

2021

SUSTAINABILITY
REPORT



太子建設
Prince Housing & Development Corp.



Report Profile

Reporting Period

This is the eighth ESG Report of Prince Housing & Development Corporation (PHDC). It mainly discloses the data and contents in 2021 (January 1-December 31, 2021). Part of the performance data will be traced back to the information before 2021 or extended to the information in the recent year (2022).

Scope and Boundaries of the Report

Disclosures of this report are focused on PHDC and Cheng-Shi Construction Co., Ltd. (CSCC). While affiliates including Ta Chen Construction & Engineering Corporation (TCCE) and Prince Utility Enterprise Co., Ltd. (PUEC) undertake the construction and utility projects of PHDC, the information that concerns some stakeholders is also disclosed to ensure the value-chain transparency of PHDC and its extended influence. “Prince Construction Business” is collectively referring to PHDC, CSCC, PUEC, and TCCE.

Basis of Data Calculation

All information and statistics contained in this report are extracted from the results of self-conducted statistics and surveys. Part of the financial figures contained in the financial performance section are quoted from the financial reports (expressed in NT\$) certified by certified public accountants. Relevant statistics are expressed in the internationally accepted indicators. Quantitative indicators disclosed in this report with special meanings will be footnoted.

Principles of Preparation

This report has been prepared in accordance with core options of the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) published by Global Reporting Initiative (GRI) and the topics for the Sustainability Accounting Standards for the Home Builders Industry published by the Sustainability Accounting Standards Board (SASB) to identify and disclose data regarding the performance of activities in relation to sustainable development of PHDC for quick indexing and inquiry.

Report assurance

This Report has been verified by PwC Taiwan in accordance with the Statements of Assurance Engagements Standards No. 1: Assurance Engagements Other than Audits or Reviews of Historical Financial Information published by the Accounting Research and Development Foundation in Taiwan against the selected indicators for limited assurance. The Assurance Report is appended to this Report.

Feedback

Prince Housing & Development corp.
Address: 21F, No. 11, Songgao Road, Xinyi District, Taipei City.
(Uni-President International Tower)
Phone: (02) 2758-9599
Contact: Operations and Planning Office
Website: www.prince.com.tw

Current issue: Published in September 2022

Previous issue: Published in September 2021





About this report 01

Message from the Chairman 04

1

Mapping Sustainable Development

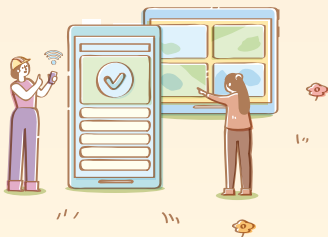
- 1.1 Corporate sustainable governance ...08
- 1.2 Stakeholder communication and material topics ...11



2

Business Integrity and Brand Value

- 2.1 Robust corporate governance ...17
- 2.2 Careful risk management ...23
- 2.3 Stringent legal compliance ...25
- 2.4 Steady financial performance ...25



3

Sustainable Environment and Products

- 3.1 Land development assessment ...29
- 3.2 Sustainable architectural design and innovation ...32
- 3.3 Quality control for excellent buildings ...34
- 3.4 Maintenance of construction environment ...36
- 3.5 Supplier management and procurement practices ...37
- 3.6 Operational environment and resource management ...40





4

Improving Quality for Customer Service

- 4.1 Quality customer communication and service ...51
- 4.2 Insistence on maintaining customer rights and interests ...58



5

Creating A Happy Workplace

- 5.1 Friendly and equal workplaces ...61
- 5.2 Well-designed salary and benefits ...65
- 5.3 Diversified career development and training ...67
- 5.4 Safe and healthy workplace environment ...69

6

Sustainable Campuses and Communities

- 6.1 Building Happiness for Students and Staff ...76
- 6.2 Supporting social welfare ...85

Appendices

- 1. GRI Content Index ...86
- 2. SASB Index ...91
- 3. Summary Sheet of Assurance Items ...94
- 4. CPA Limited Assurance Statement ...95



Message from the Chairman

With a history of nearly half a century, PHDC has been upholding professionalism and practicality to build ingeniously planned, stringently constructed quality residential and office buildings upon the principle of “three goods and fair price (good location, good design, good construction, and fair price)”. In addition to furthering our core construction service, we have also expanded our scope of services to the hospitality and tourism industry and BOT projects so as to lay a solid foundation for sustainable development through business diversification.

Despite the severe impact brought by the pandemic across Taiwan, together we triumphed over the times of turmoil and instability in 2021. Although the pandemic has upset the past steady pace of life and forced a lifestyle change, it has also slowed and adjusted the rhythm of life for us to reflect on ourselves and collect our thoughts. Apart from reviewing the past and standing the test, we must continuously demonstrate a positive influence on the surroundings and organization through continual improvement and innovation. Like sustainable operations that will never end, we need to keep going to become better than before and excel. In the TWSE Corporate Governance Evaluation, besides having been ranked in the top 20% among all listed companies for seven consecutive years, we are also the only listed constructed ranked in the top 20% for six consecutive years!

In support of sustainable development, we actively implement environmental sustainability goals. In 2021, office water consumption was reduced by 25.3%, and GHG emissions were reduced by 34.7% over last year. We also teamed up with ASUS Foundation to recover electronic products under “The Second Life for Computers - Empowering People in Need” project. Since 2019 we have reduced emissions by 3.204tCO₂e. Green procurement, solar energy, and rainwater harvesting are even the regular footprints of our support for green energy and environmental protection every year. Through implementation within the organization, we hope to contribute to protect Earth’s resources to build an environment for sustainable development.

In addition to maintaining our “character, brand, taste” (CBT) business philosophy to continue market development, we will uphold sustainable operations, insist on quality optimization and service upgrading, burnish our brand image and reputation, treat all stakeholders with integrity, and keep walking toward sustainable operations!





Chairman LO, Chih-Hsien



President LIN, Hung-Chun



Mapping Sustainable Development

1.1 Corporate sustainable governance

1.2 Stakeholder communication and material topics



Prince Housing & Development Corporation (PHDC) mainly engages in the investment and construction of residential and commercial buildings, tourism hotels, industrial zone development, indoor sports and leisure facilities, parking garages, and other services. Quality, credibility, and service are our unchanged insistence. We never spare our professionalism and practicality to carry out the "three goods and fair price (good location, good design, good construction, and fair price)" principle. We implement stringent quality control from location selection, design, to construction and progressively introduce ingeniously planned, stringently constructed quality residential buildings across Taiwan to extend our "same goal, teamwork, effectiveness, accountability" spirit to work. In addition to the core construction service, we have also been engaging in the hospitality and tourism industry in recent years to actively expand our scope of services to increase fixed income in addition to the income from construction so as to continuously burnish PHDC's No. 1 brand toward the goal of sustainable operations.



Chairman: Alex C. Lo

Paid-in capital: NT\$16.233 billion

General Manager: LIN Hung-Chun (Note 1)

Number of employees: 1,875 persons (Note 2)

Headquarters: 8F, No. 398, Section 1, Zhonghua East Road, East District, Tainan City. (TS International Tower)

(Note 1) Inaugurated on 2022.6.27 after the retirement of the former general manager HSIEH Ming-Fan on 2022.6.26.

(Note 2) Statistics to 2021/12/31. Statistics coverage: All business units within Prince Construction Group.

Three main categories of business units under Prince Construction Group include construction and **engineering, hospitality and tourism**, and **others**.

Construction and Engineering

- Prince Housing & Development corp.
- Prince Real Estate Corporation
- Cheng-Shi Construction Co., Ltd.
- Ta Chen Construction & Engineering Corporation
- Prince Utility Enterprise Co., Ltd.

Other

- Prince Security Service Corporation
- Prince Apartment Management and Maintenance Corporation
- Prince Property Management Consulting Corporation

Hospitality and Tourism

- Times Square International Hotel Corporation
- Zenda Suites
- Prince House, STSP Apartment
- Prince House, NTU Apartment
- Prince House, NCKU Apartment
- The Splendor Hospitality International Co., Ltd. (The Splendor Hotel-Taichung)
- Times Square International Stays Corporation



1.1 Corporate sustainable governance

Upholding the "three goods and fair price" principle, we introduce ingeniously planned, stringently constructed quality products and services. As environmental, social, and government (ESG) issues have become the prerequisites for business operations, we also effectively and specifically ingrain sustainability in our DNA. With reference to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies published by the Taiwan Stock Exchange (TWSE), we amended the "PHDC Corporate Social Responsibility Best Practice Principles" into the "PHDC Sustainable Development Best Practice Principles" in 2021, which has been passed unanimously by all members of the Board of Directors (Board), to undertake that PHDC will continue to enforce corporate governance, develop a sustainable development, maintain social welfare, and enhance the disclosure of corporate ESG information. By setting these best practice principles as the top guiding principle for implementing sustainable development at PHDC, we hope to enforce corporate social responsibility step by step starting from one point, then a line, and eventually a plane.



Prince Housing & Development Corporation
Sustainable Development Best Practice Principles

The Strategic Planning Office takes charge of the planning and management of sustainability-related affairs and the extension of the above sustainable development concepts to all departments for them to actively assess, plan, and implement practices for sustainability development based on their authority. Every year, after communication, coordination, and integration with each department, the Strategic Planning Office will consolidate and brief the relevant information to the general manager before reporting to the Board. Adjusting the operational approaches through ceaselessly reviewing the action for sustainable governance enables us to inventory the existing performance and plan future directions more comprehensively and more attentively.

Local development, connection with SDGs



We actively support the 17 Sustainable Development Goals (SDGs) announced by the United Nations (UN) in 2015, hoping for the mutual prosperity and co-existence of the human society and natural environment by contributing to these 17 SDGs. By integrating the sustainable development trends that concern the globe with the operations, products, and services of Prince Construction Business, we inventory the SDGs that are most related to Prince Construction Business and allow us to exert our influence and demonstrate PHDC's annual ESG performance and accomplishments in highlighted actions for SDGs.



ESG Performance 2021

E nvironment

ESG Performance 2021

- The 2021 water consumption was 10,148MT for the offices, 25.3% less than the previous year; 233,721MT for Prince House apartments, 14.3% less than the previous year.
- The combined GHG emissions of offices in northern, central, and southern Taiwan was 185.55tCO₂e in 2021, 34.7% less than the previous year.
- Implementation of green design, solar PV, and rainwater harvesting systems: By the end of 2021, the completed installed capacity of solar PV was up to 359.44KW, and the rainwater harvesting capacity was up to 9,195.16MT.

Corresponding SDG Targets



13.2 Integrate climate change measures into national policies, strategies and planning

Corresponding Report Chapters

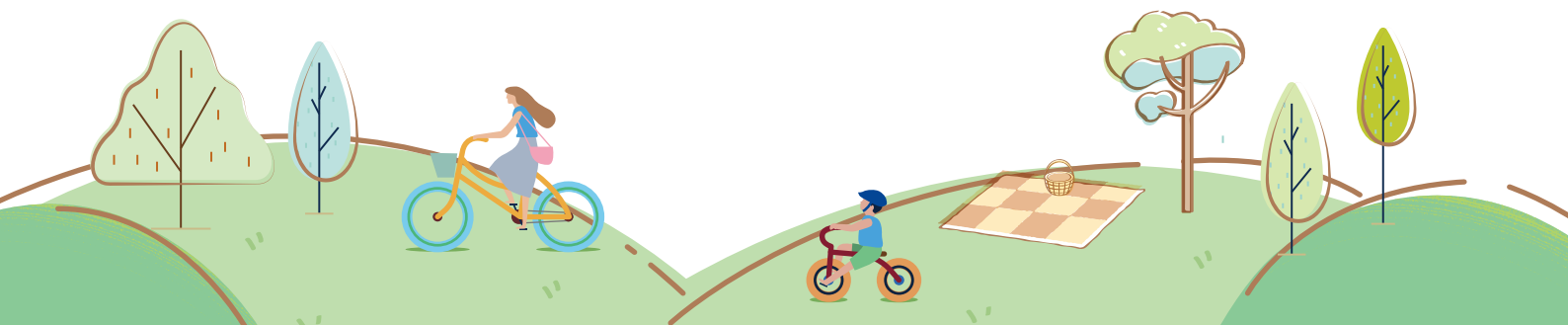
3. Sustainable Environment and Products

- In 2021 we teamed up with ASUS Foundation to recover 38 LCD monitors, 15 laptops, 85 desktops, and 51 other electronic products.
- We also prioritized Energy-Label-certified products in procurement. In 2021 the amount of green procurement accounted for NT\$9.56 million.



12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.

3. Sustainable Environment and Products



Social

ESG Performance 2021

- Offered 13 construction-related courses for a total of 103.5 hours in education and training with 360 participants in total to improve the fundamentals of employees to present a quality that makes customers feel safe.
- In 2021 the average hours of training per employee at Prince Construction Business were 17.21 hours.

Corresponding SDG Targets



4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations.

Corresponding Report Chapters

3.Sustainable Environment and Products
5.Creating A Happy Workplace

- Both the disabling injury frequency rate and disabling injury severity rate were 0.
- The average and median wage per employee increased by 16.80% and 22.81% over last year respectively.



8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

8.8 Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.

5.Creating A Happy Workplace

- In 2021 about NT\$5.675 million was invested in hardware facilities to improve the living quality of staff and students.
- In 2021 high-efficiency 7-day repair service was offered, with an accomplishment rate up to 99.5%.
- Periodic customer satisfaction survey: In 2021 the response rate of "satisfied" and above (both "satisfied" and "highly satisfied" at both the Taipei and Taichung branches was 100%, while it was 99.3% at the Tainan and Kaohsiung branches.



9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.

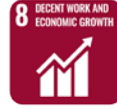
6.Sustainable Campuses and Communities

Governance

ESG Performance 2021

- Ranked at the top 6-20% among all listed companies by the TWSE Corporate Governance Evaluation for seven consecutive years.
- In 2021 the consolidated revenue and consolidated net income after tax were NT\$12.512 billion and NT\$1.459 billion respectively, with the income from construction business up by 6.9% over 2020.
- In 2021 no sanction for serious non-compliance with social (including personal information and deceptive adverts), economic, or environmental protection regulations was reported.

Corresponding SDG Targets



8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labor-intensive sectors.

Corresponding Report Chapters

2. Business Integrity and Brand Value
3. Sustainable Environment and Products
4. Improving Quality for Customer Service

1.2 Stakeholder communication and material topics

Through communication with stakeholders, we understand their expectations on the direction of our operations and verify the material topics requiring prioritized concerns, including the significance of economic, environmental, and social impacts to ensure that we are on the right track and right direction for practicing CSR and sustainable development so as to address the expectations of stakeholders.

We identify the material topics for sustainable development of Prince Construction Business in terms of the following four processes:



1 Inventory of topics relating to sustainable development

Through internal discussion and external expert assistance, referring to the Traditional Chinese version of GRI Standards published in June 2018, considering the direction of operations and the trend of concerned issues in the industry, and analyzing the sustainability reports published by construction and engineering businesses at home and abroad, we have concluded 24 topics on sustainable development relating to Prince Construction Business in 2021 and validated their relevance to the GRI Standards and trends in the industry.



2 Identification of stakeholders and topics that concern them

To make more effective communication with the stakeholders of Prince Construction Business, it is first to identify the stakeholders of Prince Construction Business, i.e., entities or individuals under the significant influence of the activities, products, and services of Prince Construction Business, or their activities that may affect the implementation strategies and capability in target achievement of Prince Construction Business. Through internal discussion, we have identified the follow seven major stakeholder groups: employees, customers, shareholders, competent authorities, local communities, suppliers, and banks. Then, through various communication channels (please refer to the Communication with Stakeholder Groups described below for details) and questionnaire survey, we discerned the topics that concern them.



Employees



Customers



Shareholders



Competent authorities



Local communities



Suppliers

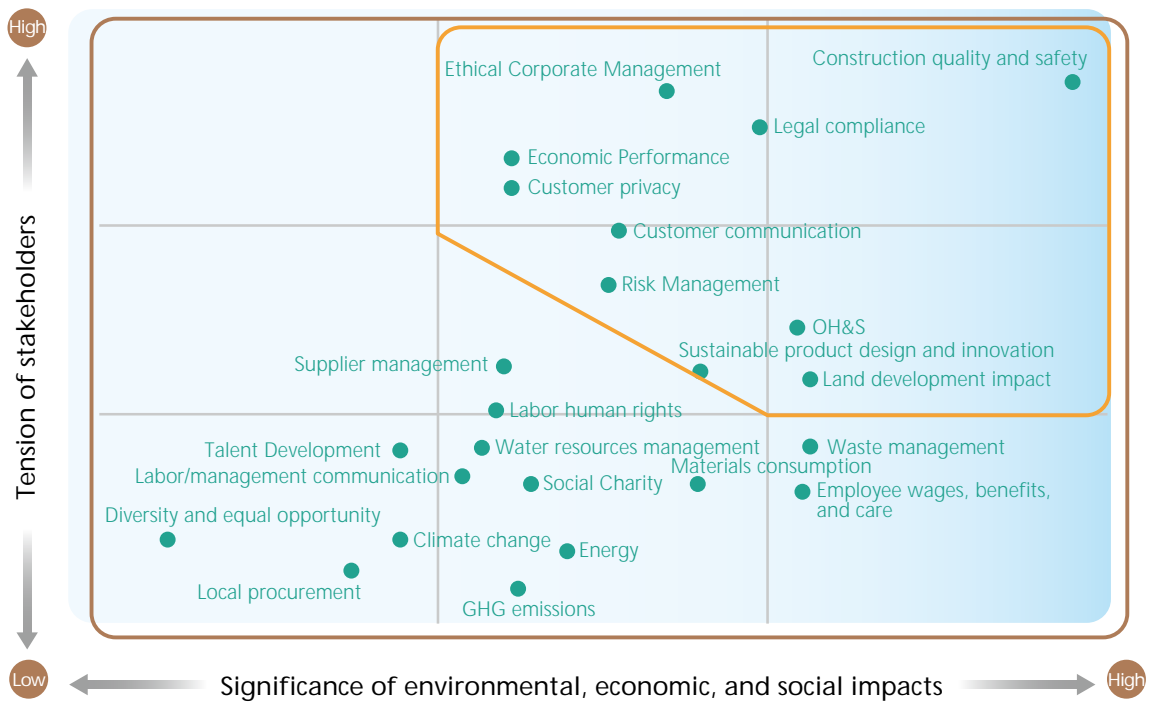


Banks

3

Prioritization and identification of material topics

We developed the questionnaire based on the 24 inventoried sustainable development topics and distributed it to various stakeholder groups to discern the significance of their concerns about each sustainable development topic. Additionally, we also developed a questionnaire on the significance of impact for the management of Prince Construction Business to assess the significance of environmental, economic, and social impacts on each topic. Lastly, with the significance of concern as the X-axis and the significance of impact as the Y-axis, we produced the materiality matrix. Topics exceeding the limit in both "significance of environmental, economic, and social impacts" and "significance of stakeholder concerns" were listed as the material topics for Prince Construction Business in 2021. The matrix below shows the identified material topics and the results of prioritization.



- | | | | |
|---|---|---|--|
| Governance | Environment | Employee and society | Customer service |
| <ul style="list-style-type: none"> • Legal compliance • Economic Performance • Ethical Corporate Management • Risk Management • Customer communication | <ul style="list-style-type: none"> • Land development impact • Materials consumption • Waste management • Energy • GHG emissions • Water resources management • Climate change | <ul style="list-style-type: none"> • OH&S • Employee wages, benefits, and care • Labor/management communication • Talent Development • Diversity and equal opportunity • Supplier management • Social Charity • Local procurement • Labor human rights | <ul style="list-style-type: none"> • Sustainable product design and innovation • Construction quality and safety • Customer privacy |

Note: are material topics for 2021

4

Validation and discussion






Through material analysis, we identified 10 material topics and reported them to the management for validation. Then, each sustainable development task force assesses their integrity, scope of impact, and boundaries. The content of this report has been defined in accordance with the completeness and stakeholder inclusiveness principles. The identified material topics have been disclosed in accordance with the sections and chapters of this report. In the future, we will enhance the management of material topics and address the topics that concern stakeholders.



The corresponding report sections and chapters of material topics in the year and report boundaries are as follows:

Topic	Corresponding GRI Topic	Corresponding Section	Report Boundaries					
			Within Organization				Outside of Organization	
			Prince Housing and Development Corp	CSCC	PUEC	TCCE (PHDC internal projects)	Customers	Local communities
Risk Management	NA	2.2 Careful risk management	○	○	○	○	○	○
Ethical Corporate Management	205 Anti-corruption	2.1 Robust corporate governance	○	○	○	○		
Construction quality and Safety	416 Customer Health and Safety	3.3 Quality control for excellent buildings	○	○	○	○	○	
Legal compliance	307 Environmental Compliance 419 Socioeconomic Compliance	2.3 Stringent legal compliance	○	○	○	○	○	○
Economic Performance	201 Economic Performance	2.4 Steady financial performance	○					
Occupational Health and Safety	403 Occupational Health and Safety	5.4 Safe and healthy workplace environment	○	○	○	○		
Customer communication	417 Product and Service Labeling	4.2 Insistence on maintaining customer rights and interests	○				○	
Customer privacy	418 Customer Privacy	4.2 Insistence on maintaining customer rights and interests	○	○	○	○	○	
Sustainable product design and innovation	NA	3.2 Sustainable architectural design and innovation	○	○	○	○	○	
Land development impact	NA	3.1 Land development assessment	○				○	○

In routine operations, we communicate with various stakeholder groups through different channels. The methods and frequency of stakeholder communication are tabulated below. Additionally, we address the topics that concern each stakeholder group more comprehensively in this sustainability report.

Methods of communication between PHDC and stakeholders

Stakeholder	Concerned Topic	Communication Method	Communication Frequency
 Employees	<u>Construction quality and safety</u> <u>Legal compliance</u> <u>Economic Performance</u>	<ul style="list-style-type: none"> ● Bulletin Board ● Enterprise Information Portal (EIP) system ● Staff meeting/officer meeting ● Email ● Questionnaire ● Video conference ● Internal education and training 	<ul style="list-style-type: none"> ● Irregularly ● Irregularly ● Weekly/quarterly/annually ● Real-time ● Irregularly ● Irregularly ● Irregularly
 Customers	<u>Customer privacy</u> <u>Construction quality and safety</u> <u>Legal compliance</u> <u>Customer communication</u>	<ul style="list-style-type: none"> ● Call center ● Corporate website ● PHDC App ● Adverts ● Questionnaire (Prince House) ● Prince House email ● Online guestbook ● 24-hour service counter 	<ul style="list-style-type: none"> ● Real-time ● Irregularly ● Irregularly ● Irregularly ● Quarterly ● Real-time ● Real-time ● Real-time
 Shareholders	<u>Economic Performance</u> <u>Construction quality and safety</u> <u>Ethical Corporate Management</u> <u>Risk Management</u>	<ul style="list-style-type: none"> ● Board of Directors ● Meetings of Shareholders ● Investor conference ● Annual report ● Corporate website 	<ul style="list-style-type: none"> ● Quarterly/annually ● Annually ● Irregularly (two times in April and August in 2021) ● Annually ● Irregularly
 Competent authorities	<u>Economic Performance</u> <u>Ethical Corporate Management</u> <u>Customer privacy</u> <u>Legal compliance</u> <u>Risk Management</u>	<ul style="list-style-type: none"> ● Official document exchange ● Laws, regulations, and specifications ● Government policy announcement ● Visit ● Regular design drawing audit meeting ● Supervision or business communication calls, emails 	<ul style="list-style-type: none"> ● Irregularly ● Irregularly ● Irregularly ● Irregularly ● Irregularly ● Irregularly
 Local communities	<u>Customer privacy</u> <u>Ethical Corporate Management</u> <u>Legal compliance</u> <u>Construction quality and safety</u> <u>Customer communication</u>	<ul style="list-style-type: none"> ● Construction conference ● Corporate website ● PHDC App ● In-kind donation to social welfare units ● Supplier evaluation ● Business meeting ● Business communication calls, emails 	<ul style="list-style-type: none"> ● Irregularly ● Irregularly ● Irregularly ● Irregularly ● Irregularly ● Irregularly ● Irregularly

Stakeholder	Concerned Topic	Communication Method	Communication Frequency
 Suppliers	<u>Customer communication</u>		
	<u>Water resources management</u>		
	<u>Materials consumption</u>		
	<u>Waste management</u>		
	<u>Climate change</u>	● Phone, email	● Real-time
	<u>GHG emissions</u>	● Supplier assessment/evaluation	● Real-time
	<u>Supplier management</u>	● Factory inspection	● Irregularly
	<u>Customer privacy</u>	● (Video) Conference	● Irregularly
	<u>Construction quality and safety</u>		
	<u>Diversity and equal opportunity</u>		
	<u>OH&S</u>		
 Banks	<u>Ethical Corporate Management</u>		
	<u>Economic Performance</u>		
	<u>Risk Management</u>	● Regular business communication calls, emails	● Irregularly
	<u>Construction quality and safety</u>		
	<u>Sustainable product design and innovation</u>		
	<u>Legal compliance</u>		

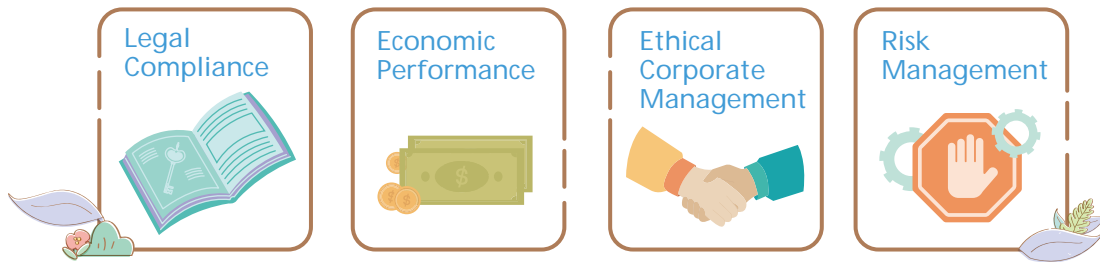
Through the above interaction and communication, we understand the topics that concern stakeholders better. By publishing the sustainability report every year, we will periodically identify material topics to achieve stakeholder communication more thoroughly and more effectively.

Business Integrity and Brand Value

- 2.1 Robust corporate governance
- 2.2 Careful risk management
- 2.3 Stringent legal compliance
- 2.4 Steady financial performance



Material topics covered in this chapter



We believe that a solid governance foundation is key to sustainable operations. Hence, we make continual improvements in corporate governance in terms of organizational structure, regulations and systems, implementation, and review. Through careful assessment, we adopt appropriate management action to prevent accidents while maintaining ethical corporate management to ensure legal compliance with the construction processes. These are the only ways to meet stakeholders' expectations and maintain steady economic performance to achieve the goal of sustainable operations.

Management approaches

Besides establishing the "Corporate Governance Best Practice Principles", "Code of Ethical Conduct", and "Ethical Corporate Management Best Practice Principles", we set the Board as the highest governance body and have formed the Remuneration Committee, Audit Committee, and Audit Office to perform the supervision duty. In 2016 the Operations Committee and Management Optimization Guidance Team were formed to consolidate and review the performance of ethical corporate management. They also hold meetings periodically to compensate for the untimely Board decision-making. The "Ethical Corporate Management Best Practice Principles" also stipulate regulations regarding legal compliance to request all employees to abide by the regulations in relation to fair competition, products, and services. Courses in relation to legal compliance are also offered from time to time or relevant regulatory requirements are outreached to employees to ingrain legal compliance in our corporate culture.

In economic performance, we manage financial performance in terms of the following six principles: asset revitalization, active receivable collection, precise land procurement, effective cost control, prudent investment, and talents development so as to enhance overall operational efficiency to maximize the benefits of vertical resource integration within the group. Additionally, we have established a risk management mechanism for each department to perform self-assessment of internal control. We also constantly participate in external rating, such as the TWSE Corporate Governance Evaluation. To address information security risks, the Personal Information Team has been established to publish Personal Information Quarterly, outreach personal information protection, share current events, and hold team meetings from time to time.



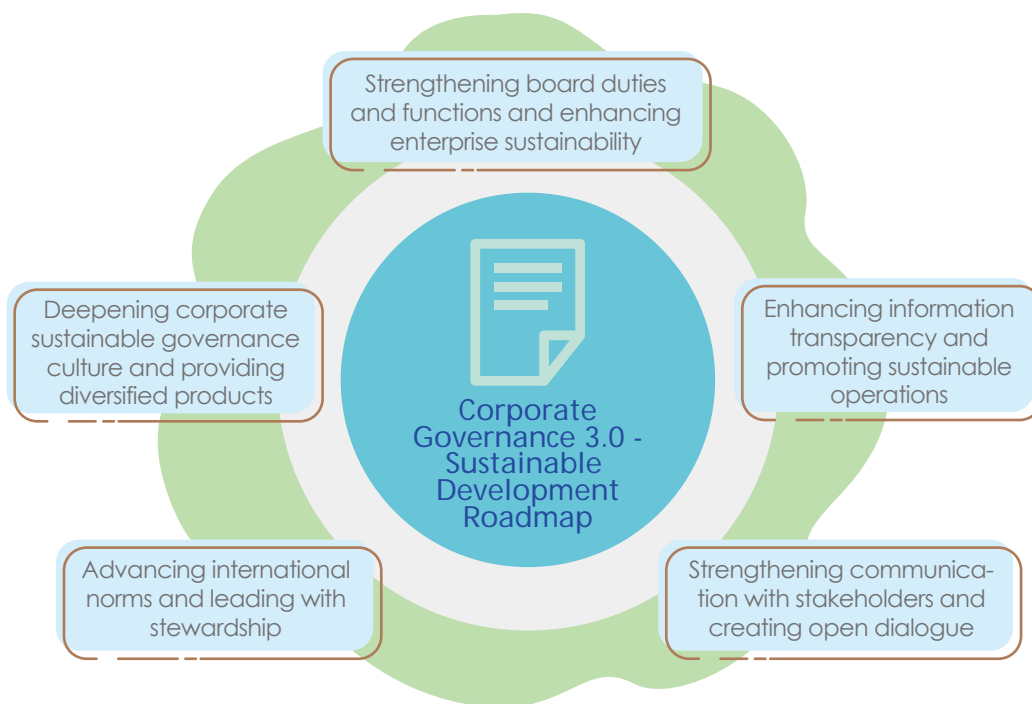
Maintaining steady economic performance,
setting sustainable operations as the goal

2.1 Robust corporate governance

To build a robust corporate governance system, we established the "PHDC Corporate Governance Best Practice Principles" with reference to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies co-established by the Taiwan Stock Exchange (TWSE) and Taipei Exchange (TPEX) in 2016. To ensure the ethical compliance of directors and officers, we have also established the "Code of Ethical

Conduct". In accordance with legal amendments and in consideration of the changes in the overall business environment, we timely update various corporate governance regulations. We have also included ESG in the annual audit program to validate the performance of our activities to achieve sustainable development. By auditing the "Corporate Social Responsibility Best Practice Principles", ethical corporate management standard operating procedures (SOPs), legal compliance, and project management, we hope to achieve better control over risk management, finance operations, and legal compliance.

Note: The Board amended and approved by resolution PHDC's "Corporate Social Responsibility Best Practice Principles" and "Rules of Procedure for Meetings of Shareholders" on 2021.3.18. The Board approved by resolution the establishment of the "Prince Housing & Development Corporation Risk Management Policy" on 2021.11.4.

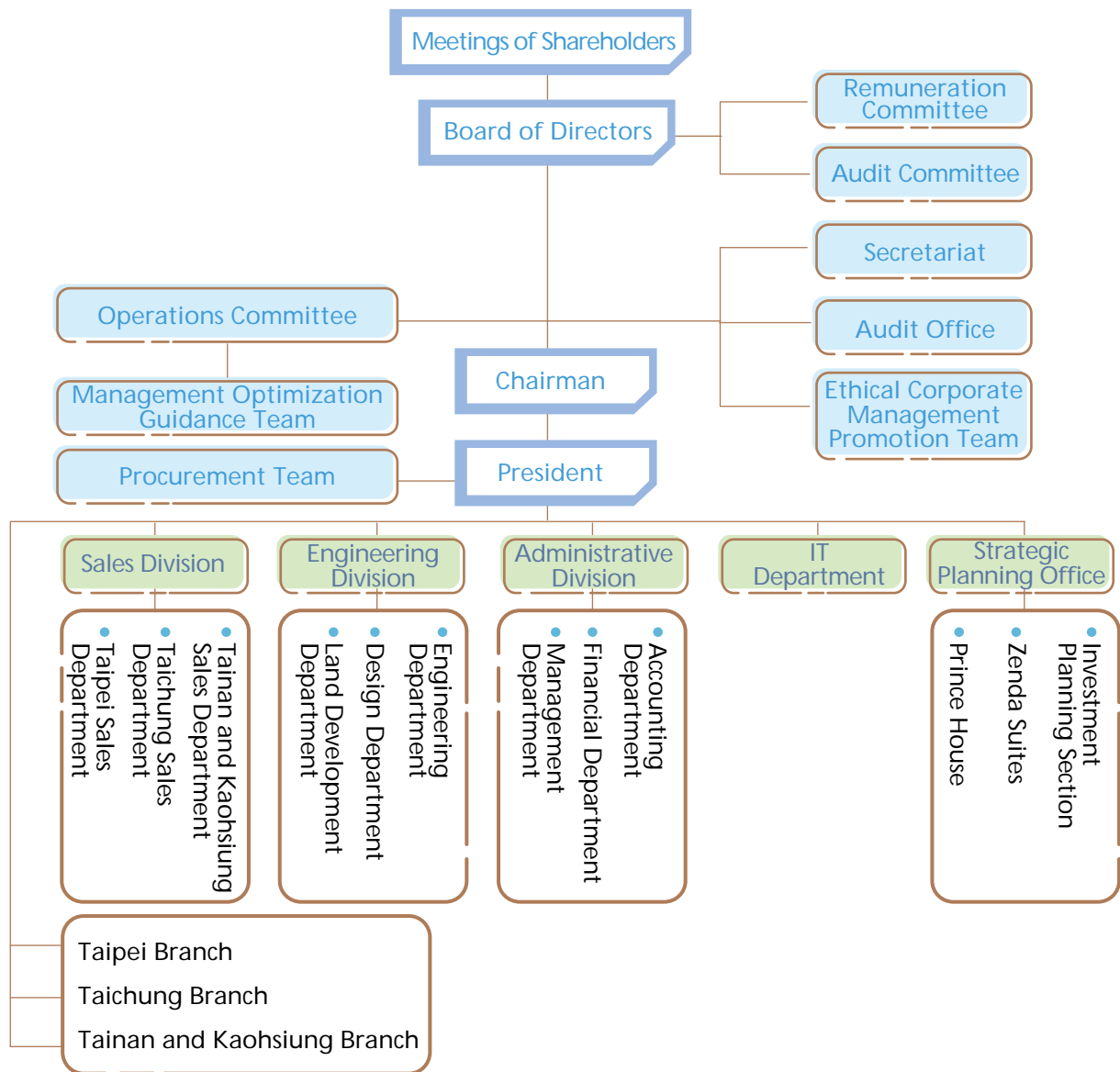


In 2021 PHDC was rated the top 6-20% among all listed companies in Taiwan at the TWSE Corporate Governance Evaluation for seven consecutive years. We also inventoried and planned our corporate governance and CSR actions more actively in response to the "Corporate Governance 3.0 -Sustainable Development Roadmap" announced by the Financial Supervisory Board (FSC). The five major action plans include "strengthening board duties and functions and enhancing enterprise sustainability", "enhancing information transparency and promoting sustainable operations", "strengthening communication with stakeholders and creating open dialogue", "advancing international norms and leading with stewardship", and "deepening corporate sustainable governance culture and providing diversified products".

Board of Directors

As the highest governance body of PHDC, the Board of Directors (Board) takes charge of the appointment and supervision of the company's management team to ensure the rights and interests of stakeholders and maximize benefits for shareholders. Under the Board, there are the Remuneration Committee, Audit Committee, and Audit Office to assist the Board in performing its supervision duty. Each year the Board and management review the self-inspection results of all departments and the audit reports of the audit unit submitted to the Audit Committee for review and reported to the Board.

To avoid conflicts of interest, we have established a mechanism for the avoidance of conflicts of interest and constantly provide legal information in relation to the avoidance of conflicts of interest of insiders requiring the attention of directors. To lower and disperse the risk of severe damage caused to shareholders by the mistakes or negligence of directors and supervisors, we buy the directors and officers liability insurance for all directors and supervisors during their terms.

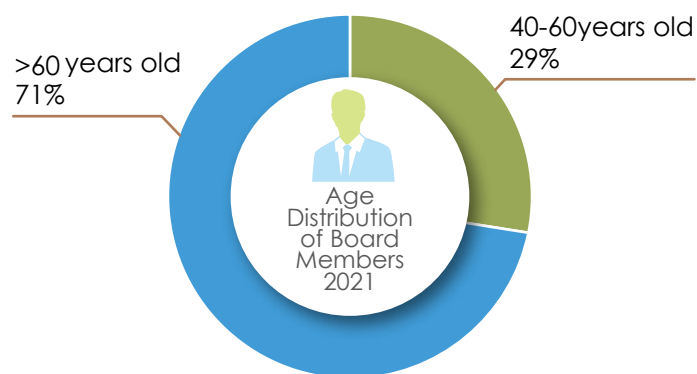


In accordance with PHDC Articles of Incorporation, the Board consists of 15 directors, including 3 independent directors, and each enjoys a term of 3 years. The present Board is the 16th board (elected on 2019.06.21). All directors, including 2 females directors accounting for 14.2%, of the 16th Board are nationals of the Republic of China. Expertise is the central concern of the Board. Most directors are experts in accounting, finance, and business administration, and seven directors hold a master's, doctorate, or higher degree. To enhance Board competency, directors also receive continuing education. Please refer to p. 25 of our 2021 Annual Report for the details regarding the director's continuing education for 2021. In 2021 a total of five Board meetings were held, with an attendance rate of 95%.

Board Composition by gender and by age group

Board Members	40-60 years old		Over 60 years old (excl. 60)		Total
	Male	Female	Male	Female	
Number of Directors	4	0	8	2	14 ^{Note}


Note: In accordance with the PHDC Articles of Incorporation, the Board consists of 15 directors (including 3 independent directors). As 1 director passed away in 2021, the present Board consists of 14 directors, i.e., with 1 vacancy



Remuneration Committee

We established the Remuneration Committee on September 30, 2011 with three independent directors with the same term as that of directors. Currently, it is the third committee. In 2021 the Remuneration Committee held two committee meetings, with an attendance rate of 80%.

The major duties and functions of Remuneration Committee are as follows:


- 1 Establish and periodically review the policy, system, standard, and structure for the performance assessment and salary and remuneration of directors (including the chairperson and vice chairperson) and officers.
 - 2 Periodically assess and establish the salary and remuneration of directors and officers.
- 

When determining and assessing salaries and remunerations, the Remuneration Committee makes reference to the payment standard in the industry and considers the interrelation and reasonability among the personal performance, the company's business performance, and future risks to avoid the pursuit of salary and remuneration from overloading the company's risk appetite. The Remuneration Committee also considers the industry-specific characteristics and the company's sales performance when determining and assessing the profit sharing, salary, and remuneration of directors and officers.

Audit Committee

The Audit Committee was established on 2016.06.21 with three independent directors with the same term as that of directors. In 2021 the Audit Committee held four committee meetings, with an attendance rate of up to 73%. The major duties and functions of the Audit Committee are as follows:

Besides periodically communicating the audit report results with the members of the Audit Committee, the chief internal auditor also presents the internal audit report at the Audit Committee meeting. When there are special circumstances, the chief internal auditor will also report to the members of the Audit Committee. In this year, no special circumstance was reported.

- 1 Audit the fair presentation of the company's financial statements
 - 2 Audit the selection (dismissal), independency, and performance of CPAs.
 - 3 Audit the effectiveness of internal control.
 - 4 Audit the legal compliance of the company.
 - 5 Audit the risk control.
- 

Ethical Corporate Management

To strengthen corporate governance and ethical corporate management, the Board approved by resolution the establishment of the Operations Committee and Management Optimization Guidance Team in June 2016. The resolution was also approved by resolution of the extraordinary Board meeting in August 2017. Chairman Alex C. Lo is concurrently the company's chief strategy officer (CSO). Operations Committee consolidates and reviews the ethical corporate management performance of the relevant units within the company. The Management Optimization Guidance Team is formed by the representatives appointed by the chairman and directors and holds team meetings periodically to review the company's important decisions to compensate for the untimely decision-making of the six Board meetings. In 2021, the Operations Committee held 10 committee meetings.

In May 2015, the Board approved the "Ethical Corporate Management Best Practice Principles" (including the "Procedures for Ethical Management and. Guidelines for Conduct") in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies to enforce ethical corporate management in our routine operations, such as requesting the contractors to sign the "Statement of Compliance of Contractor" while signing construction contracts with contractors to request employees not to accept or promise undue advantage, such as bribes, commissions, proportional payments. We have also established the "Regulations for Prevention of Insider Trading" to protect the rights and interest of investors and the company. In addition to periodically reviewing the relevant systems, we have also established in the "Procedures for Ethical Management and. Guidelines for Conduct" the investigation SOP of accepted grievances and the relevant confidentiality mechanism to protect whistleblowers against improper treatment. In discovery of corruption, employees may directly report to the Audit Office. In 2021 the Audit Office received no report of corruption or discovered any act of corruption.



Internal control system

We establish the accounting system, internal control system, and risk control mechanism in accordance with the Regulations Governing Establishment of Internal Control Systems by Public Companies to prevent unethical behavior and thereby lower the risk of unethical behavior through system planning. Through advance prevention and post hoc detection, we hope to implement full-scaled ethical corporate management. In 2021 no sanction for non-compliance with the internal control system by either the company or employees was reported.



Officer annual performance evaluation

Besides requesting all supervisors to set an example in maintaining business ethics and integrity, we also include them in the officer annual performance evaluation.



Annual audit

The annual audit program established according to the results of risk assessment provides a basis for audit implementation, audit report composition, improvement follow-up, and results reporting for approval. Audit items shall be submitted to the Board for review by the end of the next month after the completion of all audit items. The chief internal auditor shall attend the Audit Committee meeting and Board meeting as a guest to present the audit report. In accordance with results of the 2021 annual audit report, no significant corruption was detected at PHDC.



Non-disclosure agreement of employees

To protect the company's confidential data, employees are requested to sign the "Non-Disclosure Agreement, NDA" when they start service at PHDC. In 2021, the NDA signing rate was 100%.

Membership of associations

Since the beginning of establishment, Prince Construction Business has been actively participating in business-related unions and associations. We have also participated in national organizations, such as the Chinese National Association of Industry Commerce Taiwan, National Council for Public-Private Partnerships of ROC, and others. The table below shows the details of our membership of associations. In the future, we will continue to participate in the relevant unions and associations to capture the opportunities for business exchange and cooperation with other constructors so as to engage and discuss with the government the relevant industry policies through sharing practical experience and expertise.

Association	Participant	Role
The Real Estate Development Association of Taipei	Prince Housing and Development Corp.	Member
Taoyuan Real Estate Development Association	Prince Housing and Development Corp.	Member
Taichung Real Estate Development Association	Prince Housing and Development Corp.	Executive Director (Note 1)
The Real Estate Development Association of Tainan	Prince Housing and Development Corp.	Member
Real Estate Development Association of Tainan City	Prince Housing and Development Corp.	Member
The Real Estate Development Association of Kaohsiung	Prince Housing and Development Corp.	Member
The Estate Development Association of Kaohsiung City	Prince Housing and Development Corp.	Executive Director (Note 1)
Tainan City Association of Real Estate Brokers	Prince Housing and Development Corp.	Member
FIACBI-Taiwan	Prince Housing and Development Corp.	Member (Note 1)
Chinese National Association of Industry and Commerce, Taiwan	Prince Housing and Development Corp.	Director
Taipei Professional Civil Engineers Association	Prince Housing and Development Corp.	Member (Note 1)
Taiwan Professional Civil Engineers Association	Prince Housing and Development Corp.	Member (Note 1)
Taichung Professional Civil Engineers Association	Prince Housing and Development Corp.	Member (Note 1)
The Institute of Internal Auditors-Chinese	Prince Housing and Development Corp.	Member
Taiwan Regional Engineering Contractors Association	CSCC	Director (Note 1)
Taiwan Water Pipe Engineering Association	PUEC	Member
Taiwan Electrical Contractors Association, R.O.C.	PUEC	Member
Taichung Construction Quality Control Association	Prince Housing and Development Corp.	Executive Director (Note 1)
Taiwan Architectural Aesthetics Cultural Economics Association	Prince Housing and Development Corp.	Member

Note 1: Participation on behalf of the company by former general manager Hsieh Ming-Fan in person.

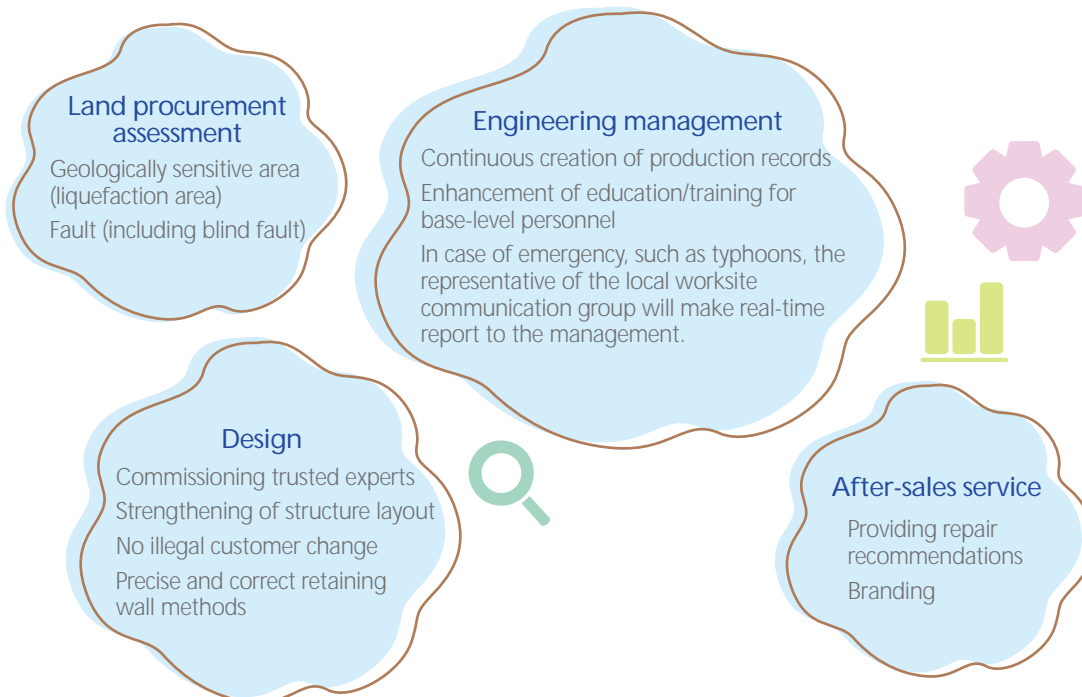
Note 2: No participation in any national or international initiative in 2021.

2.2 Careful risk management

In addition to affecting corporate operations, risk management also causes significant influence on corporate reputation. At PHDC, the Board approves the relevant policies for overall risk management, sets written principles, and provides written policies for specific scopes and matters. Hence, the Board will assess the risk and draw up countermeasures of the company's overall operational environment. After identifying risk items, each department will report to the general manager at the meeting to further report to the Board.



In addition to financial risks (exchange rate risk, interest rate risk, credit risk, the use of derivatives and non-derivatives, investment of current excess capital), we reduce the damage caused by force majeure in terms of the following four aspects for the product quality we emphasized.



Additionally, the management and application of customer and corporate information are also covered by our risk control. We take the following counteractions against information security risk.

Management measures

- **Systems and regulations:** We have established regulations and systems relevant to information security to regulate the information security behavior of employees. Each year we periodically review if the relevant systems comply with the regulations and changes in the production environment and make timely adjustments.
- **Hardware installation:** To prevent various external threats to information security, besides adopting the n-tier network architecture, we also install various information security protection systems to enhance the security of the overall information environment.
- **Employee training:** We offer education and training courses on information security every six months and request all employees to take these courses at least once a year to enrich their knowledge and improve their professional skills in information security. Information security education and training are also included in the annual performance evaluation.

Contents of information security implementation

Item	Specific management methods
Firewall protection	<ul style="list-style-type: none"> • Set connection rules for firewalls. • Request employees to apply for service for special connection needs. • Monitor and analyze firewall data and reports.
User networking control mechanism	<ul style="list-style-type: none"> • Use automatic website protection system to control user networking behavior. • Automatically filter websites with potential threats of Trojans, ransomware, or malware that users may visit.
Antivirus software	<ul style="list-style-type: none"> • Use different types of antivirus software and automatically update virus patches to lower the risk of virus infection.
Updating operating systems	<ul style="list-style-type: none"> • Automatically update operating systems. When system updates are prevented by any reasons, the IT Department will assist in system updates.
Mail security control	<ul style="list-style-type: none"> • Install automatic mail security scan to block unsafe attachments, phishing mails, and spam before users receive the mail to expand the scope of protection against malicious links. • After receiving mails on PCs, antivirus software will also scan if the mails contain unsafe attachments.
Website protection mechanism	<ul style="list-style-type: none"> • Firewalls are installed to block external website cyberattacks.
Data backup mechanism	<ul style="list-style-type: none"> • Full backup copies of important IT system databases are made daily and differential backup copies are made hourly.
Off-site storage	<ul style="list-style-type: none"> • The backup copies of servers and various IT systems are stored at different branches.
Sever storage of important files	<ul style="list-style-type: none"> • Important files of all departments are uploaded to the servers for centralized storage by the IT Department.
Datacenter log examination	<ul style="list-style-type: none"> • A datacenter log records the temperature and humidity of the server room, data backup, antivirus updates, and network traffic.

Since the end of 2019, COVID-19 has been sweeping across the globe, and Taiwan is no exception. To prevent the virus from spreading to affect the health of employees and other stakeholder groups, we have planned a series of epidemic control measures in the workplace environment to avoid the risk of service disruption and property loss. With preventing employees from infection as the ultimate goal, we have established the employee reporting SOP and follow-up process. The relevant management measures are as follows:



Contents of counteractions against COVID-19

Inspection mechanism

Measuring and recording the body temperature of all employees daily.

Preventive action

Using partitions on dining table for lunch, implementing staggered lunch hours, and arranging boxed lunch.

Flexible work arrangements

Splitting work-places or staggering shifts or work from home.

Information management

Following up the status of confirmed cases in all employees and reporting and consolidating employee epidemic condition in real-time.

Epidemic control regulations

Requesting confirmed cases and close contacts to implement home isolation and self-imposed home quarantine and staying alert to the physical and mental condition of employees.

Specific management measures

We have also established the assessment and management mechanisms for the financial, product quality, and information security risks. At the end of each year, each department will conduct a self-assessment of internal control. With such, we can assess the effectiveness of risk management of the year through the self-assessment items, including control environment, risk assessment, control operation, and supervision and scrutinize if a sufficient division of labor by competency is applied to existing corruption-prone activities and if management designs control according to the identified risks and selected risk addressing methods to ensure no excess of the company's designated risk appetite. In ordinary times, we make real-time reports to the general manager through staff meetings and departmental meetings. The Audit Office also develops the audit program based on the risks and the reports of various meetings to audit matters with severer risks.

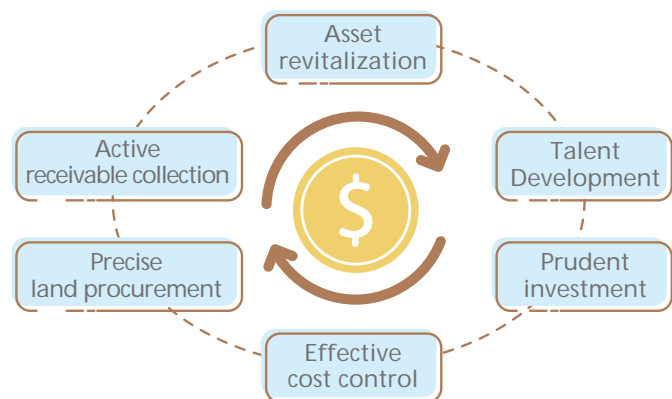
2.3 Stringent legal compliance

We have stipulated the regulations in relation to legal compliance in the "Ethical Corporate Management Best Practice Principles" to request all employees to abide by the regulations relating to fair competition, products, and services. To ensure that all contracts or customer service are/is legal, contracts are reviewed and drafted with the assistance of the legal affairs department. Additionally, all contracts are reviewed by lawyers and the relevant terms and conditions of the relevant external contracts are timely reviewed and maintained in accordance with the legal amendments. We also arrange education and training or publicity activities to outreach important laws and regulations. Hence, we included courses such as internal audit practice and notices, analysis and future trends of building capacity transfer, case studies on offenses of the Personal Information Protection Act, analysis of corporate governance and insider trading, and corruption unmasked in internal audit in the education and training for 2021. With these courses, we let employees understand the need for compliance with the relevant laws and regulations in the construction sector. In the self-assessment sheet for all departments, we have also included self-assessment items on legal compliance to ensure the performance of legal compliance at each department.

In legal changes, we publish on the homepage of corporate EIP the letters on changes in the relevant important laws and regulations issued by the competent authorities and communicate them within the company through education and training and the weekly staff meeting. The audit department communicates with each department the impact on the operating cycle of the updated laws and regulations from time to time. Additionally, after assessing the scope of impact of the legal amendments in the year, it audits the compliance with such amendments and records performance in legal compliance in the audit report. Furthermore, the general manager also request to each region to report the status of fines in the period for each region to enforce legal compliance through competitions. In 2021 no fine for non-compliance with the labor examination or sanction for non-compliance with serious offense of social, economic, or environmental protection laws and regulations was reported.

2.4 Steady financial performance

At PHDC, we manage financial performance in terms of the following six principles: asset revitalization, active receivable collection, precise land procurement, effective cost control, prudent investment, and talent development.

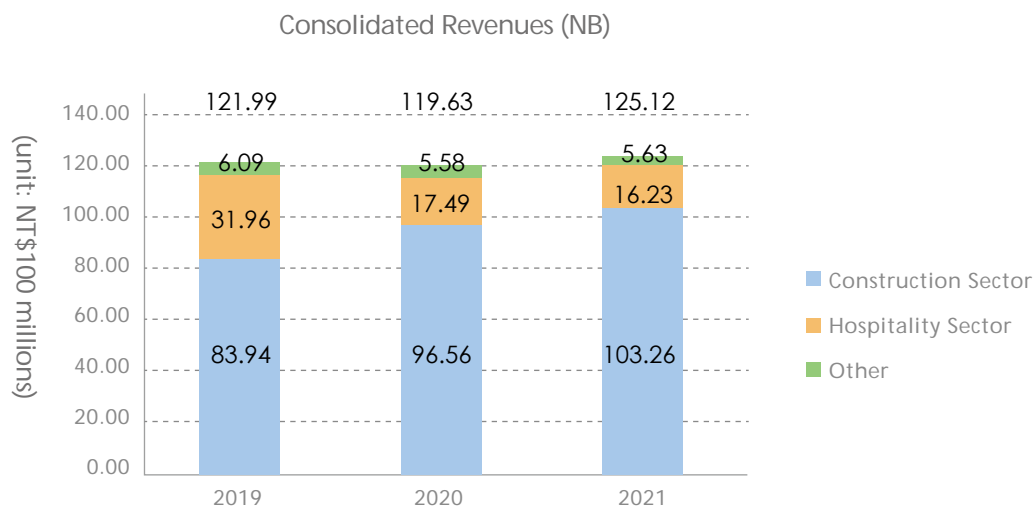


In response to the potential impacts of changes in policies and the macro environment, the construction sector periodically assesses land and its neighboring environment and launches products that meet regional needs according to the regional attributes so as to fulfill the market demand. Additionally, we diversify fund sources by issuing corporate bonds and launching seasoned equity offering to reduce the cost of funds and dependency on bank financing. In response to the trend of the industry and opening policy, the hospitality sector integrates the group's resources to engage in investment property and tourism hotels so as to increase long-term, steady income.

While creating revenues, we spare no efforts in maintaining product quality and making product innovations. Apart from maintaining our standard quality in structure construction, we also build smart and healthy homes in terms of culture and creativity, technology, and arts and literature.

Financial performance

Projects completed in 2021 included: The Amazing House in Taipei and Cozy Prince Mansion in Kaohsiung. The consolidated paid-in capital was NT\$16.233 billion. In 2021 the consolidated revenue and consolidated net income after tax were NT\$12.512 billion and NT\$1.459 billion respectively, with the income from construction business up by 6.9% over 2020.



1: Figures are extracted from the consolidated statement of comprehensive income and consolidated statement of financial position certified by CPAs. The revenues to individual groups are extracted from the information on the sectorial income as disclosed in the note.

2: Please refer to the consolidated financial statements of Prince Group and the individual financial statements of PHDC published on the Market Observation Post System (MOPS) for other business and financial performance.

Economic value generated and distributed (EVG&D) within PHDC

By maintaining steady management results, we hope to create a return on equity, maintain the rights and interests of employees, and improve community quality by demonstrating our financial performance.

The individual annual revenue of PHDC was NT\$8.656 billion, and the net income of the period was NT\$1.535. The operating expenses increased in 2020 because of the revenue increase in 2021. Thanks to the sales increase in both volume and price of the following three projects: To Fill the Hour-That is Happiness, World of Peak, and Prince Castle, the gross profit margin increased by 5% over 2020. The generated and distributed economic value in 2021 is as follows:

Item	Amount in 2021 (Unit: NT\$ thousands)
Direct economic value generated: Revenues (Note 1)	8,656,965
Economic value distributed: Operating cost and expenses (Note 1)	7,041,282
Economic value distributed: Employee wages and benefits (Note 1)	349,603
Economic value distributed: Payments to providers of capital (Note 1)	649,330
Economic value distributed: Payments to government (Note 2)	302,500
Economic value distributed: Community investments (Note 3)	1,558

Note 1: Extracted or summed up from the 2021 individual financial statements certified by CPAs.

Note 2: Information extracted from the corporate financial and accounting system.

Note 3: Information extracted from the corporate financial and accounting system, direct donation expense.

Sustainable Environment and Products

- 3.1 Land development assessment
- 3.2 Sustainable architectural design and innovation
- 3.3 Quality control for excellent buildings
- 3.4 Maintenance of construction environment
- 3.5 Supplier management and procurement practices
- 3.6 Operational environment and resource management



Material topics covered in this chapter

Construction quality and safety



Sustainable product design and innovation



Land development impact



To discern the mutual influence among construction products, society, and the environment and thereby make improvement, in terms of the product life cycle, from the site selection and assessment for land development at the beginning; through construction project design and planning, selection and procurement of construction materials, contractor recruitment and hiring, and environmental maintenance during the construction; to the verification of building quality and safety after project completion, we maintain full capture of all stages within the building life cycle with all efforts, hoping to reduce the negative impact on all walks of life and enhance positive influence of each building through careful control and implementing the sustainable concepts. With such, we aim to provide customers with a safe product, a comfortable environment, and a peaceful community.

Management approaches

By creating the land development process, we minimize the corporate risk and environmental impact. Taking charge of construction safety and sustainable construction products, the works department upholds the policy and principle of safe construction and sustainable building. Implementing education and training on construction safety and quality, internal quality audit, and building the Eagle Eye real-time monitoring system, improves construction quality, enhances the construction yield rate, and maintains customer health and safety. It also adopts sustainable designs, such as the rainwater harvesting system solar PV system, to construct eco-friendly buildings.

Goals

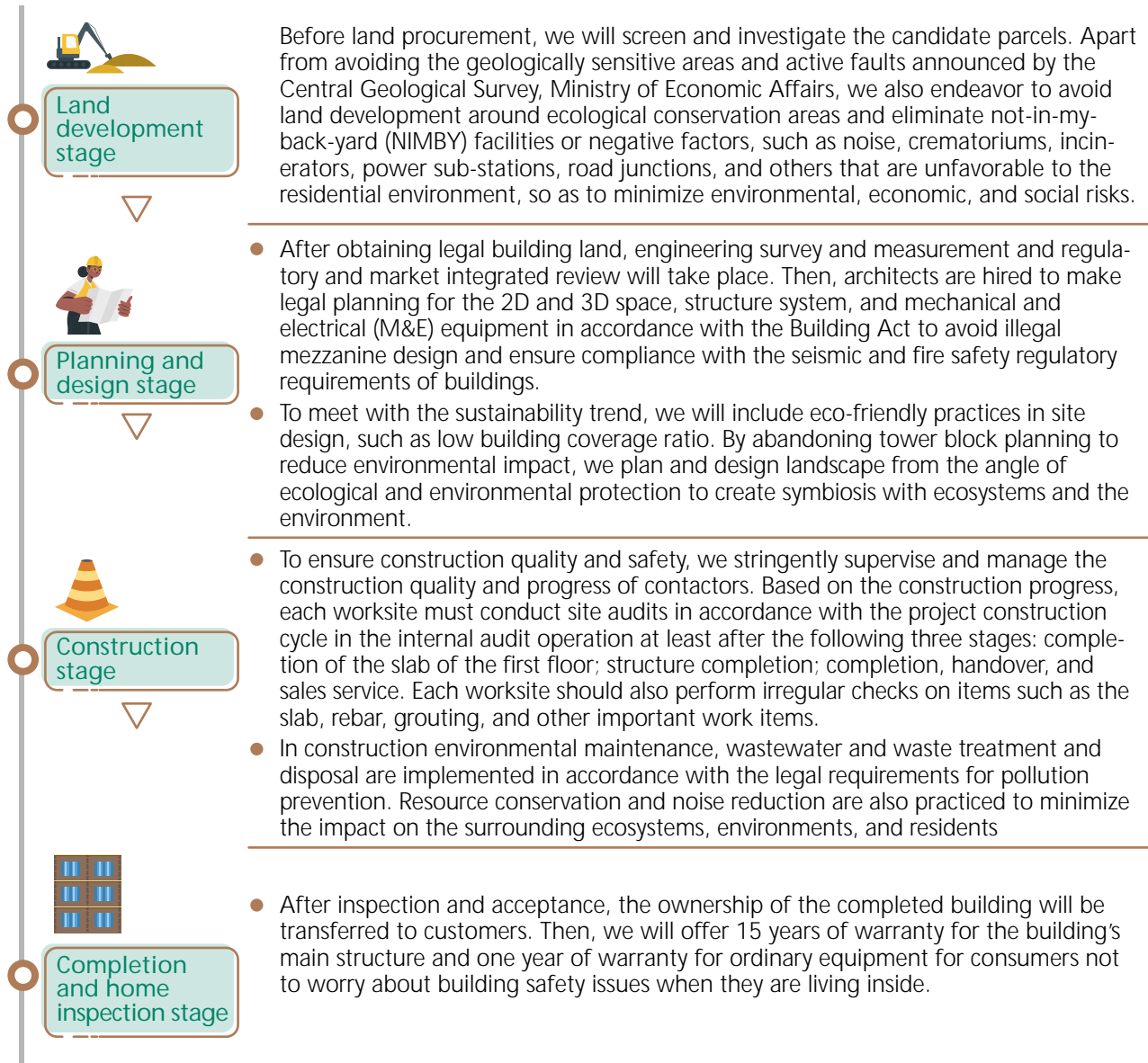
 <p><u>Reduce the impact on the surrounding environment of land development and construction.</u></p>	 <p><u>Reduce the defects found in internal audit.</u></p>	 <p><u>Continue to implement education and training on safe construction</u></p>
--	---	---

Action and Performance

- Assessment of land development impacts**
- In 2021 population analysis, economic development, environmental impact assessment, and site seismic analysis were implemented in accordance with the internal land development SOPs for all construction projects.
- Construction quality and safety:**
- The works department conducted two internal audits, and no serious defect was found.
 - We offered 13 construction-related courses for a total of 103.5 hours in education and training with 360 participants in total to improve the fundamentals of employees to present a quality that makes customers feel safe.
 - In 2021 a total of 81 suppliers were evaluated, with a pass rate of 100%.
- Sustainable product design and innovation:**
- Implementation of green design, solar PV, and rainwater harvesting systems: By the end of 2021, the completed installed capacity of solar PV was up to 359.44KW, and the rainwater harvesting capacity was up to 9,195.16MT.
 - We also prioritized Energy-Label-certified products in procurement. In 2021 the amount of green procurement accounted for NT\$9.56 million.

We have established management policies for each stage of the life cycle of construction products to reduce the social and environmental burdens and maximize positive benefits.

PHCD life cycle management policies for construction products



3.1 Land development assessment

As Taiwan is densely populated, and land use brings huge impact to the overall society, careful selection of development sites and the best use of land resources are our main concerns. Hence, we have established the land development SOP to implement stringent control with various assessment items to prevent new construction projects from causing irreversible economic, environmental, ecological, and geological impacts to the local area and thereby ensure products are provided for customers based on the best foundation.

Capturing the latest land information

Upon the respect for land, we treat each piece of land with the most rigorous and integral attitude. Before acquiring the land, a series of rigorous and careful controls are implemented to ensure land use and development so as to ensure the legal compliance of each development project and the security of ownership. To gather real-time land information in the market we periodically follow up the relevant news and conduct market surveys to ensure the security of huge investments in land development.

Daily: Capturing information from news and government announcements

Based on the relevant news and government announcements, we gather the relevant news of the market, land, and competitors to ensure that no divergence of market conditions of the investment decisions. By doing so, we can also understand the latest status of land development in competitors and keep track on important government investment and tendering projects.

Periodically: Land follow-up meetings

Rigorous assessments are implemented on land with developmental potential so as to purchase such land when the market conditions allow.



Description of land analysis and investigation

The assessment items for land development are tabulated below:

Preliminary development analysis

The direction of development is determined and risks are minimized in consideration of the trend of regional population growth, current status of economic development, and important development projects. When making a development decision, we will assess the following infrastructures and economic conditions for the reference of site selection.

- **Ownership investigation:** Verify if landlords are simple or there is registration of restriction.
- **Regulatory investigation:** Verify if there are prohibitions or restrictions on construction, limits on the maximum height from base, or restrictions on transaction methods.
- **Environmental investigation:** Avoid geological sensitive areas, verify if the development site is located in high-risk areas of soil liquefaction and its distance from faults.
- **Transportation investigation:** External accesses and walking time to metro stations.
- **Industry condition investigation:** Avoid industrial zones and select livable environments.
- **Amenity investigation:** Verify if the site is close to schools, parks, etc.
- **NIMBY facility investigation:** Avoid geomancy flaws and eliminate any external environments, that may affect living quality, such as adult entertainments, temples, transmission towers, power substations, recycling yards, and others.
- **Risk assessment:** As it is time-consuming to integrate too many landlords, the development schedule and fund utilization will be affected.
- **Decision-making process:** When assessments show that the development project is cost-effective, the management team will report to the Operations Committee. The Administrative Committee will make the decision according to the following approval procedures: land development division-->sales department, works department, design department, financial department, land development department of each branch-->head of the branch-->general manager-->chairman.



Description of land analysis and investigation



Sales analysis

Provide the most localized products.

- Compare site and project locations and run the SWOT analysis to determine product positioning and price ranges.

Planning analysis

Design the most beautiful and more representative products

- Environmental impact assessment, land use control analysis, soil and water conservation plans, traffic impact analysis, urban design review, incentive value analysis, adjustment of the ratio of public area, reasonable layout, and lighting and ventilation condition. Quality comes before being a regional landmark.

Engineering analysis

Most robust and most seismic-resistant building

- Site condition investigation, NIMBY facility investigation, surrounding investigation, and adjacent land condition investigation to prevent affecting adjacent property, utility pipeline investigation.
- Rigorous construction: Construction safety first

Geological drilling and survey and adjacent property verification are conducted after land procurement; and structure external evaluation is performed when meeting the government regulatory requirements. All these processes are implemented by a third-party unit according to the relevant regulations.



Geological drilling: Geological drilling is an important preparation for construction engineering design. The results of geological drilling will be the reference for determining building safety and design methods. Geological drilling includes soil sampling and groundwater water table survey. The results of geological drilling provide the fundamental information for building structure design and the behavior required for determining building structure safety.



Adjacent property verification: After visual inspection and instrumental survey, drawings, text description, and photos are used for producing the verification report. When disputes over damage caused by construction occurs in the future, these records are used to compare the damage and changes for the reference of determining the cause(s) of and accountability for the damage. Adjacent property verification can protect the legal rights and interests of both the owners of adjacent property and constructors, prevent and reduce disputes over adjacent property damage.



Structure external evaluation: In accordance with the Building Act, buildings over 50m tall or buildings below under 50m tall with reinforced concrete (RC) structures with design span over 15m, constructors shall hire a third party, such as the civil engineering association or structure engineering association, to implement a structure external evaluation. Structure external evaluation aims to verify if the fundamental design, structure system is layout ideal to prevent structure damage and casualties caused by severe natural disasters.

3.2 Sustainable architectural design and innovation

In support of the UN SDGs and the sustainable architecture policy forcefully promoted by the government, we propose the Architecture 7.0 Smart & Healthy Home featuring sustainable and innovative design concepts. Apart from emphasizing energy and water conservation, it also includes smart and healthy designs. Various automatic devices are linked by the Internet to demonstrate high-efficiency overall services and functions to ensure the safety, convenience, and health of homes and minimize the negative environmental impact of buildings.

Implementing design factors of environmental sustainability

In response to national policies, we constantly include solar PV equipment and rainwater harvesting system in construction projects. Combining all completed construction projects, the total installed capacity of solar PV is 359.44KW to generate electricity of about 413,898kWh each year, equivalent to the total consumption of about 100 households*. The combined capacity of the rainwater harvesting system of all completed projects is 9,195.16MT. Additionally, we have also used the relevant environmental protection solutions in some construction projects, including eco-friendly paints, recycled materials, energy-efficient construction materials, plasterboards, water-efficient toilet bowls, waste reduction, and EV-related accessories for building products that consume fewer resources during use.

*As per the 2020 statistics of Taiwan Power Corporation, the average electricity consumption per household was 339kWh each month or 4,068kWh each year.

Construction Projects Using Solar PV Equipment

Item	Regions	Construction Project Name	Solar PV Installed Capacity (KW)	Estimated Generation* (kWh)
Under construction	Tainan and Kaohsiung	Zone E, i-Cloud	13.7	15,919.4
	Taipei	Prince International Tower in Tanmai Village, Neihu District.	20.0	20,040
Completed	Taipei	The Enterpriser	6.0	6,012
	Taichung	Zone A, The Cloud Century	1.4	1,786.4
	Taichung	Zone SA, The Cloud Century	1.4	1,786.4
	Tainan and Kaohsiung	House Area, Zone C, The Cloud Century	275.4	320,014.8
	Tainan and Kaohsiung	Apartment Area, Prince Castle	41.6	48,339.2
Total			359.4	413,898.2

*As per the 2021 generation volume of all cities and counties in Taiwan estimated by Taiwan Power Corporation according to the solar PV capacity factor. The annual duration of insolation of individual areas has also been considered.

Construction Projects Using rainwater harvesting System

Item	Regions	Construction Project Name	Storage Capacity (MT)
Under construction	Tainan and Kaohsiung	Zone E, i-Cloud	1,658.02
Completed	Taipei	Prince International Tower in Tanmai Village, Neihu District.	62.50
		Prince Housing Phase II	76.80
		Prince Cloud Gate	555.00
		Prince Housing Phase III	20.00
		Manor Life	58.59
		Prince Shuanling Section	92.04
		Prince Lixing Section in Linkou	229.45
		The One Xindian	70.66
	Taichung	Xian Heng	44
		Win-Wish-WoW, Holiday Mansion	104
		Lucky Villa	204
		To Fill the Hour-That is Happiness	351.5
			215
	Tainan and Kaohsiung	Zone D, The Cloud Century	120.96
		Music.5	998.40
American Minimalist Style		203.00	
Lot No. 296, Cingan Section (Prince WIN 2)		255.81	
Zone C, The Cloud Century		1,155.69	
	World of Peak	817.36	
	Prince Castle	1,902.38	
Total			9,195.16

Eco-Friendly Solutions for New Construction Projects

Construction Project Name	Program	Description
Prince Lixing Section in Linkou	Plasterboard Partitions	Plasterboards are used for indoor dry walls to reduce waste and facilitate recycling.
	Exterior Wall Lighting	Energy-efficient LED lights are used to reduce electricity consumption.
	Landscape lighting on 1F, 23F, R1F	Energy-efficient LED lights are used to reduce electricity consumption.
	Indoor Paints	Use of green and healthy Glidden flat masonry paint containing no chemical additives including formaldehyde, lead, and mercury.

Greet Building Certification

Green building encompasses the bench points, such as sustainability, energy conservation, waste reduction and others, for the sustainable development of environment. Hence, minimizing resource consumption and minimizing waste production are the ultimate goals at all stages of the life cycle, including site selection, design, planning, construction, refurbishment, and demolition, while maintaining ecology, energy conservation, and health at the same time. By 2021, seven of our projects have passed the Green Building Label certification. They occupy a total registered floor area up to 229,674.62m², equivalent to the total floor area of 2.52 Taipei Arenas. Additionally, eight of our projects have also obtained the Candidate Green Building Certificate. They occupy a total registered floor area up to 283,606.73m².^{Note}



Note : The total floor area of buildings awarded the renewed Green Building Label in 2021, passing the Green Building Label certification, and receiving the Candidate Green Building Certificate.

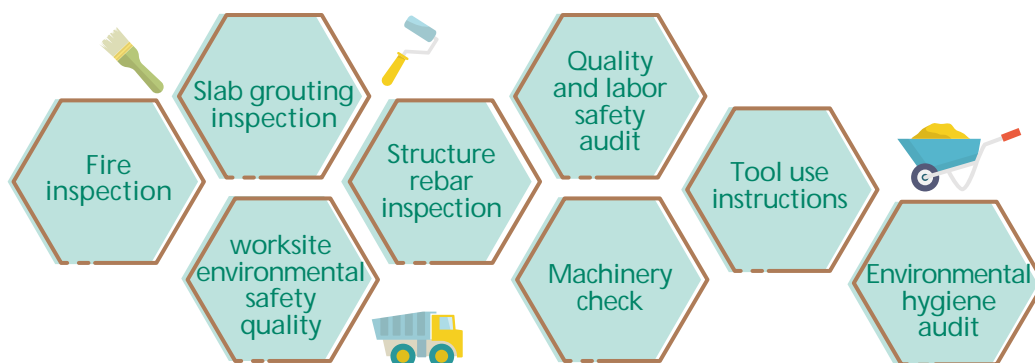
3.3 Quality control for excellent buildings

Upholding construction safety

Construction quality and safety have always been our core concerns. By putting customer feelings and safety first, we set stringent safety and quality requirements for construction and completion inspection, hoping to give customers a safe and worry-free home.

In 2021, only one project in Linkou was in the construction phase, the engineering department completed the internal audit on two projects, and the internal audit department conducted an engineering management audit on two projects. No significant defect was detected.

Featured Internal Audit Items for Construction Quality



Through safety and quality control at different stages, no non-compliance with regulations relevant to product safety and voluntary regulations was reported in 2021.

Monitoring and management with the Eagle Eye App

For more effective control of project worksites, real-time capture of site construction status to ensure flawless construction procedures and quality guarantee, we constantly monitor worksites with the integrated monitoring system Eagle Eye App for all products. Apart from keep up with the construction progress, real-time monitoring ensures project construction safety and worker construction safety.



Onsite audit of Linkou worksite on northern Taiwan in 2021.

Optimizing of construction safety knowledge

To improve the construction safety and professional capability of employees, we encourage employees to take external education and training courses. In 2021 we offered 13 courses covering the use of modern building stones, fire prevention management, scaffold erection, and waterproof works through internal education and training of 103.5 hours in total for a total of 360 participants.

Education and Training Courses Relating to Construction Safety and Techniques in 2021

Regions	Type	Course title	Hours	Trainees
Taipei	Internal Training	Application of PERI system templates to building and bridge works	2	39
		Use of modern building stones	1.5	66
		Introduction on construction for Green Building Label	1	21
		Diaphragm wall and barrette construction	1	42
		Waterproof works and interface management	1.5	73
		Scaffold erection	1.5	29
	External Training	Firefighting management personnel	12	1
Taichung	Internal Training	Floor elevation methods and tree anchoring fixing system.	1.5	43
		Guidelines for building silicone design and construction	2	39
Tainan and Kaohsiung	External Training	Worksite director recurrent training	32	3
		Worksite director recurrent training	32	2
		Construction OSH Family	3.5	1
		Firefighting management personnel	12	1
			103.5	360

*Online courses available for northern, central, and southern Taiwan.

3.4 Maintenance of construction environment

Pollution prevention and improvement of construction impact

When construction begins, worksite environmental safety and pollution prevent will become our prime concern. Hence, we inventory all sources of potential impact in the construction process and establish a series of worksite environmental maintenance rules to hit the nail at the head so as to ensure that construction is implemented with the least impact on the ecosystems, environment, and residents in the surroundings. Before construction begins, we request all contractors to submit a worksite management plan as precautionary actions to ensure the effective prevention and proper treatment of air quality, noise, water pollution, and waste pollution and compliance with the relevant environmental regulations. Additionally, we also strongly request contractors or the relevant subcontractors to implement the relevant pollution prevention measures to avoid messing up the environment. Below is a description of the identification of impacts on local communities during construction and the corresponding management measures.

Pollution Prevention Measures



Type of Pollution	Control Action
Air Pollution	<ul style="list-style-type: none"> • Signs, full-height sight-blocking barrier fence, and overflow protection base are erected in the worksite. • Dust-control meshes or dust-control fabrics that can effectively block dust are installed on the exterior of scaffolds on the structure in the worksite. • Effective dust inhibition facilities are installed in the worksite, such as paving with steel plates, paving with concrete, paving with asphalt concrete, or paving with coarse grade mixture or other granular materials with equivalent functions.
Noise pollution	<ul style="list-style-type: none"> • Avoid construction at night to prevent disturbing neighbors. • When grouting at night, as the friction of tremie pipes and anchors can make loud noise, soft cushions such as tires or wood are used to prevent noise.
Water Pollution	<ul style="list-style-type: none"> • Wastewater settling basins are installed to harvest and treat initial precipitation and wastewater from car washing to remove settleable matter and turbidity from wastewater before discharge to prevent water source pollution. • Rainfall shielding, blocking, and guiding facilities to prevent rainwater infiltration are installed over the excavation site or piling site. • Rainfall shielding, blocking, and guiding facilities and settling basins are maintained regularly, and records of cleaning and maintenance time are maintained. • Treatment facilities for waste stabilizers and waste slurry are installed to prevent sewage from flowing off the worksite.
Waste pollution	<ul style="list-style-type: none"> • In the worksite, waste is classified into construction waste and general waste. All waste is cleaned up and disposed of according to the waste clean-up and disposal plan and shipped off the worksite by qualified contractors to prevent impact on local communities.



Impairment of city appearance

- Worksite fence greening has been extensively implemented. In practice, it is combining fences with green plants to visually embellish the city's appearance and soften the cold and rigid sense of worksites to bring a friendly feeling to neighbors and passers-by.
- Green plants also reduce the urban heat island effect and the fugitive dust on the road.

Impacts of Construction on Local Communities



Type of Impact

- The noise produced by construction affects the living quality of nearby residents.
- The dust produced by construction dirties the exterior walls and window glass of adjacent property.
- Concrete grouting: Cement mixers running in and out the worksite affects the transportation access of nearby residents.
- Exterior wall cladding: Dust falling from the scaffolds during construction affects the living quality of nearby residents.



Corrective Actions

- Construction is arranged in the daytime to separate from the home resting time of residents.
- Assistance in washing the exterior wall of adjacent property near the worksite.
- Increasing traffic maintenance personnel to direct the traffic.
- Enhancing watering the ground and maintaining the integrity of scaffold Dust-control meshes.

Environmental legal compliance

We always actively cooperate with the legal requirements for environmental protection and keep up with the legal amendments to adjust corporate policies to prevent breaking the law or regulations. We spare no effort in the environmental management of all worksites. We will take immediate corrective action when demerits are detected and review our management approaches. Through communication and collaboration with contractors, we request the relevant personnel to arrange education and training and make corrections to eliminate the recurrence of the same problems. If merits are found, we will keep at them to maintain our law-abidance duty to ensure worksite environmental pollution, such as waste and noise, will not harm the local communities. Through the combined efforts of all responsible units, no non-compliance with environmental regulations was reported in this year, and we will keep at it continuously.

3.5 Supplier management and procurement practices

Supplier management strategy

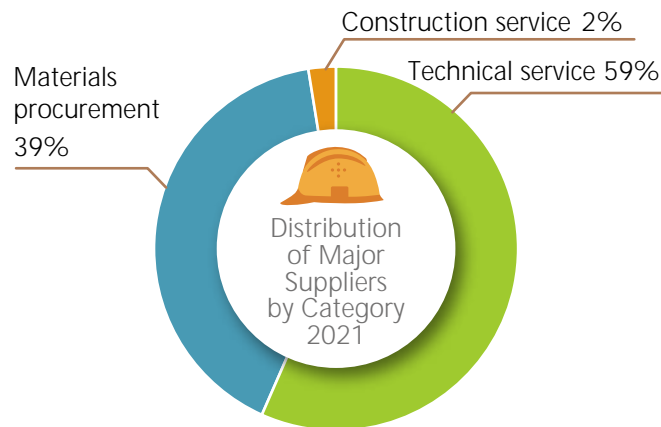
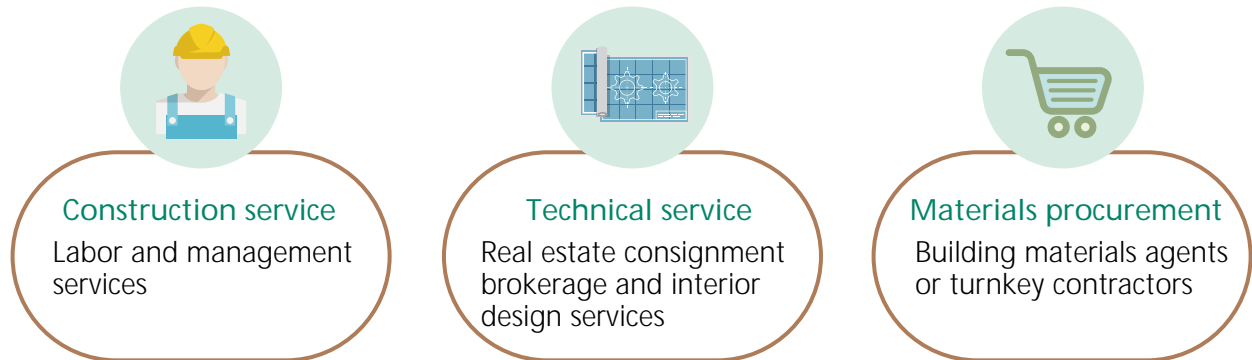
In supplier management, we have extended the sustainable operations spirit we have been upholding to the upstream value chain. When selecting new suppliers or renewing contracts with existing suppliers, we include CSR-related issues in the selection and auditing items, hoping to promote sustainable operations with suppliers while reducing the negative impacts on the value chain and life cycle.

In terms of specific sustainable supplier management action, besides considering CSR in supplier selection and the annual audit, we already added the "CSR terms" in the supplier contracts in 2021. Currently, we have requested construction contractors to abide by the Occupational Safety and Health Act in the contracts, arrange periodic physical examinations for their employees, and provide the proper training on occupational safety and health to ensure the personal safety of employees. Additionally, we have requested contracts to maintain proper worksite environmental management in the contracts to maintain environmental cleanliness in the surroundings. To ensure the quality and safety of building materials and equipment, we also requested suppliers not to use radioactively contaminated rebar and sea sand. When selecting suppliers of major materials, including rebar and concrete, instead of just considering the purchase price, we prioritize cooperation with TWSE- and TEPx-listed suppliers with excellent performance in integrity so as to protect society and the environment with suppliers together.

Status of supplier cooperation

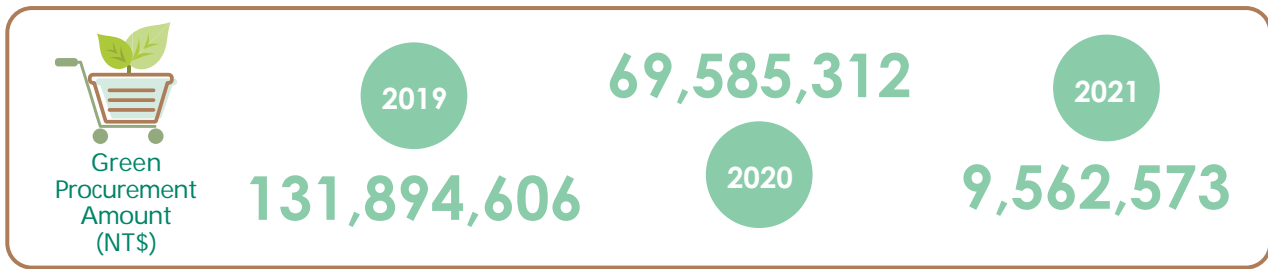
In 2021 we had a total of 177 suppliers mainly divided into three categories, in which the percentage of 59% of technical service suppliers was the highest and the percentage 39% of materials suppliers was the second highest.

Type of supplier



Green materials procurement

In support of the UN SDGs and the sustainable architecture policy forcefully promoted by the government, we actively implement the design factors of environmental sustainability, such as installation on solar panels and rainwater harvesting systems; prioritization of purchasing Green Building Material Label-certified materials and water-efficient devices and Energy Label-certified equipment; replacement of incandescent bulbs with LED lights; as well as the commonly seen paints, dry walls, ceilings, lighting fixtures and bathroom equipment, solar PV systems, and rainwater harvesting systems. In 2021 we used Water Efficiency Label-certified water-consuming devices for all construction projects in northern, central, and southern Taiwan. The amount of green procurement in 2021 was about NT\$9.56 million. This amount was lower than the previous year because raw material demand reduced when there were significant lesser construction projects in 2021. However, our insistence on using green materials remained unchanged.



*The amount covered materials carrying the Green Building Material Label, Water Efficiency Label, and Energy Label, and the expenses on other energy conservation projects.

Status of Building Materials Consumption

Building Material	Unit	2019	2020	2021
Sand	(m ³)	9,843	3,667	279
Brick	(m ³)	220	29	-
Cement	(MT)	3,359	2,445	1,152
Concrete	(m ³)	21,569	2,040	118
Glass	(m ²)	28,173	7,255	51,293
Rebar	(MT)	3,096	48	-

*Covered the major building materials of all construction projects in northern, central, and southern Taiwan.

Status of factory inspection of building materials for all construction projects in 2021

Additionally, we also conduct on-site factory inspection on various featured building materials to ensure the purchased building materials are legally manufactured and thereby control the quality for future home-buying customers. In 2021 we conducted one factory inspection on the interior design stone factory for the construction project at Lixing Section in Linkou, and the inspected factory passed all inspection items.

Supplier evaluation and audit

To ensure supplier quality, every year we periodically evaluate all suppliers in terms of cooperativeness, quality, schedule cooperation, labor safety, and after-sales service. We have also established the "Graded Supplier Evaluation System" to rate suppliers in three grades: excellent, good, and poor to strengthen the implementation of supplier management. We actively communicate and coordinate with suppliers rated poor and request them to make improvement or submit the relevant testing reports by a time-limit to maintain cooperation quality. In 2021 a total of 81 suppliers were evaluated, with a pass ("good" and higher grades) rate of 100%. Additionally, there was no new supplier in 2021.

Results of Supplier Evaluation 2021



		Distribution Supplier Grades		
Regions	Construction Project	Excellent	Good	Poor
Taipei	Lixing Section in Linkou	45	30	0
Tainan and Kaohsiung	Cozy Prince Mansion	6	0	0
Total		51	30	0

3.6 Operational environment and resource management

Climate change response

Climate change and global warming have become important issues to all industries. After Paris Agreement took effect, industries must understand the climate-related impacts and take early counteractions. Particularly, due to the rise of the unpredictability of extreme weather events in recent years, Taiwan has been suffering either water shortages or typhoons, bringing tremendous influence on the consideration of site selection for the construction industry. Hence, we include climate change in operational consideration and identify climate-related risks and opportunities as indicators for sustainable development.

Impacts of Climate Change	Contents	Countermeasures
Transition risk	Climate-related regulations and policies are increasingly stringent, and the cost of various types of raw materials keep rising every year due to environmental damage, impacting future construction costs.	Keep track on the trends of climate-related laws and regulations, make advance deployment in coordination with the government policies, actively explore green building material solutions, and use recyclable and reusable materials as alternatives.
Physical risk	Impact on the construction duration and equipment due to the increasingly frequent extreme weather events.	Enhance project duration planning, optimize equipment availability, keep track of the weather condition of worksites, and increase flexibility in response time.
Physical risk	Impact of changes in local climate pattern on land development, enhancing the difficulty in site selection and depreciating subsequent land value.	Consider climate change impact in future land development planning to make a more comprehensive judgement, and avoid land development in impacted areas of potential debris flow torrent, geologically sensitive areas for groundwater recharge, and soil liquefaction areas through verification with various tools, such as the Taiwan Map Service system of the National Land Surveying and Mapping Center, Ministry of the Interior.
Opportunity	Increased market demand for sustainable architecture and green buildings, making smart, energy-efficient buildings a future trend.	Balancing housing and environment protection and eco-friendly sustainable architecture design are trending. Actively implement greening design models to capture the green building opportunity brought by climate change.

Energy and GHG management

To understand the energy and resource consumption and the carbon emissions caused during business operations, every year we produce the statistics on energy consumption and inventory the GHG emissions of all worksites (engineering offices); offices in northern, central, and southern Taiwan; and Prince House. As it is difficult to obtain the data of some activities, such as the petroleum and diesel consumption of construction machinery, forklifts, transportation vehicles, and company cars and coolant fugitive emissions, direct GHG emissions are not disclosed, and statistics are produced only on the energy indirect GHG emissions from electricity consumption.

In 2021, the GHG emissions of two worksites were 30.3tCO₂e. Emissions reduced over the previous year because the number of worksites reduced. In northern, central, and southern Taiwan, the 2021 combined GHG emissions were 185.55tCO₂e, 34.7% less than the previous year. Emission intensity was 0.034tCO₂e/m² because most employees chosen work from home during the pandemic, significantly reducing office electricity consumption.

For the Prince House at NTU and NCKU, the 2021 combined GHG emissions were 5,374.32tCO₂, and emission intensity was 0.057tCO₂e/m², slightly lower than that of the previous years.

GHG Emissions of Engineering Offices



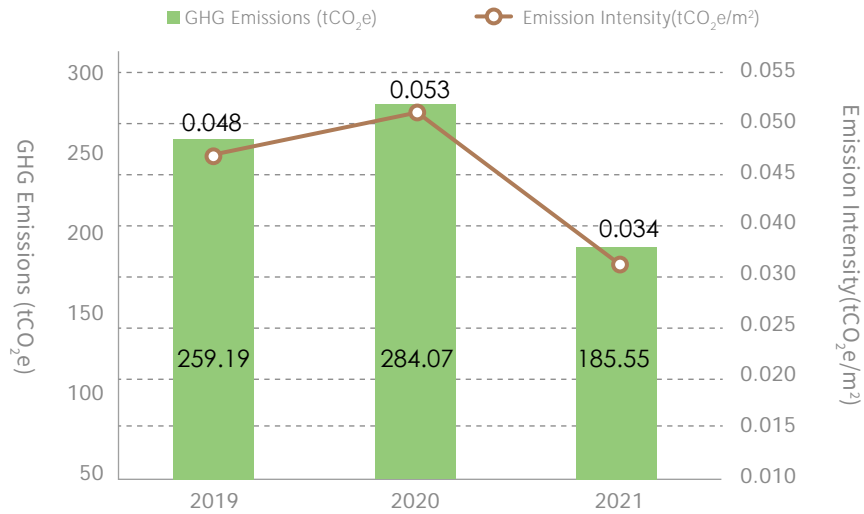
Year	2019	2020	2021
Number of Worksites	8	5	2
Electricity Consumption (kWh)	972,920	632,098	60,290
GHG Emissions (tCO ₂ e)	495.22	321.74	30.3

GHG Emissions of Offices



Year	2019	2020	2021
Electricity Consumption (kWh)	509,209	558,094	369,615
GHG Emissions (tCO ₂ e)	259.19	284.07	185.55
Emission Intensity(tCO ₂ e/m ²)	0.048	0.053	0.034

GHG Emissions and Emission Intensity of Offices

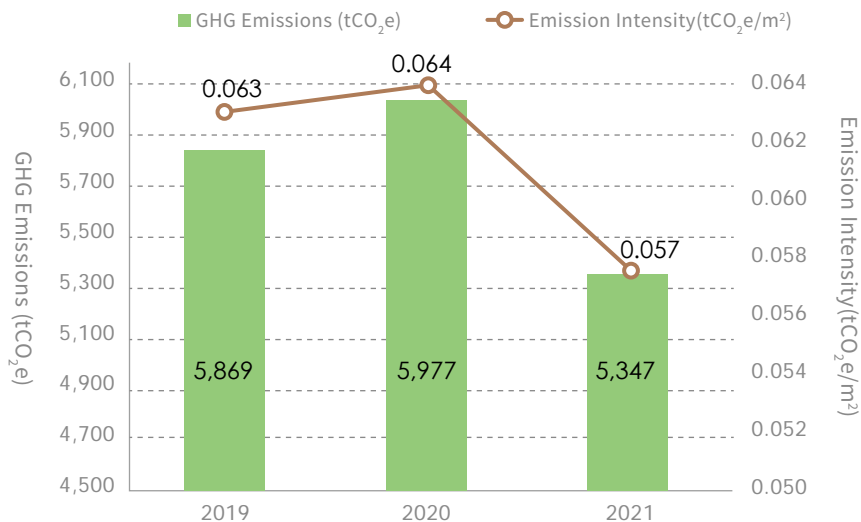


GHG Emissions of Prince House



Year	2019	2020	2021
Electricity Consumption (kWh)	11,530,950	11,743,200	10,652,040
GHG Emissions (tCO ₂ e)	5,869.25	5,977.29	5,347.32
Emission Intensity (tCO ₂ e/m ²)	0.063	0.064	0.057

GHG Emissions and Emission Intensity of Prince House



- Note: 1. The scope of offices covered office buildings in northern, central and southern Taiwan
 2. The scope of the Prince House covered Changxing Blocks A and B and Shuiyuan Blocks A, B, C, and D, and NCKU BOT houses and halls
 3. The latest electricity carbon emission factor announced by the Bureau of Energy is adopted: 0.509kgCO₂e/kWh for 2019 and 2020, and 0.502kgCO₂e/kWh announced in 2020 for 2021.
 4. GHG emission intensity = Emission/Floor Area. The floor area of offices in northern, central and southern Taiwan is 5401.08 m², and the total area floor area of Prince House is 93,748.42 m².
 5. As the data on the floor area of offices in 2019 and 2020 has been updated, the GHG emission intensity for 2019 and 2020 has also been updated accordingly.

Actions for energy conservation and carbon reduction

Apart from adopting various energy conservation measures for offices, engineering offices, and the Prince House, we also communicate environmental protection awareness such as energy conservation and carbon reduction to employees from time to time and periodically send personnel to check lighting switches and enhance electricity consumption management to effectively reduce our carbon emissions.

Measures of Energy Conservation and Carbon Reduction for Engineering Offices, Offices, and Prince House

Region	Measure
 <p>Engineering Offices</p>	<ul style="list-style-type: none"> ● Reduce window opening rate of building envelopes. ● Adopt high lightness interior design and natural lighting design. ● Use timer and daylight-saving lighting control system. ● Use less air-conditioning and open windows more often, control air-conditioning temperature at 26-28° C. ● Send personnel to check worksite lighting switches during 19:00-07:00. ● Standardize indoor air-conditioning temperature according to the outdoor temperature in the season and maintain records for review and adjustment. ● Periodically check the water output of lavatory basins and pantry sinks. ● Block sunlight with curtains to reduce the electricity consumption of air-conditioning. ● Use water-efficient toilet bowls to reduce water consumption. ● Use energy-efficient LED and T5 lamps for lighting. ● Control office paper and printed matter consumption and implement paperless measures.
 <p>Offices</p>	<ul style="list-style-type: none"> ● Use e-document and email to reduce paper memos and documents. ● Photocopy on both sides of paper. ● Use recycled paper as much as possible. ● Implement waste sorting and resource recycling. ● Arrange education on correct environmental protection and waste sorting methods for employees. ● Create a paperless work environment. In 2021, the e-approval process was applied to a total of 193 memos and 23,033 attendance forms accumulatively.
 <p>Prince House</p>	<ul style="list-style-type: none"> ● Replace emergency exit signs with new LED signs. ● Replace indoor emergency lighting with LED lights. ● Use electronic ballasts, energy-efficient bulbs or compact fluorescent tubes on lighting fixtures and lighting equipment. ● Identify air-conditioner switches with labels and use air-conditioners in some areas. ● Maintain water chiller periodically. ● Use the rainwater harvesting system and irrigate plants with harvested rainwater. ● Adjust lighting in common areas according to the seasonal insolation duration. ● Immediately repair failed or faulty equipment to avoid a waste of water.

Column Story

Sign up to The Second Life for Computers - Empowering People in Need project of the ASUS Foundation.

In 2019 we signed up to The Second Life for Computers - Empowering People in Need project of ASUS Foundation to recover the company's retired computers and the relevant computer, communication, and consumer electronics products to reduce waste production while reducing carbon emissions from the retired computer disposal process in the past to achieve energy conservation, carbon reduction, and resource recycling and reuse. The recovery performance by 2021 is as follows:

Recovered Item	Accumulated Recovered Volume	Quantitative Effectiveness of Energy Conservation and Carbon Reduction
LCD	38	Reduced carbon emissions by 3.204tCO ₂ e, equivalent to saving 266.9 trees.
NB	15	
PC	85	
Other	51	
Total	189	



Water resources management

Due to climate change, the global rainfall pattern has been changing in recent years, featuring increasing regional torrential rain but reducing light and medium rainfall and leading to more frequent droughts and floods. In 2021 Taiwan experienced the lowest ever precipitation in spring on record, resulting in the massive drought events in western Taiwan. While water storage is topologically difficult in Taiwan, it is thus necessary to enhance water reuse. Upholding the principle of optimizing resource control, through precise and careful water consumption and dispatch, we reduce the water risk. In water consumption, apart from the general construction water use of worksites, the domestic water use of offices and Prince House in northern, central and southern Taiwan is the second major source. Statistically, the water consumption as indicated in the tap water bills is the main reference.

In 2021, the water consumption of two worksites was 1,696MT, lower than the previous year because of lesser worksites. As the pandemic worsened in Taiwan in 2021, students were urged to study from home, and the water consumption of student dormitories (Prince House) was reduced significantly. The same situation happened to office water consumption when staggered shifts and work from home were applied. Hence, the overall water consumption reduced over 2020. Office water consumption was 10,148MT, 25.3% less than the previous year. The water consumption of Prince House was 233,721MT, 14.3% less than the previous year. In the future, we will continue to review water consumption management based on the consumption data to maintain water conservation so as to prevent the unnecessary waste of water.

Engineering Office Water Consumption



Year

2019

2020

2021

Number of Worksites

8

5

2

Water Consumption (MT)

24,289

12,226

1,696

Regional Office Water Consumption



Year

2019

2020

2021

Water Consumption (MT)

13,794

13,578

10,148

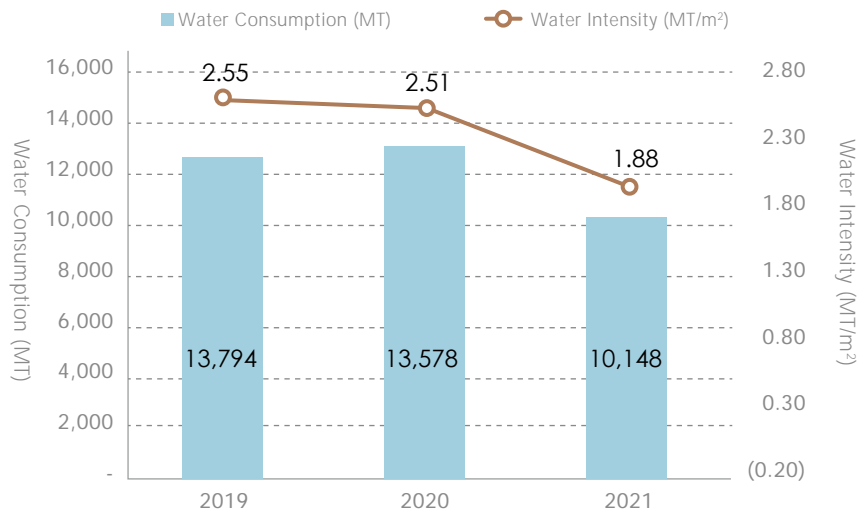
Water Intensity (MT/m²)

2.55

2.51

1.88

Regional Office Water Consumption and Intensity



Prince House Water Consumption



Year

2019

2020

2021

Water Consumption (MT)

285,114

272,635

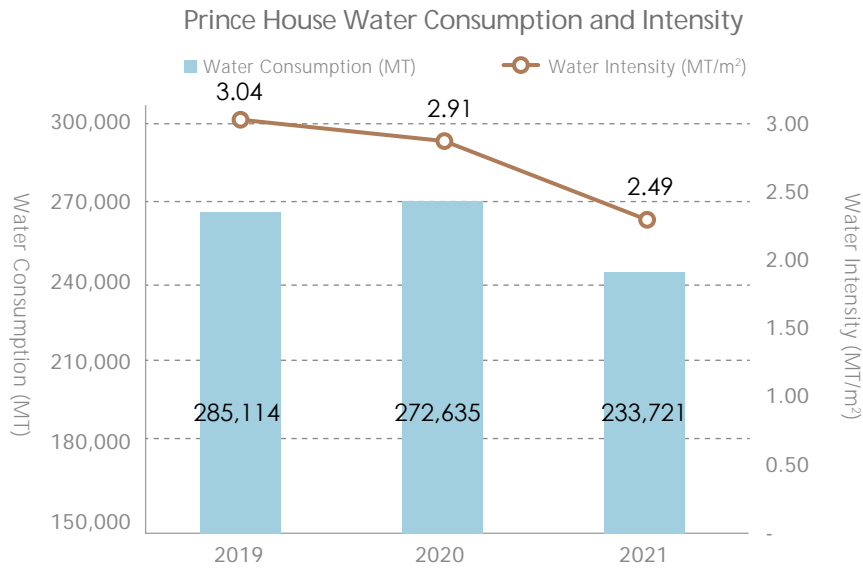
233,721

Water Intensity (MT/m²)

3.04

2.91

2.49



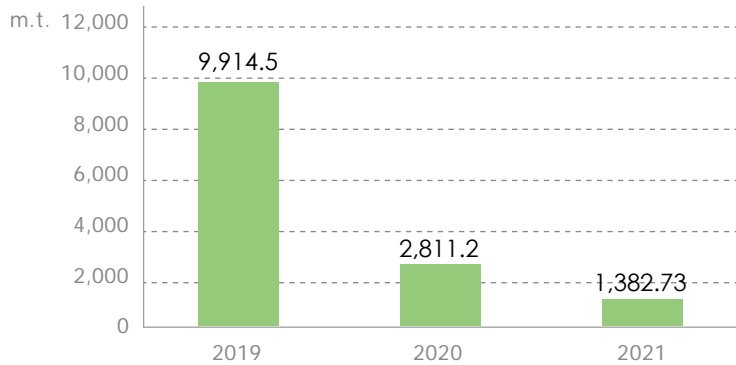
- Note:1.The scope of offices covered office buildings in northern, central and southern Taiwan.
 2.The scope of the Prince House covered Changxing Blocks A and B and Shuiyuan Blocks A, B, C, and D, and NCKU BOT houses and halls.
 3.Water intensity = Water consumption/floor area. The floor area of offices in northern, central and southern Taiwan is 5401.08 m², and the total area floor area of Prince House is 93,748.42 m².
 4.In 2021 no PHDC locations of operations were in regions with high baseline water stress.
 5.Water consumed by offices, engineering offices, and Prince House is all from Taiwan Water Corporation.
 6.As the data on the floor area of offices in 2019 and 2020 has been updated, the water intensity for 2019 and 2020 has also been updated accordingly.

Waste management

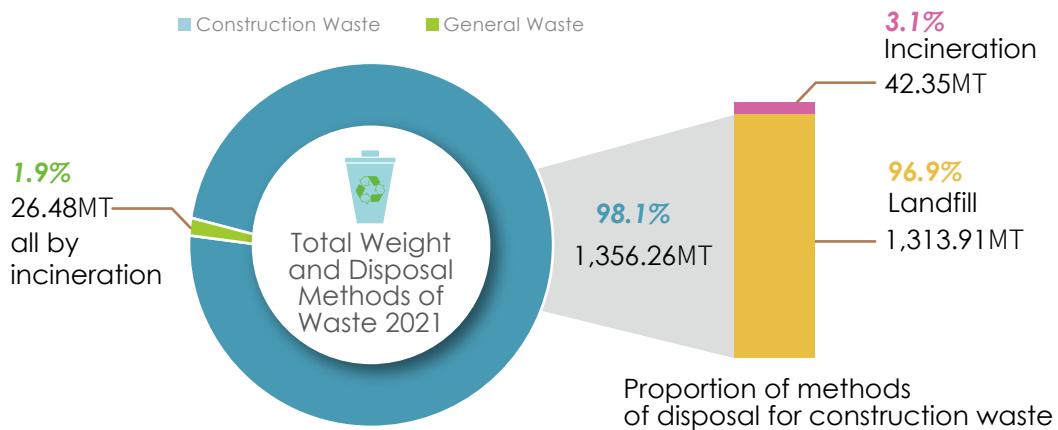
From home building to use, GHGs produced by the global construction sector account for about 30% of the total global emissions. On the way towards the circular economy, the constructor sector thus plays an essential role. The reduction and disposal methods of waste also affect the potential environmental impacts and materials life cycle. In 2021, the total weight of waste produced was 1,382.73MT, 50.8% less than the previous year mainly because the number of worksites reduced significantly. All our worksite waste is non-hazardous industrial waste and centrally transported off the worksites for incineration and landfill. In waste management, we aim to achieve waste reduction and minimize its environmental impact.

Type of Waste	2019	2020	2021
Construction Waste (MT)	9,744.5	2,766.1	1356.26
General Waste (MT)	170.0	45.2	26.48
Total (MT)	9,914.5	2,811.2	1,382.73

Total Weight of Waste in Past 3 Years



Regions	Construction Project Name	Item	MT	By method of disposal	
				Incineration (MT)	Landfill (MT)
Taipei	Lixing Section in Linkou	Construction Waste	105.00	21.00	84.00
		General Waste	8.18	8.18	0
Taichung	Xian Heng	Construction Waste	15.76	3.15	12.61
		General Waste	0	0	0
	To Fill the Hour-That is Happiness	Construction Waste	91.00	18.20	72.80
		General Waste	0	0	0
Tainan and Kaohsiung	Cozy Prince Mansion (E) Building	Construction Waste	1,144.50	0	1,144.50
		General Waste	18.30	18.30	0
Sum of Items		Construction Waste	1,356.26	42.35	1,313.91
		General Waste	26.48	26.48	0
Sum			1,382.73	68.83	1,313.91



Environmental expenditures

We actively engage in environmental protection to reduce the relevant environmental impacts. In 2021, our environmental expenditures accounted for NT\$3,992,428, and most part of the funds was spent on pollution prevention because there were fewer worksites engaging in actual construction. In addition to the necessary expenditures on air pollution control and waste and refuse disposal, we also actively engage in the solar PV, fence greening, and rainwater harvesting systems of construction projects to demonstrate our determination in environmental maintenance and green energy introduction in business operations.

Environmental Expenditures Over the Years

Item	2019	2020	2021
Expense on worksite waste disposal	7,028,619	4,724,307	2,451,504
Expense on domestic waste disposal	-	249,750	423,450
Expense on air pollution control	115,936	599,292	162,374
Solar PV projects	2,400,000	2,390,000 ^{Note}	-
Rainwater harvesting systems	-	-	955,100
Total	9,544,555	7,963,349	3,992,428

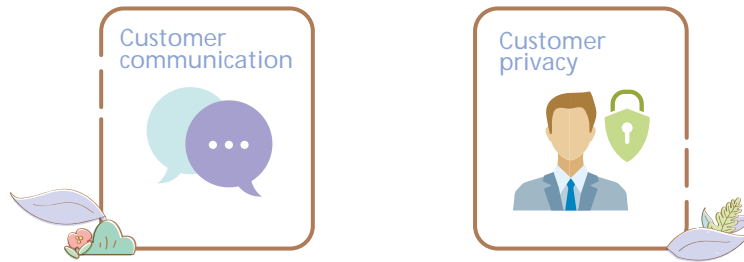
Note: The estimated construction cost in 2020 of the solar PV system at Prince Castle and Cozy Prince Mansion (E) was NT\$1.89 million and NT\$504,000.

Improving Quality for Customer Service

- 4.1 Quality customer communication and service
- 4.2 Insistence on maintaining customer rights and interests



Material topics covered in this chapter



Importance of "material topics" to PHDC

Smooth customer communication is key to brand image management, and ensuring unfettered channels for customer communication is the only way to maintain quality interaction with customers. Hence, through well-planned marketing campaigns, after-sales service mechanisms, customer satisfaction surveys, and customer information security mechanisms, besides establishing mutual trust with customers, we can also find room for corporate improvement. Hence, manipulating customer communication and protecting customer privacy and information security are our important, fundamental responsibilities.

Management approaches

In customer communication management, we have established stringent "after-sales service SOP" to provide powerful after-sales service to customers to access timely contacts and responses. Additionally, when interacting with potential customers through marketing campaigns, we have set the regulations for internal advertising penalties in accordance with the criteria of the relevant legal requirements to impose strict censorship on the reasonability and information integrity of advert contents so as to maintain the rights and interests of consumers. In information security, to provide complete personal information protection and protect the rights and interests of customers, we have formed a personal information task force and set up the internal audit management system to ensure no unauthorized disclosure of the personal confidential data of customers and that the personal information of customers will only be disclosed to a third party with the customer's legal consent or at the request of the competent authorities through legal and official procedures. Additionally, we conduct customer satisfaction surveys periodically to discern and improve our management strategies, enhance the protection of rights and interests and improve the quality of service for customers so as to improve customer satisfaction.

Goals



Improve customer satisfaction



Increase the proportion of completing after-sales service within 7 days



Maintain 0 information breach



Maintain 0 deceptive adverts and 0 find for non-compliance

Our Customer Cultivation Concept

Since PHDC was established, we have been upholding the spirit of professionalism and practicality to operate our brand for steady, sustainable development. Given that maintaining a sound customer relationship is key to sustainable operations, we set ultimate service quality as our self-demand to provide customers with integrated after-sales service covering building, development, security, and sustainable operations. In recent years we have even adjusted our marketing orientation by eliminating excessive adverts to focus on the nature of "quality", "brand value", and "customer service" so as to set our hard power including perfect quality and A+ after-sales service as the most robust cornerstone of brand value.

Integrated Service



Building



Development



After-sales service
(Consultation and
repair by professional
personnel)



One-year warranty,
permanent after-sales
service.

4.1 Quality customer communication and service

Ethical marketing and labeling

Marketing campaigns are the major channel of customer communication. We face consumers with a stringent self-discipline attitude and abide by business ethics and integrity. To prevent consumer disputes or consumer misunderstanding, we avoid misleading text description in adverts and publicity materials with hard endeavor and clearly and fully inform customers of the infrastructure, such as schools, train stations, hospitals, and others, near each construction project for customers to make an assessment with complete information.

In terms of model home preparation, we also assign responsible personnel to ensure that the size of the model home is identical to the drawings to ensure transparency of marketing information. Other publicity materials, such as posters, POP, newspaper advertising, 2D and elevation pamphlets, and area charts, must be proofread in detail, verified if there are deceptive (exaggerated) or misleading text, and signed for approval by supervisors and records are maintained prior to publication so as to prevent deceptive adverts and thereby maintain our professional brand image and provide customers with correct information. In 2021 no deceptive advert or non-compliance with marketing labeling was reported.

Show House On-site Supervision Mechanism



Design and planning of show house drawings.

- Select the block and floor of the show house as needed.
- Enhance the review and correction of functions.



Show house construction.

- Request contractors to build according to the construction drawings and impose stringent quality control.
- Request contractors to ensure compliance with the requirements for labor safety inspection of workers, machinery, and equipment.



Inspection and acceptance

- After the inspection and acceptance, the responsible person asks the other party to sign the inspection and acceptance data (2D and elevation drawings, quotation, construction photos, and furniture layout list).
- Contractors can only claim payables after completing all the above items. 10% balance will be withheld and paid to contractor after handover to customers.

In the show house, we will display the energy-efficient and water-efficient facilities used in the construction project. Additionally, responsible personnel will explain the facilities used in the overall design to reduce energy consumption, such as using low emissivity (low-E) glass, optimal winding opening and sunshade design, and others, for consumers to fully understand our resource design.

Publicity materials SOP





LINKOU FUTURE

萬坪綠海 上城區 林口中軸 當然與眾不同

公園密、大樹多,是擁有「小天母」美譽的林口新市鎮最佳寫照。5分鐘上國道,20分鐘抵北市,加上機場捷運通車,未來「影視黃金三角」、國際級新創發展場域「林口新創園Startup Terrace」等多項影視文創產業持續進駐,擁有高消費市場和未來發展潛力,林口建設利多不斷,未來潛能,值得期待。

國際林口 潛力之都 未來之城



RICH LIFE

豐饒富足 近商圈 食衣住行 採買隨心所欲

「太子苑」位於林口新市鎮中軸區,豐沛成熟的生活機能,更是林口之最。三井OUTLET、家樂福雙高層、雙影城,生活配套一應俱全,加上預計2024開幕的三井集團「林口媒體園區」購物中心,多元購物娛樂體驗,步行即可一次滿足,生活於國際都市,沈浸宛若紐約上城的生活景緻。

上城生活 丰采多元 極致體驗



佳評不斷——名校跳板

2016年創校迄今,今年畢業生成績再創佳績,高達86%錄取全球及全美前50大名校。

國際姿態——雙語學府

培養具國際競爭力的社會菁英,好環境替您的教學品質把關,許孩子一個亮眼美麗的未來。



GREEN BLOCK

綠色街區 好環境 健康成長 樂享天倫時光

60%極高綠地覆蓋率,扶輪公園等三大公園簇擁而居,國際名校密度之高,包含AAIA美國學校、康橋國際校區、馬禮遜美國學校等群集周遭,從晨間森林呼吸,傍晚愜意散步,到週末陪小孩,毛孩的天倫時光,菁英家庭首選之地,就近為教學品質把關,輕鬆預約孩子亮眼的更好未來。

公園為鄰 校園為伴 預定美好

PHDC corporate website

On the corporate website, we provide the information of all construction projects across Taiwan for consumers to access the information such as design, location, nearby infrastructure, and others of each project. Additionally, special description on the energy and resource efficiency design of each project is also provided, such as the solar PV system, symbiosis design with local ecosystems and environment, and building energy-efficient designs.



太子建設
Prince Housing & Development Corp.

關於太子 關於企業 聯合會社 發展個案 經典個案 利害關係人

太子國際企業總部

建築設計：唐吉生建築師事務所
外觀設計：日本丹下建築師事務所
結構設計：聯邦工程顧問有限公司
燈光設計：蘭克斯燈光設計
景觀設計：頤和有限公司
開工日：101.1.5 (103.11.24完工並取得使用執照)

特色：

1. 人性化辦公環境：
辦公室各層配置大露台，大量綠化。上班之餘可就近親近大自然。
2. 開發與生態環境共生觀念：
3. 低建蔽率，不以高層建築規劃，降低對環境衝擊，並以保護生態環境角度思考景觀規劃
4. 開發綠色能源：
利用太陽能產生電力供應部分公設使用。
5. 節能與再生：
透過電腦模擬風場，採用最適當之開窗以及遮陽，以降低耗能，以及水資源維護再利用。
6. 智能化建築：
透過先進管理科技，整合安全管理、建物安全、能源效率、人員控管、門禁管制等目的。
禮賓專線:(02)2796-1899

Handover and User's Manual

In addition to marketing campaigns, we also elaborately plan the user manual exclusive to each construction project for customers to get familiar with the product more easily. Apart from the thoughtful reminder on the points for notice for pre-occupation decoration management, household move-in registration, and house tax and land value tax, the manual also provides instructions to use, certificate of manufacture, and maintenance cycle of utility, building materials, fire equipment, security equipment, and common facilities of the building for customers to feel safer with our products through our efforts.

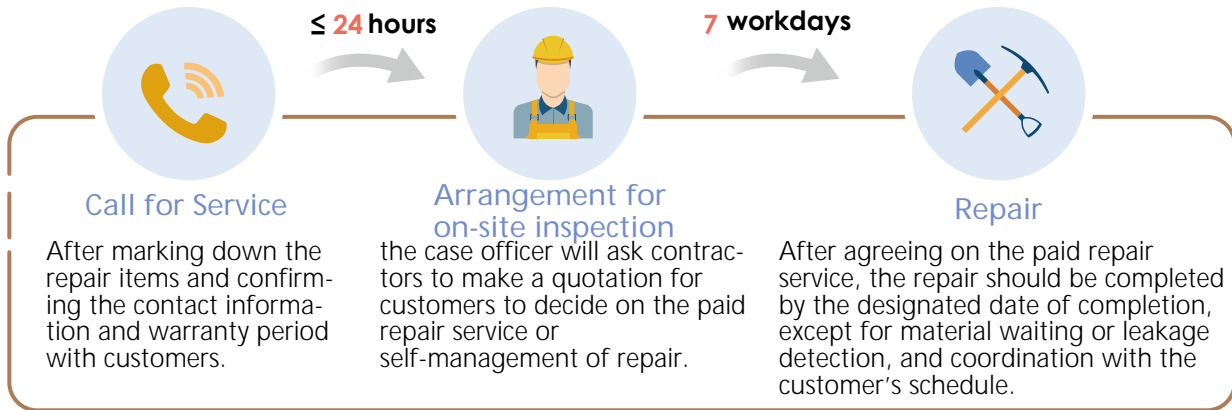


Thoughtful permanent after-sales service

We have a well-established customer service mechanism to ensure that the opinions of customers are timely heard and properly addressed. Hence, we uphold the "one-year warrant, permanent service" sustainable operations concept to provide customers with permanent and quick after-sales service. We have also established the stringent "After-Sales Service SOP" to ensure that all accepted call for service is completed within seven days. During the warranty period, except for damage caused by the sabotage or improper use of customers or natural and man-induced disasters, we will take charge of the repair and restoration of any manufacturing defects. After the warranty period, customers may also call for service, and we will send staff to conduct an on-site inspection, quote for the repair expense, and recommend trusted contractors to provide customers with a paid repair channel. We designate full-time after-sales personnel across Taiwan and

have set up a consumer service hotline each in northern (0800-025-555), central (0800-423-153), and southern (06) 282-1155) Taiwan. Customers may also search for our local customer centers on the corporate website. By integrating with the works system, we can find out the cause(s) and proceed with the repair for customers within the shortest time. Then, we will follow up on the results so customers feel safe to stay with PHDC.

Easy After-Sales Process



Effectiveness of after-sales service

To upgrade after-sales service, apart from taking charge of repair service through the works department, the after-sales service section will take over the call for service, on-site inspection, and repair service after one year of property or common facility handover and hire external units to take charge of the relevant services.

In 2021 a total of 841 calls for service according to the After-Sales Service SOP were received in northern, central, and southern Taiwan, and a total of 837 repair cases were completed, with an accomplishment rate of up to 99.5%.

We also produce statistics on the proportion of calls for service completed within seven days to review the efficiency of our after-sales service, hoping to enhance the timeliness of customer responses more accurately. In 2021, 62.8% of calls for service were completed within seven days, similar to that of the previous year. In the future, we will optimize time coordination with repair contractors, strengthen the management of order assignment control of branches, and remind and supervise after-sales service personnel to complete the repair service through the number of service reports, completed service cases, unfinished service cases, and cases completed within seven days reported at the weekly sales department meeting so as to enhance the efficiency of after-sales service. Additionally, service personnel will produce statistics and consolidate the data on the call for service items and report to the works department to improve and optimize the policy and system.

Statistics on Repair Service Accomplishment Rate 2021

Regions	Number of repair cases	Completed repair cases	Accomplishment rate	Number of repair cases completed within 7 days	Accomplishment rate of repair cases completed within 7 days
Northern Taiwan	51	51	100%	44	86.3%
Central Taiwan	11	9	81.8%	5	55.6%
Southern Taiwan	779	777	99.7%	477	61.4%
Enterprise-wide	841	837	99.5%	526	62.8%

Touching After-Sales Service Cases

Prince Housing Phase III: Report on toilet bowl odor

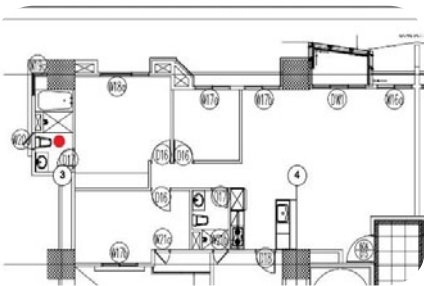
Column Story

In 2021, the resident reported odor coming out of the toilet in the property. After carefully examining the drainage system, works personnel found that the odor came from the toilet bowl. After removing the ceramic toilet bowl, works personnel found that the sealing was incomplete and the floor flange was not tall enough, resulting in incomplete pipe connection and allowing odor to come out from the seams. For this, the customer maintained that the company should put itself in the resident's shoes and make perfect designs and planning for products. Hence, that defect should not have happened. Although the warranty period of the case has expired, the imperfect toilet bowl installation is a true manufacturing defect. Additionally, as that customer is a repeat client, after comforting his emotions and communicating with him, our personnel told him that they would strive for assistance in the repair.

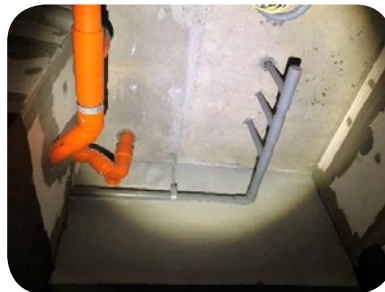
Based on the principle of after-sales service, we will explain to and communicate with residents according to the warranty period and our expertise for any disputes. If no consensus is reached, we will request instructions from the management. So, works personnel reported the cause and made recommendations with the sales memo, and the management approved the assistance in repair and included this case in the education and training materials for the works department to improve future construction quality. Later, an agreement was reached with the customer: The company took charge of the toilet bowl reinforcement and closed the case after no odor was reported.

Conclusion: That customer bought the property from us out of his trust in us. Although that customer began to question our product quality after a problem occurred, through problem-solving with professional after-sales service and empathetic communication, we eventually regained his trust and identification with PHDC.

Construction Inspection Procedures



Resident report of odor from the master toilet. On-site inspection of works personnel.



Inspection of drainage problems



Detection of water seal problems in all drainage systems



Verification of air valve problems



Validation of odor from the toilet bowl. Removal of the toilet bowl



Detection of incomplete sealing--shortage of 2 sets of fixing screws.



Insufficient floor flange height leading to poor sealing.



Alignment failure of the wax ring and floor flange, leading to poor sealing.

上緊底座2顆螺絲讓油泥與翼管緊密連結毫無縫隙，最後再裝上馬桶



Settling for one hour after construction. No odor was detected.

Customer satisfaction survey

The satisfaction survey on after-sales service is the most important communication and feedback mechanism between the company and customers, as well as the major source of the company's growth power. Hence, we conduct the service satisfaction survey on after-sales service personnel, repair contractors, and report registration personnel. The satisfaction survey includes four options: highly satisfied, satisfied, fair, and room for improvement. In 2021, the Taipei, Taichung, and Tainan and Kaohsiung branches select 14, 9, and 43 customers calling for service at random as the survey sample. The rate of satisfied or higher responses for both the Taipei and Taichung branches was 100%, and it was 99.3% for the Tainan and Kaohsiung branches.

After-sales service personnel

- Response timeliness
- Service attitude
- Communication skills
- Professional Competency



Repair contractors

- Repair timeliness
- Service attitude
- Professional Competency
- Repair quality
- Cleaning after repair



Report registration personnel

- Service attitude

Furthering customer relationship

To cohere community consciousness and ensure smooth property handover, we promote total community building (development) through events. We organize arts, cultural, and leisure activities from time to time and invite residents and nearby community residents, emphasizing "promote health and sustainability through arts in daily life" for residents to know and understand one another through activities and friendship exchange. Besides setting an example for total community building, we also further the brand value recognition of residents. In 2021, we also organized community events to promote friendship in the neighborhood. These events included mulled wine DIY, a community table-tennis event, sweet afternoon tea, and a floral workshop for residents to develop a friendship. In event organization, we always abided by the government's epidemic control policy. Name registration and wearing facemasks throughout the event were requested at all events to maintain the health and safety of community residents.

Community table-tennis event



Mulled wine DIY





Sweet afternoon tea



Floral workshop



4.2 Insistence on maintaining customer rights and interests

Protection of confidential information

We strictly follow the Personal Information Protection Act and its enforcement rules promulgated by the Ministry of Justice in the collection, processing or use of personal information. We have also established a personal information task force with the general manager, vice general manager, and all division officers. The task force holds team meetings from time to time, and the Audit Office conducts spot checks on the data management of each department and produce the personal information list. Additionally, the personal information task force publishes a quarterly in January, April, July, and October every year for all members to outreach the relevant policies to members of their units. The Administrative Department also offers courses relating to personal information from time to time for employees. The Personal Information Protection Act is also outreached to new employees during their orientation training. We have also established the "Agreement on Collection, Processing, and Use of Personal Information" and other documents, forms, and terms to handle the personal information provided by customers in property purchase, transfer, and loan.

Procedures Addressing the Personal Information Protection Act



Short term: Declaration of personal information and employee awareness training

- Forming the Personal Information Task Force
- Outreach the company's personal information protection policy
- Go to class on time and complete after-class training



Medium term: Personal information process and risk inventory

- Coordinate with the inventory
- Discuss the feasibility of process optimization



Long term: Optimization of personal information process and audit of process effectiveness

- Integrate and coordinate the optimized process and SOP
- Feedback
- Receive effectiveness audit

To strengthen consumer data protection and eliminate information breaches, we request contractors, such as consignment brokers and their employees, to sign the "Statement of Personal Information Protection". During the open sales, we remind customers by stating our personal data processing terms in the customer datasheet and ask for their consent of our collection of data including their occupation, home-buying budget, and down-payment. We also explain to them that we will keep their data confidential by law. When signing the sales agreement, we also add the separate "Agreement on Collection, Processing, and Use of Personal Information" for customers to sign. After inspection, acceptance, and handover, we archive customer data and stringently control the independent keycard. In 2021 no suspected information breach or information breach verified and sanctioned by the competent authorities was reported.

Data Management of Prince House

In addition to the personal data protection regulations for construction projects across Taiwan, the privacy protection of Prince House BOT projects is even a key item. Particularly, as students check in and withdraw from the Prince House every year, personal information management becomes exceptionally important. Hence, we have established the following Code of Personal Information Management to keep custody of personal information with the most stringent attitude. In 2021 no grievance on personal information breaches was reported.

- 1 For all personal information forms for external use, we add warnings on personal information protection for form users to clearly understand the relevant information on our personal information policy.
- 2 We have also defined the retention period of all types personal information, including that of student dormitories (Prince House) and customers.
- 3 In personal information management, each unit has established a specific depository for personal information storage equipped with access control including entry and exit time recording and 24-hour CCTV monitoring.
- 4 CCTV cameras are also installed at the customer basic data storage of all counters. The storeroom behind counters is lock-protected, and bills including "Authorized Personnel Only" are posted at the entrance.
- 5 Expired personal information is collectively transported to qualified destruction service providers for shredding, and the certificate of destruction is also issued.
- 6 New forms requiring warnings on personal information protection must first be reviewed by the staffing and administrative units to determine the need for using warnings and the type of warnings.

Creating A Happy Workplace

5.1 Friendly and equal workplaces

5.2 Well-designed salary and
benefits

5.3 Diversified career
development and training

5.4 Safe and healthy workplace
environment



Material topics covered in this chapter

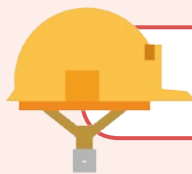


Employees are the bedrock of our development. We believe that only healthy employees and a safe workplace environment can continuously provide customers with quality products and services. Hence, we are committed to promoting workplace equality and safety, taking care of the physical and mental health of employees, and offering well-planned benefits to employees so as to create a happy workplace environment.

Management approaches

We have established the "Labor Safety Education and Training Program", "Full Construction Period Self-Inspection Program", "Regulations for Labor Safety Control", "Construction Disaster Prevention and Rescue Plan", and "Emergency Recuse System and Reporting System". Within the scope of the contract, we establish the Labor Safety and Health Coordinative Organization in each worksite in accordance with the Occupational Safety and Health Act and the Code of Labor Safety and Health. We also conduct periodic environmental and safety audits. We also treat contractors as safety partners and inform them of the occupational health and safety risks with the Code of Labor Safety and Health. TCCE has established and implemented the Taiwan Occupational Safety and Health Management System (TOSHMS) and passed the certification of ISO 45001: 2018 (CNS 45001:2018) on occupational health and safety (OH&S) management.

Goals



Zero occupational accidents

5.1 Friendly and equal workplaces

To fulfill CSR and protect the basic human rights of all employees, we support and abide by the internationally accepted human rights regulations and principles, including the Universal Declaration of Human Rights, United Nations Global Compact, and others. In 2018, we established the PHDC human rights policy to ban forced labor and child labor; respect the freedom of association and religion of employees; reject discrimination, bullying, and harassment; provide a safe, sanitary, and healthy workplace environment; abide by local labor laws and regulations, and eliminate the act of human right injury. We are also committed to providing every employee with appropriate concerns and care, enforce employee care, and provide unfettered communication channels to promote workplace harmony.

Human Rights Issues Concerning PHDC

- No child labors
- No forced labor
- Freedom of association of employees
- Freedom of religions of employees
- No discrimination, bullying, and harassment
- Provision of a safety, sanitary, and healthy workplace environment



We assess the risk of occurrence to employees of the above concerned issues and implement corresponding counteractions described as follows:

PHDC Human Rights Policy and Human Rights Risk Assessment and Management Form



Employee composition

We value all basic rights and interests of employees and regard highly their labor conditions and human rights, hoping to create a friendly workplace environment. Our human resource utilization policy, including employment, salary, performance evaluation, and promotion opportunity, apart from complying with the Labor Standards Act, we make no differential treatment and treat employees impartially regardless of gender, race, social status, age, marital status, religion, political affiliation, and family status.

By the end of 2021, the total number of employees of Prince Construction Business was 259 persons. All are citizens of Taiwan. In terms of gender, 56% of employees are male and 44% are female. In employee distribution, employees in northern, central, and southern Taiwan were 38, 20%, and 42% respectively. All employees were permanent and full-time employees, and there was neither temporary nor part-time employee to ensure stable employment.

2021 Employee Composition by region and by gender

Composition of Permanent/Full-Time Employees of Prince Construction Business by gender

Corporate	Male	Female	Total
Prince Housing and Development Corp.	93	105	198
CSCC	22	8	30
PUEC	16	0	16
TCCE (PHDC internal projects)	14	1	15
Total	145	114	259

Composition of Permanent/Full-Time Employees of Prince Construction Business by region

Corporate	Northern Taiwan	Middle Taiwan	Southern Taiwan
Prince Housing and Development Corp.	78	31	89
CSCC	5	17	8
PUEC	10	1	5
TCCE (PHDC internal projects)	6	3	6
Total	99	52	108

Employee diversity

In 2021, most employees, 47%, of Prince Construction Business held a bachelor's degree. In age distribution, 60% were aged 30-50 years, 5% were aged under 30 years, and 35% were aged over 50 years.



Employee Composition of Prince Construction Business by gender and by age

Corporate	Under 30 years old (excl. 30)		30-50 years		Over 50 years old (excl. 50)		Total
	Male	Female	Male	Female	Male	Female	
Prince Housing and Development Corp.	3	10	43	74	47	21	198
CSCC	0	0	14	8	8	0	30
PUEC	0	0	8	0	8	0	16
TCCE (PHDC internal projects)	0	0	6	1	8	0	15
Total	3	10	71	83	71	21	259

Employee Composition of Prince Construction Business by education



Type	Subtotal
in TESL, National Kaohsiung Normal University	1
Master	39
Bachelor	123
College	63
Senior high school (inclusive) and below	33
Total	259

PHDC New Employee Hires 2021

Gender	Age	Northern Taiwan	Middle Taiwan	Southern Taiwan	Total	Rate of New Employee Hires*
 Female	<30 years	1	0	3	7	6.14%
	30-50 years	1	0	2		
	>50 years	0	0	0		
 Male	<30 years	0	0	1	2	1.38%
	30-50 years	0	0	1		
	>50 years	0	0	0		
Total		2	0	7	9	3.47%

*Rate of new employee hires = Number of new employee hires/Total number of employees at the end of year

PHDC Employee Turnover 2021


Gender	Age	Northern Taiwan	Middle Taiwan	Southern Taiwan	Total	Rate of Employee Turnover*
 Female	<30 years	0	0	7	19	16.67%
	30-50 years	5	0	5		
	>50 years	0	0	2		
 Male	<30 years	0	0	1	8	5.52%
	30-50 years	2	2	1		
	>50 years	1	0	1		
Total		8	2	17	27	10.42%

*Rate of employee turnover = Number of employee turnover/Total number of employees at the end of year.

Unfettered communication and grievance channels for employees

We appreciate the opinion and view of every employee and encourage them to directly communicate their needs to immediate supervisors. When there is feedback, employees can directly email it to the general manager with the corporate email. We also conduct questionnaire surveys as necessary. The Administrative Department will actively listen to the needs and the reasons for the departure of new employees and make communication and adjustment as necessary to ensure unfettered communication channels. Additionally, we also engage in workplace gender equality and state the channels (email and hotline) for reporting sexual harassment. In 2021 no grievance on sexual harassment was reported.

In the minimum notice periods regarding operational changes, in accordance with Article 16 of the Labor Standards Act, when the employment contract is terminated in accordance with Article 11 or the exception in Article 13, the notice periods are as follows:

- 1 A 10-day notice for a continuous service length over three months but less than one year.
 - 2 A 20-day notice for a continuous service length over one year but less than three years.
 - 3 A 30-day notice for a continuous service length over three years.
- 

Employers failing to notify the termination of employment contract according to paragraph 1 shall pay the wage during the designated notice periods.

5.2 Well-designed salary and benefits




We offer steady and market-competitive wages and conditions to employees. The salary standard is determined according to the educational background, professional knowledge and techniques, seniority and experience, and personal performance of employees. The entry-level wage emphasizes equal pay for equal work regardless of gender. In 2021, we disclosed the wage information of full-time non-management employees in accordance with Article 4, paragraph 1, Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies. The salary of full-time non-management employees in 2021 increased significantly. Compared to 2020, the average and median wage of full-time non-management employees in 2021 increased by 16.8% and 22.81% respectively.

Year	Number of non-management full-time employees	Average salary of non-management full-time employees (NT\$ thousands)	"Median Wage" of non-management full-time employees (NT\$ thousand)
2021	187	869	856
2020	202	744	697
Growth Rate	-7.43%	16.80%	22.81%

Note: Full-time non-management employees are non-officers as defined in Letter Tai-Cai-Cheng-San-Zi No. 920001301, and their working hours meet the normal working hours as required by PHDC.

We promise to give employees well-planned benefits. To promote friendship among employees and the physical and mental health of employees, apart from offering benefits including Labor Insurance, National Health Insurance, maternity and parental leave, and pension, we have also established the employee welfare committee (EWC) to offer employees various types of benefits, such as marriage, funeral, and birth benefits; infant care or child education benefits; domestic employee travels; cash gifts on three major folk festivals; year-end bonus and birthday cash gifts; and employee health checkup. Each partner of Prince Construction Business apply for benefits to the EWC according to their applicability. In 2021, a total of 288 employees of Prince Construction Business applied for benefits.

Benefits and Number of Applicants in 2021

	Marriage, funeral, and birth benefits	Birth benefit: 3 persons; marriage benefits: 2 persons; funeral benefits: 7 persons. In 2021 a total of 186 applications were received.
	Child Education Benefit	A total of 100 applications were received at the second semester of 2020 and 86 applications were received at the first semester of 2021. The applications for education benefits did not include the applications for scholarships. In 2021 a total of 90 applications were received.
	Scholarships for Children	A total of 48 applications were received at the second semester of 2020 and 42 applications were received at the first semester of 2021.

Parental leave

In view of the parenting need of employees, employees after working at PHDC for six months may apply for parental leave of not more than two years to take care of children under three years old in accordance with the Act of Gender Equality in Employment and Regulations for Implementing Unpaid Parental Leave for Raising Children. We offer the right to unpaid parental leave to employees in accordance with the Act of Gender Equality in Employment and Regulations for Implementing Unpaid Parental Leave for Raising Children. In 2021, the return-to-work rate of employees after the parental leave was 100%.

Status of Unpaid Parental Leave in 2021

Item	Number of male applicants	Number of female applicants	Total
Total number of employees entitled to parental leave in 2021 (A)	11	10	21
Total number of employees taking parental leave in 2021 (B)	1	2	3
Total number of employees returning to work after the end of parental leave in 2021 (C)	1	1	2
Total number of employees returning to work in 2021 after the end of parental leave in 2021 (D)	1	1	2
Total number of employees returning to work in 2020 after the end of parental leave in 2020 (E)	0	1	1
Total number of employees returning to work in 2020 after the end of parental leave and still employed 12 months after their return to work (F)	0	1	1
Rate of applications for unpaid parental leave (B/A)	9%	20%	14%
Return to work rate (D/C)	100%	100%	100%
Retention rate (F/E)	-	100%	100%

Retirement plan

At PHDC, there are two types of employee retirement plans: defined benefit obligation (the Old System based on the Labor Standards Act, LSA) and the contribution obligation (the New System based on the Labor Pension Act, LPA). In accordance with the LSA and LPA, employees hired on and before June 30, 2005 are entitled to the seniority of the Old System. However, they are entitled to the seniority of the New System after selecting the New Plan at free will. Under the Old System, each month we despite 8% of the salary of employees with LSA seniority in the special account at the Bank of Taiwan. Under the New System, each month we contribute 6% of the labor pension grade of employees entitled to the New Plan to their personal pension accounts. In 2021 we billed a total of NT\$54,916 thousand as the pension fund for both plans. by December 31, 2021, the amount of recognized labor retirement reserve fund for the Old System was about NT\$54,980 thousand, and the balance as of funds appropriated to the pension special account of the Old System was NT\$135,890 thousand.

5.3 Diversified career development and training

We plan training courses based on the stage needs of employees. From the orientation training that helps new employees get familiar with the corporate culture and environment and understand our business direction and philosophy to the serial in-service training courses based on different job duties and job grades planned to provide employees with systematic learning and development.

Education and training map



Self-organized internal education and training



External training courses

Self-organized internal education and training

Every year each department establish the annual education and training plan according to the duty needs to improve the professional competencies of employees through professional courses. In response to rising demand for information security, we organized information security concept outreach and case study on personal information breaches in 2021 to inculcate the concept of information security protection in employees and reduce the information hazards and risks to prevent internal and external threats. We organized the case study on mansion management for sales personnel to upgrade simple community management to hotel management service and enrich their skills of smart hardware use and concepts about software services so as to manage the needs and wants of residents. On top of the customer-first services, we care very much about the health condition of employees. Hence, we organize various courses in relation to health and health promotion, enhance the self-imposed health management capability of health high-risk employees, and various health promotion activities to build a workplace health culture. In 2021, Prince Construction Business organized a total of 58 classroom training courses for a total of 4,095.5, with average hours of training of 15.81 hours per employee.



External training courses

We also encourage employees to take external training courses to make continual self-improvement. As aging in place is the current elderly care policy, and most elderly people in Taiwan live at home and can take care of their activities of daily living (ADLs). We encourage the visit on "accessible and universal kitchen design" to build elderly-friendly kitchens in the concept of elderly kitchen for each senior to live with confidence and without worries. Additionally, we emphasize worksite safety and encourage employees to take external OH&S management courses and engage in health and safety education and training required by their jobs and disaster prevention so as to improve their competency in OH&S management and reduce workplace occupational accidents. We also urge worksite directors to receive recurrent training and take courses relevant to new building management laws and regulations, professional construction and civil engineering practice, quality management, construction management, and worksite governance. Apart from letting them get familiar with new laws, regulations, and technology relating to construction, we also enable them to actually understand the statutory responsibility and authority of worksite directors under the Construction Industry Act and the regulations relevant to duty performance so as to improve their work competency. In 2021 Prince Construction Business arranged 361 hours of external training for employees.

Statistics on Internal and External Education and Training

Average Hours of Internal Training Per Employee of Prince Construction Business in 2021

Employee Type	Male			Female		
	Total hours of training (hours)	Numbers of person (persons)	Average hours of training	Total hours of training (hours)	Numbers of person (persons)	Average hours of training
Management Jobs	1,602	93	17.2	974.5	51	19.1
Non-Management Jobs	752	52	14.5	1,128	63	17.9
Total	2,354	145	16.2	2,102.5	114	18.4

Prince Construction Business 2021



Total expense on internal and external education and training
NT\$ **112,056**



Average hours of internal and external training per employee **17.21** hours

Performance evaluation

Apart from helping employees improve professional skills, the results of education and training are expected to improve the effectiveness in actual work of employees. We conduct a performance evaluation every six months. All employees receive the performance evaluation regardless of gender and age. Immediate supervisors evaluate their subordinates with items including attendance and work performance to effectively assess the personal work performance and future developmental potential of employees.

5.4 Safe and healthy workplace environment

Occupational health and safety (OH&S) management

As Cheng-Shi Construction Co., Ltd. (CSCC) and group affiliate Ta Chen Construction & Engineering Corporation (TCCE) take charge of the construction projects of PHDC, it is our responsibility to take care of their industrial safety. Additionally, we have also established OH&S-related programs and regulations and set zero accident as the ultimate goal.

OH&S-related programs and regulations

- **OH&S education/training programs**

Workers should be provided with OH&S education and training required by their jobs and disaster prevention.

- **Full Construction Period Self-Inspection Program**

We actively search for unsafe and unhealthy states and behaviors and engage in accident prevention.

- **Regulations for Labor Safety Control**

Acetylene and oxygen cylinder management; open fire job permission; access control; temporary safety and health features.

- **Construction Disaster Prevention and Rescue Plan**

SOPs for handling severe disasters during the construction period.

- **Emergency Recuse System and Reporting System**

Draw up the emergency recuse system and reporting system to most effectively report emergency in the shortest time.



Occupational health and safety (OH&S) policy

To ensure safe operations and employee safety and health and care about the safety of contractors, workers, customers, and third parties, TCCE implements total employee safety with strong determination and establishes the OH&S Policy that has been approved by the general manager and chairman. The policy includes the following items:

- **Respect for life and people-oriented CSR**

- **Compliance with national occupational safety and health laws and regulations**

- **Building a quality, safe, and healthy workplace environment**

- **Total participation and development and shaping a safety culture**

- **Promotion of the OH&S management system**

- **Continual improvement of OH&S performance**

OH&S coordinative organization

In each worksite, we establish a labor coordinative organization in accordance with the Occupational Safety and Health Act within the scope of contract. We also establish the Code of Labor Safety and Health and include contractors as safety partners to inform contractors of the relevant risks with the Code of Labor Safety and Health. The labor coordinative organization is formed by on-site personnel (PDHC, contractors, and subcontractors) to supervise worksite labor safety and health. The organization also audits the legal compliance of worksite safety and health matters to ensure the safety of employees, contractors and workers, road users, and future customers.

OH&S coordinative organization



Composition and duties

One site manager: The chief director of the coordinative organization and hosts coordinative organization meetings.

One safety and health engineer: Convene coordinative organization meetings and provide OH&S management data and recommendations for the site manager.

One M&E engineer: On-site safety management of contractors of utility, air-conditioning, and fire equipment projects.

Two civil engineers: On-site safety management of contractors of rebar, template, concrete, and decoration projects.

The responsible person and site person-in-charge of contractors and operation chiefs: Participate in the coordinative organization meetings.



Communication Frequency

Daily worksite hazard notification for workers The daily worksite hazard notification for workers provides hazard preventive actions for the potential hazards, such as drop, electrical shock, fall, hypoxia, and so on of individual work items. The responsible person and workers of contractors are requested to sign the notification after reading it for them to get familiar with the preventive actions for hazards.

Daily joint patrol inspection Every day CSCC and contractors (including template, scaffold, masonry, and utility) implement the joint patrol inspection to check the regulatory compliance of each item in the checklist.

Daily toolbox meeting Before construction begins each day, labor safety precautions or recent anomalies, special workplace hazards, and safe equipment operation are briefed, and personal protective equipment (PPE) and tools are checked.

Weekly OH&S coordinative organization meeting Foci of the safety and health regulations, government policies and orders, and foci of OH&S implementation are outreached, and progress coordination, review items, and recommendations are reported.



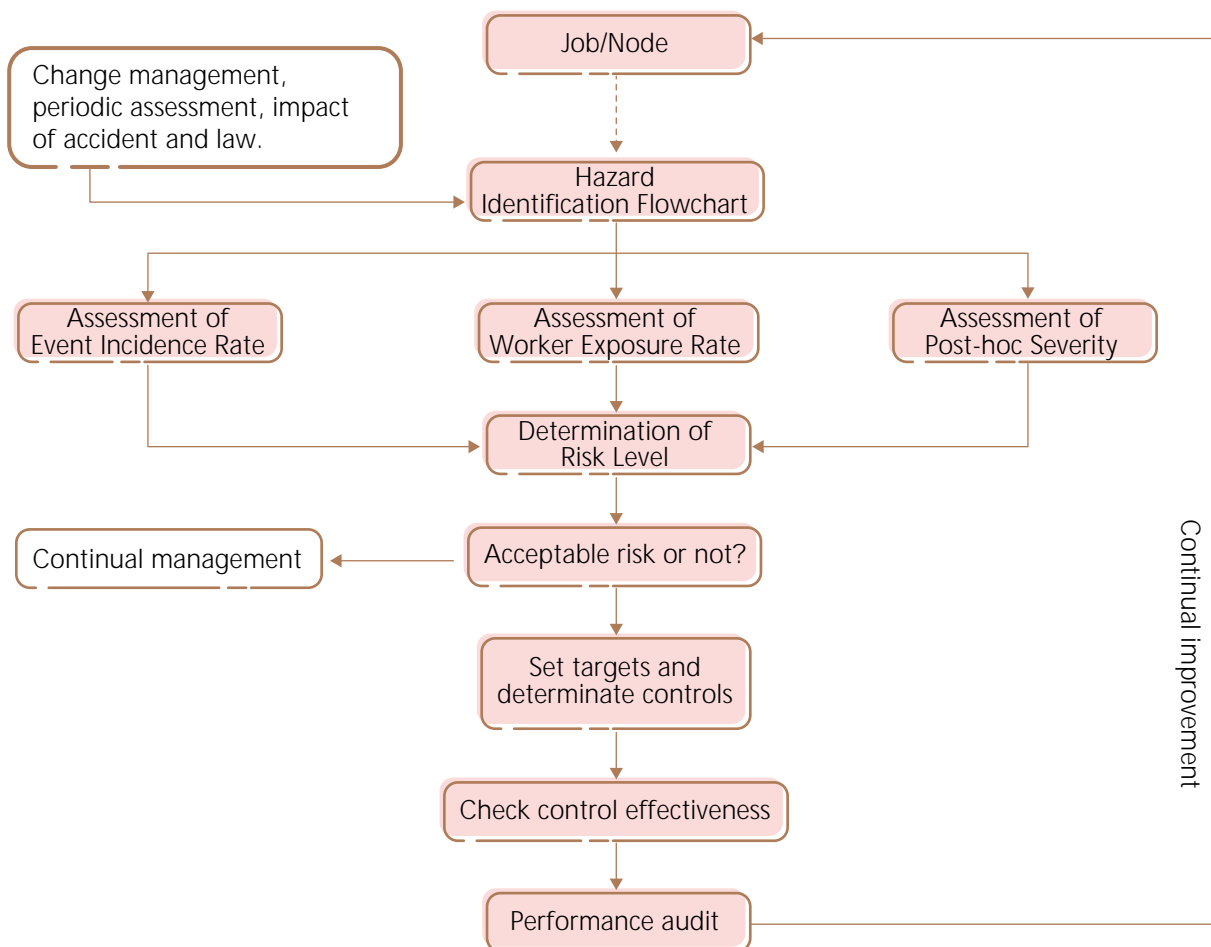
Occupational health and safety (OH&S) management system

To develop a more comprehensive management system, TCCE under Prince Construction Business has established the ISO 45001/CNS 45001 Occupational Health and Safety (OH&S) Management System and passed the certification for the ISO 45001:2018 (CNS 45001:2018) OH&S Management System by AFNOR ASIA, with validity until December 23, 2023. Under the OH&S management system, workers include employees, contractors, and subcontractors; activities and workplaces cover Taipei and Kaohsiung offices, all project sites across Taiwan, construction projects, civil works construction, and other project-related services.

Hazard identification and risk management

We value the field health and safety of employees. Hence, we have established the risk assessment process for operational safety. Through hazard identification flowchart, we assess the exposure rate and post hoc severity of workers to identify the risk level. By establishing the relevant controls, we effectively control risks. With the annual audit, we optimize hazardous event prevention and the relevant SOPs.

Flowcharts of hazard identification, risk assessment, and control determination



Based on different work conditions, we have identified potential hazards, classified them into eight categories, and arranged the relevant protective equipment according to the actual status of operation to facilitate project and management control and protection. Additionally, we have run risk assessment in terms of the severity and likelihood of hazard events.

Type	Description
Drop/Tumble	It refers to falling or dropping off quickly and without control from buildings, scaffolds, machinery, equipment, ladders, and ramps of the human body.
Fall	It refers to falling on the same surface, i.e., stumbling or slipping, of the human body.
Crash	It refers to colliding with a still or moving object of the human body in addition to dropping, tumbling, and falling.
Flying Object	It refers to colliding with the human body by a flying or dropping object.
Collapse/Crumbling of Objects	It refers to colliding with the human body by collapsing or crumbling deposits (including stacking), scaffolds, and buildings.
Impact	It refers to impacting the human body by objects other than flying, falling, collapsing, or crumbling objects.
Entanglement/Rolling	It refers to the entrapment and rolling after being entrapped or rolled by objects.
Stabbing/Puncture, Cut, Scratch	It refers to the status of scratch and the condition scratch, such as stablign/puncture or cut.

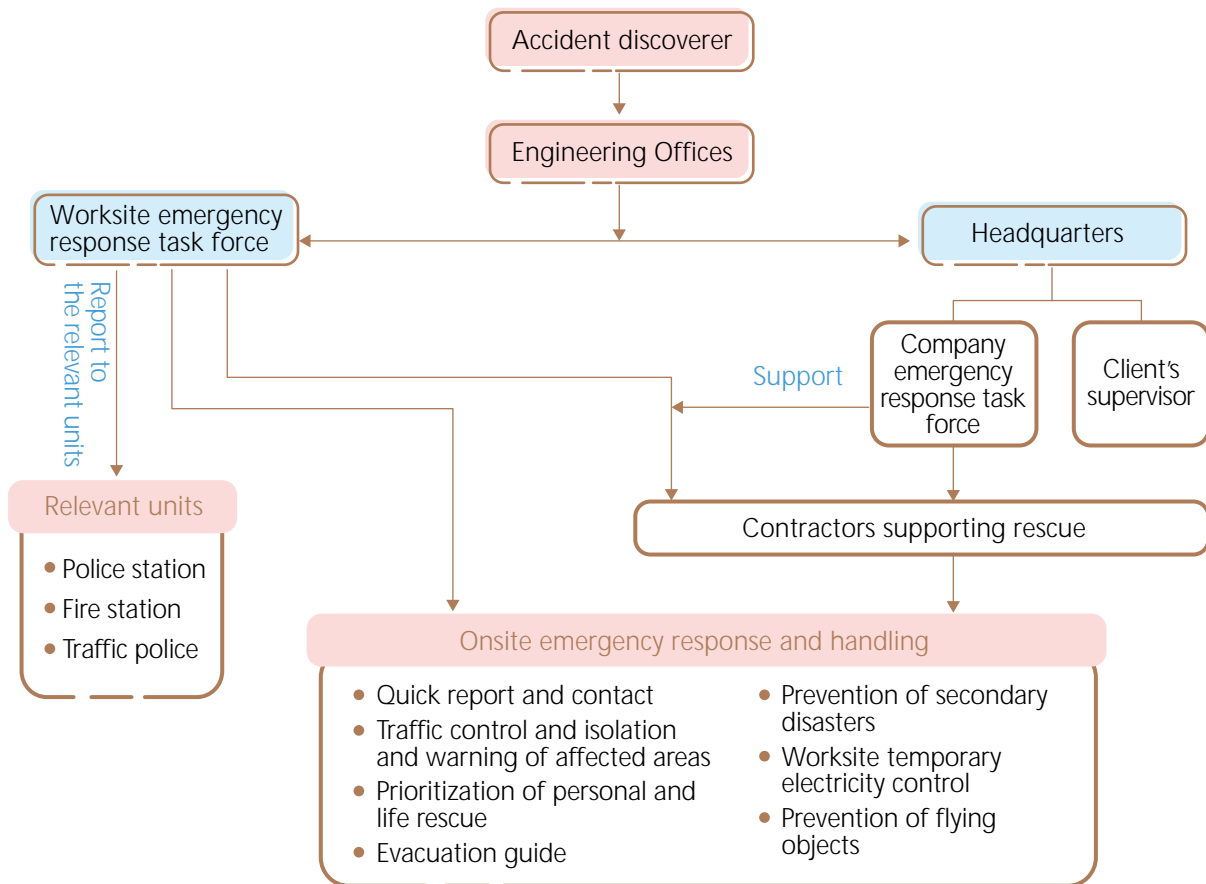
Additionally, we have also established the relevant prevention plans for preventing ergonomic hazards and heat injury. With checklists and questionnaires, we run operation analysis and hazard identification and assessment and propose corresponding improvement and follow-up measures to reduce or eliminate hazard factors. For example, for ergonomic hazard prevention we plan education and training and ensure that rather complete procedures and complicated tools are implemented by professionally trained personnel; for heat injury prevention we arrange education and publicity for heat injury and illness prevention and provide cool resting areas for workers, such as resting areas with canopy frames.

Emergency response and safety management

We care about emergency response and handling and form an emergency response task force in every construction project to take counteractions in terms of communication/first aid, rescue/firefighting, traffic control/M&E, support, and public relations so as to make perfect response to and handle emergency.

Additionally, to build a safe workplace environment, we install an outdoor CCTV system with infrared cameras connected to the worksite security office and engineering office for real-time on-site monitoring and real-time remote monitoring to capture the worksite status so as to take action on any defects detected to achieve zero blind spots for worksite safety.

Incident Investigation Process



Statistics on occupational accidents and attendance

We care about the safety and health condition of on-site personnel, particularly worksite workers working in higher-risk work environments. After all, zero worksite accident is our ultimate goal. In 2021 the total number of hours worked of Prince Construction Business and contractors was 548,904 hours and 22,427 hours respectively. In 2021 no case on occupational disease of employees, work-related injury and occupational disease of contractors, or work-related fatality was reported. In 2021 both the disabling injury frequency rate and disabling injury severity rate were 0, achieving the core goal of zero accident.

OH&S education and training

We offer professional training courses according to the required competencies of workers. In 2021 we organized or sent personnel to participate in external OH&S-related education and training courses, such as personnel safety and health training, firefighting management personnel training, and site director recurrent training. Each year the Zenda Suites organizes two times of personnel safety and health training. Through the explanation of the Code of OH&S Management and SOPs, the employees of Zenda Suites develop better OH&S concepts, acquire the inspection and maintenance of fire equipment, and first aid understanding and practice so as to provide a safer residential environment. In 2021 a total of 68 employees of the Prince House and Zenda Suites participated in training courses relating to OH&S, disaster prevention and evacuation, and first-aid.

The Engineering Department also actively send personnel to participate in the Construction Safety and Health Family education and training, site director recurrent training, and firefighting management personnel training to achieve occupational safety. In 2021, a total of 175.5 hours of OH&S training were arranged.

Additionally, in view of the subcontracting tradition of the construction industry and that base-level workers are usually short-term and temporary works of high turnover without regular employers, they often have a lower awareness of construction safety and do not receive the necessary OH&S education and training before operation, leading to a higher risk of work-related injuries. To improve the competency in construction safety and accident prevention and protect the occupational safety of workers, the Ministry of Labor introduced the "Taiwan Occupational Safety and Health Card" in July 2019 to enhance the construction safety education and training of construction workers and facilitate them to capture OH&S-related information so as to reduce repeat training, strengthen worksite management, and indirectly increase the employment opportunities for workers passing the training.



OH&S course of Zenda Suites



CPR and AED first-aid education for Prince House



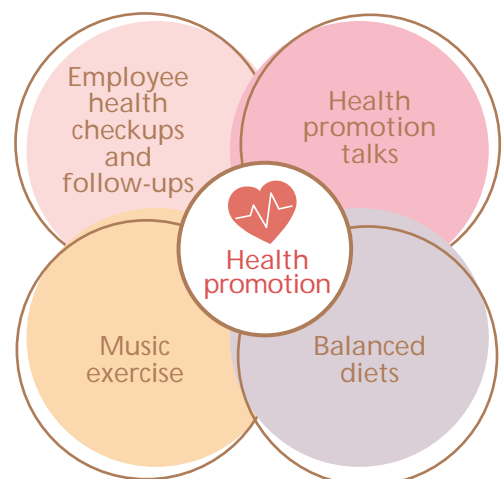
Disaster prevention and evacuation training of Zenda Suites



Disaster prevention and evacuation training of Zenda Suites

Employees are the bedrock of the company, and health is the foundation of everything. Hence, we care about the workplace physical and mental health of employees. We arrange (two times every three years) employee health checkups and follow-up management of employees with abnormal checkup results. We also arrange health consultation and care for them as necessary to ensure that employees understand their own health condition.

In addition to the periodic health checkups, we arrange the 5-minute music exercise each in the morning and afternoon every day to remind hard-working employees to stretch and relax a bit during work. We also equip every office with a sphygmomanometer for employees to check their health condition at any time. Apart from supplying balanced diets in the canteens of Taipei, Taichung, and Tainan and Kaohsiung branches, we also post health information on the canteen walls to share new health concepts with employees, such as less sugar-containing beverages and five parts of vegetables and fruits every day.



Sustainable Campuses and Communities

6.1 Building Happiness for
Students and Staff

6.2 Supporting social welfare



Believing in "giving back to society", we often consider how to help society with the strengths of Prince Construction Business in our operations. Upholding the dedication of customer reception, we include the mansion building experience in campuses and communities to bring students and residents safe and comfortable housing quality. For dormitory students to experience a different lifestyle after school, we organize various activities in the dormitory area every year and prepare refreshments at different folk festivals for students to experience the charming, energetic, and diversified dormitory life.

6.1 Building Happiness for Students and Staff

Students and staff are the two major groups in campus life. How to let students focus on learning to ease the worries of parents living far away and how to let staff enjoy a stable life and concentrate on creating academic achievements are the main aims of our participation in the Prince House Project. To provide housing with sufficient space in a comfortable environment with safe facilities at affordable rates are our planning mission. We combine our past experience in mansion development, strengthen management and service, shape gorgeous landscapes, protect the safety of teachers and students with professional security service, and plan activities for students and staff to enjoy a dormitory life with a quality residential environment and various leisure activities.

In addition to building a quality residential environment for students and staff to enjoy a stable and worry-free dormitory life, we also listen to the needs of residents. Every year we conduct a satisfaction survey to understand the residential experience and feedback on student dormitories and houses so as to provide an important reference for quality improvement and optimization. Continuing the aspects and scope of the said survey contents, we periodically survey satisfaction in the previous year in early alternate years on Prince House and Hsiu Chi House, with contents covering the living environment, hardware facilities, front desk service, and works to improve our hardware and service. The service satisfaction of 2021 was surveyed during April 1-10, 2022.

Results of annual satisfaction survey

Aligning with the spirit of the "permanent after-sales service", we constantly survey and analyze the satisfaction with student dormitories in various aspects and conducted the annual satisfaction survey on the residents of Prince House and Hsiu Chi House. During the annual dormitory satisfaction survey conducted in 2021, a total of 688 valid responses were collected from Prince House and 132 valid responses from Chiu Chi House.

Questionnaire items



Satisfaction

- Common areas and facilities
- Room equipment
- Service items
- Communication improvement
- Overall hardware equipment, overall management status, overall housing quality, and rate reasonability



Resident basic data

- Gender
- Nationality
- Status
- Room type and housing duration
- Housing experience

Overall, residents were satisfied (4-5 points) with the efficiency of handling calls for service and front desk service and lighting in common areas. For items that satisfied residents, we will keep them. For items that did not satisfy residents, we will discuss how to make improvements and continuously follow up on the effectiveness of improvement.

Most Satisfactory Services (top 3)	Prince House Satisfaction	Hsiu Chi House Satisfaction
• Efficiency of handling calls for service	83.72%	96.97%
• 24-hour front desk service	81.54%	96.21%
• Lighting in common areas	86.19%	98.48%

Complete non-disruptive front desk service

Prince House makes continual improvement and adjustment based on resident feedback for residents to feel safe and happy to live in the dormitory. We provide 24-hour front desk service, electricity card reloading, electric iron and dehumidifier lending, room repair report, laundry receipt and delivery, and parcel receipt services to help residents solve the daily necessities. We also continuously optimize the service contents according to the actual needs, progressively replace old equipment in common areas, and enhance repair and maintenance efficiency to reduce inconveniences. We enhance personnel education and training and improve the response and professional skills of front desk personnel to provide more convenient and more comfortable dormitory life by serving residents with a better and more comprehensive management model. In 2021, the front desk serviced a total of 136,154 persons. The 2021 satisfaction survey of the Prince House and Hsiu Chi House shows that the front desk service satisfaction is up to 79.21% and 93.18% respectively.

Unsatisfactory Services

Item	PHDC Responsive Action
Disturbance of room life by neighboring residents	Both Prince House and Hsiu Chi House have enhanced the communication of "keep the voice down" to residents and reminded residents in need of discussion to exchange opinion in the common rooms. When residents fail to communicate neighboring residents or are disturbed by roommates, the house will ask advisors to admonish and communicate with them or assist residents to change to another room.
Room ventilation performance	Dehumidifiers are available at the front desk for borrowing by residents. Additionally, the house will also send moisture prevention notice to remind residents of the tips for mold prevention to help improve room ventilation.
Room refrigerators, water heaters, and air-conditioners	Data collection and assessment of room air-conditioner replacement have begun. Room air-conditioner replacement is expected to be completed by 2029. The replacement of new-typed water heaters was completed during 2019-2020. Future problems in use, including refrigerators, will be solved according to the call for service procedure or by replacement.
Cleanliness of laundry room	Cleaners clean the environment and equipment in the laundry room regularly every day. From 2022 onwards, disinfectants are used to clean every washing machine periodically to ensure better use quality.

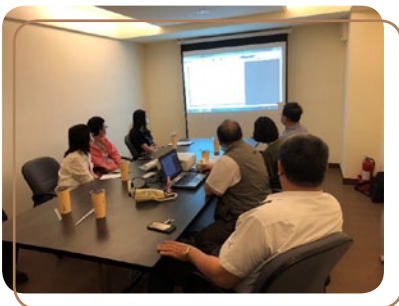
Signal quality improvement

In response to the feedback on the mobile signal strength in the house by teachers and students over time, we continuously optimize and maintain the stability and quality of the 3G and 4G telecommunication signals in Prince House. In 2019, students began to expressly ask for the quality optimization of telecommunication signals through the house resident conference and meetings of campus administration and student organizations. After a discussion with telecommunication companies, we were advised to build cellular base stations and the relevant equipment on the roof of some buildings at Prince House.

Co-construction telecommunication companies included Chunghwa Telecom (lead company), Taiwan Mobile, Far Eastone Telecommunications, Taiwan Star Telecom, and Asia Pacific Telecom. In this signal quality improvement project, equipment including fiber optic repeaters and UPS were built in the basement and rooftop equipment room for the outdoor antennas on the roof of each building to form a telecommunication network in the house area. To improve the signal strength in different indoor areas, telecommunication companies conducted on-site measurement and installed full-frequency antennas in low-signal areas to provide the best telecommunication quality and service for all residents in the house area. Additionally, NCC-accredited units were hired to detect the on-site electromagnetic wave strength and disclose the testing reports to ensure no negative health impact on residents.

After frequent on-site inspections and meetings and continuous communication among house residents, the school, and telecommunication companies, project construction at Prince House Changxing and Prince House Shuiyuan started in October 2020 and were completed in the beginning and end of 2021 respectively to provide residents with better mobile signal quality. The construction of mobile communication base stations not only makes everyday life communication more convenient but also enhances the reliability of the call for emergency assistance through the higher stability and coverage of telecommunication signals.

Apart from effectively enhancing the convenience of everyday life communication of residents, the effectiveness of mobile base station construction is also reflected in the annual satisfaction survey of Prince House. In addition to a higher satisfaction after the mobile network construction, the difference in satisfaction before and after construction was significant. We hope to keep Prince House up with the times in any background situations and make continual improvement in service quality through non-stop advancement for every student living in Prince House to enjoy a quality dormitory life.



Presentation of the co-construction project and appearance planning with the dormitory group and school rule team on 2020.5.11.



The pre-construction meeting with all contractors and on-site managerial personnel on 2020.9.24.



Project construction began on 2020.10.5. Cranes hoisted materials to the site on 2020.10.6.



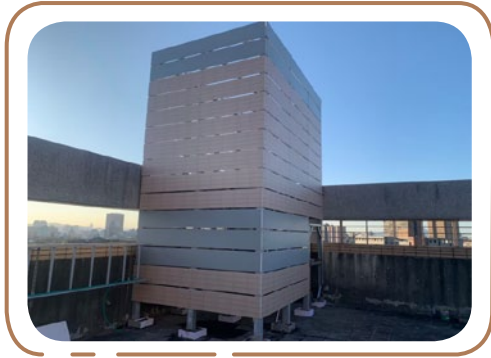
Professional engineering personnel of the company verified the construction details with contractors on 2020.10.12.



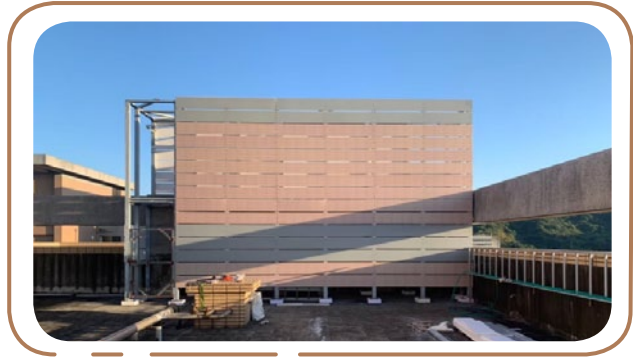
Construction photo taken on 2020.10.28.



Construction photo taken on 2020.11.12.



Appearance of the co-construction base station



Appearance of the co-construction base station

Hardware facilities better than contractual requirements

Apart from building various facilities at the minimum functional requirements according to the contract, we also review the actual everyday life needs and facility use status of teaching and administrative staff from time to time, replace facilities required retirement, and add facilities according to the everyday life needs of teaching and administrative staff. To improve the living quality of teaching and administrative staff and students living the house, we invested NT\$5.675 million in hardware facilities in 2021. The 2021 satisfaction survey of Prince House and Hsiu Chi House shows that up to 81.98% and 91.67% of residents were satisfied respectively with the professional repair of works personnel, and up to 82.72% and 96.97% of residents were satisfied respectively with the handling efficiency of calls for service, with an increase by about 3 percentiles.

The proportion of residents satisfied or highly satisfied with the "Professional Repair of Works Personnel" provided by Prince House.



Prince House

81.98%



Hsiu Chi House

91.67%

The proportion of residents satisfied or highly satisfied with the "Handling Efficiency of Calls for Service" provided by Prince House.



Prince House

82.72%



Hsiu Chi House

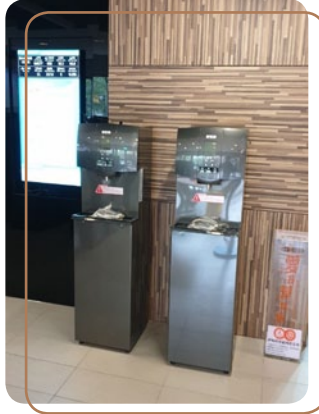
96.97%

Replacement of retired water dispensers: 148 units

To provide residents with a quality housing environment, we replaced a total of 148 water dispensers with a total of NT\$2.72 million. The replacement included 81 dispensers at Prince House Shuiyuan during December 20-22, 2021; 23 dispensers at Hsiu Chi House on December 20, 2021; and 44 water dispensers at Prince House Changxing during December 23-24, 2021.



Water dispenser replacement at Blocks B and C of Prince House Shuiyuan.



Water dispenser replacement at Blocks B and C of Prince House Shuiyuan.



Water dispenser replacement at Block A of Prince House Shuiyuan and Block D of Hsiu Chi House.



Water dispenser replacement at Blocks A and B of Prince House Changxing.



Water dispenser replacement at Blocks A and B of Prince House Changxing.



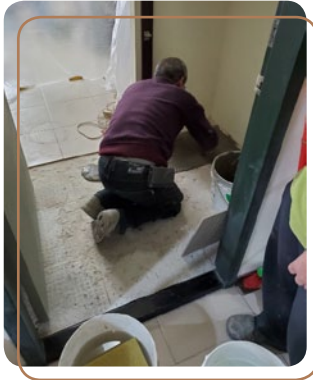
Water dispenser replacement at Block A of Prince House Shuiyuan and Block D of Hsiu Chi House.

Repair of lifting floor tiles

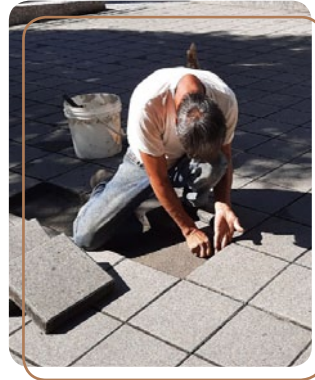
Prince House is like the home of students during the semester. To provide students with a safe and comfortable environment, we check floor tiles and replace the lifting floor tiles in Prince House so as not to affect the housing safety and comfort of students. In 2021 we replaced lifting floor tiles in four areas at Prince House Changxing, Prince House Shuiyuan, and Hsiu Chi House with a total of NT\$142,000.



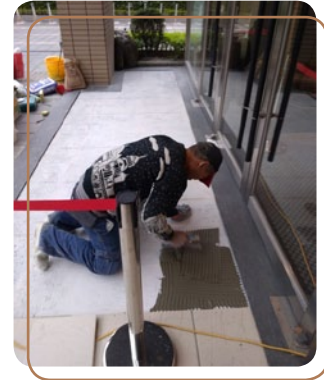
Replacement of lifting floor tiles at Room A305 at Prince House Changxing.



Replacement of lifting floor tiles at Room A505 at Prince House Shuiyuan



Repair of loosened floor tiles at the atrium of Hsiu Chi House.



Repair of floor tiles at the entrance and lobby of Hsiu Chi House.

Dormitory car park: Parking space change and hardware facility upgrading.

It has been over a dozen years since Prince House was completed. Driving directions are unclear as lane markings (lines) are illegible. Some facilities are even damaged. To provide a better user experience and upgrade our service, apart from planning clearer parking signs and markings, we also plan pavements to remind pedestrians and cars and motorcycles to pay attention of traffic safety, as well as replacing the current cash payment of parking fees with automatic number-plate recognition and digital payment. The investment in car park upgrading was NT\$2.81 million in total.

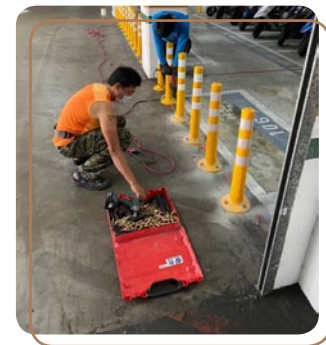
Although not all residents will use the car park, we still value the feedback of residents relating to the services of Prince House and maintain continuous coordination and communication with contractors. With the rise of digitization, we will continue to optimize all related facilities.



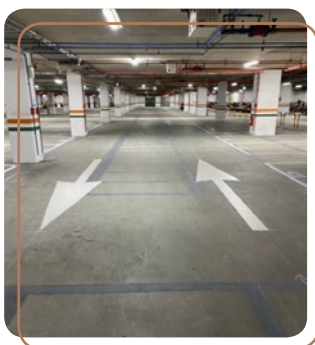
Planning and installation of lane signs and markings at the car park of Prince House Shuiyuan



Upgrading of the inverted U-shaped guardrail at the car park of Prince House Shuiyuan



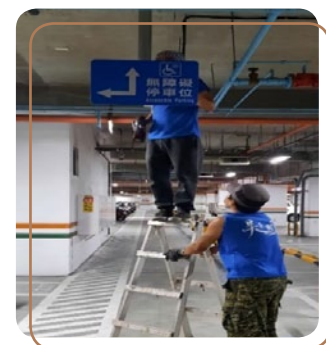
Upgrading of delineator posts at the car park of Prince House Shuiyuan



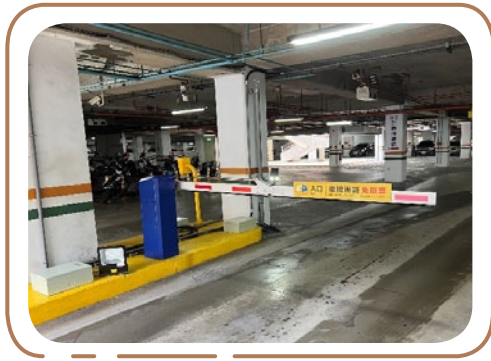
Planning and installation of lane signs and markings at the car park of Prince House Shuiyuan



Planning and installation of pavement signs and markings at the car park of Prince House Shuiyuan



Installation of accessibility signs at Prince House Shuiyuan



Use of the automatic number-plate recognition system



Digital payment

Diversified house activities

In addition to provide a safe residence for students of NTU and NCKU, Prince House also hopes to turn Prince House into a venue for residents to develop socialization skills and character. Hence, we offer 24x7 diversified services. Upholding the aim of education, we carefully plan diversified and creative activity contents, create house culture, enliven the vibe in the house, and build a warm and relaxing housing environment.

Apart from the periodic house activities, we never stop organizing charitable activities by introducing the donation of used beddings, furniture, and household products. We even set a uniform invoice (receipt) donation box in the lobby for students to engage in social welfare while living in the house so as to contribute to society with house residents.

When COVID-19 swept around the globe in 2020, particularly in 2021 when the situation was critical in Taiwan, we shut down common areas such as the common room in all Prince Houses in cooperation with the epidemic control policy. Residents also cooperated with the school policy to study from home (distance learning). We also cancelled house activities to minimize crowd gatherings to put public safety and health first. Although house activities were minimized, we still made a rolling revision of the activity curd policy according to the safety and health policy when the pandemic began to slow at the end of the year. Through the joy of activities with residents, we believe that more and more wonderful activities will be organized to celebrate with residents in the pandemic-free future!

Workshop Trilogy

Activity Trilogy of Prince House NCKU and NCKU Counseling and Wellness Services Division

2021.11.23 - 2021.12.9 Participants: **40** persons in total

- 2021.11.23 Interpersonal Relationship Lab: Interpersonal Relationship Exploration Workshop
- 2021.12.02 Be Yourself Before Being a Lover: Understanding the Own Attachment Style in Intimacy
- 2021.12.09 Let's roll! Musculoskeletal Relaxation Workshop

At the Workshop Trilogy, organizer NCKU Counseling and Wellness Services Division specifically hired several psychologists to lead students to discuss and share opinions on different topics. Apart from allowing students to relax themselves from the busy schoolwork, the workshop also helped students to improve the capability in self-exploration in interpersonal relationships and thereby enrich the learning styles in the campus life.



Festivities and gourmet food

Mid-Autumn Festival

2021.11.25 Participants: **120** persons

Prince House NKCUC organized a creative experiential activity. From kneading dough to pan-frying spring onion pancakes, students enjoyed the fun of cooking. In addition to the mooncake, they also made spring onion pancakes at Mid-Autumn Festival!



Thanksgiving Turkey Meal

2021.11.25 Participants: **120** persons

Prince House NKCU specifically prepared the turkey meal and a range of gourmet dishes on Thanksgiving Day for residents to taste gourmet foods while enjoying a joyful Thanksgiving Day at the same time.



Dumplings on Lunar Winter Solstice

2021.12.21 Participants: **600** persons

On the cold Winter Solstice night, Prince House offers hot red bean soup with richly-stuffed dumplings for residents to enjoy a warm reunion at Lunar Winter Solstice! Prince House also advocated environmental protection by abandoning single-use tableware and encouraging residents to prepare own tableware so as to contribute to environmental protection together.



6.2 Supporting social welfare

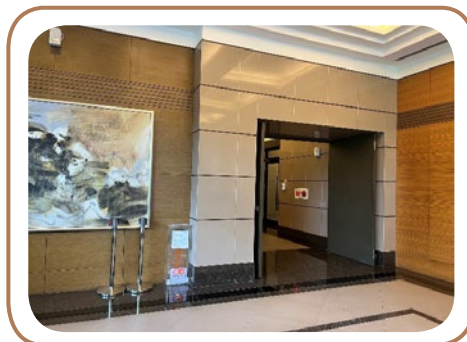
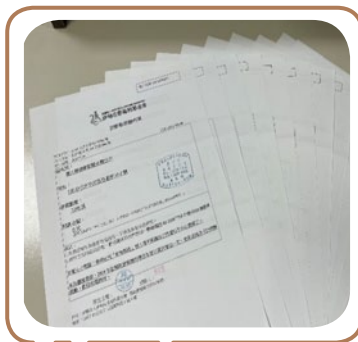
[Prince House] Used goods donation

During the resident alternation at the end of semester each year, many beddings and household products left behind by check-out students are still in good condition. Direct disposal will produce lots of waste and waste lots of reusable materials. After collation Prince House donates them to organizations in need so as to bring a second life to these beddings and household products and spread fraternity. In 2021, Prince House donated over 100 mattresses, 22 desks, 14 bookshelves, and nearly 100 household products (including storage boxes, storage cartons, basins, buckets, looms, and others) to Tianzi Buddhist Monastery in Zaoqiao Township, Bliss and Wisdom Buddhism Foundation, and Fengshan Temple in Hukou District.



[Prince House] Uniform invoice (receipt) donation

A invoice (receipt) donation box is installed in each of Prince House and Hsiu Chi House. Volunteer workers of Eden Social Welfare Foundation will collect them periodically to demonstrate the different value of receipts and provide an opportunity for residents to engage in social welfare. In 2021 a total of 6,698 receipts were donated.



[Prince House NCKU] Blood donation car

In support of NCKU's blood donation activity, Prince House NCKU sponsored 7-ELEVEN Shopping Cards valued NT\$4,000 in total to encourage students to stand out and donate blood.



Appendices

1.GRI Content Index

General Disclosures (all are required disclosures in Core Disclosures)

GRI Standards	Disclosure Item	Page	Corresponding Sections and Other Descriptions
	102-1 Name of the organization	1	1. Mapping Sustainable Development
	102-2 Activities, brands, products, and services	7	1. Mapping Sustainable Development
	102-3 Location of headquarters	7	1. Mapping Sustainable Development
	102-4 Location of operations	-	Prince Construction Business is operated only in Taiwan. As all construction projects are located in Taiwan, Taiwan is the reporting boundaries of all issues relating to sustainable development.
	102-5 Ownership and legal form	7	1. Mapping Sustainable Development
	102-6 Markets served	7	1. Mapping Sustainable Development
	102-7 Scale of the organization	7 26	1. Mapping Sustainable Development 2.4 Steady financial performance
	102-8 Information on employees and other workers	62-64	5. Creating A Happy Workplace 5.1 Friendly and equal workplaces
GRI 102: General Disclosures 2016	102-9 Supply chain	37	3. Sustainable Environment and Products 3.5 Supplier management and procurement practices
	102-10 Significant changes to the organization and its supply chain	-	In 2021, no significant change in the locale and operations of Prince Construction Business was reported.
	102-11 Precautionary principle or approach	23	2. Business Integrity and Brand Value 2.2 Careful risk management
	102-12 External initiatives	-	In 2021, Prince Construction Business no externally developed economic, environmental and social charters, principles, or other initiatives.
	102-13 Membership of associations	22	2. Business Integrity and Brand Value 2.1 Robust corporate governance (in 2021 PHDC did not make large-amount sponsorship, except for paying regular membership fees)
	102-14 Statement from senior decision-maker	4-5	Message from the Chairman
	102-16 Values, principles, standards, and norms of behavior	17、21	1. Mapping Sustainable Development 2. Business Integrity and Brand Value 2.1 Robust corporate governance
	102-18 Governance structure	19	2. Business Integrity and Brand Value 2.1 Robust corporate governance
	102-40 List of stakeholder groups	11-12	1.2 Stakeholder communication and material topics
	102-41 Collective bargaining agreements	-	Prince Construction Business does not have labor union of any kind.

GRI Standards	Disclosure Item	Page	Corresponding Sections and Other Descriptions
GRI 102: General Disclosures 2016	102-42 Identifying and selecting stakeholders	11	1.2 Stakeholder communication and material topics
	102-43 Approach to stakeholder engagement	14	1.2 Stakeholder communication and material topics (All communication channels are the company's existing mechanisms, and no engagement procedures have been specifically established for report preparation)
	102-44 Key topics and concerns raised	12	1.2 Stakeholder communication and material topics
	102-45 Entities included in the consolidated financial statements	7	1. Mapping Sustainable Development
	102-46 Defining report content and topic Boundaries	13	About this report
	102-47 List of material topics	13	1.2 Stakeholder communication and material topics
	102-48 Restatements of information	-	3. Sustainable Environment and Products 3.2 Sustainable architectural design and innovation: Updated the passage of certification and the total floor area of candidate green buildings 3.6 Operational environment and resource management: Updated the office area, GHG emissions, and water intensity of 2019 and 2020, and updated the amount of solar PV projects in the environmental expenditures of 2020.
	102-49 Changes in reporting	-	The reporting boundaries of this year is the same as that of the previous year.
	102-50 Reporting period	1	About this report
	102-51 Date of most recent report	1	About this report
	102-52 Reporting cycle	1	About this report
	102-53 Contact point for questions regarding the report	1	About this report
	102-54 Claims of reporting in accordance with the GRI Standards	1	About this report
	102-55 GRI content index	86	Appendix 1 GRI Content Index
	102-56 External assurance	1	About this report Appendix 3 Summary Sheet of Assurance Items Appendix 4 CPA Limited Assurance Statement

Topic-specific disclosures: Material topics marked with an asterisk "*" are material topics disclosed in terms of all topic-specific indicators.

GRI Standards	Management approach and disclosures	Page	Corresponding Sections and Other Descriptions
GRI 103: Management Approaches	103-1 Explanation of the material topic and its Boundaries	13	1. Mapping Sustainable Development 1.2 Stakeholder communication and material topics

GRI Standards	Management approach and disclosures	Page	Corresponding Sections and Other Descriptions
Risk Management			
GRI 103: Management Approaches	103-2 The management approach and its components	17 ∙ 23	2. Business Integrity and Brand Value 2.2 Careful risk management
	103-3 Evaluation of the management approach		
GRI 102: General Disclosures 2016	102-15 Key impacts, risks, and opportunities*	23	2. Business Integrity and Brand Value 2.2 Careful risk management
Ethical Corporate Management			
GRI 103: Management Approaches	103-2 The management approach and its components	17 ∙ 21	2. Business Integrity and Brand Value 2.1 Robust corporate governance
	103-3 Evaluation of the management approach		
GRI 205 Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	21	2. Business Integrity and Brand Value 2.1 Robust corporate governance
Customer Health and Safety			
GRI 103: Management Approaches	103-2 The management approach and its components	28 ∙ 34	3. Sustainable Environment and Products 3.3 Quality control for excellent buildings
	103-3 Evaluation of the management approach		
GRI 416 Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	34	3. Sustainable Environment and Products 3.3 Quality control for excellent buildings
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services*	-	No incident of non-compliance was reported in 2021.
Legal compliance			
GRI 103: Management Approaches	103-2 The management approach and its components	17 ∙ 21	2. Business Integrity and Brand Value 2.3 Stringent legal compliance
	103-3 Evaluation of the management approach		
GRI 307 Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations*	-	No incident of non-compliance was reported in 2021.
GRI 419 Socioeconomic-compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	-	No incident of non-compliance was reported in 2021.
Economic Performance			
GRI 103: Management Approaches	103-2 The management approach and its components	17 ∙ 21	2. Business Integrity and Brand Value 2.4 Steady financial performance
	103-3 Evaluation of the management approach		
GRI 201:2016 Economic Performance	201-1 Direct economic value generated and distributed	26	2. Business Integrity and Brand Value 2.4 Steady financial performance
	201-3 Defined benefit plan obligations and other retirement plans	67	5. Creating A Happy Workplace 5.2 Well-designed salary and benefits

GRI Standards	Management approach and disclosures	Page	Corresponding Sections and Other Descriptions
OH&S			
GGRI 103: Management Approaches	103-2 The management approach and its components	61	5. Creating A Happy Workplace 5.4 Safe and healthy workplace environment
	103-3 Evaluation of the management approach		
GRI 403 Occupational Health and Safety 2018	403-1 Occupational health and safety management system*	71	5. Creating A Happy Workplace 5.4 Safe and healthy workplace environment
	403-2 Hazard identification, risk assessment, and incident investigation	71-73	5. Creating A Happy Workplace 5.4 Safe and healthy workplace environment
	403-3 Occupational health services*	74	5. Creating A Happy Workplace 5.4 Safe and healthy workplace environment
	403-4 Worker participation, consultation, and communication on occupational health and safety*	70	5. Creating A Happy Workplace 5.4 Safe and healthy workplace environment
	403-5 Worker training on occupational health and safety*	73-74	5. Creating A Happy Workplace 5.4 Safe and healthy workplace environment
	403-6 Promotion of worker health	74	5. Creating A Happy Workplace 5.4 Safe and healthy workplace environment
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	71	5. Creating A Happy Workplace 5.4 Safe and healthy workplace environment
	403-9 Work-related injuries*	73	5. Creating A Happy Workplace 5.4 Safe and healthy workplace environment
	403-10 Work-related ill health	-	In 2021, no work-related ill-health was reported.
Product and Service Labeling			
GRI 103: Management Approaches	103-2 The management approach and its components	50	4. Improving Quality for Customer Service 4.1 Quality customer communication and service
	103-3 Evaluation of the management approach		
GRI 417 Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling*	51	4. Improving Quality for Customer Service 4.1 Quality customer communication and service
	417-2 Incidents of non-compliance concerning product and service information and labeling	51	No incident of non-compliance was reported in 2021.
	417-3 Incidents of non-compliance concerning marketing communications	51	No incident of non-compliance was reported in 2021.
Customer privacy			
GRI 103: Management Approaches	103-2 The management approach and its components	50	4. Improving Quality for Customer Service 4.2 Insistence on maintaining customer rights and interests
	103-3 Evaluation of the management approach		
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	58	4. Improving Quality for Customer Service 4.2 Insistence on maintaining customer rights and interests

GRI Standards	Management approach and disclosures	Page	Corresponding Sections and Other Descriptions
Sustainable product design and innovation			
GRI 103: Management Approaches	103-2 The management approach and its components 103-3 Evaluation of the management approach	28 - 32	3. Sustainable Environment and Products 3.2 Sustainable architectural design and innovation
Land development impact			
GRI 103: Management Approaches	103-2 The management approach and its components 103-3 Evaluation of the management approach	28-29	3. Sustainable Environment and Products 3.1 Land development assessment
Topic-specific disclosures: Other voluntary disclosure topics			
GRI 203 Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	76	6. Sustainable Campuses and Communities 6.1 Building Happiness for Students and Staff
	203-2 Significant indirect economic impacts	78-79	6. Sustainable Campuses and Communities 6.3 Supporting social welfare
GRI 301 Materials 2016	301-1 Materials used by weight or volume	39	3. Sustainable Environment and Products 3.5 Supplier management and procurement practices
GRI 302 Energy 2016	302-1 Energy consumption within the organization	42	3. Sustainable Environment and Products 3.6 Operational environment and resource management
	302-4 Reduction of energy consumption	43-44	3. Sustainable Environment and Products 3.6 Operational environment and resource management
GRI 303 Water and Effluents 2018	303-3 Water withdrawal	45-46	3. Sustainable Environment and Products 3.6 Operational environment and resource management
GRI 305 Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	41	3. Sustainable Environment and Products 3.6 Operational environment and resource management
	305-4 GHG emissions intensity	41-42	3. Sustainable Environment and Products 3.6 Operational environment and resource management
	305-5 Reduction of GHG emissions	41-42	3. Sustainable Environment and Products 3.6 Operational environment and resource management
GRI 306 Waste 2020	306-3 Waste generated	46-47	3. Sustainable Environment and Products 3.6 Operational environment and resource management
	306-5 Waste directed to disposal	47	3. Sustainable Environment and Products 3.6 Operational environment and resource management
GRI 308 Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	39-40	3. Sustainable Environment and Products 3.5 Supplier management and procurement practices
	308-2 Negative environmental impacts in the supply chain and actions taken	39-40	3. Sustainable Environment and Products 3.5 Supplier management and procurement practices

GRI Standards	Management approach and disclosures	Page	Corresponding Sections and Other Descriptions
GRI 401 Employment 2016	401-1 New employee hires and employee turnover	64	5. Creating A Happy Workplace 5.1 Friendly and equal workplaces
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	65-66	5. Creating A Happy Workplace 5.2 Well-designed salary and benefits
	401-3 Parental leave	66	5. Creating A Happy Workplace 5.2 Well-designed salary and benefits
GRI 402 Employment 2016	402-1 Minimum notice periods regarding operational changes	65	5. Creating A Happy Workplace 5.1 Friendly and equal workplaces
GRI 404 Training and Education 2016	404-1 Average hours of training per year per employee	68	5. Creating A Happy Workplace 5.3 Diversified career development and training
	404-3 Percentage of employees receiving regular performance and career development reviews	68	5. Creating A Happy Workplace 5.3 Diversified career development and training
GRI 413 Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	76-85	6. Sustainable Campuses and Communities 6.1 Building Happiness for Students and Staff

2. SASB Index

TOPIC	CODE	ACCOUNTING METRIC	CONTENT	Remarks
Land Use & Ecological Impacts	IF-HB-160a.1	Number of lots delivered on redevelopment sites	0 lots	Redevelopment sites are defined as sites that were previously developed, including the replacement, remodeling, or reuse of existing structures to accommodate new development.
		Number of homes delivered on redevelopment sites	0 homes	
	IF-HB-160a.2	Number of lots delivered in regions with High or Extremely High Baseline Water Stress	1 lot	In accordance with WRI's categorization as requested by SASB, PHDC does not possess lands and homes delivered on High Baseline Water Stress. However, in consideration of the water stress in Taiwan, "Geologically Sensitive Areas for Groundwater Recharge" has been applied to judge regions with high baseline water stress.
		Number of homes delivered in regions with High or Extremely High Baseline Water Stress	0 homes	
	IF-HB-160a.3	Total amount of monetary losses as a result of legal proceedings associated with environmental regulations	NT\$0	-
IF-HB-160a.4	Discussion of process to integrate environmental considerations into site selection, site design, and site development and construction	Please refer to the description of PHDC's building life cycle management strategy in Chapter 3 Sustainable Environment and Products Management Approach.	-	

TOPIC	CODE	ACCOUNTING METRIC	CONTENT	Remarks
Workforce Health & Safety	IF-HB-320a.1	Total recordable incident rate (TRIR) for direct employees	0	-
		Total recordable fatality rate for direct employees	0	-
		Total recordable incident rate (TRIR) for contract employees	0	-
		Total recordable fatality rate for contract employees	0	-
Resource Efficiency	IF-HB-410a.1	Number of homes that obtained a certified HERS® Index Score	0	As HERS® does not apply to Taiwan, statistics for 2021 were produced with the construction projects carrying the Green Building Label issued by the Taiwan Architecture & Building Center. In 2021, no PHDC construction project was awarded the Green Building Label.
		Number of homes that obtained a certified HERS® average score	0	
	IF-HB-410a.2	Percentage of installed water fixtures certified to WaterSense® specifications	100%	As WaterSense® does not apply to Taiwan, statistics for 2021 were produced as per the installation quantity of equipment carrying the Taiwan Water Efficiency Label.
	IF-HB-410a.3	Number of homes delivered certified to a third-party multi-attribute green building standard	0 homes	Statistics for 2021 were produced with the homes delivered carrying the Green Building Label issued by the Taiwan Architecture & Building Center.
IF-HB-410a.4	Description of risks and opportunities related to incorporating resource efficiency into home design, and how benefits are communicated to customers		Please refer to the introduction of sustainable design factors in 3.2 Sustainable architectural design and innovation and the description of show house on-site supervision mechanisms in 4.1 Quality customer communication and service and on the PHDC corporate website.	-

TOPIC	CODE	ACCOUNTING METRIC	CONTENT	Remarks
Community Impacts of New Developments	IF-HB-410b.1	Description of how proximity and access to infrastructure, services, and economic centers affect site selection and development decisions	Please refer to the description of land analysis and investigation in 3.1 Land development assessment	-
	IF-HB-410b.2	Number of lots delivered on infill sites	0 lots	Infill sites are defined as sites that were previously developed, and there is vacant land for construction between two buildings.
		Number of homes delivered on infill sites	0 homes	-
		Number of homes delivered in compact developments	2,302 homes	-
	IF-HB-410b.3	Average density of compact developments	0.103 home/pings	Average density of compact developments = Total number of residential units in all compact developments / Net residential site area (pings) of all compact developments.
Climate Change Adaptation	IF-HB-420a.1	Number of lots located in 100-year flood zones	To be disclosed as per TCFC Recommendations in the next year.	National Science & Technology Center for Disaster Reduction tool: 3D Disaster Potential Map. Analysis of the number of lots located in 650mm/24H flood potential zones until the end of 2021.
	IF-HB-420a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	To be disclosed as per TCFC Recommendations in the next year.	-
Activity Metrics	IF-HB-000.A	Number of controlled lots	469 lots	
	IF-HB-000.B	Number of homes delivered	696 homes	
	IF-HB-000.C	Number of active selling communities	14 projects	

3 Summary Sheet of Assurance Items

No.	Target Information for Verification	Criteria
1	In 2021, the Operations Committee held 10 committee meetings.	The number of meetings was calculated according to the minutes and sign-in lists of the Operations Committee meetings in 2021.
2	The return-to-work rate of employees after parental leave of PHDC in 2021 was 100%.	Return to work rate after parental leave = Total number of employees that did return to work after parental leave in 2019-2021/Total number of employees due to return to work after taking parental leave in 2021.
3	1) In 2021, there were 193 memos using e-approval. 2) In 2021, there were 23,033 attendance records (including leave application forms, overtime work application forms, domestic and overseas business trip application forms, overseas business trip application forms, business trip application forms, shift change application forms, supplementary check-in forms) using e-approval.	Statistics were produced as per PHDC's IT systems. Number of memos and attendance records of PHDC, CSCC, PUEC, and TCCE during January 1-December 31, 2021.
4	Education benefits for children in the "2021 Benefits and Applications" form 186 applicants* *100 applicants for the second semester in 2020, and 86 applicants for the first semester in 2021.	The statistics on the applications and approvals of education benefits for children in 2021 were produced in accordance with the "Employee Welfare Committee Benefit Payment Standard".

4 CPA Limited Assurance Statement



會計師有限確信報告

資會綜字第 22004159 號

太子建設開發股份有限公司 公鑒：

本事務所受太子建設開發股份有限公司（以下稱「貴公司」）之委任，對 貴公司選定 2021 年度永續報告書所報導之關鍵績效指標（以下稱「所選定之關鍵績效指標」）執行確信程序。本會計師業已確信竣事，並依據結果出具有限確信報告。

標的資訊與適用基準

本確信案件之標的資訊係 貴公司上開所選定之關鍵績效指標，有關所選定之關鍵績效指標及其適用基準詳列於 貴公司 2021 年度永續報告書第 94 頁之「確信項目彙總表」。前述所選定之關鍵績效指標之報導範圍業於永續報告書第 1 頁之「報告書範疇與邊界」段落述明。

管理階層之責任

貴公司管理階層之責任係依照適當基準編製永續報告書所選定之關鍵績效指標，且維持與所選定之關鍵績效指標編製有關之必要內部控制，以確保所選定之關鍵績效指標未存有導因於舞弊或錯誤之重大不實表達。

會計師之責任

本會計師係依照確信準則公報第一號「非屬歷史性財務資訊查核或核閱之確信案件」，對所選定之關鍵績效指標執行確信工作，以發現前述資訊在所有重大方面是否有未依適用基準編製而須作修正之情事，並出具有限確信報告。

本會計師依照上述準則所執行之有限確信工作，包括辨認所選定之關鍵績效指標可能發生重大不實表達之領域，以及針對前述領域設計及執行程序。因有限確信案件取得之確信程度明顯低於合理確信案件取得者，就有限確信案件所執行程序之性質及時間與適用於合理確信案件者不同，其範圍亦較小。

本會計師係依據所辨認之風險領域及重大性以決定實際執行確信工作之範圍，並依據本委任案件之特定情況設計及執行下列確信程序：

- 對參與編製所選定之關鍵績效指標之相關人員進行訪談，以瞭解編製前述資訊之流程，以及攸關之內部控制，以辨認重大不實表達之領域。
- 基於對上述事項之瞭解及所辨認之領域，對所選定之關鍵績效指標選取樣本進行包括查詢、觀察、檢查及重新執行等測試，以取得有限確信之證據。

此報告不對 2021 年度永續報告書整體及其相關內部控制設計或執行之有效性提供任何確信。

會計師之獨立性及品質管制規範

本會計師及本事務所已遵循會計師職業道德規範中有關獨立性及其他道德規範之規定，該規範之基本原則為正直、公正客觀、專業能力及盡專業上應有之注意、保密及專業態度。

本事務所適用審計準則公報第四十六號「會計師事務所之品質管制」，因此維持完備之品質管制制度，包含與遵循職業道德規範、專業準則及所適用法令相關之書面政策及程序。

先天限制

本案諸多確信項目涉及非財務資訊，相較於財務資訊之確信受有更多先天性之限制。對於資料之相關性、重大性及正確性等之質性解釋，則更取決於個別之假設與判斷。

有限確信結論

依據所執行之程序與所獲取之證據，本會計師並未發現所選定之關鍵績效指標在所有重大方面有未依適用基準編製而須作修正之情事。

其它事項

貴公司網站之維護係 貴公司管理階層之責任，對於確信報告於 貴公司網站公告後任何所選定之關鍵績效指標或適用基準之變更，本會計師將不負就該等資訊重新執行確信工作之責任。

資 誠 聯 合 會 計 師 事 務 所

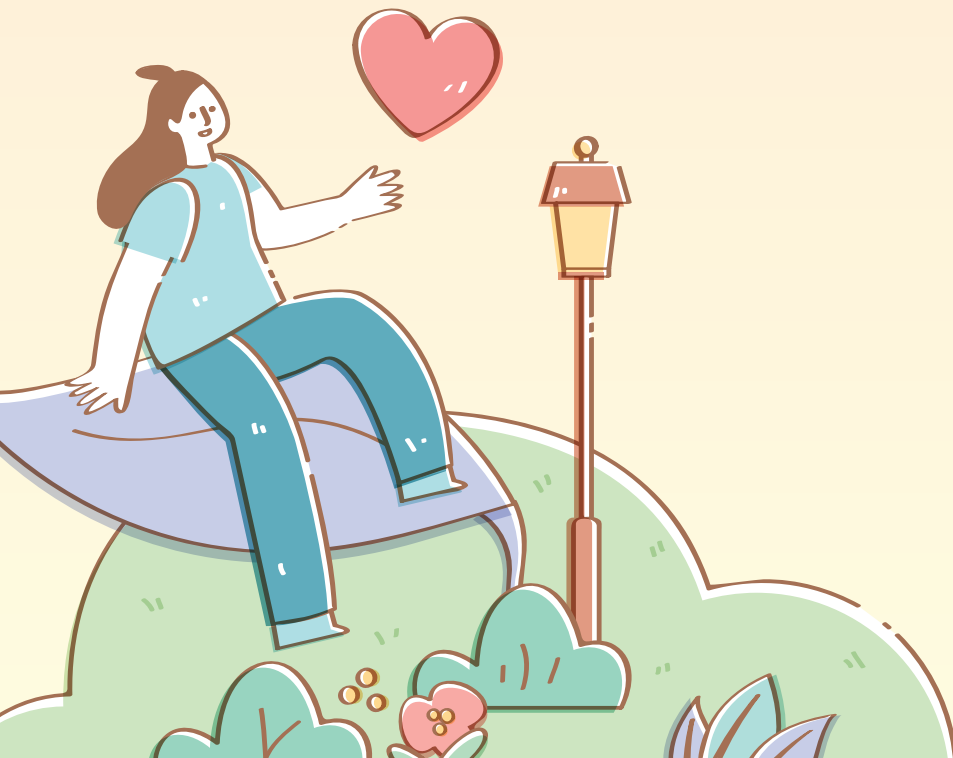
會計師 王 國 華



中 華 民 國 1 1 1 年 9 月 2 8 日



Men Made Homes and Homes Made Men



Taipei Office

21F, No. 11, Songgao Road, Xinyi District, Taipei City.

Tel:(02)2758-9599

Taichung Office

14F, No. 416, Section 2, Zhongde Road, Beitun District, Taichung City

Tel:(04)2242-7376

Tainan Office

8F, No. 398, Section 1, Zhonghua East Road, East District, Tainan City

Tel:(06)282-1155