen corporate governance, ensure that employees comply with the Company's regulations through internal control, and establish whistle-blowing procedures and channels. • Understand stakeholders' requirements and expectations of the Company through communication, and regularly report them to the Board of Directors.

Management System

In addition to emphasizing the Company's business performance, Yankey Engineering pays attention to the needs of internal and external stakeholders, and has successively introduced relevant management systems to meet their needs. We hope that through the systemic introduction of risk awareness and the PDCA management philosophy, the Company will continue to improve and seek corporate sustainability. The Company's ongoing management system includes the following:

	ISO 9001:2015	ISO 45001:2018	ISO/IEC 27001:2022
Certification body	 Shaping a World of Trust		
Valid period of certificate	Methodist Certification International Taiwan Co., Ltd.	ABC Taiwan Certification Co., Ltd.	Asia Verification International Inc.
Valid period of certificate	2021/3/11~2024/3/10	2022/8/25~2025/8/25	2023/12/28~2026/12/27
Photo of certificate	https://www.yankey.com.tw/about_credentials/0/21/ Refer to the Appendix for Management System Certificates	https://www.yankey.com.tw/about_credentials/0/22/ Refer to the Appendix for Management System Certificates	https://www.yankey.com.tw/about_credentials/0/35/ Refer to the Appendix for Management System Certificates



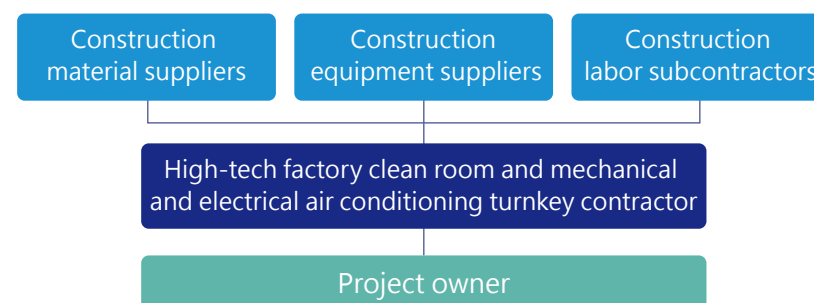
Industry Promotion

Yankey Engineering is committed to industrial development, actively participates in external associations and organizations, and understands domestic and international trends and regulations through external exchange activities as a consideration for the Company's sustainable operation.

Name of external association	Participant status	Projects promoted
TPCF Circuit Board Environmental Public Welfare Foundation	Chairman	Give2Asia Due Diligence
Taiwan Printed Circuit Association	Member	
Taiwan Refrigeration and Air-Conditioning Engineering Industries Association	Member	
Taiwan Electrical Engineering Industries Association	Member	
Taiwan Plumbing Engineering Industries Association	Member	
TTaiwan Energy Technology Service Industry Development Association	Member	
Taiwan Clean Technology Association	Member	
Fire Protection Engineering Industries Association of New Taipei City	Member	

Industry Chain of the Organization

The Company is a turnkey contractor for high-tech factory clean rooms and electromechanical air conditioners, acting as an intermediary between the project owner and the subcontractors of project materials, equipment, and project labor.



Society of Refrigeration and Air Conditioning Engineers, USA



1-2 Governance in Practice

Sound corporate governance includes sound operations of the Board of Directors and effective risk control. In addition to reducing the Company's operational risks, it can enhance the Company's overall competitiveness and create brand value. The Company has established a corporate culture of integrity and responsibility, and adheres to various laws and regulations to implement ethical management. At the same time, a well functioning corporate governance structure can ensure the sound development of the Company's operations, and protect the rights and interests of investors and other stakeholders.

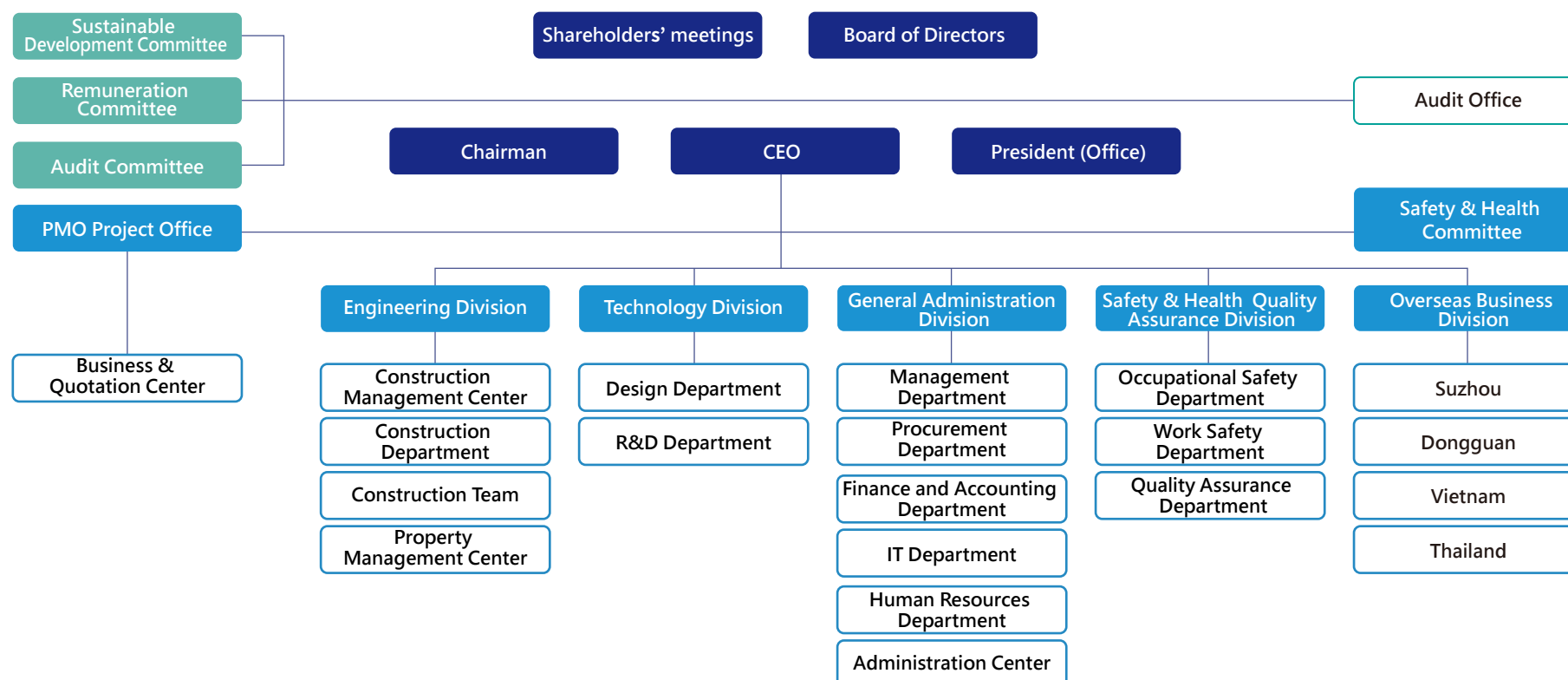
The Yankey Engineering shareholders' meeting is composed of all shareholders to make decisions on major issues of the Company, and regularly review reports from the Board of Directors. The Board of Directors is the highest governance body, and all members of the Board of Directors fulfill the duty of care as good administrators, plan the Company's operating policies and review financial performance. The Chairman is in charge of the Board of Directors and responsible for setting all strategic goals of the Company. The President is responsible for the planning and management of the Company's daily operations, planning for corporate sustainable operation and strategic development, and leading the management team to report their implementation results to the Board of Directors.

At the same time, the Company's financial statements are audited and certified by professional accountants, so that the information required by laws and regulations can be completed accurately and in a timely manner. Looking forward to the future, Yankey Engineering will continue to strive to strengthen the operation of the Board of Directors, improve information transparency, and gradually integrate sustainable governance strategies into the corporate governance structure.

● Governance Structure

Yankey Engineering is committed to establishing a comprehensive corporate governance structure to ensure the sustainable operation of the Company. Therefore, we have established the Board of Directors, Remuneration Committee, Audit Committee, and Corporate Sustainability Committee to ensure that various procedures can achieve the effects of mutual supervision and checks and balances. Their operations are carried out in accordance with the “Rules of Procedure for Board Meetings”, “Organizational Rules for the Remuneration Committee”, and “Audit Committee Organizational Rules”.

● Organization Chart



Responsibilities of Governing Units

Unit	Responsibilities
Audit Committee	Assist the Board of Directors in fulfilling its responsibility to supervise the quality and integrity of the Company's accounting, auditing, and financial reporting processes and financial control.
Remuneration Committee	Assist the Board of Directors in implementing and evaluating the Company's overall compensation and welfare policies, as well as the remuneration of directors and managers.
Sustainable Development Committee	Supervise and manage the implementation of the Company's overall corporate sustainable development policy, and is committed to sustainable development and promotion in economic, environmental, and social aspects.
Audit Office	Assess the adequacy of the design of the Company's internal control system and various management measures, check through audits whether the internal control is effectively implemented, and provide improvements and suggestions to enhance operational efficiency.
Chairman	<ul style="list-style-type: none"> • Formulate the Company's medium and long-term business development strategies. • Review significant contracts. • Establish the Company's brand and consolidate the corporate culture.
President	<ul style="list-style-type: none"> • Supervise the business performance of each unit of the Company. • Establish the organizational structure, rules and regulations, and procedures. • Manage the budget. • The meeting affairs handling unit of the board meeting and the shareholders' meeting. • Achieve the annual business goals set by the Board of Directors and the Chairman.
PMO(Project Management Office)	<ul style="list-style-type: none"> • Assist the President in integrating the daily operations of various departments. • Responsible for undertaking construction projects and coordinating the allocation of company resources. • Supervise and manage the progress of each construction project.
Business & Quotation Center	<ul style="list-style-type: none"> • Establish systematic business information, compile and classify business information. • Analyze customer needs, plan quotations, and prepare quotation sheets and quotation-related documents. • Establish historical cost data to conduct preliminary assessment and valuation of various projects.
Safety & Health Committee	<ul style="list-style-type: none"> • Set the Company's environmental safety and health management goals and implementation guidelines. • Plan and implement occupational safety and health training.
Engineering Division	Responsible for the pre-planning, interim management and execution, and later acceptance and testing of various engineering projects. It has Construction Management Center, Construction Department, Construction Team, and Property Management Center under it.
Technology Division	Under it is the Design Department and R&D Department, responsible for (1) project planning for the development and design commissioned by customers, and (2) case design, integration, and technical support services.The R&D Department serves as the Company's contact for industry-academia collaboration, and is responsible for the development of new technologies and new construction methods.

Responsibilities of Governing Units

Unit	Responsibilities
Safety & Health Quality Assurance Division	<ul style="list-style-type: none"> • Achieve the goals set by the Occupational Safety and Health Committee. • Formulate, plan, supervise and promote labor safety and health management matters. • Review, coordinate, and recommend matters related to safety and health policies. • Guide relevant departments and personnel to implement safety and health policies. • Plan and implement safety and health training.
Overseas Business Division	Supervise the performance of overseas operations, and comprehensively manage the financial planning and fund-raising of overseas business units.
General Administration Division	Responsible for the overall administration and daily general affairs of the Company, covering the Administration Center and finance and accounting, human resources, management, IT and procurement departments, and providing logistics support services.
Administration Center	<ul style="list-style-type: none"> • Responsible for the integration of human resources for various projects, and the implementation of various construction projects. • Provide logistical support for the Company's administration and forms and documents.
IT Department	<ul style="list-style-type: none"> • Software and hardware planning and management of network and information systems • Responsible for the operation and maintenance of computer databases.
Management Department	<ul style="list-style-type: none"> • Responsible for the Company's general affairs. • Handle matters related to the board meeting and shareholders' meeting, and prepare the meeting minutes. • Research on relevant laws and regulations.
Human Resources Department	<p>Responsible for the overall personnel administration of the Company, including:</p> <ul style="list-style-type: none"> • Generating and safekeeping employee personnel data. • Managing and executing employee recruitment, appointment and dismissal, evaluation and other related operations. • Formulating personnel policies and coordinate operations.
Procurement Department	Responsible for the procurement and outsourcing of equipment, materials and labor services required for various projects.
Finance and Accounting Department	<ul style="list-style-type: none"> • Comprehensively manage financial planning and fund raising and management; responsible for daily accounting operations, preparation of financial statements, and budget management and analysis; provide financial analysis information to the management as a reference for business strategies. • Assisting in the Company's various announcements and declarations. • Other matters such as the handling of tax declaration affairs and stock affairs.

1-2-1 Board of Directors

Yankey Engineering's Board of Directors is the highest governance body and the center of major business decisions. The Board of Directors consists of 8 directors, including 4 independent directors, and under it are the Remuneration Committee, Audit Committee, and Sustainable Development Committee. The members of the Board of Directors possess extensive experience and expertise in the fields of finance, commerce, economy, R&D and management.

Statistics of the Diversity of Governance Members		Number of people	Percentage
Gender	Male	7	87.5%
	Female	1	12.5%
Age	Under 50 years of age	2	25.0%
	50 years of age and above	6	75.0%
Educational background	College and above	4	50.0%
	Others	4	50.0%

In order to strengthen the independence and diversity of the Board of Directors and exert its strategic guidance function, Yankey Engineering has adopted a candidate nomination system for directors (including independent directors) in accordance with the requirements of the "Director Election Regulations" and "Corporate Governance Best-Practice Principles". During the nomination and selection of members, the Company has already obtained the written statement, work history, and family relationship information provided by each director (including independent directors) to verify the independence of themselves, their spouses, and their relatives within the third degree of kinship in relation to the Company. In addition, all independent directors meet the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" promulgated by the Financial Supervisory Commission and Article 14-2 of the Securities and Exchange Act. In addition, all independent directors are granted the power to fully participate in decision-making and express opinions in accordance with Article 14-3 of the Securities and Exchange Act, and are able to independently exercise relevant powers.

Regarding the overall composition of Yankey Engineering's Board of Directors, consideration is given to: operational judgment, accounting and financial analysis, business management, crisis management, industry knowledge, international market perspective, leadership, and decision-making ability. The Board of Directors meets at least once a quarter to assist the Company in achieving business performance, and the Chief Auditor attends the Company's regular board meetings to report audit findings. Important resolutions of the board meeting are also announced on the Market Observation Post System (MOPS) of the Taiwan Stock Exchange and the Company's website in real time. The Company held a total of 9 board meetings in 2023. Please refer to page 19 of the annual report for relevant resolutions of the board meetings.

🕒 Mechanism for Avoiding Conflicts of Interest

Yankey Engineering has set out the terms of recusal in the Rules of Procedure for Board Meetings. If a director or the juristic person he represents has a personal interest in a meeting proposal, which may be harmful to the interests of the Company, he may state his opinions and answer inquiries in a non-voting capacity, but may not participate in the discussion and voting sessions of the meeting, and shall recuse himself from the discussion and voting, and shall not exercise voting rights on behalf of other directors. In 2023, a total of 3 instances of recusal from voting at the board meeting due to the avoidance of conflict of interest occurred. Please refer to page 21 of the Company's 2022 Annual Report for details of the recusal cases.

The Board of Directors meets at least once a quarter in accordance with the Rules of Procedure for Board Meetings to review business performance, discuss important strategic issues, and communicate key material events, including economic, environmental, and social impacts, risks, and opportunities. The responsible unit for subsequent handling is confirmed in the meeting, and the tracking of the handling situation is reported in the next meeting. Before the board's meeting affairs handling unit provides various proposals and report materials to the members of the Board of Directors, it shall review in advance whether the content of the report is relevant to stakeholders for recusal from it, and give a reminder to the relevant party in advance. The Company communicates material information in accordance with the Management Procedures for Internal Material Information Handling and Insider Trading Prevention. There was no major negative impact event in 2023. After communicating the results of other material incidents, a total of 21 material information was posted on the MOPS. For the relevant topics, please refer to <https://mops.twse.com.tw/mops/web/t05st01> **company code: 6691**



Board Members

Note

Regarding the independence, diversity, and qualifications of board members, please refer to pages 10 to 12 of the annual report.

◎ Board Members' Further Study and Performance Appraisal

To strengthen the ethical standards of conducts of the Company's internal personnel and implement ethical management, the Company has established the "Ethical Corporate Management Best Practice Principles" and "Ethical Corporate Management Operating Procedures and Behavioral Guidelines". The contents cover prevention of conflicts of interest, avoidance of opportunities for personal interests, confidentiality, fair dealing, protection and proper use of company assets, compliance with laws and regulations, encouragement of the reporting of any illegal or unethical behavior, and disciplinary measures. Before implementation, all relevant standards are approved by the Board of Directors and submitted to the independent directors for referral. We also communicate with employees and promote anti-corruption policies. At the same time, we actively promote directors' compliance with the "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies", and advise board members to take at least 6 hours of training each year during their term of office on corporate governance topics related to finance, risk management, business, commerce, law, accounting, sustainability, internal control systems, and financial reporting responsibilities. We also continue to arrange courses in corporate sustainable management, corporate governance, legal compliance, risk control, anti-money laundering and countering terrorism financing for directors and employees.

The Company has established the "Regulations Governing the Performance Evaluation of the Board of Directors". In accordance with the responsibility provision in Article 4 of the Organization Rules for Remuneration Committee, a performance appraisal shall be conducted every year before the end of the first quarter of the following year through the self-evaluation questionnaire which covers the status of participation in board meetings, understanding of meeting proposals before the meeting and the status of participation in proposal discussions, interaction with the management team, compliance with laws and practical rules, improvement of corporate governance, further study of relevant courses on corporate governance, understanding of the Company and its management team and industry, and other items designated by the competent authority or the Board of Directors. Its main purpose is to regularly review the performance of directors and managers. To increase the independence of the evaluation, the Company commissioned an external third party, the Taiwan Investor Relations Association, to complete the performance evaluation of the Board of Directors in 2022. The next external evaluation is expected to be carried out in 2025. For the results of the performance evaluation of the Board of Directors and functional committees, please refer to the Company's official website.

**Note**

Refer to the official website for performance evaluation results.

Job title	Name	Date of training	Organizer	Course title	training hours	Sustainability related
Corporate Director Representative	Shi-Yuan, Liu	2023.11.22	Securities and Futures Institute	2023 Advocacy Meeting on Legal Compliance for Insider Equity Transactions	3	✓
		2023.10.20	Securities and Futures Institute	2023 Advocacy Meeting on Insider Trading Prevention	3	✓
Independent Director	Li-Chen, Lin	2023.06.07	Taiwan Institute of Directors	The Future of Enterprises under the Situation of War: Strategic Steering & Transformation	3	✓
		2023.06.02	ROC Chamber of Commerce	The Future of Enterprises under the Situation of War: Strategic Steering & Transformation	3	✓
Independent Director	Yu-Lin, Chen	2023.11.15	Securities and Futures Institute	2023 Advocacy Meeting on Legal Compliance for Insider Equity Transactions	3	✓
		2023.10.13	Securities and Futures Institute	2023 Advocacy Meeting on Insider Trading Prevention	3	✓
Corporate Director Representative	Chia-Lu, Lin	2023.11.29	Securities and Futures Institute	2023 Advocacy Meeting on Legal Compliance for Insider Equity Transactions	3	✓
		2023.08.18	Accounting Research and Development Foundation	Development Trend of Internet Technology and New Thinking for Internal Auditors	6	✓
Director	You-Chung, Lai	2023.10.20	Securities and Futures Institute	2023 Advocacy Meeting on Insider Trading Prevention	3	✓
		2023.04.12	Taiwan Institute of Directors	Strategies of the Circuit Board Industry for Energy Conservation, Carbon Reduction, and Green Power Procurement	3	✓
Independent Director	Joseph, Tsai	2023.08.09	Taiwan Corporate Governance Association	ESG Trends and Practice Analysis	3	✓
		2023.05.10	Taiwan Corporate Governance Association	Trade Secret Protection and Fraud Detection and Prevention	3	✓
Independent Director	Chi-Him, Gao	2023.08.16	National Federation of CPA Associations of the R.O.C.	Patterns of Money Laundering and Insider Trading and Case Study	3	✓
		2023.08.15	National Federation of CPA Associations of the R.O.C.	Introduction to ESG and A Quick Guide	3	✓
Director	Chi-De, Huang	2023.10.18	Securities and Futures Institute	Talent Sustainability Challenges After the Pandemic	3	✓
		2023.10.13	Securities and Futures Institute	I2023 Advocacy Meeting on Insider Trading Prevention	3	✓
Total (hours)					51	

Considering the educational background of each Board member and the current sustainability awareness maturity of the governance unit, the Company does not link the performance of the Board of Directors with ESG for the time being. The Company plans to strengthen the performance evaluation method of the Board of Directors in the short term to link remuneration with sustainability performance.

🕒 Stakeholder consultation and grievance channels

In order to implement the core values of the Company's ethical corporate management culture, the Company has clearly established the reporting channels and investigation procedures in accordance with the Company's "Ethical Corporate Management Operating Procedures and Behavioral Guidelines", so that the "Ethical Corporate Management Operating Procedures and Behavioral Guidelines" is enforced and the legal rights of whistleblowers are protected.

In addition, Yankey Engineering continues to respond to stakeholders' issues of concern in order to actively and extensively understand the needs of various stakeholders. Therefore, the Company maintains interaction with stakeholders through designated contact windows in daily business activities. On the official website, in addition to the company profile and product information, we have added a stakeholder section, providing diversified communication channels such as email and telephone lines as a communication channel between stakeholders and the Company to promote the smooth flow of internal and external opinions and information, and timely meet the needs of stakeholders.



Stakeholder Section

1-2-2

Audit
Committee

The Company's directors and supervisors were fully re-elected on July 1, 2021, and an Audit Committee was established in accordance with Article 14-4 of the Securities and Exchange Act. The Audit Committee is composed of three independent directors, and the term of office is three years. All Audit Committee members possess professional knowledge and experience in finance or business. In addition, the "Organization Rules for Audit Committee" is established in accordance with the "Regulations Governing the Exercise of Powers by Audit Committees of Public Companies", which specifies the powers of the Audit Committee, the rules of procedure and the resources to be provided by the Company when exercising the powers, so as to ensure the supervision of the effective implementation of the Company's internal control and preparation of financial statements. The purpose of the Audit Committee is to ensure that the Company's operations comply with relevant government laws and regulations, and for the Committee to be responsible for supervising the following matters:

- ▶ Fair presentation of the Company's financial statements.
- ▶ Selection (dismissal) of the certifying CPAs and their independence and performance.
- ▶ Effective implementation of the Company's internal control.
- ▶ The Company's compliance with relevant laws and regulations.
- ▶ Control of existing or potential risks to the Company.

The Audit Committee convened 6 meetings in 2023. Please refer to pages 23~24 of the annual report for details on the operation of the Audit Committee.

1-2-3

Remuneration
Committee

In order to improve corporate governance and the remuneration system of the Company's directors and managers, Yankey Engineering complied with Article 14-6 of the Securities and Exchange Act and the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange, and set up the Remuneration Committee to evaluate the remuneration policies and systems of the Company's directors and managers in a professional and objective manner, and formulated the Organization Rules of the Remuneration Committee to facilitate compliance.

The Company pays remuneration to directors in accordance with Article 20 of the "Articles of Incorporation". If there is any profit in the year, the Company shall set aside no less than 1% as remuneration for employees and no more than 3% as remuneration for directors. However, if there is still a cumulative deficit, the Company shall reserve the amount for compensation in advance, and then appropriate the abovementioned proportion as remuneration to employees and to directors.

1-2-3



Remuneration Committee

If there is a net profit after tax in the annual final account, the Company shall first pay taxes and make up for the losses of the previous years, and then appropriate 10% of the balance as the legal reserve, and if necessary, make a special reserve. For the remaining balance of the earnings together with the accumulated undistributed earnings from previous years, the Board of Directors shall draft a distribution plan and submit it to the shareholders' meeting for approval.

The annual remuneration of the Company's managers includes salary, bonus, and employee remuneration from earnings distribution. Relevant remuneration is based on the general standard in the industry, with individual performance, the Company's business performance, and the rationality of future risks taken into account. The Remuneration Committee makes recommendations to the Board of Directors for reference in its decision-making. The ratio of the annual total compensation of the President and employees will not be disclosed this year due to organizational confidentiality, and will be disclosed in the short-term depending on the status public information disclosure.

In 2023, the Remuneration Committee held 6 meetings. Please refer to page 29 of the annual report for detailed information on the operation of the committee.

1-2-4



Sustainable Development Committee

In order to improve sustainable development and effectively respond to environmental, social and corporate governance-related risks, the Organization Rules of Sustainable Development Committee was approved on August 4, 2023, and the Sustainable Development Committee originally under the President was upgraded to a functional committee under the Board of Directors. The Committee is composed of at least three directors nominated by the Board of Directors; more than half of them shall be independent directors, and one of the members shall serve as the chairman of the committee. Under the Committee there are the Management and Governance Group, Environmental Sustainability Group, and a Social Co-prosperity Group composed of relevant business executives designated by the Committee to ensure the promotion and implementation of corporate sustainable development related work.

1-2-4

Sustainable
Development
Committee

Responsibilities of the Committee:

- ▶ Formulation of the Company's sustainable development policies, systems, or related regulations.
- ▶ The Company's sustainable development includes the formulation of sustainable governance, ethical management, environmental and social goals and strategies and implementation plans.
- ▶ Other matters resolved by the board meetings related to sustainable development that need to be handled by the Committee.

The Committee was established in 2023 and held its first meeting in December to review the sustainable development goals and implementation status.

1-2-5

Audit Office
& Internal Audit

The Internal Audit Office is an independent unit under the Board of Directors and is responsible for performing audits. The Company has appointed full-time auditors for the Office. The appointment and dismissal of the Chief Auditor is approved by the Board of Directors. The internal auditors perform their duties in an objective and fair manner, and the Chief Auditor also attends the board meeting without voting rights to report in accordance with the regulations. In the fourth quarter of each year, the Company formulates an audit plan for the following year based on the risk assessment results. Afterwards, the Company implements the audit plan approved by the board meeting and prepares the audit report based on audit findings. The internal audit deficiencies found during the audit process and the responsible units' improvement measures are submitted to the Chairman for review to ensure the continuous and effective implementation of the internal control system. The Company reports the annual audit plan, the roster of auditors and training hours, the implementation of the annual audit plan, the internal control statement, and the improvement of the deficiencies and abnormalities of the internal control system to the competent authority according to the regulations. There were no major deficiencies found during the internal audit in 2023, and all relevant improvement items have been completed.

1-3 Risk Management and Response to Climate Change

The Company's "Risk Management Policies and Procedures" were approved by the Board of Directors in 2022, and a Risk Management Group was established under the President to define various types of risks according to the Company's overall operating policy every year to prevent possible losses and enhance the Company's value and optimize the Company's resource allocation.

Risk category	Risk description	Risk management strategy (countermeasure)
Sustainable environment	Continued increase of greenhouse gas emissions	<ul style="list-style-type: none"> In 2023, we began to introduce ISO14064-1 greenhouse gas inventory to understand the emission status of operating activities through inventory taking and seek opportunities for energy saving and carbon reduction improvement. Set emission reduction targets and action strategies and plans, and implement them accordingly.
	Increase in the amount of waste treated/decrease recycling rate	<ul style="list-style-type: none"> Implement the recycling of various resource (e.g. waste paper, wastewater, scrap iron, waste oil, etc.) to reduce wastage of resources. Implement preen procurement.
	Typhoons and floods	<ul style="list-style-type: none"> In accordance with the typhoon and heavy rain special report issued by the Central Meteorological Administration, the Company and all construction sites are requested to activate the safety inspection of construction scaffolding and environmental inspection before/after the typhoon, and advise employees to stay safe when commuting and on business trips. Regular disaster prevention drills.
	Violation of environmental protection laws & regulations	<ul style="list-style-type: none"> Regular compliance checks are carried out to ensure compliance with local environmental regulations and environmental impact assessment requirements to avoid huge fines due to violations.
Social inclusion	Occurrence of occupational disasters	<ul style="list-style-type: none"> Hazard identification and risk assessments are conducted on a regular basis to assess whether the operating procedures comply with laws and regulations, and non-compliant procedures are amended according to legal requirements. Most of the Company's employees work on-site at construction sites. The Company has established protective equipment management regulations for employees who enter construction sites, and issue to them protective equipment such as helmets, safety vests, goggles, earplugs, and seat belts. Safety shoes are also provided to employees to wear to prevent injuries from heavy objects at construction sites and plantar puncture injuries after entering the construction site. The Company also provides each employee with a safety shoe purchase subsidy of NT\$2,000 per year (adjusted from NT\$1,000 to NT\$2,000 in 2023). For contractors, safety controls are implemented in accordance with the Contractor Management Measures.

Risk category	Risk description	Risk management strategy (countermeasure)
Social inclusion	Occurrence of occupational disasters	<ul style="list-style-type: none"> When a work safety accident occurs to an employee or a contractor, Yankey will investigate and follow up on the accident according to the Emergency Response and Accident Investigation and Handling Management Regulations, and determine the damage and work-related injuries according to the content of the accident and provide work injury leave. After the accident investigation is completed, the Company shall submit a report for verification and implement corrective measures and improvement of preventive measures. The designated unit shall continue to supervise and follow up to reduce losses and prevent similar situations from happening again. In addition, the Company will also assist employees in applying for occupational injuries and illnesses for employees injured in the accident, and medical benefits, as well as group insurance for employees and employer's liability insurance for occupational accidents for accident compensation.
	Overwork	<ul style="list-style-type: none"> In accordance with the Occupational Safety and Health Act, the Company has formulated an abnormal workload-induced illness prevention plan. Each month, each employee's personal workload risk assessment is conducted based on the number of overtime hours in the month. If the assessment results are high-risk, the Company will send doctors of on-site labor health services to provide health guidance, and ask the supervisor to adjust the work and make appropriate arrangements. In addition, the working hours and work schedule of employees also need to comply with labor laws and policies. If the employees are required to work overtime under special circumstances, their consent needs to be obtained and they will be compensated to ensure employees receive the statutory overtime allowance.
Corporate governance	Ethical and integrity risks	<ul style="list-style-type: none"> The principles of integrity and the importance of ethics and integrity are advocated to newcomers when they report to duty. Establish an internal whistleblowing system to ensure compliance with ethics and integrity.
	Insufficient transparency of information disclosed	<ul style="list-style-type: none"> The Company's material information is updated on the MOPS from time to time; the financial statements are disclosed on a regular basis. The needs of the competent authorities and stakeholders are monitored, and are responded to immediately on the Company's official website or in the sustainability report.
	Occurrence of information security incidents	<ul style="list-style-type: none"> Systems and regulations: Establish the Company's information security management system, regulate the operational behavior of employees, and add them to the audit mechanism. System protection: Establish an information security notification mechanism, and implement information security protection management measures. Personnel training: Conduct information security training to enhance the information security awareness of all employees. External control: Limit the management authority of manufacturers. The Company passed the ISO/IEC 27001 Information Security Management System certification in 2023.

◎ Response to Climate Change

Yankey Engineering has established an internal control system and an internal audit system, and implemented integrated risk management related to environmental, social and governance aspects of sustainable operations in accordance with the “Risk Management Policies and Procedures” approved by the Board of Directors. Due to the extreme climate caused by global warming, energy and climate change issues have become increasingly important in recent years. In addition, carbon tax-related laws and regulations in various countries have been regulated to suppress industrial greenhouse gas emissions. In order to mitigate the impact of climate change on the Company’s operations, starting from this year and according to the framework of the Task Force on Climate-related Financial Disclosures (TCFD), we have respectively set governance, strategy, risk management indicators and targets, which are identified by the members of the Environmental Sustainability Group of the Sustainable Development Committee with subsequent response strategies formulated for climate-related risks and opportunities, and a risk management report is submitted to the Board of Directors every year to enable it to monitor the implementation results.

◎ TCFD Framework and Yankey Response Measures

Status of Yankey Engineering’s governance of climate-related risks and opportunities



Governance

- The status of climate risk and opportunity governance and the annual sustainable risk management issues are reported by the Sustainable Development Committee to the Board of Directors every year for it to supervise the implementation results.
- The independent director serves as the chairman of the Climate Risk and Opportunity Governance Committee, and the supervisors of all tier-one units implement risk identification, assessment, and treatment.



Strategy

Business, strategic and financial planning, actual & potential climate-related impacts

- Refer to the 2023 Short-, Medium-, and Long-Term Climate Risks and Opportunities Table
- Refer to climate-related impacts.

Deepening TCFD Application and Scenario Analysis

The Company discussed the 2°C scenario (2DS) at the Sustainability Committee meeting, and used the tools provided by the TCCIP (Climate Change Integrated Service Platform) as a reference for assessing the physical risk scenarios of climate change. Finally, the Company adopted the 2DS/RCP 8.5 scenarios as the physical risk scenario of climate change. In this scenario, the climate change risks and opportunities were described for physical risks and regulatory transition risks.

Management process of climate-related risks in the organization

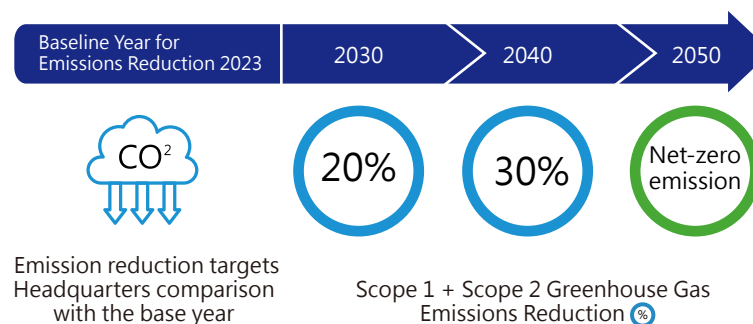
The risk identification, assessment and management process are as follows:



The Company's risk management policies and procedures have incorporated climate risks and opportunities into the operations of all units.

Indicators and targets for assessing and managing climate-related issues

We completed the greenhouse gas inventory and passed the third-party verification in 2023, and increased the website and public information disclosure.



- In 2023, the Scope 1 emissions were 105.34 tons of CO₂e, the Scope 2 emissions were 216.09 tons of CO₂e, and the Scope 3 emissions were 501.87 tons of CO₂e.
- The Company plans to purchase renewable energy certificates, and the purchased credit will be used to replace the consumption of externally purchased electricity in Scope 2.



Climate-related Financial Impacts and Responses	
Risk and opportunity items	Financial Impacts and Response Mechanisms
Increase in prices of greenhouse gas emissions	In accordance with Taiwan's Climate Change Response Act, the Ministry of Environment will levy a carbon fee in 2025 on products with high direct or indirect emissions. The possible financial impact of this risk aspect may cause an increase in operating costs. However, the Company is not in a high-carbon emission industry at this stage, so the impact on the overall operation and financial impact is low. Based on the total emission of 850 metric tons of CO ₂ e in 2023, the carbon fee is NT\$500 per metric ton, then the annual increase will be NT\$425,000, or and a short-term 5-year increase will be NT\$ 2,125,000. In addition to the continuous implementation of ISO 14064-1 greenhouse gas inventory, the assessment of green power purchase, biomass energy, and carbon rights will be made, and carbon reduction goals will be set.
Changes in rainfall (water) patterns and extreme changes in climate patterns	The increase in extreme weather events has led to an increase in the frequency of typhoons and torrential rains, which may cause flooding of office buildings and operating sites, affecting the Company's operations. After assessment, it may only cause a low degree of financial loss. The Company's response measures are to implement the maintenance of the drainage system and establish an emergency response plan for typhoons and rainstorms to reduce immediate risks. For the building and operating locations, the waterproofing work, natural disaster insurance has been completed, and monthly maintenance of the pump motor drainage facilities is implemented every month. Therefore, the risk does not pose a significant impact on the overall operation. Based on 2 typhoons affecting the operating locations in 5 years, the loss is estimated at NT\$1 million for each typhoon, the operating cost will increase by NT\$2 million in the short term, and the impact is low.
Rising costs of raw materials	Due to climate change, many places including the EU test-launched a carbon tax in 2023 which has led to higher raw material production costs and transportation costs for bulk commodities, and in turn affects our operations. The response plan is to purchase green and low-carbon raw materials, and strengthen the proportion of local procurement by the supply chain to reduce the increase in costs of raw materials and transportation. It is estimated that the increase in carbon costs will indirectly increase procurement costs by 15% in the short term, and the financial impact is medium.

Emission reduction targets	Strategic Actions and Plans
<p>Headquarters comparison with the base year 2023</p> <ul style="list-style-type: none"> • 20% reduction in Scope 1+Scope 2 greenhouse gas emissions by 2030. • 30% reduction in Scope 1+Scope 2 greenhouse gas emissions by 2040. • Net-zero emission by 2050. 	<ol style="list-style-type: none"> 1. Purchase infrastructure equipment with eco-labels through green procurement (implementation period: 2023 to 2030). 2. Completely replace the refrigeration and air conditioning systems with Class 1 energy efficiency equipment (implementation period: 2024 to 2030). 3. Purchase energy storage and p regulation systems to improve energy efficiency (implementation period: 2027 to 2030). 4. Increase the ratio of renewable energy used to 30% (implementation period: 2030 to 2040) 5. Purchase green power and renewable energy certificates, and purchase credits to replace the consumption of externally purchased electricity (implementation period: 2030 to 2050).

2023 Short-, Medium-, and Long-Term Climate Risks and Opportunities Table

No.	Climate change risk issue	Risk level	Time range	No.	Climate change risk issue	Opportunity level	Time range
R1	Increase in prices of greenhouse gas emissions	High	Short-term medium-term	O1	Reduce water consumption and waste volumes	Medium	medium-term long-term
R2	Strengthening obligation to report emissions	Medium	Short-term medium-term long-term	O2	Use more efficient production and distribution processes and waste volumes.	Medium	medium-term long-term
R3	Requirements and supervision of existing products and services	Medium	Short-term	O3	Recycle and reuse waste volumes.	Medium	medium-term long-term
R4	Replacement of existing products and services with low-carbon products	Medium	medium-term long-term	O4	Switch to more efficient buildings	Medium	medium-term long-term
R5	Costs of transition to low-carbon technologiesproducts	Medium	Short-term medium-term	O5	Adopt more efficient transportation methods.	Medium	Short-term medium-term long-term
R6	Changes in customer behavior	Medium	Short-term medium-term	O6	Use of low-carbon energy	Medium	medium-term long-term
R7	Changes in rainfall (water) patterns and extreme changes in climate patterns	High	medium-term long-term	O7	Adopt incentive policies	Medium	medium-term long-term
R8	Increased severity of extreme weather events such as typhoons and floods	Medium	medium-term	O8	Use new technologies	Medium	medium-term long-term
R9	Rising costs of raw materials	High	Short-term medium-term long-term	O9	Participate in the carbon trading market.	Medium	medium-term long-term
R10	Rise of average temperature	Medium	medium-term long-term	O10	Shift to decentralized energy	Low	medium-term long-term
R11	Rise of sea level	Medium	medium-term long-term				

Note Short-term is 1 to 5 years, medium-term is 5 to 10 years, long-term is more than 10 years.



1-4 Ethical Corporate Management

Each department of Yankey Engineering will interact with stakeholders through routine channels on a regular basis. If there is a potential significant negative impact between stakeholders and the Company, the responsible department will conduct due diligence on the financial situation of stakeholders and report the investigation results to the Chairman. The Chairman will evaluate whether the specific results pose a significant threat to the overall operation of the Company, and report them to the Board of Directors. Finally, the Board of Directors will make a resolution on the due diligence report submitted by the department and assign it to the responsible department of the Company for execution. In 2023, there were no potential negative major events between Yankey Engineering and its stakeholders, so there is no record of reporting to the Board of Directors. Yankey Engineering understands that it is not sufficient to conduct financial due diligence on stakeholders only. In the future, the scope of due diligence will be assessed to include stakeholders' legal compliance records, environmental protection and labor rights, so as to enable Yankey Engineering to conduct due diligence on stakeholders and enhance the Board's role in dealing with potential negative impacts.

🕒 Promotion of Ethical Corporate Management

Policy	Performance Description
Communicate the organizational culture and put ethics first	Yankey Engineering's organizational culture is based on compliance and ethics. The core values of Yankey Engineering are built in the spirit of integrity and legal compliance to ensure that the principle of ethical corporate management is implemented within the Company.
Establish ethical corporate management best practice principles and operating procedures	The Company values the moral character of its employees and has formulated the "Ethical Corporate Management Best Practice Principles" and "Ethical Corporate Management Procedures and Behavioral Guidelines", emphasizing the core corporate values of integrity, innovation, discipline, positivity, and customer trust, with promoting world connectivity through innovation and care as our mission. The status of implementation of ethical corporate management was reported to the Board of Directors in December 2023.
Education and training for newcomers	The Human Resources Department conducts advocacy to new recruits to cultivate their awareness of ethics. At the same time, the management is required to lead by example and abide by the principle of ethics to subtly shape the Company's overall ethics culture.
Whistleblowing channel and reward and punishment system	Yankey Engineering has also established a grievance/reporting channel, internal and external reporting channels, as well a reward and punishment system, and always pays attention to the development of regulations related to ethical corporate management at home and abroad. We also encourage directors, managers, and employees to make suggestions for the review and improvement of ethical management policies and measures, in order to enhance the effectiveness of the Company's corporate ethical management. In 2023, Yankey Engineering did not receive any whistleblowing cases. In addition, the Management Department of Yankey Engineering is responsible for designing and reviewing grievance channels and accepting cases. In the future, the stakeholder communication meeting held by customers and suppliers will evaluate and discuss these issues as reference for improving the grievance mechanism.

1-5 Compliance with Laws & Regulations

Legal compliance is the cornerstone of corporate security and sustainable development. Effective legal compliance can not only prevent fraud, reduce the loss of labor, time, and expenses such as judicial investigation, fines, lawsuits, and negative news, but also enhance corporate image and attract high-quality independent directors, employees and transaction counterparties to create a win-win situation for the Company, shareholders and stakeholders. In terms of corporate governance, the Company has established an Audit Committee to supervise the Company's financial position and internal control system, and formulated rules of procedure for the Board of Directors to strengthen its functions.

Secondly, in terms of personnel management, the Company has established and implemented whistleblowing channels. At the same time, the management takes the lead and requires each employee to ensure that relevant business behaviors comply with laws and the Company's policies and internal regulations. Each unit is ensured to comply through internal control operations. In terms of personnel training, the Company conducts training in laws and regulations related to business implementation for different units and different ranks of employees, so as to ensure that the Company's operations comply with various legal requirements. The Company also protects the legal labor rights of employees in accordance with labor related laws and regulations.

Secondly, in terms of environmental safety and health, Yankey Engineering has implemented the environmental management system and occupational safety and health management system, and complies with environmental protection laws and regulations and requires suppliers and contractors to comply. The company has formulated an emergency response plan and set up an Emergency Response Group to carry out emergency response and handling in case of emergency. In addition, the Company is committed to providing all employees with a safe and reasonable working environment and protecting the rights and interests of employees. We regularly implement safety and health training for employees, including the provision of necessary health and first-aid facilities, and are committed to reducing hazard factors to the safety and health of employees to prevent occupational accidents. In 2023, the Company did not have any records of major violations in any of the aspects of ethical governance, anti-competition, business accounting, environmental protection, labor rights, occupational safety and health and product liability, socioeconomics, customer privacy, and customer health and safety.

1-6 Information Security

Material Issue	Information security
Policy	Ensure the confidentiality, integrity, availability, and legitimacy of the data, systems, equipment, network security, and the information assets owned; comply with relevant laws, regulations, and contract requirements to protect them from threats from internal or external intentional or accidental attacks.
Goal	Zero major information security incidents each year.
Responsible department/ Grievance mechanism	<ul style="list-style-type: none"> • Responsible department: IT Department • Grievance mechanism Email : dereklin@yankey.com.tw
Resources invested	<ul style="list-style-type: none"> • Implement the operation of the Information Security Committee to be responsible for the implementation of information security matters. • Implement information security education, training, promotion, and audit. • Implement cyber security control. • Implement data access control. • Regularly back up data and implement disaster recovery drills. • Introduce the ISO/IEC 27001 Information Security Management System. • Appoint a Chief Information Security Officer after the approval of the Board of Directors.
Evaluation mechanism	<ul style="list-style-type: none"> • There were no major information security hazard incidents in 2023. • In 2023, there were no cases where the leakage of confidential information affected the personal data of customers and employees which resulted in penalties from the competent authorities. • In 2023, there were no deficiencies in the authority of the CPA's external audit account. • The Company passed the ISO/IEC 27001 Information Security Management System certification in 2023.

In order to meet the requirements of stakeholders, protect product and service information, prevent unauthorized access, modification, use, disclosure and losses caused by natural disasters, gain the trust of customers and suppliers, and ensure the continuity of the Company's important business and achievement of the commitment to shareholders, Yankey Engineering has implemented security management to ensure the confidentiality, integrity, and availability of important information assets, and comply with relevant laws and regulations.

Information Security Organization

The Company appointed a Chief Information Security Officer in 2023. The Information Department under him is responsible for information security operations, and formulation of internal information security regulations and systems, planning and implementation of information security operations, and advocacy and promotion of information security for independent department not affiliated to user units, the Company establishes, in order to enhance and implement the information security awareness of employees, and collect and improve organizational information security management as needed.

Information Security Policy

To implement information security management, the Company has established the Internal Control System - Computer Circulation and Information Security Management Regulations to achieve the following policy objectives through the joint efforts of all employees:



The management understands the purpose of information security and supports it.



Ensure the confidentiality, integrity, and availability of information assets.



Ensure that data access rights are regulated according to the functions of the organization's personnel.



Ensure the continuous operation of the information system.



Designate senior executives to be responsible for performing information security audits on a regular basis.



Regularly conduct security assessments on unit personnel and information equipment.

🕒 Information Security Policy

The Information Department of Yankey Engineering is responsible for the Company's overall information security business, and is responsible for formulating the Company's information security policy, planning and implementation of information security protection as well as the promotion and implementation of information security policies. The Company has adopted various information security protection measures to prevent various internal and external information security threats, so as to enhance the security of the overall information environment.

Information Security Aspect	Solution
Network and cyber security	<ul style="list-style-type: none"> • Regularly check the logs of each system and track abnormal conditions. • Install a firewall and regularly scan the computer system and data storage media for viruses. • Remote login management SOP. • Endpoint defense behavior detection.
Authorities and data protection	<ul style="list-style-type: none"> • Maintain the information system by dedicated personnel, and set up accounts and passwords. • Assign different data access authorities according to the functions of the organization's personnel. • Cancel the original authorities of personnel transferred out. • Regularly back up full and different system data, conduct system recovery drills regularly every year, and review the contingency plan. • Install Information security software and encrypt files. • Use dedicated personnel to manage application source code, databases, and execution files.

Achievements in 2023



- Zero major information security incidents in the year.
- The information security audit has been completed, and no non-compliance has been found during the audit. The audit results show that the protection capability and implementation of information security are controlled and complete.
- Introduced the ISO/IEC 27001 Information Security Management System and obtained the certification in 2023.
- Introduced the UPAS intranet management system to block ransomware in real time and strengthen network security.
- Completed internal vulnerability scanning and identified and corrected information security loopholes to enhance information security.
- Improved network lines in the server room and head office to increase the speed and stability of network connections.
- Completed the update of the Company's official website.
- The information unit has sent the information security awareness email 4 times to enhance employees' information security awareness.



Information security training

CHAPTER 02

Sustainable Value Chain



2-1 Supply Chain Sustainability

Suppliers/contractors are important partners in the value chain of Yankey Engineering. In addition to providing customers with products and services with economic value, we are concerned about the social and environmental development of suppliers in view of the global awareness of human rights and the impact of climate change. To promote the sustainability of the Company and in response to the global trend of environmental protection, Yankey Engineering has established long-term partnerships with suppliers to actively ensure that they comply with the social and environmental responsibilities of the supply chain. Yankey Engineering will continue in-depth exchanges with partners and engage in sustainability actions with upstream suppliers in the hope of jointly creating a safe, friendly, environmentally and socially responsible, and sustainable engineering service industry chain.

Material Issue	Economic performance
Policy/Commitment	<ul style="list-style-type: none"> • The pursuit of maximum profit is the goal of the Company's continuous efforts. We focus on our core business and adhere to the business beliefs of "integrity, professionalism, and pragmatism" to achieve sustainable management.
Goal	<ul style="list-style-type: none"> • Sound corporate governance with sustainable development as the goal. • Diversify customer sources, expand into Southeast Asia and the livelihood business fields. • Create talent reserve and develop a professional work team
Responsible department /Grievance mechanism	Contact: Finance and Accounting Department Email: JohnnyCheng@yankey.com.tw
Resources invested	<ul style="list-style-type: none"> • Air circulation simulation technology for clean rooms in high-precision semiconductor packaging <ul style="list-style-type: none"> ▶ Using airflow simulation technology to preemptively reduce the possibility of dust emissions. ▶ Using fluid mechanics where the computer simulates the distribution and circulation of airflow in the clean room to find the most efficient structural layout for sensing components. ▶ Achieve environmental stability by strengthening machine heat dissipation through airflow control. ▶ Reducing and stabilizing indoor temperature. ▶ Reducing electricity consumption and reducing operating costs.

Material Issue	Economic performance
Resources invested	<ul style="list-style-type: none"> Intelligent control engineering technology for electrical machine air conditioners in the clean room <ul style="list-style-type: none"> Utilizing 3D engineering drawings to facilitate better spatial planning by designers. Different color patterns set for system pipelines for easy sorting and analysis. Building components according to the actual sizes of the objects takes into consideration space required for installation. Using 3D engineering drawings to replace traditional 2D drawing designs, and updating the electrical and mechanical piping system and the interior space of the building in real time. Using BIM software to quickly generate the required views and profiles. Solving the problem that traditional 2D drawing design cannot check in real time for mechanical and electrical piping collisions.
Evaluation mechanism	<ul style="list-style-type: none"> For 2023, the annual consolidated net operating revenue reached NT\$15.51 billion, an increase of 11% over the NT\$13.97 billion reported in the previous year. The earnings per share for 2023 were NT\$20.22.

Supply Chain Sustainability

Suppliers/contractors are important partners in the value chain of Yankey Engineering. In addition to providing customers with products and services with economic value, we are concerned about the social and environmental development of suppliers in view of the global awareness of human rights and the impact of climate change. To promote the sustainability of the Company and in response to the global trend of environmental protection, Yankey Engineering has established long-term partnerships with suppliers to actively ensure that they comply with the social and environmental responsibilities of the supply chain. Yankey Engineering will continue in-depth exchanges with partners and engage in sustainability actions with upstream suppliers in the hope of jointly creating a safe, friendly, environmentally and socially responsible, and sustainable engineering service industry chain.

Green procurement performance in 2023 Unit: NT\$ thousand; %			
Green procurement item	Total purchase amount	Green purchase amount	Green purchase proportion
Information equipment	15,711	2,783	17.72
Office consumables	273	233	85.11
Stationery and daily necessities	331	189	57.06

Supplier Evaluation

In order to ensure that suppliers meet the Company's needs in terms of quality, quantity, delivery time and price, Yankey Engineering has formulated the "Supplier Management Measures" to evaluate the quality and delivery time of suppliers and new vendors. In 2023, the Company began to incorporate environmental and social assessments into supplier evaluations.

In 2023, the assessment results of new and existing suppliers met the Company's requirements, and no significant actual or potential negative environmental and social impacts were found. In addition, there were no major violations of relevant environmental and social laws and regulations that resulted in supply termination in the year.

Year	2023	
	Equipment vendors	Contractors
Number of new suppliers	65	186
Number of suppliers that have completed environmental and social assessments	30	91
Number of suppliers that have passed environmental and social assessments	30	91
Percentage screened by environmental and social criteria (%)	46.2	48.9

Note The environmental and social assessments of new suppliers was implemented in July 2023.

Year	2023	
	Equipment vendors	Contractors
Total number of suppliers regularly evaluated	38	103
Number of suppliers that have undergone social/environmental impact assessments	22	73
Number of suppliers that have made improvements after social/environmental impact assessments (%)	100	100

Note The environmental and social assessments of new suppliers was implemented in July 2023.

● Supplier Risk Management

In order to prevent suppliers from affecting the Company's project performance or causing any disputes due to major disasters, failure without warning or other reasons, Yankey Engineering has established a risk assessment mechanism to strengthen supplier management. Yankey Engineering conducts risk assessments and evaluations on suppliers every year to ensure its continuous operations, and avoid and reduce operational hazards to the Company through appropriate preventive measures to protect the rights and interests of stakeholders. Yankey Engineering maintains more than two suppliers for its main equipment and outsourced services to ensure a stable service supply and reduce the risk of possible operational interruptions.

● Supplier Communication

Yankey Engineering attaches great importance to communicating with suppliers, and firmly controls and supervises the operation status of suppliers through various channels, so that suppliers can obtain relevant procurement demand information through the supplier EC platform.

Yankey Engineering organizes supplier communication meetings, toolbox meetings, and project meetings from time to time as needed, and has a supplier section on the Company's website to enhance relations with suppliers.



2-2 Customer Service

Yankey Engineering values customer opinions, meets customer needs, and is committed to providing customers with the best service. To this end, Yankey Engineering has established a dedicated customer service team to support all the way from R&D, engineering design, marketing to after-sales service. A complete communication management mechanism is in place at each stage of the project process to quickly respond to customer needs and expectations.

Yankey Engineering regards customer feedback and opinions as an important basis for improving customer relationship development. We actively understand customer needs through multiple channels, and customers can use these channels to reflect abnormal quality, performance, and future needs. In response to each customer's feedback, Yankey Engineering will regularly review, analyze, and propose an appropriate improvement plan, and formulate a complete set of customer demand response processing procedures. Every year, the sales unit conducts customer satisfaction surveys, and all problems are referred to the relevant departments for response and improvement. In response to customer complaints, regardless of the severity, Yankey Engineering will send personnel for service and seek design improvements for the problem parts, in order to fulfill the commitment to customers and on quality. In 2023, the customer satisfaction score was 73 points, which was in line with the target. In addition, no customer complaints related to engineering services or environmental safety regulations were received.

🕒 Customer Privacy Protection

Yankey Engineering understands that the protection of confidential information is critical to the Company's competitive advantages. The Company has established the Personal Information Protection Management Measures and clearly defined relevant management regulations to properly control the Company's business secrets and confidential information that has not been disclosed to the public, in order to ensure the best interests of customers and suppliers. In 2023, no customer complaints about violations of customer privacy or disclosure of confidential information were received.

Excellent Quality Control Team



Description

TSMC RD Center Project Excellence
in Level-2 Quality Management
and Execution Efficiency"

Date

2023.07.31



Description

TSMC RD Center Project Excellence
in Level-2 Quality Management
and Execution Efficiency

Date

2023.07.31



Description

Outstanding Quality Management
Team AP6B-S1
Excellent Quality Control

Date

2023.07.27



Description

2022
Outstanding Instructor

Date

2023.02.9

2-3 Operating Performance

Financial performance is the core of the Company's operations, and the pursuit of maximum profit is also the goal of the Company's continuous efforts. Since its establishment, Yankey Engineering has upheld the corporate culture of innovation, teamwork, efficiency, and passion to achieve sustainable management by maintaining technology leadership, achieving customer satisfaction, pursuing sharing by all employees, enhancing shareholder value, and fulfilling social responsibilities, in order to continue our good financial performance.

In the face of the ever-changing external environment, the Company continues to provide customers with high-quality engineering services, and continues to improve the engineering technology and capacity in terms of design, construction methods, quality control, and testing to continue to achieve the high growth goal. The Company also spares no effort in developing new customers and ensuring a high level of customer satisfaction to maintain its competitiveness.

In addition, through good corporate governance, we continue to strengthen our management structure, integrate with the industry chain, reduce project costs, and enhance our competitiveness. These not only enhance the confidence of shareholders, internal employees, supply partners and customers in us, but also create a win-win situation for mutual prosperity to achieve sustainable development.

Operational Performance Over the Years			Unit: NT\$ Thousand
Item	2021	2022	2023
Revenues	7,260,436	10,904,999	13,443,740
Operating costs	5,514,403	7,637,354	9,831,558
Employee salary and benefits	786,918	1,331,095	1,431,080
Payments to capital contributors	453,450	952,868	1,496,436
Payments to the government	181,757	403,527	674,178
Community investment	1,777	2,760	2,954
Remaining economic value	322,131	597,395	7,534

- Income includes net sales plus income from financial investments and asset sales.
- Operating costs include cash expenses paid externally for the purchase of raw materials, product parts, facilities, and services.
- Employee salary and benefits include the total salary (including employee salaries and the amount paid to the government on behalf of employees) plus total benefits (not including the cost of education and training, protective equipment, or other cost items directly related to employee’s job responsibilities).
- Payments to capital contributors include dividends paid to all shareholders plus interests paid to lenders.
- Payments to the government include all taxes and penalties paid by the organization in accordance with international, domestic, and local standards. Taxes may include business tax, income tax and property tax.
- Remaining economic value: “Direct economic value generated” minus “economic value distributed” .
- The Company’s financial performance is disclosed in the parent company-only financial statements.

CHAPTER 03

Social Inclusion



Material Issue	Labor-management relations and training and education
Policy	<ul style="list-style-type: none"> Competitive compensation and benefits and comprehensive on-the-job training Zero obstruction of labor-management communication
Goal	<ul style="list-style-type: none"> 0 labor disputes in the year. Annual average training time of 25 hours.
Resources invested and specific results for the year	<ul style="list-style-type: none"> New employee training and on-the-job training Quarterly labor-management meeting Completion of the annual employee performance appraisal.
Responsible department /grievance mechanism	<ul style="list-style-type: none"> Contact: Management Department Email : YankeyEmployee@yankey.com.tw
Evaluation mechanism	<ul style="list-style-type: none"> The Labor-management Committee convenes a labor-management meeting every three months to communicate about labor trends, company operation information, labor activities, and benefits. There were no labor disputes in 2023. The average number of training hours of all employees is 30.65, the average number of training hours of male employees is 31.62, and the average number of training hours of female employees is 28.48.

Based on the “people-oriented” management mindset, Yankey Engineering has established a comprehensive management and care system to take care of its employees and create a friendly workplace, so that every employee can grow with the Company without worries.

Yankey Engineering strictly complies with labor-related laws and regulations, and has formulated work rules to legally protect and maintain the rights and interests of employees. The Company has established the ISO 45001 Occupational Safety and Health Management System to provide employees with a healthy and safe work environment, and has constructed diverse and open communication channels between labor and management, coupled with fair compensation and promotion, a complete training and development system, a sound welfare system, and an open and transparent profit sharing system to allow employees to contribute their abilities and performance without worries, grow and develop together with the Company, enhance good labor-management relations, and create a warm and harmonious working atmosphere, in order to lay a solid foundation for the establishment of sustainable operations.

3-1 Manpower Structure

Yankey Engineering treats its employees equally, and adopts various affirmative actions to eliminate any labor conditions that may cause asymmetry in the workplace, and protect the labor rights of our employees. The cultivation and development of human resources is an indispensable part of the sustainable operation of a company. Through the management strategy of talent selection, utilization and cultivation, Yankey Engineering enables every employee to work without worries and continue to apply their expertise, so as to effectively retain outstanding talents to grow with the organization, and achieve a win-win situation for the long-term development of employees and the sustainable growth of the Company.



Appropriate talents are recruited according to the Company's business strategy and through diversified recruitment channels, with local hiring as the priority; the Company's image is promoted to strengthen the Company's image in the labor market, and industry-academia cooperation is strengthened to increase the source of high-quality talents.



Respect for the diversity and human rights of employees, diverse compensation packages supplemented by a comprehensive welfare system, and building of a complete salary and reward structure and performance evaluation system.



We plan education and training based on rank and function, reward employees for self-learning, and encourage employees to share their knowledge to form a good learning environment and stimulate talent creativity and contribution.



Develop a motivational and competitive compensation package based on work performance and the principle of profit sharing; establish a comprehensive employee welfare system to promote harmonious development, build consensus and cultivate team cohesion; value employee health and workplace safety and health, identify workplace risks, care for the physical and mental health of employees through the implementation of the four major labor health protection plans, and build a work-life balanced workplace environment.

3-1-1 Human Rights Protection

Yankey Engineering strictly abides by the laws and regulations of the locations of its operations around the world, and supports and voluntarily abides by various international human rights conventions, including the Universal Declaration of Human Rights, the United Nations Global Compact, the United Nations Guiding Principles on Business and Human Rights, various international human rights conventions of the United Nations International Labor Organization, and the Taiwan Labor Standards Act. Based on the spirit of various human rights frameworks and conventions, the Company treats all employees with dignity and respect, and formulates and implements human rights policies in accordance with the guiding principles in the documents above, and requires supply chain partners to comply with them.

Human Rights Policy Implementation Guidelines

- ✓ Eliminating all forms of forced labor.
- ✓ No use of child labor.
- ✓ Compliance with the Labor Standards Act and offering compensation that complies with regulations.
- ✓ Ensuring workplace safety for employees.
- ✓ Ensuring the rights of employees at operating locations to freely form a union.
- ✓ Fulfilling employees' rights to gender equality and equal pay for equal work in the workplace, and opposing all forms of discrimination.

Raising the awareness of human rights.

- ✓ New employee training: The contents include prohibiting forced labor, anti-discrimination, anti-harassment, implementing flexible working hours, protecting human rights, and providing a healthy and safe work environment.
- ✓ Prevention of workplace violence: Through publicity and announcements, employees understand their responsibility to help prevent workplace abuse in the process of performing their duties, in order to create a friendly work environment. In 2023, a total of 253 people participated in the human rights education and advocacy, illegal infringement prevention, and communication skill courses.
- ✓ Occupational safety training series: The contents include health information promotion, professional nurse health service consultation, labor safety and health training, and first-aid personnel training.

In addition, Yankey Engineering provides whistleblowing channels for employees; dedicated personnel will conduct due diligence after acceptance, and keep the whistleblower’s personal information confidential. If the fact is verified, we promise not to treat the whistleblower adversely. In 2023, Yankey Engineering did not have any records of human rights violation. Yankey Engineering attaches great importance to human rights issues and plans for employees to participate in courses organized by external and local authorities from time to time according to their job responsibilities, so that employees can constantly improve their knowledge and development of human rights, and grow and prosper together with the Company. In 2023, human rights-related training for new recruits included work rules, occupational safety, and information security, and a 100% participation rate was achieved. In addition, Yankey Engineering Headquarters reviews from time to time the impact of operating activities in the plant and internal management on human rights, and has established corresponding handling procedures. Employees can file grievances through the Company’s grievance channel, and the headquarters will respond appropriately.

3-1-2 Employee Statistics

As the characteristics of the industry is that of a professional engineering industry, there are differences in the structures of male and female employees. Female employees account for 30.35% of all employees. All employees of Yankey Engineering are on indefinite contracts (i.e. full-time employees), and most of them are full-time workers. No child labor is employed, and the employees are mainly locally hired. The Company provides long-term and stable jobs to enable employees to devote themselves to work without worries, and this helps ensure the economic life of employees. There are 12 senior executives (associate vice presidents and above) who are all locally hired. In response to the government policy, the Company employs people with physical or mental disabilities. In 2023, the Company hired 4 people, including 1 with mild physical or mental disabilities, 2 with moderate disabilities, and 1 with severe disabilities. The overall hiring complies with legal requirements.

Statistics/Year		2021		2022		2023	
Total number of employees (Note 1)		397		453		481	
Employment contract (Note 2)		Irregular	regular	Irregular	regular	Irregular	regular
Gender	Male	314	0	279	0	335	0
	Female	139	0	118	0	146	0
Type of employment (Note 3)		Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
Gender	Male	314	0	279	0	335	0
	Female	139	0	118	0	146	0

- NoteBased on the total number of employees at the end of the year (December 31).
- NoteEmployment contracts are divided into indefinite contract employees (full-time) and fixed-term contract employees (temporary, short-term, seasonal, and of specific nature).
- NoteEmployees are divided into full-time employees (the working hours per week reach the statutory upper limit) and part-time employees (the working hours do not reach the statutory upper limit but only part of the working hours, such as work-study students and hourly workers).
- NoteThe Company's non-employee workers are work safety consultants. In 2023, there were a total of 47 non-employee workers, including 19 males and 28 females.

○ Diversified Composition

Statistics/Year				2021		2022		2023	
				Number of people	Percentage	Number of people	Percentage	Number of people	Percentage
Employees	Managerial positions	Gender	Male	67	16.88%	78	17.22%	85	17.67%
			Female	12	3.02%	12	2.65%	14	2.91%
		Age	Under 30	0	0.00%	0	0.00%	1	0.21%
			30 (inclusive) but less than 50	61	15.37%	72	15.89%	75	15.59%
			Over 50	18	4.53%	18	3.97%	23	4.78%
	Non-managerial positions	Gender	Male	212	53.40%	236	52.10%	249	79.42%
			Female	106	26.70%	127	28.04%	133	27.65%
		Age	Under 30	124	31.23%	174	38.41%	171	35.55%
			30 (inclusive) but less than 50	183	46.10%	176	38.85%	200	41.58%
			Over 50	11	2.77%	13	2.87%	11	2.29%

Note Percentage of non-management Employees Under 30 = (Total Number of non-management Employees Under 30 at Year-End / Total Number of Employees at Year-End) * 100%

Percentage of Managerial Employees Under 30 = (Total Number of Managerial Employees Under 30 at Year-End / Total Number of Employees at Year-End) * 100%.

Employee Turnover Rate Statistics

New recruits and resignations/year		2021		2022		2023	
		Total number	Percentage	Total number	Percentage	Total number	Percentage
New employees		119		172		125	
Age	Under 30	60	48.4%	96	55.2%	71	45%
	30 (inclusive) but less than 50	57	23.4%	72	29%	51	51%
	Over 50	2	6.9%	4	12.9%	3	4%
Gender	Male	87	31.2%	118	37.6%	92	71%
	Female	32	27.1%	54	38.8%	33	29%
Total number		83		108		96	
Age	Under 30	38	30.6%	34	19.5%	52	41%
	30 (inclusive) but less than 50	43	17.6%	64	25.8%	39	50%
	Over 50	2	6.9%	10	32.3%	5	9%
Gender	Male	66	23.7%	75	23.9%	71	74%
	Female	17	14.4%	33	23.7%	25	26%

Note New recruit rate = (Total number of new employees of the specific category in the current year/Total number of employees of the specific category at the end of the year)*100%.
For example, new female recruit rate = (Total number of new female employees in the current year/Total number of female employees at the end of the year)*100%.

Note Resignation rate = (Total number of resigned employees of the specific category in the current year/Total number of employees of the specific category at the end of the year)*100%.
For example, the rate of resigned employees under the age of 30 = (Total number of resigned employees under the age of 30 in the current year/Total number of employees under the age of 30 at the end of the year)*100%.

3-2 Right Duties for the Right Employee

Sound human resources are the key to the sustainable operation of Yankey Engineering. To attract outstanding talent, the Company provides competitive compensation and benefits, and rewards employees for their performance and long-term contributions. The Company upholds the concept of equal treatment of employees, and plans transparent evaluation and a reward and punishment system to form a positive atmosphere of fair competition among employees, so they are willing to invest more effort on top of their performance at work, further shaping Yankey Engineering's corporate culture to attract talent to stay with the Company. At the same time, employees have a stronger sense of cohesion towards the Company and actively participate in company affairs. In terms of promotion channels, when the Company's promotion information is transparent and open, employees with good job performance will have the opportunity to be promoted, driving their colleagues to learn from the benchmark, hence the Company is therefore able to continue to cultivate more outstanding talent. The Company's training program allows employees to take continuing education, so that they can continue to grow in their respective professional fields and realize their self-worth. Finally, Yankey Engineering has established multiple channels to communicate and dialogue with its employees, so that they can provide their opinions in a timely manner to maintain a harmonious and trusted labor-management interaction.



3-2-1 Compensation and Benefits

Yankey Engineering adopts a transparent policy in terms of compensation, and the average salary offered is above the median of its peers. We are committed to providing comprehensive and competitive compensation and benefits to attract and retain outstanding talents. The Company conducts an annual salary survey to understand the market situation, and adjust salaries accordingly to maintain salary competitiveness. In 2023, the salaries of entry-level employees of the Company's headquarters in Taiwan were the same for male employees and female employees, and 1.33 times higher than the local basic salary.

The Company adheres to gender equality, and has no basic difference due to gender. The salary is approved according to the Company's internal salary scale. The salary standard of the overall compensation takes into account the position, grade, education level, work experience and seniority of employees. When comparing within the same grade, the male management is far more senior than the female management, and therefore the gap of the average compensation ratio of female to male is wider.

Ratio of basic salary to compensation				
Key operating location	Employee type	Item	Gender	
			Male	Female
Taiwan	Managerial positions	Basic salary	1.163	1
		Compensation	3.33	1
	Non-managerial positions	Basic salary	1.004	1
		Compensation	1.064	1

Note Basic salary refers to the minimum fixed amount paid to employees to perform their duties, excluding any additional compensation such as overtime pay, bonuses or various allowances.

Note Compensation refers to base salary plus additional amounts paid to workers; "additional amounts paid to workers" include seniority allowances, bonuses (including cash and equity), benefits, overtime pay, compensatory leaves, and other allowances (such as transportation subsidies, living expense subsidies, and childcare subsidies).

Note The management positions are those above the director level.

Parental Leave

Yankey Engineering's unpaid parental leave policy is implemented in accordance with Article 16 of the Gender Equality Act. After an employee has served for six months, an employee may apply for an unpaid parental leave for each child before the child's age of three. This period shall last until the child reaches the age of three, but shall not exceed two years.

Unpaid parental leave/year	Gender	Statistics		
		2021	2022	2023
Number of employees qualified for parental leave without pay	Male	6	14	9
	Female	3	2	4
Number of employees applying for parental leave without pay	Male	1	4	1
	Female	2	3	4
Number of employees requiring reinstatement upon expiration of parental leave without pay (A)	Male	1	4	0
	Female	2	3	3
Number of employees reinstated upon expiration of parental leave without pay (B) (including early reinstatement)	Male	0	4	0
	Female	2	3	3
Reinstatement rate (B/A)	Male	0%	100%	100%
	Female	100%	100%	100%
Number of employees who remained in service 12 months after reinstatement from parental leave without pay in the previous year (C)	Male	1	0	4
	Female	0	2	3
Retention rate (C/B in the previous year)	Male	100%	0%	100%
	Female	0%	100%	100%

Note The number of employees eligible for parental leave without pay is based on the number of male and female employees who have applied for maternity leave or paternity leave in the past three years.

Note Reinstatement rate = (Total number of employees actually reinstated in the current year/Total number of employees due for reinstatement in the current year)*100%.

Note Retention rate = (Total number of employees remaining in service 12 months after reinstatement in the previous year/Number of employees actually reinstated in the previous year)*100%.

◎ The benefit system is as follows:

Employee benefit items

Full-time regular employees



Insurance

Labor Insurance, national health insurance, group accident insurance, labor pension and statutory leaves.



Bonuses/ gift money

Dragon Boat Festival gift money, Mid-Autumn Festival gift money, year-end performance bonus, birthday gift money, wedding gift money, childbirth allowance, and funeral condolence money.



Education & Training

Education and training for new recruits, education and training courses for in-service employees, and subsidies for certification courses.



Entertainment

Annual domestic/overseas employee trip, family day activities, employee dinners, and year-end dinners.



Health

Annual health checkup, health checkup subsidies, and regular on-site medical care services.



Other

Free dormitory, free employee uniforms, fuel subsidies for engineering personnel, and telecommunication expense subsidies



The optimized welfare system in 2023 is as follows:

- The amount of travel subsidies increased from NT\$15,000 to NT\$20,000, with 385 participants and a utilization rate of 80%.
- Birthday gift bonus increased from NT\$1,000 to NT\$1,500.
- A special license award was added, with 2 people applying in 2023.

Friendly workplace photos - Family Day

In accordance with the Labor Standards Act and other relevant laws and regulations, Yankey Engineering provides welfare policies such as labor insurance, national health insurance, childcare, pension, and the leave system. All employees of the Company are covered by labor insurance and national health insurance in accordance with laws and regulations, and enjoy the right to insurance benefits, so that every employee can feel cared for and taken care of. In addition, the Company has established an “Employee Welfare Committee” in accordance with the law, formulated the “Welfare Committee Welfare Matters”, and appropriated an employee welfare fund in accordance with the law. In accordance with the “Labor Standards Act”, Yankey Engineering provides a retirement reserve for employees, and contributes 6% of their wages to the individual pension account of the employee according to law, protecting the rights of employees to claim pensions. 100% of the Company’s employees have participated in the retirement plan.



3-2-2 Talent Cultivation

Yankey Engineering attaches great importance to the development of employee competencies, and plans education and training based on the challenges that each level may face and the capabilities required by each department. At the same time, we provide internal staff and supervisors with rotation opportunities to enable employees to perform their optimal functions according to their career development stages. In addition, we encourage employees to improve themselves and provide incentives for continuing education and taking foreign language tests. Yankey Engineering has established an education and training management system whose core is the utilization of talents. Only having the right people in the right positions, can the benefits be maximized.

For the education and training procedures of Yankey Engineering, each department shall propose a training plan according to the needs, and submit it to the responsible supervisor of the department for approval before implementation. Evaluation will be carried out after the training according to the type of training. In 2023, to promote a balance in the life of our employees, Yankey Engineering launched a variety of courses including health seminars, strategic management, work performance improvement, and communication skills, so that employees can not only be competent for their professional work, but also improve their interpersonal relationships, physical and mental health, and work performance, so as to maintain the Company's competitive advantage. The average training hours for all employees in 2023 increased by 4.38 hours compared to that in 2022, highlighting the Company's achievement in sustainable talent cultivation.

● Performance Evaluation

To ensure that the work performance of our employees is properly reflected in their personal remuneration, all employees undergo an annual performance evaluation, and the results are taken into consideration in employees' career advancement and development, so that employees with special technical expertise can grow into professionals in the field through their own efforts. Employees with management skills and leadership potential are promoted to the management level, in order to provide them with broad career development prospects. In 2023, the number of employees undergoing performance evaluations accounted for 94% of the total number of employees.

Employees reviewed in 2023		Number of people reviewed	Total number of employees	Percentage
Gender	Male	314	481	65%
	Female	139		29%
Employee type	Managerial positions	90		19%
	Non-managerial positions	363		75%

Note Employees who served for less than 6 months in the year and those who took leave without pay during the evaluation period are not included in the performance evaluation.

Training performance

Headquarters training performance		Statistics/Year	2022	2023
Average training hours per employee (Note 1)			26.27	28.87
Average training hours by gender (Note 2)	Female		26.34	29.63
	Male		26.09	27.12
Average training hours by gender (Note 3)	Managerial positions		16.54	29.69
	Non-managerial positions		28.68	28.66

Note Average training hours per employee: total training hours of all employees in the year/total number of employees at the end of the year.

Note Average training hours per female employee: total training hours of all female employees in the year/total number of female employees at the end of the year.

Note Average training hours of each type of employees: total training hours of the type of employees in the year/total number of the type of employees at the end of the year.

Education and Training Highlights



Structured Problem Solving



Interview Skills for Successful Talent Selection



Communication Skills



Sustainable Development Training



Strategic Planning and Change Management



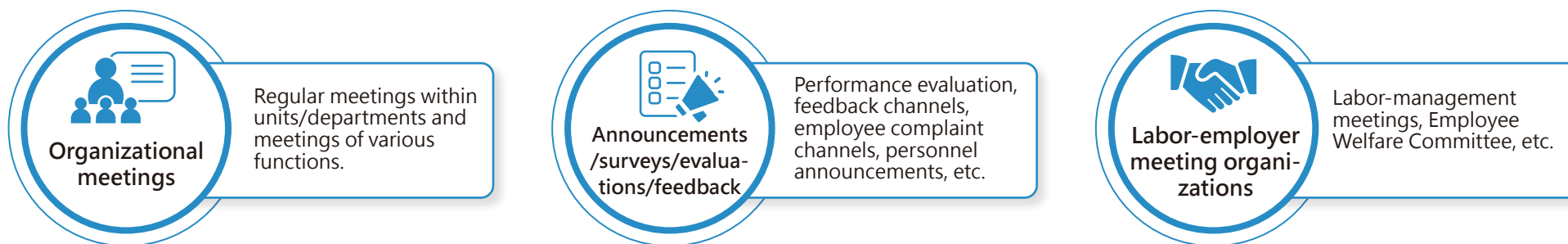
Work Performance Improvement



3-2-3 Labor-management Communication

○ Diversified Communication Channels:

Yankey Engineering upholds the philosophy of openness and respect to establish diversified labor-management communication channels, respects employees' opinions, promotes harmonious labor-management relations and enhances employee cohesion, which are of great help to the operational performance. Therefore, actively establishing diversified labor-management communication channels and maintaining smooth two-way labor-management communication not only helps the Company to communicate information in a timely, correct, and effective manner, but also helps the Company improve various management practices. The Company's labor-management communication mode is described as follows:



The above-mentioned diverse communication channels, including one-way, two-way, and interactive modes, are combined with the internal operation and management regulations of the organization to ensure that various information and messages are transmitted smoothly without errors.

If an employee is laid off or there is a change of work location due to plan shutdown or establishment of a new plant, the Company shall report to the local government's labor bureau 60 days in advance and comply with the notice period in accordance with the Act for Worker Protection of Mass Redundancy.

🕒 Labor-management meeting organizations

We respect the legal right of employees to freedom of assembly and association, and we neither object to nor prevent or hinder employee assembly or association. At the same time, labor-management meetings and the Employee Welfare Committee were established in accordance with the law, which were officially put into operation after submission to the competent authority for approval. At present, the labor-management meeting is held on a quarterly basis, and the Employee Welfare Committee also holds regular meetings. Each labor-management communication organization performs its own duties, communicates on different issues, and works together to promote the co-prosperity and coexistence of labor and management to create mutual benefits and win-win situations for labor and management.

🕒 Grievance handling and resolution

The Company has smooth labor-management communication channels and harmonious employee relations. There were no major complaints in 2023.

🕒 Handling of incidents of discrimination or sexual harassment

We have established the “Complaint and Punishment Measures for Sexual Harassment Prevention at the Workplace” to prevent sexual harassment and bullying at the workplace, and ensure the rights of employees. When an incident occurs, employees may file a complaint according to the Company’s “internal reporting mechanism”. Since the implementation of the Measures, we have not received any reports of sexual harassment or bullying from employees in 2023.

🕒 Actions taken in response to incidents of corruption and bribery

The Company has established the “Code of Ethical Conduct” as the basis for employees’ compliance in their daily ethical behavior. In 2023, there was no suspected corruption or bribery incident involving our employees. If similar incidents occur in the future, they will be investigated and dealt with according to the relevant management regulations. If the evidence after the investigation is clear, the employee will be punished according to the Company’s management regulations or relevant government laws and regulations.

3-3 Social Engagement

As a member of the society, Yankey Engineering is interdependent with investors, employees, local communities, and other stakeholders. We hope to exert our influence and fulfill our corporate social responsibilities with our limited contribution. We work with local groups to ensure that resources are provided to those in need through aspects such as care for the disadvantaged, material donations, environmental protection, industry-academia collaboration, and arts and culture promotion, and are committed to making the society a better place.

Environmental Protection

Event Date: Sunday, August 13, 2023

Theme: 2023 "I Love Clean Mountain" Charity Event

Location: Guanyin Mountain, Canopy Trail

Participants: 35 people

Description

Yankey Engineering encourages employees to visit the Guanyinshan-Linshao Trail, and take the skywalk through the forests to enjoy the fresh air of nature, and continue to work hard for the tidying of mountains and forests. Employees are encouraged to take their parents and children to relax and exercise in the mountains and forests to implement the concept of environmental protection in their daily lives, and understand the importance of environmental sustainability through practical actions.



Social Engagement Honors



Organic Association

The Organic Living Environment Education Promotion Association Dedicated to promoting environmental sustainability, social care, and public welfare.

Description

The Company donated NT\$330 thousand to the Circuit Board Environmental Foundation



Charity Activity Programs

Emergency Relief
The Red Cross Society of the Republic of China

Description

On February 6, the largest earthquake in 100 years struck Turkey and Syria, causing heavy casualties. Yankey Engineering donated NT\$500,000 to the Red Cross Society of the Republic of China to support humanitarian relief operations.



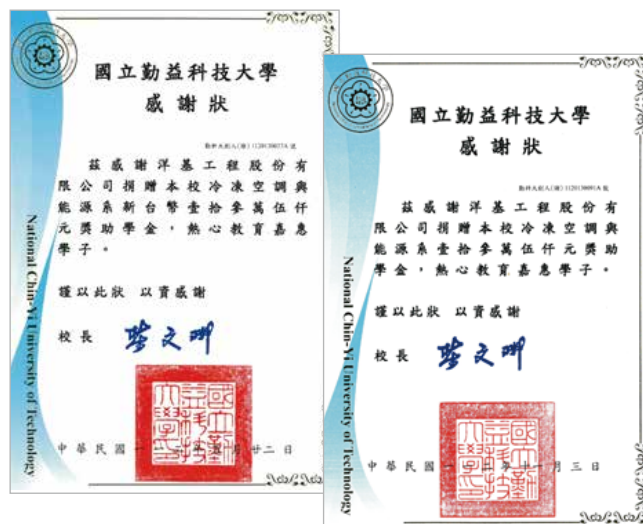
Charity Activity Programs

Material Donations

Description

The Company participated in the donation of used shoes to Step30 International Ministries.

Industry-academia Collaboration



Charity Activity Programs

Considering that it has been difficult to cultivate industrial talents in recent years, in addition to developing the core business, Yankey Engineering continues providing relevant resources to schools through scholarships and project cooperation mechanisms to assist industry-related departments in the cultivation of industrial talents.

Description

- The Company donated NT\$270 thousand to the scholarships of the Department of Refrigeration, Air Conditioning and Energy, National Chin-Yi University of Science and Technology.
- The Company donated NT\$12,000 for the Clean Technology R&D Center of National Taipei University of Technology.
- The Company served as a jury member of Chunghua Medical University's Achievement Competition.
- In 2023, a total of 27 students participated in the industry-academia collaboration internship, and the internship salary cost was NT\$14,183 thousand.

CHAPTER 04

Environmental Protection & Workplace Safety



Material Issue	Significance to the Company	Policy/Commitment	Responsible department / grievance mechanism
Greenhouse gas emissions	Energy management is inseparable from the sustainable development of enterprises and environmental protection. Energy resources are limited, and a high reliance on the use of traditional energy forms will lead to environmental pressures and increased carbon emissions. Environmental impact can be reduced and corporate competitiveness enhanced through energy management.	<ul style="list-style-type: none">• Energy efficiency improvement• Pollution reduction• Continuous improvement	Administration /Work Affairs or by email

Goal	Resources invested in the year / specific achievements	Evaluation Mechanism / Achievement
<div><div>1</div>Completing third- party verification of greenhouse gas inventory by 2025.</div> <div><div>2</div>Increasing energy efficiency</div> <div><div>3</div>When purchasing electrical appliances, priority should be given to Class1 energy-saving and optimized energy-saving appliances to reduce overall carbon emissions.</div> <div><div>4</div>Net-zero emission by 2050.</div>	<div><div>1</div>Advocacy and implementation of energy-saving measures.</div> <div><div>2</div>Planning subsequent energy-saving measures.</div> <div><div>3</div>Implementation of greenhouse gas inventory.</div>	Completed the voluntary greenhouse gas inventory in 2023.

4-1 Energy Management

With the rapid development of the economy and the increasing demand for energy by enterprises, energy management has become a major challenge faced by all enterprises today, and it is a major issue that Yankey Engineering must face. Yankey Engineering starts with the improvement in energy efficiency to reduce energy waste. With the development of technology, we adopt more efficient energy use methods and reduce the dependence on single energy sources. At the same time, we conduct an annual inventory of energy consumption to grasp the consumption of energy, which is beneficial for sustainable corporate development.

4-1-1 Internal & External Energy Consumption

Yankey Engineering's overall energy consumption structure is currently non-renewable energy, and no renewable energy is used. Our internal energy mainly consists of electricity and the gasoline used for company cars. The total electricity consumption in 2023 was 436,553 kWh, an increase from that in 2022, mainly due to an increase in the number of employees in 2023 and the addition of public electricity consumption in the building this year, resulting in an increase in the total electricity consumption. The gasoline used for company cars in 2023 was 139,893 liters, a decrease of 14,554 liters from that in 2022. Yankey Engineering checks energy consumption every year to understand the energy consumption in the entire year.

Overall Energy Consumption from 2021 to 2023				
Energy consumption volume	Unit	2021	2022	2023
Electricity consumption	kWh	305,784	336,888	436,553
	GJ	1,100.82	1,212.80	1,517.59
Gasoline consumption	Liters	160,738	154,447	139,893
	GJ	5,248.22	5,042.82	4,568.49
Total energy consumption	GJ	6,349.04	6,255.62	6,086.08

Note Gasoline consumption is the amount refueled by the Company for the year divided by the average price of 95 gasoline of the year.

Note 1kWh of electricity is 3.6 million Joules, 1GJ is 109 Joules; the calorific value of gasoline is 7,800Kcal/L, and 1 Kcal is 4,186J.



4-1-2 Energy Intensity

In terms of energy intensity, Yankey Engineering discussed the specific metric standard of energy intensity. The metric standard was selected as the number of full-time employees of the Company in the year (unit: person) to calculate the energy intensity of electricity consumption and gasoline consumption from the energy consumption activity data of the Company's operation throughout the year, to get the intensity of energy used by the Company and the efficiency of energy consumption, in order to serve as a reference for energy consumption direction in the future.

Overall electricity consumption intensity from 2021 to 2023

Energy intensity of electricity consumption	Unit	2021	2022	2023
Number of full-time employees	persons	390	444	479
Total electricity consumption	GJ	1,100.82	1,212.80	1,517.59
Intensity	GJ/persons	2.82	2.73	3.17

Overall gasoline consumption intensity from 2021 to 2023

Energy intensity of electricity consumption	Unit	2021	2022	2023
Number of full-time employees	persons	390	444	479
Total gasoline consumption	GJ	5,248.22	5,042.82	4,568.49
Intensity	GJ/persons	13.46	11.36	9.54

4-1-3 Energy Conservation and Carbon Reduction

Yankey Engineering has planned a series of energy-saving and carbon reduction measures. We continue to promote energy-saving measures in daily operating activities to enhance employees' awareness of energy-saving issues, so that energy-saving measures can be implemented in daily life. Yankey Engineering also performs greenhouse gas inventory every year. We have a clear understanding of the company's main sources of emissions to facilitate the formulation of more accurate carbon reduction plans. In the future, we also expect to introduce energy-saving and performance-enhancing equipment and facilities in all work areas to reduce energy consumption.

Slogans and temperature setting



4-1-4 Water Resource Management

Water is an indispensable resource for human life. In recent years, the extreme climate, droughts and water shortages have affected corporate operations. We recognize the importance of water resources, and in addition to actively promoting the concept of cherishing water resources on a daily basis, all Yankey Engineering's operating locations have comprehensive sanitation facilities which use water-saving equipment to save water consumption. In addition, we regularly repair and maintain pipelines to prevent water leakage caused by old or damaged pipelines. Yankey Engineering's operating bases use tap water for the daily water consumption of office personnel. There has been no significant change in tap water consumption over the years, and there has been no significant impact on water sources due to water taking.

Water Resource Consumption

Year	2022	2023
Water withdrawn (ML)	1.556	2.135
Water withdrawal intensity (ML/person)	0.0034	0.0044

Note There is no water used in the work process, so the water intake volume is the same as the water discharge volume, and the water consumption is 0.

4-2 Greenhouse Gas Emission Management

The global climate and environment are undergoing drastic changes due to the increase in greenhouse gases. As a member of the Earth, Yankey Engineering will set a base year for greenhouse gas emissions in the future and promote the ISO 14064-1 greenhouse gas inventory in 2024. We conduct internal inventory and commission an external verification body to accurately grasp the status of greenhouse gas emissions, discuss and propose feasible greenhouse gas reduction plans, and implement the reduction plans to achieve the goal of sustainable development.

4-2-1 Direct Green House Gas Emissions (Scope 1), and Indirect (Scope 2) and Other Indirect (Scope 3) Green House Gas Emissions

The greenhouse gas emissions of Yankey Engineering are the same as the indirect emissions from the electricity and gasoline used by company cars, as well as the electricity and gasoline mentioned in energy management. The greenhouse gas calculation method is used to calculate the total annual greenhouse gas emissions of Yankey Engineering in each scope, and the results are shown in the table below. In 2024, the ISO 14064-1 greenhouse gas inventory will be launched and included in the Scope 3 inventory to facilitate the implementation of subsequent carbon reduction.

The Company's ISO 14064-1 Inventory of Emission Sources		
Category	Emission type	Inventory facilities/activities
Scope 1 Category 1	Stationary combustion sources	Emergency power generator (CO ₂ 、CH ₄ 、N ₂ O)
	Mobile combustion sources	Company cars (electric-, diesel- and gasoline-powered) (CO ₂ 、CH ₄ 、N ₂ O) and trucks (diesel).
	Fugitive emission sources	The refrigerant (HFCs) of air conditioners, water chillers, refrigeration equipment, water dispensers and company cars, septic tanks (CH ₄), and fire extinguishers (CO ₂ 、HFC-236fa).
Scope 2 Category 2	Externally purchased electricity	Electricity (CO ₂ 、CH ₄ 、N ₂ O)

The Company's ISO 14064-1 Inventory of Emission Sources		
Category	Emission type	Inventory facilities/activities
Scope 3 Category 3	Downstream transportation	Product transportation (by air), product transportation (by sea), ground transportation from the receiving airport to the customer, and ground transportation from the receiving port to the customer (CO ₂ 、CH ₄ 、N ₂ O).
	Employee commute	Employee commute (by car), employee commute (by gasoline scooter), employee commute (by electric vehicle), employee commute (by electric scooter) (CO ₂ 、CH ₄ 、N ₂ O).
Scope 3 Category 4	The organization's purchase, raw material mining, manufacturing, and processing process	Carbon footprint of upstream mining, transmission and distribution of electricity, diesel, and automotive gasoline (CO ₂ 、CH ₄ 、N ₂ O)

Greenhouse Gas Emissions from 2021 to 2023				
Category	Unit	2021年	2022年	2023年
Scope 1	Metric tons CO ₂ e/year	363.77	349.53	103.85
Scope 2		155.64	166.76	216.09
Scope 3		-	-	498.31

Note The greenhouse gas inventory taking for 2021 and 2022 were self-assessment and did not fully comply with ISO 14064-1. Scope 1 data in 2023 is lower than those in the previous two years mainly due to the inclusion of fuel for employee commuting.

Note According to the Taiwan Environmental Protection Agency Greenhouse Gas Emission Factor Management Table 6.0.4 Edition, the calorific value of diesel is 8,400kcal/liter, the calorific value of petroleum gas is 6,635kcal/liter, the calorific value of gasoline is 7,800kcal/liter, and the calorific value of natural gas is 8,000kcal/liter. Calorific value is 8,000kcal/M3, with 4,186J per kcal and 3,600KJ per kWh, and 1 GJ=1*10^9 Joule.

4-2-2 Greenhouse Gas Emission Intensity

Through the greenhouse gas calculation, Yankey Engineering can understand the current status of greenhouse gas emissions, and set the number of employees as the metric to understand the Company's overall average emission to help the Company track environmental performance on a yearly basis. The following is the density statistics table of greenhouse gas:

Greenhouse Gas Emission Intensity from 2021 to 2023				
Category	Unit	2021	2022	2023
Scope 1 Emission intensity	Metric tons CO ₂ e/person	0.9332	0.7876	0.2168
Scope 2 Emission intensity		0.3936	0.3862	0.4511
Scope 3 Emission intensity		-	-	1.0477
Number of full-time employees	persons	390	444	479



4-3 Waste Treatment and Control

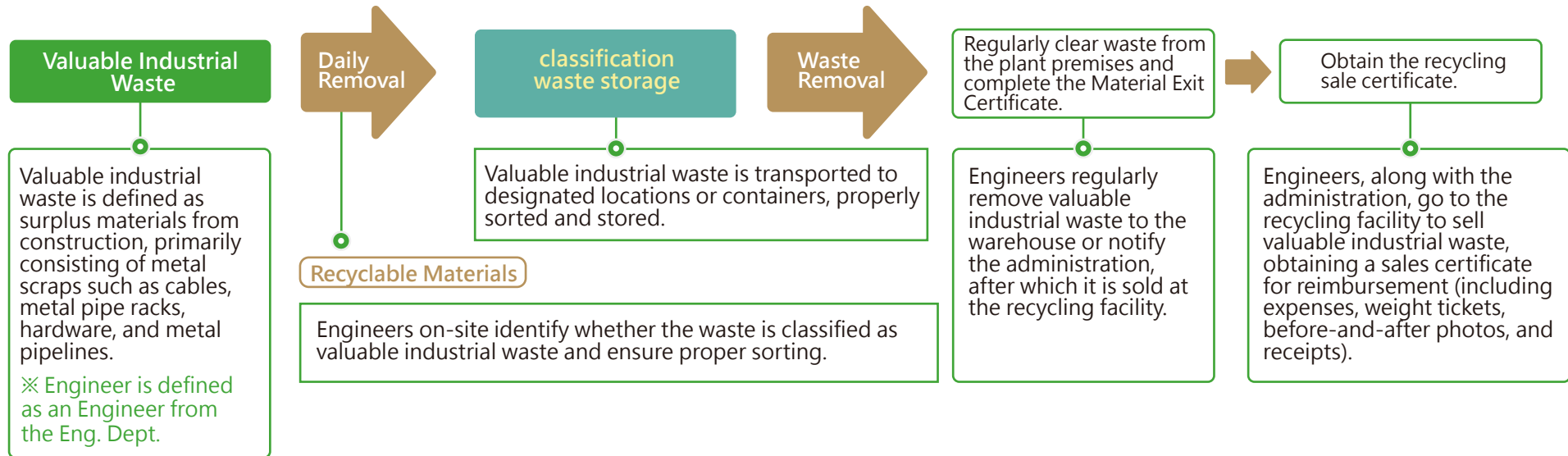
The wastes generated by the Company are all general industrial wastes. Industrial wastes are mainly wastes from construction mixtures, industrial wastes generated from construction, building demolition, and decoration works. In addition, employees' household waste, waste wood (packing materials), waste plastics and other wastes generated by non-production processes are outsourced to a qualified disposal contractor for off-site disposal to ensure the legality and safety of final disposal.

The Company complies with relevant environmental regulations for waste disposal. Currently, there is no hazardous waste disposal problem. The Company attaches great importance to waste issues, and has established many disposal methods in line with the Company's policy, including regulations on the disposal process of valuable industrial waste (scrap management) and the management process of valueless industrial waste from construction. The waste output in recent years is shown in the table below. In addition, as the Linkou Headquarters is a comprehensive commercial office building, the building management committee is responsible for clearing the waste generated by the building, and no statistics on the amount of waste generated by individual users is available. The reason for the increase in the total amount of waste in 2023 is the increase in large-scale construction projects, and therefore the total amount of waste increased from that in 2022.

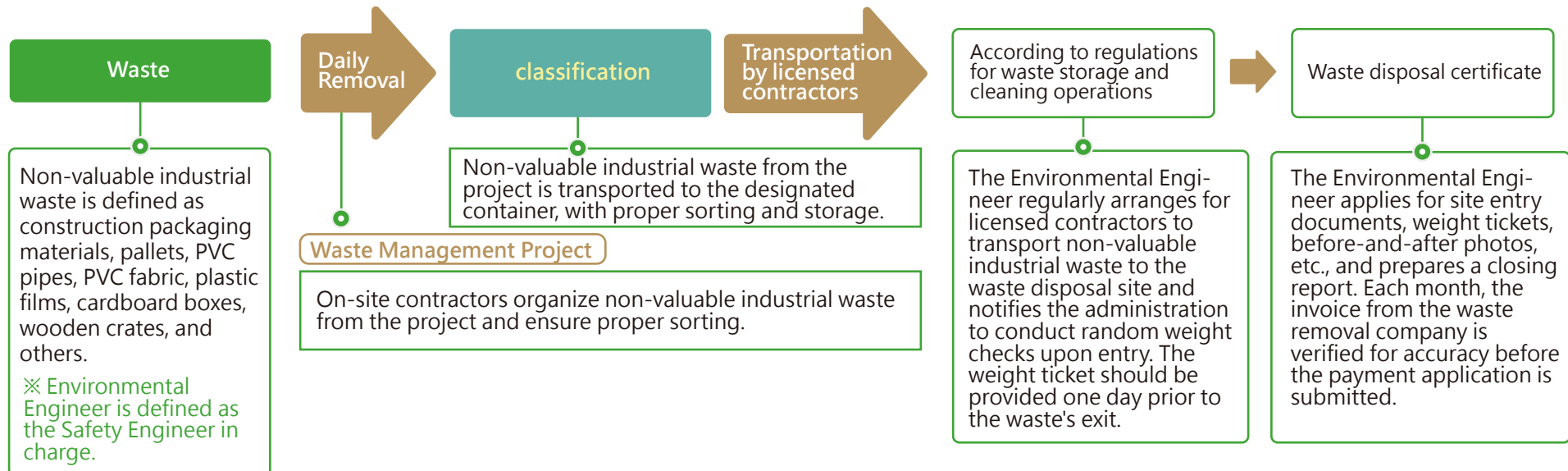
Waste Output Statistics Table			
Item	2021	2022	2023
Industrial waste (tonne) (R0503)	1,889.93	1,682.06	4,599.77



Valuable business waste treatment process



Valueless business waste treatment process



4-4 Work Safety

Material Issue	Occupational health and safety	Policy/ Commitment	Goal
Significance to the Company	Safety and health management is very important for a healthy workplace culture. Through the operation and promotion of the management system, we can effectively reduce potential hazards and risks, prevent accidents, protect the physical and mental health of workers, and protect the Company's assets and operations.	<ol style="list-style-type: none"> 1 Compliance with Laws and Regulation 2 Strengthening the environmental safety responsibility of supervisors 	<ol style="list-style-type: none"> 1 Reduce the number of occupational accidents. 2 Regularly promote occupational safety-related contents every year. 3 Optimize the operation process in the work area. 4 Achieve zero occupational disaster through external verification agencies.
Resources invested in the year / specific achievements		Responsible department / grievance mechanism	Evaluation Mechanism / Achievement
<ol style="list-style-type: none"> 1 Continue to implement ISO 45001. 2 Relevant occupational safety and health training in 2023. 		Occupational safety and health OSHA@yankey.com.tw	<ol style="list-style-type: none"> 1 Completed the quarterly Occupational Safety and Health Committee's tracking and review of occupational safety and health performance. 2 Completed ISO 45001 internal audit and management review 3 Completed external third-party verification, and there was no major deficiency 4 There was no major occupational disaster in the year.

As an engineering company, Yankey Engineering attaches great importance to occupational safety not only to comply with relevant regulations and standards, but also to provide a safe working environment for employees and ensure their occupational safety, in order to create high efficiency and high-quality work performance. The Company attaches great importance to occupational safety training. Education and training are the key to improving the overall safety level, so that every employee can be aware of the importance of occupational safety and actively participate, so that employees can understand the risks and hazards, focus on damage prevention, and improve employees' physical and mental health. With safety and health as the core value of corporate management, the Company has not experienced any industrial safety incident in 2023.

4-4-1 Occupational Safety and Health Operations

Yankey Engineering attaches great importance to occupational safety, and the Company's employees work hard to establish relevant operating methods in response to the needs of the ISO 45001: 2018 Occupational Safety and Health Management System. In 2023, the establishment of the relevant management system of the ISO 45001 Occupational Safety and Health Management System was completed, which covers the headquarters in Taipei and the construction sites of various large-scale projects. The project sites were audited by an impartial third-party, and the DNV third-party verification was passed in 2023.

Yankey Engineering obtained the ISO 45001:2018 certificate.



4-4-2 Occupational Safety and Health Hazards and Disaster Prevention

Hazard identification, risk assessment, and accident investigation are important elements of corporate safety management. The common routine hazards in our workplace include falling objects from heights, falling objects, and impacts; non-routine hazards include oxygen deficiency in confined spaces. To effectively meet the requirements of the safety and health management system, Yankey Engineering conducts comprehensive hazard identification and risk assessment for operations in the office and on-site that may cause personal injury and property loss, and has established hazard identification and risk assessment management procedures to review the past and current safety and health management performance. By carefully reviewing all aspects of the workplace, we can identify relevant potential hazard sources, assess the level of risk based on the potential degree of injury and occurrence frequency of the hazard, and take countermeasures based on the level of risk for risk mitigation. Through the Occupational Safety and Health Handbook and daily training and promotion, workers can voluntarily exit work conditions that they believe may lead to injury or illness. We have also established communication, consultation, and participation-related management regulations and grievance channels for workers to report hazardous conditions, and ensure workers are exempted from punishment. Yankey Engineering has established accident investigation and management procedures to strengthen the prevention of occupational disasters. In the event of an accident, effective rescue and disposal can be taken immediately, and the cause of the disaster can be investigated for the development of improvement measures to reduce the recurrence rate and protect the work safety of employees.

4-4-3 Occupational Health Service

Yankey Engineering values the physical and mental health of its employees and provides a safe and friendly work environment. This is an issue that Yankey Engineering highly values. Considering that factors such as pressure in the work environment, exposure to work risks, and adverse working conditions have a significant impact on the physical and mental health of employees. Yankey Engineering understands the importance of occupational health services and has formulated a series of occupational health service measures, which are adjusted annually according to the situation. The overall measures in 2023 are as follows:



In 2023, the Company signed a special contract with the on-site service organization of Shanlin Clinic, and the frequency of on-site labor health services (contracted occupational medicine specialist 4 times/year & nurse 4 times/month) → In 2023, the total number of on-site labor health services was 189 workers.



According to the regulations, when new employees are recruited for registration, the HR Department will issue a notice of appointment to request employees to undergo a physical examination at a medical institution approved by the Occupational Safety and Health Administration and submit the employee physical examination report and collect the receipt at the time of registration. Employees are automatically given a physical examination subsidy of up to NT\$1,000, and the Company's regulations in this regard are better than the statutory requirement.



Better than the cycle in Article 17 of the Labor Health Protection Rules, the Company conducts a health examination for all employees (including construction site personnel) every 2 years. Qualified health examination institutions are hired to conduct on-the-job employee health checkups at Yankey headquarters, various branches, and large-scale project construction sites.



The headquarters and the Hsinchu/Taichung/Tainan branches (offices) are equipped with trained first-aid personnel, first-aid kits with sufficient drugs, AEDs, and sphygmomanometers in accordance with Article 15 of the Labor Health Protection Rules. .



In accordance with the Occupational Safety and Health Act (§6, 18, 30, 31 and 39), the Company has established four major employee health protection plans (ergonomic hazard prevention plan, abnormal workload-induced illness prevention plan, and duty-related health protection plan). The Company also cooperates with contracted on-site services to hire occupational medicine specialists and medical personnel to regularly provide on-site employee health services, analyze and evaluate the results of employees' physical (health) examinations, and assist employers in adapting to high-risk workers, evaluating and managing high-risk workers, preventing work-related diseases and occupational illnesses, tracking the resumption of work due to public injuries and occupational disasters, and providing proactive care for employees' health through regular sick leave to thoroughly care for the health of employees and protect their health.



Breastfeeding rooms are setup for maternal workers.



Regular monitoring of the working environment in the office workplace is conducted every six months in accordance with the law (for carbon dioxide and illuminance).



Office water dispensers undergo quarterly drinking water quality testing (for Escherichia coli).



Construction site workers are provided with a subsidy of up to NT\$2,000 per year for the purchase of safety shoes. The Company also provides free personal protective equipment (safety belts, safety hats, and reflective vests) and employee uniforms (4 long (short) sleeve shirts per person per year).



Description

Company uniforms (long and short-sleeve shirts) and personal protective equipment are provided by the Company.



Description

Breastfeeding rooms are setup for maternal workers.



Description

First aid kits and AED.

4-4-4 Worker Participation, Consultation, and Communication on Occupational Safety and Health

Occupational safety and health are increasingly emphasized in the modern workplace. In order to ensure that workplace safety and health and occupational safety and health policies can truly meet the needs of employees, direct employee participation and communication play a key role. Yankey Engineering provides smooth communication channels, including regular labor-management meetings, Occupational Safety and Health Committees, ISO 9001 & 45001 System Management Review Committees, etc., where employees can express their opinions and establish communication channels to ensure workplace safety, health, and sustainable development, so employees can work and develop in a safe and friendly environment without worries.

Meeting Contents	Labor-management meeting	Employee Welfare Committee meeting	Construction site toolbox meeting	Safety and Health Committee	ISO 9001&45001 System Management Committee meeting	Monthly supervisor meeting
Meeting frequency	Quarterly	Quarterly	Daily	Quarterly	Annual	Monthly
Participating units	Labor and management representatives					
Grievance Channel	Employee Opinion Box/Sexual Harassment Complaint Box/ Workplace Misconduct Complaint Box/Occupational Safety and Health Box					

Grievance Item/ Grievance Channel	Dedicated hotline	Mailbox
Employee feedback mailbox	None	YKHR@yankey.com.tw
Sexual harassment complaint mailbox	02-26001350#0008	JudyChang@yankey.com.tw
Workplace unlawful infringement complaint mailbox	02-26001350#0008	JudyChang@yankey.com.tw
Work safety department mailbox	None	safety@yankey.com.tw
Occupational safety department mailbox	None	OSHA@yankey.com.tw

Powers of Labor Representative

- ✓ Participate in the development and review of policies, safety and health work rules, and related procedures on behalf of employees to manage risks.
- ✓ Participate in hazard identification, risk assessment, and accident investigation in accordance with the law.
- ✓ Assist in consultation if there is any change that will affect the environmental safety and health of the workplace.
- ✓ The Company guarantees that the personnel and employee representatives who participate in the Occupational Safety and Health Committee will not be discriminated against, harassed, coerced, or retaliated against for being a member of the Occupational Safety and Health Committee or participating in the activities of the Occupational Safety and Health Committee.
- ✓ Employee representatives may maintain contact with the employees they represent at the workplace.
- ✓ Attend meetings to enhance communication, consultation, and review with senior management on matters related to the Occupational Safety and Health Committee and the management system.

4-4-5 Occupational Safety and Health Training

As Yankey Engineering is in the engineering business, it attaches great importance to occupational safety and health training. Raising awareness through training is an important part of ensuring the health and safety of employees. To prevent accidents and injuries, the Company has invested heavily in occupational safety resources and courses for employees to learn for free. Through training, employees can understand safety regulations and procedures, learn to use related equipment and tools, and cultivate good work habits and behaviors to ensure safety. After the training course, employees will be invited to complete course surveys, and the relevant results of the satisfaction survey are as follows:

Course Content	Number of participants in 2023
Occupational Safety Training for New Employees (regular physical courses every Monday)	124
In-service Employee Safety and Health Training (online training)	95
Training on Road Traffic Safety and Defensive Driving (online training)	424
Disaster Prevention Safety Training - Fire Escape and Prevention Training (online training)	233
Training on Illegal Infringement and Communication Skills (online training)	189
Confined Space Hazard Prevention Training (online training)	124
Training on Prevention of Musculoskeletal Hazards (online training)	114
Training on Prevention of Hazards from High Temperature Operation (online training)	95
Self-defense Firefighting Team Setup (participation in physical training organized by the building)	30

Self-defense Firefighting Team Training



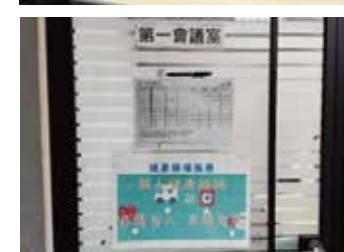
Self-defense Firefighting Team Training



4-4-6 Worker Health Promotion

The International Labor Organization (ILO) and the World Health Organization (WHO) advocate that workplace safety and health services are fundamental rights for workers. Yankey Engineering actively plans, promotes, and implements health issues, and the content covers three major aspects: health services, health education, and a healthy work environment. We organize health promotion lectures and blood donation activities from time to time. From the standpoint of protecting the health of employees, we focus on health risk assessment, health management, health promotion, and work environment hazard assessment and advice. We also provide employees with health education concepts, hoping that health problems will not affect their work during the work period, and health care can be implemented at the workplace for workers. We also actively participate in the Family Mountain Cleaning Day event to demonstrate the Company's commitment and care for the comprehensive welfare of employees and their families through such community participation.

Occupational health care



4-4-7 Health Risk Management Classification

Based on employee health examination reports, the Company's Occupational Safety and Health Department evaluates the incident rate and degree of impact of symptoms, and makes health management classification accordingly to identify the health risks of employees, and develop health management measures. All employees' health examination reports are documented and archived to ensure the integrity of information tracking and management. Individuals with values above Level 3 (including obvious abnormalities) are considered to be abnormal objects in physical (health) examination, with whom consultation interviews by the Company's on-site medical staff will be arranged to provide personal health guidance and advice. When necessary, employees will be urged to return as scheduled for another diagnosis, and their personal related illnesses will be tracked. In addition, employee health reports will be analyzed to identify the top three diseases (such as three highs/B-MI/healthy diets), and related health lectures (low-carbon diet lectures) or health promotion activities will be held.

Employee Low-Carb Diet Lecture 2



4-4-8 Impact of Occupational Safety and Health

In the event of an occupational safety and health impact, and to ensure Yankey Engineering can take prompt and correct actions and effectively control the disaster and reduce losses, the Company will formulate corresponding contingency measures according to the actual situation. In addition to providing timely contingency guidance and emergency treatment in the event of an incident to reduce the impact to the Company, we will strengthen the advocacy during the pre-construction engineering safety and health meeting, the daily toolbox meeting, the monthly agreement organization meeting, and the daily call-off meeting. Through these meetings, we raise employees' awareness of occupational safety and health, emphasize the importance of contingency measures, and ensure that each worker understands the steps to respond to emergencies.

In addition, if a contractor needs to bring specific organic solvents and chemicals during the construction process, such as Nan Ya's hard adhesive, thread cutting teeth, paint, and E-POXY, the original bottle packaging must bear the GHS hazard label. Hazard labeling is also required if sub-packaging is necessary. In addition, the material's Safety Data Sheets (SDS) should be posted on the construction site, and general training on the hazard of organic solvents and chemicals should be conducted before construction to ensure the health and safety of the construction site. These measures help reduce the risk of disasters, protect the safety of employees to the greatest extent, and ensure the smooth progress of the construction process.

In 2023, the Company's post-pandemic prevention measures are as follows:

- 1 Encourage employees to take additional COVID-19 vaccine injections, and an email is sent encourage employees to take the flu vaccine injection in winter.
- 2 The regulations on home quarantine leave and pay are canceled on February 20.
- 3 Starting from March 20, the exemption of notification and isolation for mild COVID-19 symptoms was changed to "0+n health self-management". Relevant prevention measures were promoted in the work safety and health training for new employees, and Occupational Safety Department issued an email to all employees to urge them to comply.
- 4 Advocate that it is necessary for employees to wear face masks when entering and leaving poorly ventilated spaces (elevators and public transportation) or places (medical institutions).
- 5 Lunches shall be taken at individual seats, and it is strictly prohibited to gather and dine together in close proximity in the conference room.
- 6 If an employee feels flu-like symptoms at work, the Company will purchase rapid screening agents for use.
- 7 The office hires a cleaning company to disinfect the carpet and the environment every month.
- 8 Continue to pay attention to the latest pandemic prevention policy and regulations issued by the government (Ministry of Health and Welfare). All employees are requested by mail to abide by them, and the Company's internal pandemic prevention measures are adjusted on a rolling basis at any time.

Yankey Engineering's 2023 Occupational Safety Management Results	
Occupational Safety Program	Performance
Safety and health committee meetings	Occupational Safety Committee meetings are held on a quarterly basis.
Safety and health training and drills.	<ul style="list-style-type: none"> The completion rate of occupational safety certification retraining was 100% In accordance with the regulations, relevant personnel were sent to participate in external training on the operation of aerial work vehicles and obtained licenses. As of the end of 2023, a total of 151 persons have obtained licenses.
Risk assessment and safety audit	<ul style="list-style-type: none"> Regularly conduct regulatory identification, totaling 228 copies. A total of 33 construction site safety audits were conducted in 2023, and all deficiencies have been rectified and reported to the owner on time.
Operational safety	Personal safety (shoes) protective equipment improved → the original subsidy of NT\$1,000 in 2022 was adjusted to NT\$2,000 in 2023.

Yankey Engineering's 2023 Occupational Safety Management Results				
Occupational Safety Program	Performance			
Working environment inspection	<ul style="list-style-type: none"> Carbon dioxide concentration monitoring is performed every six months as required by law, and all standards are complied with. On a quarterly basis, we appoint a drinking water quality inspection agency (SGS) to inspect the water quality for Escherichia coli. We also regularly request the drinking fountain equipment manufacturer to clean and replace filters and disinfect pipelines so that employees can drink water without worries. 			
Safe Operation Standards	ISO45001 system document	Current number of copies	Number of new copies	Number of revised copies
	Level 1 - Handbook	1 copy	0 copies	0 copies
	Level 2 - Procedures book	19 copies	0 copies	11 copies
	Level 3 - Safe Operation Instructions	28 copies	3 copies	14 copies
	Level 4 - Forms	151 copies	51 copies	48 copies
Emergency response	A self-defense fire safety team is established, and regular occupational safety drills are conducted.			
Health promotion	The in-service health checkup rate increased in 2023, with a target of over 90% checkup rate. Measures taken - the Company hired hospitals to go to Yankey's major workplaces to conduct employee health checkups without having employees to go to the hospital (if an employee is unable to comply with the examination schedule due to his leave or leave without pay, he will be tracked by the examiner until completing the health examination at the hospital). Results - the examination attendance rate was 98%.			
Labor health protection plan (four major plans)	The potential occupational disease is overwork. The Company implemented an abnormal workload protection plan in response to overwork, and interviewed and evaluated 15 people in the year. 10 people actually participated in the maternal health protection program. 11 people actually participated in the ergonomic hazard protection program. 0 people participated in the illegal infringement plan.			
Reduction of occupational accidents and fines for work site safety and health	<ul style="list-style-type: none"> Occupational Safety and Health Department, the level-1 safety and health management unit of the head office, dispatched employees to conduct a monthly work site audit and issue deficiency findings for joint review and continuous improvement. The number of non-commuting accidents at work in 2023 was reduced to 3 (from 4 in 2022). In 2023, the number of construction site safety and health fine cases was reduced to 3 (from 4 in 2022). 			

4-4-9 Statistics on Occupational Disaster Management

Yankey Engineering has established an occupational hazard management mechanism and continues to implement the ISO 45001 Occupational Safety and Health Management System specifications. Through the implementation of regular occupational safety and health training, we are able to warn and correct employees' potential hazards and risk behaviors. The Company regards safety as a top priority, and advocates employees to follow standard operating procedures during work. If employees suffer accidents at work, the Company has established an emergency response plan for each job, as well as an emergency contact network to immediately notify the corresponding supervisor for the follow-up accident investigation to develop improvement measures and plans to prevent the recurrence of similar accidents, and reduce the risk of employees and contractors for the joint work in the workplace.

Workers covered by the occupational safety and health management system				
Year	Management System/ Law	Inspection type	Number of people	Percentage
2023	ISO 45001	Insiders	479	0.9106
		External personnel	47	0.0894
2022		Insiders	444	0.9061
		External personnel	46	0.0939
2021		Insiders	390	0.9028
		External personnel	42	0.0972

Employee/ Non-employee - Occupational Injury and Occupational Disease Statistics

Statistics/ Year		2021	2022	2023	2023 (Non-employees - 47 work safety contractors)
Total working hours		791,405	927,004	1,040,621	46,624
Fatalities due to occupational injuries	Number of people	0	0	0	0
	Percentage	0	0	0	0
Serious occupational injuries	Number of people	0	1	0	0
	Percentage	0	0.21575	0	0
Recordable occupational injuries	Number of people	1	3	3	0
	Percentage	0.25273	0.64725	0.576579	0
Occupational diseases	Number of people	0	0	0	0
	Percentage	0	0	0	0
Recordable occupational injuries	Number of people	0	0	0	0
	Percentage	0	0	0	0

Employee - Statistics of recordable occupational injury types

Type/ Year		2021	2022	2023	Description of Hazards and Improvements
Occupational injury type	Falls	0	0	3	1. Advocacy - Hold onto the stair handrail when walking up the stairs. 2. Advocacy - Look straight ahead when walking and do not look down at your phone while walking. 3. Advocacy - Pay attention to road surface irregularities and height differences when walking. 4. Measures - Pave the sidewalk at the entrance of the construction site with good steel plates for vehicle access; check the gutter cover for deformation and improve it. 5. Measures - Strengthen the inspection of passage floors and avoid stacking sundries in passages.
	Clamps	0	0	0	Drilling machines are equipped with protective enclosures, and it is strictly prohibited to operate the drilling machines before they are completely stopped.
	Electric shock	0	0	0	Insulative gloves, and live wire work are strictly prohibited.
	Collision	1	0	0	Pedestrian and vehicle lanes are separated, and warning lights are installed in the forklift operating area.
	Crush injuries	0	4	0	Crush injuries caused by the collapse of heavy objects on the transport vehicle (unloading equipment is unloaded by cranes or forklifts, and manual dragging is strictly prohibited to prevent collapses).
	Traffic accidents	10	18	18	Encourage employees to take public vehicles to commute; all employees have received defensive driving online traffic safety training.
Occupational disease type	Overwork	0	0	0	Formulate a plan for abnormal workload-induced illnesses, and implement monthly overwork assessment and health guidance for employees who work overtime, and adjust their workload

2021 ~ 2023 Occupational Accident Reporting Statistics							
Year	2021		2022		2023		Description
Gender	Male	Female	Male	Female	Male	Female	Gender of victim
Number of people suffering occupational accidents	1	0	4	0	2	1	Occupational accidents at work (excluding traffic accidents)
Total annual working hours	791,405		927,004		1,040,621		Sum of total annual working hours from January to December
Occupational injury rate (IR)	0.253	0	0.863	0	0.384	0.192	Occupational injury rate (IR) = (Number of occupational accidents/Total annual working hours) * 200,000
Total number of days lost	28		142		31		Total number of days lost by disaster victims
Annual total number of working days	88,514		103,689		115,167		Total number of working days per month from January to December
Loss of work rate (LDR)	63.26682785		273.895977		53.83486589		Loss of work rate (LDR) = (Total working days lost/Total working days per year)*200,000
Occupational disease (faint at the workplace)	0	0	0	0	0	0	Number of people suffering from occupational diseases (faint suspected to be due to overwork)
Occupational disease rate (ODR)	0	0	0	0	0	0	Occupational disease rate (ODR) = (Total number of occupational disease cases/total annual working hours) * 200,000

The unit above is 200,000 work hours

CHAPTER 05

Appendices



Statement of Use	Yankey Engineering Corporation has reported the content for the period from January 1 to December 31, 2023 with reference to the GRI Standards.				
GRI 1 used	GRI 1: Foundation 2021				
Applicable GRI Industry Standards	The Company does not have GRI Industry Standards.				
Note	Issues marked with * in front are material issues.				
Issue	Disclosure item	Item Description	Chapters and Sections	Page	Omission/Remarks
GRI 2 : General Disclosures 2021					
Organization and reporting practices	2-1	Organization Details	1.1 About Yankey Engineering	15	
	2-2	Entities included in the organization's sustainability reporting	Editorial Policy	5	
	2-3	Reporting period, frequency, and contact	Editorial Policy	5	
	2-4	Information recompilation	Editorial Policy	5	
	2-5	External guarantee/assurance	Editorial Policy	5	
Activities and workers	2-6	Activities, value chain and other business relationships	1.1 About Yankey Engineering	15	
	2-7	Employees	3.1 Manpower Structure	60	
	2-8	Non-employee workers	3.1 Manpower Structure	60	
Governance	2-9	Governance structure and composition	1.2 Governance in Practice	25	
	2-10	Nomination and selection of the highest governance body	1.2 Governance in Practice	25	
	2-11	Chairman of the highest governance body	1.2 Governance in Practice	25	
	2-12	Role of the highest governance body in overseeing impact management	1.2 Governance in Practice 1.3 Risk Management and Response to Climate Change	25/37	
	2-13	Person in charge of impact management	1.2 Governance in Practice 1.3 Risk Management and Response to Climate Change	25/37	
	2-14	Role of the highest governance body in sustainability reporting	1.1 About Yankey Engineering	15	
	2-15	Conflicts of Interest	1.2 Governance in Practice	30	
	2-16	Communication of key material events	1.2 Governance in Practice	30	
	2-17	Group intelligence of the highest governance body	1.2 Governance in Practice	31	
	2-18	Performance evaluation of the highest governance body	1.2 Governance in Practice	32	
	2-19	Remuneration policy	1.2 Governance in Practice	34	
	2-20	Compensation decision process	1.2 Governance in Practice	35	
	2-21	Annual total compensation ratio		--	Confidentiality regulations restricted from disclosure


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Issue	Disclosure item	Item Description	Chapters and Sections	Page	Omission/Remarks
GRI 2 : General Disclosures 2021					
Strategies, policies and practices	2-22	Statement of sustainable development strategy	Message from the Management	21	
	2-23	Policy and Commitment	Message from the Management 1.1 About Yankey Engineering	15	
	2-24	Inclusion in the policy commitment	Message from the Management 1.1 About Yankey Engineering	16	
	2-25	Procedures for remediating negative impacts	1.2 Governance in Practice 1.3 Risk Management and Response to Climate Change	25/37	
	2-26	Mechanisms for seeking advice and raising concerns	1.2 Governance in Practice	30	
	2-27	Compliance with laws and regulations	1.5 Compliance with Laws and Regulations	39	
	2-28	Association membership qualification	1.1 About Yankey Engineering	23	
Stakeholder engagement	2-29	Stakeholder engagement policy	Stakeholder Communication and Identification of Material Issues	7	
	2-30	Group agreements	3.2 Right Duties for the Right Employee	65	
GRI 3: Material Issues 2021					
Material Issue	3-1	Process for determining material issues	Stakeholder Communication and Identification of Material Issues	7	
	3-2	List of Material Issues	Stakeholder Communication and Identification of Material Issues	8	
Information security					
GRI 3: Material Issues 2021	3-3	Material issue management	1.6 Information Security	45	
Economic Aspect					
Economic performance					
GRI 3: Material Issues 2021	3-3	Material issue management	2. Sustainable Value Chain	50	
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed by the organization	2.3 Operating Performance	56	
	201-2	Financial impact, other risks and opportunities of climate change on the organization's activities	1.3 Risk Management and Response to Climate Change	37	
	201-3	Defined benefit plan obligations and other retirement plans	3.2 Right Duties for the Right Employee	68	
	201-4	Financial subsidies received from the government	Not applicable		There were no financial subsidies received from the government this year.

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Applicable GRI Industry Standards	The Company does not have GRI Industry Standards.				
Note	Issues marked with * in front are material issues.				
Issue	Disclosure item	Item Description	Chapters and Sections	Page	Omission/Remarks
Economic Aspect					
Social Engagement					
GRI 203: Indirect Economic Impacts 2016	203-1	Development and impact of investment in infrastructure and support services	3.3 Social Engagement	74-76	
Environmental aspect					
Energy management					
GRI 302: Energy 2016	302-1	Energy consumption within the organization	4.1 Energy and Resource Management	78	
	302-3	Energy intensity	4.1 Energy and Resource Management	78	
Greenhouse gas emissions					
GRI 3: Material Issues 2021	3-3	Material issue management	4.2 Greenhouse Gas Emission Management	82	
GRI 305: Emissions 2016	305-1	Energy direct (Scope 1) GHG emissions	4.2 Greenhouse Gas Emission Management	82-84	
	305-2	Energy indirect (Scope 2) GHG emissions	4.2 Greenhouse Gas Emission Management	82-84	
	305-3	Energy other (Scope 3) GHG emissions	4.2 Greenhouse Gas Emission Management	82-84	
	305-4	Greenhouse gas emission intensity	4.2 Greenhouse Gas Emission Management	82-84	
Supplier Environmental Assessment					
GRI 308: Supplier Environmental Assessment 2016	308-1	Use of environmental criteria to screen new suppliers	2.1 Supply Chain Sustainability	52	
	308-2	Negative environmental impacts of the supply chain and actions taken	2.1 Supply Chain Sustainability	53	
Social aspect					
Labor Relations					
GRI 3: Material Issues 2021	3-3	Material issue management	3. Social Care	58	
GRI 401: Labor Relations 2016	401-1	New employees and resigned employees	3.1.2 Employee Statistics	62	
	402-2	Benefits provided to full-time employees (excluding temporary or part-time employees)	3.2 Right Duties for the Right Employee	68	
	403-3	Parental leave	3.2 Right Duties for the Right Employee	67	

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GRI 1 used	GRI 1: Foundation 2021				
Applicable GRI Industry Standards	The Company does not have GRI Industry Standards.				
Note	Issues marked with * in front are material issues.				
Issue	Disclosure item	Item Description	Chapters and Sections	Page	Omission/Remarks
Social aspect					
Labor/Management Relations					
GRI 402: Labor/Management Communication 2016	402-1	Minimum notice period for operational changes	3.2 Right Duties for the Right Employee	65	
Occupational Safety and Health					
GRI 3: Material Issues 2021	3-3	Material issue management	4. Environmental Protection and Workplace Safety	77	
GRI 403: Occupational Health and Safety Management Approach 2018	403-1	Occupational Safety and Health Management System	4.4 Work Safety	88	
	403-2	Hazard identification, risk assessment, and accident investigation	4.4 Work Safety	88	
	403-3	Occupational health service	4.4 Work Safety	89	
	403-4	Worker participation, consultation, and communication on occupational safety and health	4.4 Work Safety	91	
	403-5	Worker training on occupational safety and health	4.4 Work Safety	92-93	
	403-6	Worker health promotion	4.4 Work Safety	93	
	403-7	Prevention and mitigation of occupational safety and health impacts directly linked to business relationships	4.4 Work Safety	94	
GRI 403: Occupational Health and Safety Management Approach 2018	403-9	Occupational injury	4.4 Work Safety	97-100	
	403-10	Occupational diseases	4.4 Work Safety	97-100	
Talent Cultivation and Retention					
GRI 3: Material Issues 2021	3-3	Material issue management	3. Social Care	58	
GRI 404: Training and Education 2016	404-1	Average hours of training per employee per year	3.2 Right Duties for the Right Employee	71	
Employee Diversity and Equal Opportunity					
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance unit and employees	1.2 Governance in Practice	25	
			3.1 Manpower Structure	60	
Supplier Social Assessment					
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers screened using the social criteria	2.1 Supply Chain Sustainability	52	
	414-2	Negative environmental impacts of the supply chain and actions taken	2.1 Supply Chain Sustainability	53	

A2: Management System Certificate - ISO 9001

Bureau Veritas Certification



洋基工程股份有限公司
新北市林口區文化二路一段266號18F-3


Bureau Veritas Certification Holding SAS - UK Branch
證明上述單位之管理系統業經評審並確認符合下列管理系統標準要求

ISO 9001:2015
管理系統驗證範圍

提供設計、顧問、安裝管理及維護管理下列設備：
加熱、通風、空調、冷凍及清淨室工程。

Initial cycle start date: 20-09-1999
Expiry date of previous cycle: 10-03-2024
Certification / Recertification Audit date: 31-01-2024
Certification / Recertification cycle start date: 22-03-2024
Subject to the continued satisfactory operation of the organisation's Management System, this certificate expires on: 10-03-2027

證書編號: TW007192 版本: 1 發行日期: 22-03-2024




Signed on behalf of BVCH SAS UK Branch
Certification Body Address: 5th Floor, 66 Prescot Street, London, E1 8HG, United Kingdom
Local Office Address: 3F-B, No. 16, Nanjing E. Rd., Sec. 4, Songshan Dist., Taipei 105, Taiwan

UKAS Management Systems 0008

28 Aug 2023

Bureau Veritas Certification



YANKEY ENGINEERING CO., LTD.
18F-3, NO. 266, SEC. 1, WUNHUA 2ND RD., LINKOU DIST., NEW TAIPEI CITY 244022, TAIWAN (R.O.C.)


Bureau Veritas Certification Holding SAS - UK Branch certifies that the Management System of the above organisation has been audited and found to be in accordance with the requirements of the management system standards detailed below

ISO 9001:2015
Scope of certification

PROVISION OF THE DESIGN, CONSULTANT, INSTALLATION MANAGEMENT AND MAINTENANCE MANAGEMENT OF HVAC (HEATING, VENTILATION AND AIR CONDITIONING), REFRIGERATION, CLEAN ROOM ENGINEERING.

Original cycle start date: 20-09-1999
Expiry date of previous cycle: 10-03-2024
Certification / Recertification Audit date: 31-01-2024
Certification / Recertification cycle start date: 22-03-2024
Subject to the continued satisfactory operation of the organisation's Management System, this certificate expires on: 10-03-2027

Certificate No.: TW007192 Version: 1 Issue date: 22-03-2024




Signed on behalf of BVCH SAS UK Branch
Certification Body Address: 5th Floor, 66 Prescot Street, London, E1 8HG, United Kingdom
Local Office Address: 3F-B, No. 16, Nanjing E. Rd., Sec. 4, Songshan Dist., Taipei 105, Taiwan

UKAS Management Systems 0008

28 Aug 2023

A2: Management System Certificate - ISO 45001



MANAGEMENT SYSTEM CERTIFICATE

Certificate No:
205762-2018-ASA-RQC-RvA

Initial certification date:
25 August, 2018

Valid:
25 August, 2022 – 25 August, 2025

This is to certify that the management system of

Yankey Engineering Co., Ltd.





18F-3, No. 266, Sec. 1, Wenhua 2nd Rd., Linkou Dist., New Taipei City, Taiwan

has been found to conform to the Occupational Health and Safety Management System standard:
ISO 45001:2018

This certificate is valid for the following scope:
Installation and Maintenance of MEP (Mechanical, Electrical and Plumbing),
Refrigeration, Clean Room Engineering

Place and date:
Shanghai, 26 July, 2022

For the issuing office:
DNV - Business Assurance
Suite A, Building 9, No.1591 Hongqiao
Road, Changning District, Shanghai
200336, P.R. China
TEL: +86 21 32799000



Zhu Hai Ming
Management Representative

Lack of fulfillment of conditions as set out in the Certification Agreement may render this Certificate invalid.
ACCREDITED UNIT: DNV Business Assurance B.V., Zvollevweg 1, 2994 LB Barendrecht, Netherlands - TEL: +31(0)102922688 - www.dnv.com/assurance

A2: Management System Certificate - ISO 27001

CERTIFICATE



特此授予:

洋基工程股份有限公司

新北市林口區文化二路一段266號18F-3

管理體系符合
ISO/IEC 27001:2022

驗證範圍

本公司資訊機房、網路/環境監控、ERP資訊系統及資
訊部門辦公環境維運之安全管理適用性聲明版次-A
發行日期-2023/08/15

證書編號: ARES/TW/I23121761

證書簽發日期: 2023-12-28

證書有效日期: 2026-12-27

每次監督審核時間與上次現場審核時間間隔不得超過12個月,且必須取得ARES簽發的監督審核通過
證明以確保證書有效性。

批准:

ARES International Certification Co., Ltd.
No.12-2, Ln. 187, Wenping Rd., Anping Dist., Tainan City 708, Taiwan
TEL / 06-295 9696 (Rep. Line) FAX / 06-295 9667
www.ares-registration.com

CERTIFICATE

The Governing Board of
ARES International Certification Co., Ltd.
Hereby Grants To:

YANKEY ENGINEERING CO., LTD.

18F-3, NO.266, SEC.1, WUNHUA 2ND RD., LINKOU DIST., NEW TAIPEI
CITY, TAIWAN R.O.C.Has been assessed and found to be in accordance with the requirements of
standard detailed below

ISO/IEC 27001:2022

Scope

OPERATION AND MAINTENANCE OF THE ENTERPRISE RESOURCE
PLANNING INFORMATION SYSTEM AND THE SERVER ROOM
SUPPORTING ACTIVITIES WHICH ARE PROVIDED BY NETWORK AND
INFORMATION OFFICE BY INFORMATION DEPARTMENT

SOA Version-A

Issue Date- 2023/08/15

Certificate No.: ARES/TW/I23121761

Certificate Issue Date: 2023-12-28

Registration Expiration Date: 2026-12-27

The time interval between each surveillance audit and the last on-site audit shall not exceed 12 months,
and the organization must obtain "surveillance audit approval notification" issued by ARES to ensure the
validity of the certificate.

Authorized by:

ARES International Certification Co., Ltd.
No.12-2, Ln. 187, Wenping Rd., Anping Dist., Tainan City 708, Taiwan
TEL / 06-295 9696 (Rep. Line) FAX / 06-295 9667
www.ares-registration.com

A3: SASB Comparison Table - Infrastructure Project Management and Construction Services

Disclosure issue	Indicator number	Disclosure indicator	Nature	Corresponding chapters and sections in the report	Remarks
Project environmental impact	IF-EN-160a.1	Number of violations of environmental permits, standards, or regulations	Quantification	1.5 Compliance with Laws and Regulations	
	IF-EN-160a.2	Discussion of the process for environmental risk management and assessment in the design, site selection, and construction of the project.	Qualitative	1.1 About Yankey Engineering	
Building structural integrity and safety	IF-EN-250a.1	Expenses for defects and safety-related re-construction	Quantification	There were no safety-related rework expenses.	
	IF-EN-250a.2	Total monetary loss as a result of legal proceedings arising from defective and safety-related rework.	Quantification	There were no monetary losses due to legal proceedings.	
Worker health and safety	IF-EN-320a.1	1. Employee accident and fatality rates 2. Contractor accident and fatality rates	Quantification	4.4 Work Safety	
Building life cycle assessment	IF-EN-410a.1	1. Number of projects that have passed third-party sustainability standard certification 2. Number of projects seeking such certification	Quantification	NA: The Company mainly focuses on the internal construction of the plant.	
	IF-EN-410a.2	Discussion of the process of incorporating the factors of energy and water efficiency in the operation stage into project planning and design.	Qualitative	4.1 Energy and Resource Management	
Climate impact management	IF-EN-410b.1	Total amount of fossil fuel and renewable energy projects under construction.	Quantification	NA	
	IF-EN-410b.2	Amount for cancelling the fossil fuel project under construction.	Quantification	NA	
	IF-EN-410b.3	Total amount of non-energy projects related to climate change mitigation under construction.	Quantification	NA	
Business ethics	IF-EN-510a.1	Quantity and value of construction in progress among the 20 lowest-ranking countries in Transparency International's Corruption Perception Index	Quantification	NA	
	IF-EN-510a.2	Total monetary losses caused by legal proceedings arising from violations of bribery/corruption and anti-competitive practices	Quantification	1.5 Compliance with Laws and Regulations: The loss amount is 0.	
	IF-EN-510a.3	Description of policies and specific actions to prevent (1) bribery/corruption and (2) anti-competitive behavior during the bidding process	Qualitative	1.4 Ethical Corporate Management 1.5 Compliance with Laws and Regulations	
Activity indicators	IF-EN-000.A	Number of completed projects	Quantification	110	
	IF-EN-000.B	Number of construction projects in progress	Quantification	199	
	IF-EN-000.C	Total amount of construction projects in progress	Quantification	NT\$12,483,959 thousand	

A4: Comparison of TCFD Disclosure Items

Aspect	TCFD Disclosure Item	Corresponding chapter and section	Page
Governance	Oversight of climate-related risks and opportunities by the Board of Directors	1.3 Risk Management and Response to Climate Change	33
	Management's role in assessing and managing climate-related risks and opportunities	1.3 Risk Management and Response to Climate Change	33
Strategy	Short-, medium-, and long-term climate-related risks and opportunities identified by the organization	1.3 Risk Management and Response to Climate Change	33
	Describe the impact of climate-related risks and opportunities on the organization's business, strategy, and financial planning.	1.3 Risk Management and Response to Climate Change	33
	The organization's strategic resilience, taking into account different climate-related scenarios	1.3 Risk Management and Response to Climate Change	33
Risk management	Process of identifying and assessing climate-related risks in the organization	1.3 Risk Management and Response to Climate Change	33
	Process of managing climate-related risks in the organization	1.3 Risk Management and Response to Climate Change	33
	How the climate-related risk identification, assessment, and management processes are integrated into the organization's overall risk management system	1.3 Risk Management and Response to Climate Change	33
Indicators and targets	Indicators used by the organization to assess climate-related risks and opportunities in accordance with its strategy and risk management process	1.3 Risk Management and Response to Climate Change	33
	Disclosure of Scope 1, Scope 2, and Scope 3 (if applicable) greenhouse gas emissions and related risks	1.3 Risk Management and Response to Climate Change 4.2 Greenhouse Gas Management	65
	Targets of the organization in managing climate-related risks and opportunities, and performance in achieving such targets	1.3 Risk Management and Response to Climate Change	33

A5: Stock Exchange Sustainability Disclosure Indicators - Listed Other Electronics Sector

No.	Indicator	Type of indicator	Unit	Corresponding chapters and sections in the report
I	Total energy consumption, percentage of externally purchased electricity, and utilization rate of renewable energy	Quantification	Gigajoules (GJ), percentage (%)	4.1 Energy and Resource Management There was no use of renewable energy.
II	Total water intake and consumption	Quantification	Thousand cubic meters (m³)	4.1 Energy and Resource Management
III	Weight of hazardous waste generated and percentage recycled	Quantification	Tonne (t), percentage (%)	4.3 Waste Treatment and Control
IV	Describe the type of occupational accidents, number of people and rate	Quantification	Percentage (%), quantity	4.4 Work Safety
V	Disclosure of product life cycle management: including the weight of scrapped products and electronic waste, and the percentage of recycling.	Quantification	Tonne (t), percentage (%)	4.3 Waste Treatment and Control No hazardous industrial waste was generated in 2023.
VI.	Description of risk management associated with the use of key materials	Qualitative description	Not applicable	The Company is an engineering service provider and has no risk of conflict minerals.
VII.	Total monetary losses caused by legal proceedings related to the anti-competitive conduct regulations	Quantification	Reporting currency	There were no related lawsuits in 2023, and the total loss was NT\$ 0.
VIII.	Production volume of major products by product category	Quantification	Varies by product type	The output could not be quantified, and the output value was NT\$15,513,571 thousand.

A6: Climate-related Information of TWSE/TPEX-Listed Companies

Item	The Company's response
1.Describe the supervision and governance of the Board of Directors and the management on climate-related risks and opportunities.	1.3 Risk Management and Response to Climate Change
2.Describe how the identified climate risks and opportunities affect the company's business, strategy and finance (short-term, medium-term, long-term).	1.3 Risk Management and Response to Climate Change
3.Describe the financial impacts of extreme climate events and transformational actions.	1.3 Risk Management and Response to Climate Change
4.Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	1.3 Risk Management and Response to Climate Change
5.If scenario analysis is used to assess the resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and main financial impacts used shall be described.	1.3 Risk Management and Response to Climate Change
6.If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical and transition risks.	There is no relevant transformation plan yet.
7.If internal carbon pricing is used as a planning tool, the basis for setting the price shall be stated.	There is no internal carbon pricing yet.
8.If climate-related goals are set, the activities covered, the scope of greenhouse gas emissions, the planning period, and the progress of each year should be explained; if carbon offsets or renewable energy certificates (RECs) are used to achieve the goals In exchange, state the source and quantity of carbon.reduction credits or the quantity of Renewable Energy Certificates (RECs).	2.3 Risk Management and Response to Climate Change
9.Greenhouse gas inventory and assurance status and emission reduction targets	As follows.

Greenhouse Gas Inventory, Assurance Status, and Emission Reduction Targets				
Scope 1	Total emission(Metric tonsCO ₂ e)	Intensity(tons CO ₂ e/NT\$ million)	Assurance agency	Description of assurance status (verification certificate)
Parent company	105.34	0.0078	GREAT Certification International	The Statement of Verification is expected to be obtained in June 2024.
Scope 2	Total emission(Metric tons CO ₂ e)	Intensity(tons CO ₂ e/NT\$ million)		
Parent company	216.09	0.0161		
Scope 3	Total emission(Metric tons CO ₂ e)	Intensity(tons CO ₂ e/NT\$ million)		
Parent company	501.87	0.0373		

Note: The subsidiary will complete inventory taking according to the schedule required by the competent authorities in the future. The revenue is calculated based on the standalone revenue. The standalone revenue in 2023 was NT\$13,444 million.

Emission reduction targets	Strategic Actions and Plans
Headquarters comparison with the base year 2023 <ul style="list-style-type: none"> 20% reduction in Scope 1+Scope 2 greenhouse gas emissions by 2030. 0% reduction in Scope 1+Scope 2 greenhouse gas emissions by 2040. Net-zero emission by 2050.	1.Purchase infrastructure equipment with eco-labels through green procurement (implementation period: 2023 to 2030). 2.Completely replace the refrigeration and air conditioning systems with Class 1 energy efficiency equipment (implementation period: 2024 to 2030). 3.Purchase energy storage and p regulation systems to improve energy efficiency (implementation period: 2027 to 2030). 4.Increase the ratio of renewable energy used to 30% (implementation period: 2030 to 2040) 5.Purchase green power and renewable energy certificates, and purchase credits to replace the consumption of externally purchased electricity (implementation period: 2030 to 2050).
Achievement Status : The base year is 2023, and the achievement status will be disclosed from 2024 onwards.	

A7: Third-Party Independent Verification Statement



洋基工程股份有限公司
2023 年永續報告書之獨立保證意見聲明書

聲明書編號: 2405003

洋基工程股份有限公司(以下簡稱洋基工程)與格瑞國際驗證有限公司(以下簡稱格瑞驗證)為相互獨立的公司及組織。格瑞驗證除了針對該公司 2023 年永續報告書進行評估和查證外,與洋基工程並無任何財務上的關係。

本獨立保證意見聲明書(以下簡稱聲明書)的目的,僅作為對下列有關洋基工程之永續報告書所界定範圍內的相關事項進行保證之結論,而不作為其他之用途。除對查證事實提出獨立保證意見聲明書外,對於其他目的之使用,或閱讀此獨立保證意見聲明書的任何人,格瑞驗證並不負有或承擔任何相關法律或其他之責任。

本獨立保證意見聲明書係基於洋基工程提供予格瑞驗證之相關資訊所作查證之結論。因此查證範圍乃基於並局限於這些提供的資訊內容之內。格瑞驗證認為這些信息內容都是完整且準確的。對於這份獨立保證意見聲明書所載內容或相關事項之任何疑問,將全部由洋基工程回覆。

保證範圍

洋基工程與格瑞驗證協議的查證範圍包括:

1. 整份永續報告書內容及洋基工程在 2023 年 1 月 1 日至 2023 年 12 月 31 日的所有營運績效。
2. 依照 AA1000 保證標準 v3 的第 1 應用類型評估洋基工程遵循 AA1000 當責性原則標準(2018)的本質和程度。不包括對於報告書揭露的資訊/數據之可信賴度的查證。
3. 本聲明書以中文作成,並翻譯成英文以供參考。

意見聲明

我們總結洋基工程之永續報告書內容,對於洋基工程的相關運作與績效則提供一個公平的觀點。我們相信有關洋基工程 2023 年的經濟、社會、環境及公司治理等特定績效指標是被正確無誤地展現。報告書所揭露的績效指標展現了洋基工程對鑑別及滿足利害關係人的期望與努力。

我們的查證工作是由一組具有依據 AA1000 保證標準 v3 查證能力之團隊執行,以及規劃和執行這部分的工作,以獲得必要的資訊數據及說明。我們認為洋基工程所提供的證據足夠以表明其依據 AA1000 保證標準 v3 及其 2018 年附錄的報告方法與自我聲明符合 GRI 永續性報導準則。

查證方法

為了收集與作成結論有關的證據,我們執行了以下工作:

- 對來自外部團體相關於洋基工程之公司政策的議題,進行高階管理的審查,以確認本報告中聲明書的合適性;
- 與洋基工程之主管討論有關利害關係人參與的方式,且並未直接接觸外部利害關係人;
- 訪談與永續報告書編制及資訊提供有關的職員;
- 在抽樣基礎上稽核洋基工程之績效數據;
- 審查報告中所作宣告的支持性證據;
- 針對洋基工程之報告及其相關 AA1000 當責性原則(2018)中描述有關包容性、重大性、回應性及衝擊性原則的流程管理進行審查。

結論

針對 AA1000 當責性原則(2018)之包容性、重大性、回應性、衝擊性與 GRI 永續性報導準則的詳



Yankey Engineering has established a process of cooperation with major stakeholders, including employees, customers, suppliers, government agencies, shareholders/investors and community, etc., and will launch a series of stakeholder activities in 2023, involving economy, society, environment, corporate governance and a series of major themes. In terms of our professional opinion, this report covers the inclusivity issues of Yankey Engineering.

- Materiality

The report has stated that Yankey Engineering focuses on environment, society and corporate governance topics, and identified 6 major topics including information security, economic performance, occupational health and safety, labor-employer relationship, training and education and greenhouse gas emissions, etc. In terms of our professional opinion, this report appropriately covers the materiality issues of Yankey Engineering.

- Responsiveness

Yankey Engineering responds to requests and opinions from stakeholders. Implementation methods include set up a stakeholder area on the company website (email and phone lines provided), employee reporting channels and procedures, various grievance mechanisms, supplier evaluation/ communication meeting, customer satisfaction survey, diversified labor-management communication channels and labor-management meetings, those numerous internal and external stakeholder communication mechanisms, as an opportunity to provide further responses to stakeholders, and to promptly respond to stakeholder concerns. In terms of our professional opinion, this report covers the responsiveness issues of Yankey Engineering.

- Impact

Yankey Engineering has identified and fairly demonstrated its impact with balanced and effective measurement and disclosure. Yankey Engineering has established a process for monitoring, measuring, evaluating and managing impacts, which helps to achieve more effective decision-making and results management within the organization. In terms of our professional opinion, this report covers the impact issues of Yankey Engineering.

- GRI Guidelines

Yankey Engineering provides the self-declaration of compliance with the GRI Sustainability Reporting Standards and relevant information. Based on the results of the review, we confirm that the report refers to the social responsibility and sustainability of the GRI Sustainability Reporting Standards. Relevant disclosure items for developments have been disclosed, partially disclosed, or omitted. In terms of our professional opinion, this self-declaration covers Yankey Engineering's social responsibility and sustainability themes.

Assurance level

According to the AA1000 Assurance Standard v3 and its 2018 Appendix, we have verified that this Statement is a moderate level of assurance, as described in the scope and methods of this Statement.

Responsibility

The responsibility of the sustainability report, as stated in this Statement, is owned by the person in charge of Yankey Engineering. The responsibility of GREAT is solely to provide professional opinions based on the scope and methods described, and to provide an independent assurance statement for the stakeholders.

Ability and Independence

GREAT is composed of experts in various management system fields. The verification team is composed of members with professional background, who have received training in a series of sustainable development, environmental and social management standards such as AA1000 AS v3, ISO 9001, ISO 14001 and ISO 45001, and are qualified as lead auditors.

On behalf of the assurance team MAY 30, 2024

GREAT International Certification Co., Ltd.

Taiwan, Republic of China

Signed by General Manager W. J. Chen



AA1000
Licensed Report
000-250/V3-AIVK0

A7: Third-Party Independent Verification Statement



聲明書編號: Great-GHGER-24-0505

溫室氣體排放與移除查證聲明書

洋基工程股份有限公司

溫室氣體排放和移除的盤查在以下地點進行:

新北市林口區文化二路一段 266 號 18 樓之 3 及 20 樓之 4

新竹市東區光復路二段 2 巷 49 之 2 號 4 樓

台中市南屯區工業區二十一一路 38 號

台南市永康區中華路 425 號 17 樓之 2

已根據 ISO 14064-3:2019 於 2024 年 04 月 22 日、25 日進行查證，符合以下標準要求:

ISO 14064-1:2018

溫室氣體排放資訊:

直接排放(類別 1): 103.8545 噸二氧化碳當量;

間接排放(類別 2): 216.0944 噸二氧化碳當量;

其他間接排放類別(類別 3~類別 6)將於下一頁面表列。

- ❖ 報導期間: 2023 年 01 月 01 日至 2023 年 12 月 31 日。
- ❖ 類別 1 和類別 2 以合理保證等級進行查證，類別 3 至類別 6 以有限保證等級進行查證。
- ❖ 不確定性評估: -7.07%~+7.07% (95%信心水準)。

陳文俊, 管理者

首次發行日期: 2024 年 05 月 14 日; 最新發布日期: 2024 年 05 月 14 日

- ❖ 報導溫室氣體的類型，包括 CO₂、CH₄、N₂O 和 HFCs。

Page 1 of 3

This verification statement is invalid without the full scopes, categories, criteria, level of assurance and findings available on the Statement.
Verification Body: Great International Certification Co., Ltd. Address: 4F., No. 28, Dahua 1st St., Dayuan Dist., Taoyuan City 337, Taiwan (R.O.C.)



Statement No.: Great-GHGER-24-0505

Greenhouse Gas Emission and Removal Verification Statement

YANKEY ENGINEERING CO., LTD.

Greenhouse gas emission and removal verification is conducted at the following location:

18F.-3, 20F.-4, No.266, Sec. 1, Wenhua 2nd Rd., Linkou Dist., New Taipei City

4F., No. 49-2, Ln. 2, Sec. 2, Guangfu Rd., East Dist., Hsinchu City

No. 38, Gongyequ 21st Rd., Nantun Dist., Taichung City

17F.-2, No.425, Zhonghua Rd., Yongkang Dist., Tainan City

Verification on APR. 22, 25, 2024 in accordance with ISO 14064-3:2019 and qualification granted:

ISO 14064-1:2018

Greenhouse gas emission information:

Direct emissions (Category 1): 103.8545 metric tonnes of CO₂ equivalent (CO₂e);**Indirect emissions (Category 2): 216.0944 metric tonnes of CO₂ equivalent (CO₂e);****Other selected indirect emission categories (Categories 3-6) will be listed on the table in the following pages.**

- ❖ Reporting period: January 1, 2023 to December 31, 2023.
- ❖ Categories 1 and 2 are verified at reasonable assurance level.
- ❖ Categories 3 to 6 are verified at limited assurance level.
- ❖ Uncertainty assessment 95% confidence level: -7.07% to +7.07%.

W.J. Chen, Managing Director

Initial Issued Date: MAY. 14, 2024

Latest Issued Date: MAY. 14, 2024

Page 1 of 3

This verification statement is invalid without the full scopes, categories, criteria, level of assurance and findings available on the Statement.
Verification Body: Great International Certification Co., Ltd. Address: 4F., No. 28, Dahua 1st St., Dayuan Dist., Taoyuan City 337, Taiwan (R.O.C.)



2023

Sustainability Report



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E-MAIL / yankey@yankey.com.tw