2025

SKS 新光保全

ESG Report

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About This Report

This is the 14th ESG Report released by Taiwan Shin Kong Security Co., Ltd. (hereinafter referred to as "Shin Kong Security," "SKS," or "we/our"). The disclosure includes the management policies, performance, and future directions in economics/governance, environmental, and social aspects for 2024 (from January 1 to December 31, 2024). The information in this report has been independently verified by the British Standards Institution in Taiwan (BSI Taiwan); the Independent Assurance Opinion Statement can be found in the appendix.

Welcome to download or inquire at the Shin Kong Security Corporate Sustainability website: https://esg.sks.com.tw

Report Management

Internal：
The contents of this report are annual data provided by members of the Sustainable Development Task Force and compiled by members of the Sustainable Development Promotion Office. The contents of each chapter have been reviewed for accuracy by managers from each department. After being reviewed by the Sustainable Development Committee and approved by the Board of Directors, the report is issued and disclosed on the Company's ESG website.

External：
Financial information has been confirmed by Deloitte Taiwan.
Sustainability information has been verified by BSI Taiwan in accordance with AA1000AS v3.

Scope and Boundary (within the organization)

The performance presented in this report is primarily based on Shin Kong Security. Where joint ventures, subsidiaries, leasing, and/or outsourced business are included, further explanation is provided within the main text of the report. Please refer to the appendix for details on the business units covered in the consolidated financial statements.

GRI Compliance

GRI Standards(Version 2021)

Assurance Type and Grade

AA1000AS v3 Type 1 Moderate Level

Publication Cycle

Periodically published and disclosed on the Company's ESG website:
https://esg.sks.com.tw/#gsc.tab=0

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Shin Kong Security
ESG Website

Shin Kong Security
ESG Email

Shin Kong Security
Corporate Website

Words from the Management

In 2024, amidst a volatile global economic and social landscape, SKS remained committed to our core value of prudent management. Supported by the dual pillars of digital transformation and sustainable development, we continued to enhance our expertise in security services while fulfilling our responsibilities as a corporate citizen by promoting forward-looking sustainability initiatives. Confronted with inflationary pressures, rising interest rates, and challenges posed by global geopolitical uncertainties, SKS responded with steady and strategic measures. We remained focused on strengthening our core competitiveness, optimizing smart security and digital applications, and investing in R&D to promote innovative technologies and ensure safe, reliable, and efficient services for our customers.

In 2024, we actively introduced AI and data analytics technologies to improve operational efficiency and enhance customer experience. Notably, our Digital Empowerment in Human Resources initiative received the Digital Transformation Award from the Harvard Business Review Traditional Chinese Edition, demonstrating our firm commitment to digital transformation. We will continue to advance internal data management and intelligent decision-making, driving a comprehensive upgrade of our operational model. As an industry-leading brand, we recognize our influence and social responsibility, and we remain committed to deepening our efforts in the three key pillars of ESG—Environmental (E), Social (S), and Governance (G):

Environmental (E)
We leverage smart technologies to enhance energy management efficiency, gradually adopt low-carbon transportation equipment, and promote green office initiatives to minimize the environmental impact of our operations. At the same time, we collaborate with supply chain partners to advance green procurement and sustainable supply chain management, thereby achieving more impactful environmental actions.

Social (S)
Security is the core value of our enterprise. Through the An-Shin Classroom initiative, we strive to raise public awareness of safety. We also continuously invest resources to support education in remote areas and care for underprivileged groups. Moreover, we place great emphasis on employee development: The Company provides digital learning resources and organizes internal training programs to cultivate sustainability-minded teams with innovative capabilities.

Governance (G)
SKS adheres to the principles of ethical corporate management, and we continue to optimize our corporate governance structure to ensure operational transparency and fairness in decision-making. We have implemented an ESG risk management framework, strengthened information security measures, and promoted Board diversity to enhance organizational resilience and competitiveness.

Looking ahead, SKS will continue to strengthen our application of technology, elevate our service quality, and expand our ESG impact. We will join hands with partners to promote a low-carbon economy and create a safer, more sustainable future.

Taiwan Shin Kong Security Co., Ltd.
Chairman

吳昕東

Taiwan Shin Kong Security Co., Ltd.
President

洪國超

SKS 新光保全
2024 ACHIEVEMENT

| Environmental

E

BSI : ISO 14064-1

CommonWealth Magazine : Certification in Net-Zero Progress under Paris Agreement (1.5°C)

TANZE : 2024 Green-Grade Certification

Department of Environmental Protection, Taipei City Government : 2024 Promoting Green Procurement Programs for Private Enterprises and Organizations (NT$24,090,668)

| Social

S

Department of Labor, Taipei City Government : 2024 Taipei City Labor Safety Award – Workplace Peace of Mind Award

Ministry of Agriculture : Agricultural Sustainability ESG Benchmark Enterprise

HR Asia : Best Companies to Work for in Asia 2024

HR Asia : Sustainable Workplace Awards 2024

CommonWealth Learning : 2024 Talent, in Taiwan

| Governance

G

SGS Taiwan : ISO 27001:2022 Certification

SGS Taiwan : ISO 9001:2015 Certification

Harvard Business Review (HBR) –Traditional Chinese Edition : Digital Transformation Award

Taiwan Corporate Sustainability Awards (TCSA) : Gold Award for Sustainability Report

CommonWealth Magazine : Excellence in Corporate Social Responsibility - Top 100

CommonHealth Magazine : Corporate Health Responsibility –Silver Award

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Sustainable Development

Core Goals and Visions/

Upholding our corporate mission of "Safeguarding Security and Creating Value," SKS actively promotes sustainable development by deeply integrating Environmental, Social, and Governance (ESG) principles into our daily operations. Our core objective is to deliver stable and professional services while partnering with clients, stakeholders, and society to advance toward a future defined by low-carbon transition, inclusive growth, and responsible management. Looking ahead, SKS will continue to adopt innovative thinking and forward-looking strategies, aiming to fulfill our net-zero commitment and promote collective social well-being. We will strive to become a leader in sustainability, driven by the goal of creating a safer and better living environment for future generations.

Chapter Highlights /

1.1 ESG Policy Statement

1.2 ESG Management

1.3 Stakeholder Communication and Management

Sustainability Achievements

Table of SKS Sustainability Material Topics

Note: ● Original topic ▲ Newly-ranked topic

Dimension	Sustainability Material Topics	Changes in Topics	Corresponding GRIs	Corresponding SDGs	Corresponding Chapters
Environmental (E)	Climate Action Management	●	305		4.1 Climate Action 4.2 Green Management
	Energy Resources Management	●	302		4.2 Green Management
	Supply Chain Management	●	204 308 414		4.3 Sustainable Supply Chain
Social (S)	Workplace Safety and Health	●	403		5.3 Healthy and Safe Workplace
	Workplace Diversity, Equality, and Inclusion	●	401 402 405		5.1 Building a Happy Workplace 5.2 Talent Training and Development
	Sustainable Employment and Talent Attraction	▲	404		5.1 Building a Happy Workplace 5.2 Talent Training and Development
	Market Presence	●	202		5.1 Building a Happy Workplace
Governance (G)	Regulatory Compliance	●	2-27 205		2.4 Regulatory Compliance
	Communication Mechanism	▲	2-29		1.3 Stakeholder Communication and Management 2.4 Regulatory Compliance
	Privacy Protection	●	418		3.3 Customer Relationship Management

Changes in Sustainability Material Topics

The total number of sustainability material topics decreased by four compared to the previous year (net increase and decrease combined).

Dimension	Changes in Material Topics Compared to the Previous Year	
	Newly Added Topics (+)	Removed Topics (-)
Environmental (E)	-	Biodiversity
Social (S)	Sustainable Employment and Talent Attraction	Labor/Management Relations、Social Engagement
Governance (G)	Communication Mechanism	Corporate Governance、Customer Relations and Service Quality Management、Operational Performance

1.1 ESG Policy Statement

SKS upholds the core values of "Safety Protection and Sustainable Co-prosperity" in promoting Environmental, Social, and Governance (ESG) development. We are committed to fulfilling our corporate responsibilities through concrete actions, thereby creating long-term value for society, the environment, and our stakeholders.

Governance

- **Ethical Corporate Management:** Uphold corporate ethics, strengthen internal control and risk management mechanisms, and ensure operational transparency and sustainable development.
- **Information Disclosure:** Regularly publish the Sustainability Reports and proactively disclose ESG-related information to ensure transparency and build stakeholder trust.
- **Sustainability Strategy:** Establish a Sustainable Development Committee, integrate ESG goals, and promote institutionalized management and continuous improvement within the organization.

Environmental

- **Energy Conservation:** Adopt smart technologies to enhance energy management efficiency, reduce carbon emissions, and actively participate in government and industry carbon reduction initiatives.
- **Green Operations:** Introduce eco-friendly equipment and green vehicles, promote low-carbon offices, and encourage supply chain partners to jointly implement green procurement.
- **Resource Circulation:** Promote paperless operations, reduce the use of single-use plastics, and strengthen waste sorting and recycling management.
- **Climate Risk Response:** Assess the impact of climate change on operations and formulate corresponding adaptation strategies to ensure business sustainability.

Social

- **Employee Rights:** Provide a fair workplace environment, strengthen diversity and inclusion policies, and ensure occupational safety and employee benefits.
- **Community Safety Programs:** Promote home safety and disaster prevention education through the An-Shin Classroom initiative to enhance public safety awareness.
- **Care for Older Adults and the Underprivileged:** Organize volunteer services to support rural villages, older adults living alone, and people with disabilities, offering emergency alert systems and protective services.
- **Education and Talent Development:** Collaborate with educational institutions through industry–academia partnerships to foster talent, enhance professional knowledge and skills, and nurture qualified professionals.
- **Public Welfare Collaboration:** Join hands with public and private sectors, social welfare organizations, and collaborative partners to promote various public welfare initiatives, amplify corporate influence, and give back to society.

SKS will continue to strengthen its ESG initiatives and work hand in hand with all sectors of society to create a sustainable future.

1.2 ESG Management

SKS has long pursued sustainable operations. Therefore, we were the industry pioneer to actively publish an ESG Report 14 years ago in our efforts to surpass legal regulations through balanced economic, environmental, and social developments. Throughout the process, we became deeply aware that the only effective way to promote comprehensive sustainable development is to include senior-level decision-makers in the promotion mechanisms.We maintain ongoing communication with stakeholders through the ESG section of our corporate website, which is managed by dedicated personnel. We welcome interaction and engagement from all parties.

SKS Sustainable Governance Framework

- **Held an ESG kick-off meeting in March, as well as Sustainable Development Committee meetings on March 9 and November 12 to report on the Company's operations to the Board of Directors**
- **Participated in 31 external ESG workshops/forums and joined 24 external initiatives**

The Sustainability Development Committee is convened by independent director LI, SHIH-KUANG, with the Chairman and three other independent directors serving as members. Its responsibilities include formulating sustainable business strategies and overseeing their implementation. Additionally, the Sustainability Development Committee includes a Sustainability Development Promotion Office tasked with planning and monitoring the effectiveness of sustainability promotion initiatives. The Office oversees four executive teams responsible for discussing relevant issues and executing projects, and it reports to the Board of Directors at regular intervals each year regarding its operations, the implementation results of sustainability initiatives, and future plans. In 2024, such reports were presented before the Board on May 9 and December 12. Members of the Office and the executive team also participate in ESG-related forums and workshops on an ad hoc basis each month to enhance their professional knowledge and project execution capabilities. Moreover, they have integrated ESG into the Company's sustainable development strategy as the core element of corporate competitiveness.

Regular Annual Report

- Board of Directors
- Sustainable Development Committee
- Sustainable Development Promotion Office
- Corporate Governance Team
- Sustainable Development Team
- Environment Team
- Social Team
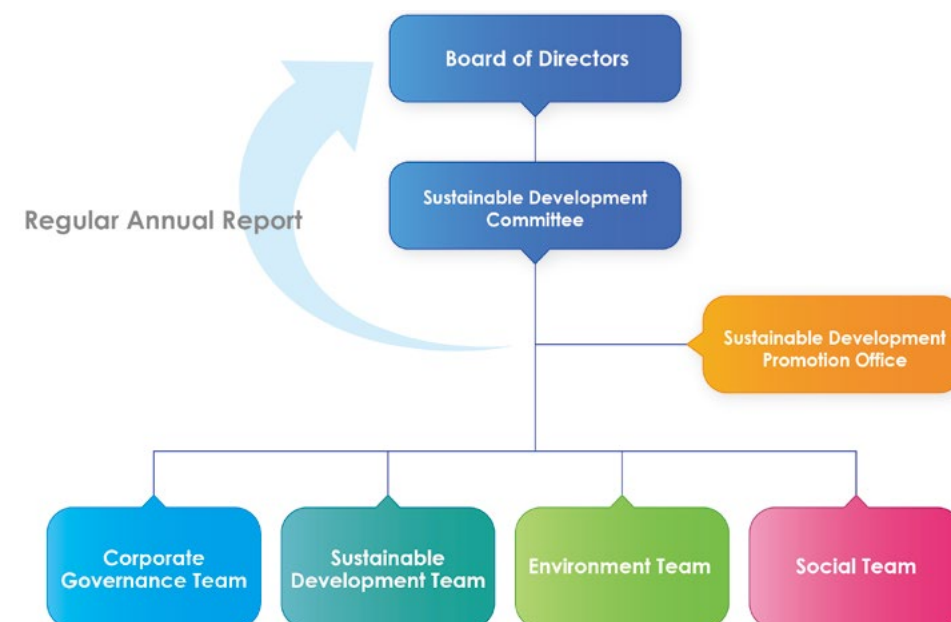
1.3 Stakeholder Communication and Management

SKS identified the key stakeholders following the AA1000 SES: 2015 Stakeholder Engagement Standard (SES), by assessing stakeholders based on their Dependency, Responsibility, Influence, Tension, and Diverse Perspectives. The assessment was accomplished through daily communication and interaction with stakeholders, as well as reference to international sustainability frameworks and standards such as the GRI Standards, SASB, TCFD, SDGs, ISO 26000, and AA1000. Next, SKS conducted a sustainability materiality survey to collect feedback from seven key stakeholders regarding 21 sustainability topics. Potential material topics were identified and assessed based on concern and impact levels, with adjustments made to align with corporate strategic planning, executive interviews, and global trends. Evaluations were also conducted by members of the Sustainable Development Committee, the executive council, and management at all levels. Ultimately, 10 topics across the three ESG dimensions were selected as this year's sustainability material topics and reported to the Board of Directors. Each of these ten topics corresponds to the GRI Standards and the United Nations Sustainable Development Goals (SDGs), and the Company has established dedicated management guidelines and short, medium, and long-term targets related to each topic. Implementation progress is reviewed regularly and disclosed in the SKS ESG Report.

2025 Shin Kong Security Sustainability Survey: http://sks.tw/esg

Implementation Steps for Materiality Analysis of Sustainability Topics

Stage 1 Identification – Seven Key Stakeholders (7 Categories / 21 Sustainability Topics)

Step 1: Communication Targets
Employees, customers, shareholders/investors, partners, suppliers, government agencies, and the media.

Step 2: Sustainability Topics
A total of 21 sustainability topics were identified based on domestic and international sustainability standards and criteria, sustainability initiatives, internal and external stakeholder feedback, the Company's operational strategies, and input from internal management. The 21 topics were categorized into three ESG dimensions: Environmental (6 topics), Social (6 topics), and Governance (9 topics).

Stage 2 Analysis – 386 Valid Questionnaires / 115 Internal Managers

Step 3: Survey on Level of Concern
An online questionnaire was conducted to assess key stakeholders' levels of concern regarding each Sustainability Topic. A total of 386 valid responses were received from employees (223), customers (86), shareholders/investors (5), partners (13), suppliers (43), government agencies (2), and the media (14).

Step 4: Analyzing the Impact on Organizational Operations
In line with the six key dimensions of Responsible Operations, All-round Service, Employee Care, Social Impact, Green Operations, and Green Supply Chain, a total of 223 executives and colleagues participated in evaluating the impact of various sustainability topics on the organization's operations.

Step 5: Finalizing Sustainability Material Topics
Based on the surveyed levels of concern and operational impact analysis, the Sustainable Development Promotion Office conducted internal identification and assessment of stakeholder concerns and impact results. In alignment with corporate strategic planning, and incorporating input from members of the Sustainable Development Committee, executive interviews, and international trend analysis, ten sustainability material topics were finalized. These topics were categorized and prioritized under the three ESG dimensions, and subsequently reported to both the Sustainable Development Committee and the Board of Directors.

Stage 3 Confirmation (10 Sustainability Material Topics)

Step 6: Disclosing and Reviewing Material Topics
For each of the 10 identified Sustainability Material Topics, SKS has established corresponding internal management guidelines aligned with the GRI Standards and the United Nations SDGs. Short, medium, and long-term targets have been defined, and progress is reviewed regularly. All relevant information is disclosed in the SKS ESG Report.

Sustainability Topics List

Governance

1. Corporate Governance
2. Operational Performance
3. Regulatory Compliance
4. Risk Management
5. Communication Mechanism
6. Digital Resilience
7. Innovative Service
8. Privacy Protection
9. Customer Relations and Service Quality Management

Environmental

10. Climate Action Management
11. Energy Resources Management
12. Water Resources Management
13. Waste Management
14. Supply Chain Management
15. Biodiversity

Social

16. Workplace Safety and Health
17. Workplace Diversity, Equality, and Inclusion
18. Labor / Management Relations
19. Sustainable Employment and Talent Attraction
20. Market Presence
21. Social Engagement

Attention Matrix

Organizational operational impact

Legend: ■ Governance ■ Environmental ■ Social

Sustainability Topics: Stakeholders' Level of Concern and Impact on Organizational Operations Matrix

Dimension	Theme	Sustainability Material Topics	Stakeholders' Level of Concern			Intensity of Impact on Organization		
			Low	Moderate	High	Low	Moderate	High
Environmental (E)	Green Management	Climate Action Management			●			●
		Energy Resources Management			●			●
		Water Resources Management		●		●		
		Waste Management		●		●		
		Biodiversity	●			●		
	Green Supply Chain	Supply Chain Management			●			●
Social (S)	Employee Care	Workplace Safety and Health			●			●
		Workplace Diversity, Equality, and Inclusion			●			●
		Labor/Management Relations		●			●	
		Sustainable Employment and Talent Attraction			●			●
	Social Impact	Market Presence			●			●
		Social Engagement		●			●	

Dimension	Theme	Sustainability Material Topics	Stakeholders' Level of Concern			Intensity of Impact on Organization		
			Low	Moderate	High	Low	Moderate	High
Governance (G)	Responsible Operation	Corporate Governance	●				●	
		Operational Performance		●				●
		Regulatory Compliance			●			●
		Risk Management			●		●	
		Communication Mechanism			●			●
		Digital Resilience		●			●	
	All-round Service	Innovative Service		●				●
		Privacy Protection			●			●
		Customer Relations and Service Quality Management			●		●	

Note:
1. Stakeholders' level of concern and impact on the organization's operational activities are both measured on a 5-point scale (1-5 points).
2. SKS's level of concern regarding sustainability topics is assessed based on the expectations of seven major stakeholder groups within the organization, regarding governance (including economic dimension), environmental, and social dimensions, to identify the most desired responses and disclosures regarding sustainability topics. A rating of 5 or above indicates a high level of impact, 4 or above indicates a moderate impact, and below 3 indicates a low level of impact.
3. SKS further incorporates the impact of sustainability topics into the assessment, involving 223 team members to evaluate the organization's overall environmental impact in terms of governance (including economic dimension), environmental, and social dimensions. A rating of 5 or above indicates a high level of impact, 4 or above indicates a moderate impact, and below 3 indicates a low level of impact.

10 Sustainability Material Topics

Please refer to the Table of SKS Sustainability Material Topics

Dimension	Sustainability Material Topics	Positive / Negative Impact Description	Actual/ Potential	Implement Action
Environmental (E)	Climate Action Management	Failure to effectively control GHG emissions will exacerbate global climate change and increase climate-related risks. Failure to proactively manage the transition risks of climate change will make the Company less desirable to investors and consumers, resulting in lower revenue and decreased investor capital.	Actual/ Potential	4.1 Climate Action
	Energy Resources Management	Establishing goals for improving energy efficiency will prevent the depletion of natural resources due to overuse.	Potential	4.2 Green Management
	Supply Chain Management	Through supplier selection mechanisms, risk assessments, audits, and partner training, SKS enhances supply chain transparency and resilience. This ensures mutual growth for both the Company and its suppliers while reducing operational risks.	Actual	4.3 Sustainable Supply Chain
Social (S)	Workplace Safety and Health	Occupational hazard incidents or inadequate health promotion systems will erode the trust of the organization's employees and stakeholders. When employees are injured or fall sick, it will affect attendance rates and increase personnel costs and the risk of litigation.	Actual/ Potential	5.3 Healthy and Safe Workplace
	Workplace Diversity, Equality, and Inclusion	Changing the traditional perception of the security industry as male-dominated will increase the Company's influence as an innovator and address the Company's pain points and ESG needs.	Actual/ Potential	5.1 Building a Happy Workplace
	Sustainable Employment and Talent Attraction	SKS strives to build an inclusive, evolving, and competitive workplace by offering stable employment opportunities and equitable career development. Human resource policies are continuously optimized to improve employee satisfaction, retention rates, and overall corporate competitiveness.	Actual	5.1 Building a Happy Workplace 5.2 Talent Training and Development
	Market Presence	Mismanagement will not only diminish the credibility and reputation of the Company in the market and society, but also affect employee cohesion as well as stakeholder recognition and willingness to cooperate with the Company, which in turn may adversely affect business operations.	Potential	5.1 Building a Happy Workplace
Governance (G)	Regulatory Compliance	Ensuring that the Company's economic, social, and environmental operations comply with laws and regulations will minimize operational risks and the risk of disciplinary action, while protecting the Company's reputation, maintaining employee morale, and supporting business relationships.	Potential	2.4 Regulatory Compliance
	Communication Mechanism	SKS engages with stakeholders on a regular and ad-hoc basis through diverse communication channels to ensure timely responses and effective issue resolution.	Actual/ Potential	3.3 Customer Relationship Management 5.1 Building a Happy Workplace
	Privacy Protection	The Company owns a huge amount of user personal data, and if such data is accidentally leaked, the Company will be held legally responsible and the image of the Company will be seriously damaged.	Actual/ Potential	3.3 Customer Relationship Management

Stakeholder Communication

SKS's key stakeholders include employees, customers, shareholders/investors, partners, suppliers, government agencies, and the media. We communicate with them through a variety of means and channels to understand their needs and expectations of us, which serve as a reference for the formulation of corporate sustainable development policies and related plans. The methods and channels of communication with stakeholders are shown in the chart below, and the response practices and plans for the relevant material topics are described in each chapter.

Employees

Significance to the Organization
Employees are the cornerstone of a company's operations and competitiveness, and the core of innovation and sustainability.

Topics of Concern
S
- Workplace Safety and Health
- Workplace Diversity, Equality, and Inclusion
- Sustainable Employment and Talent Attraction

G
- Regulatory Compliance
- Communication Mechanism

Corresponding Chapters
2.4 Regulatory Compliance
3.3 Customer Relationship Management
5.1 Building a Happy Workplace
5.2 Talent Training and Development
5.3 Healthy and Safe Workplace

Communication Method and Frequency
- Monthly meetings of department heads
- Quarterly labor/management meetings
- Quarterly employee welfare meetings
- Quarterly release of SKS e-newsletter
- Regular employee satisfaction surveys
- Regular education and training
- Occasional seminars on employee health

- Employee grievance and whistleblower mailbox & Chairman's mailbox
- EIP/Communication Bridge
- Corporate website and social media accounts

Customers

Significance to the Organization
The voice of customers is an important reference for the refinement of products and services. It is also a key force for corporate growth and earning market opportunities.

Topics of Concern
E
- Climate Action Management

S
- Workplace Safety and Health
- Workplace Diversity, Equality, and Inclusion
- Market Presence

G
- Communication Mechanism

Corresponding Chapters
3.3 Customer Relationship Management
4.1 Climate Action
5.1 Building a Happy Workplace
5.3 Healthy and Safe Workplace
6 Social Inclusion – External

Communication Method and Frequency
- 24-Hour Toll-Free Customer Service Hotline:
  Northern Region: 0800-097668 (Taipei, New Taipei, Keelung, Taoyuan, Hsinchu, Miaoli, Yilan, Hualien)
  Southern Region: 0800-897668 (Taichung, Changhua, Nantou, Yunlin, Chiayi, Tainan, Kaohsiung, Pingtung, Taitung, Penghu)
- Customer service email: service@sks.com.tw

- Quarterly release of SKS e-newsletter
- Company website and social media accounts
- Occasional customer satisfaction survey

Shareholders/ Investors

Significance to the Organization
By enhancing stakeholders' understanding of the Company's operational status and strategic direction, we strengthen their confidence in the Company and ensure their continued support.

Topics of Concern
E
- Climate Action Management
- Supply Chain Management

S
- Sustainable Employment and Talent Attraction
- Market Presence

G
- Customer Relations and Service Quality Management

Corresponding Chapters
3.3 Customer Relationship Management
4.1 Climate Action
4.3 Sustainable Supply Chain
5.1 Building a Happy Workplace

Communication Method and Frequency
- Periodical shareholders' meetings every year
- Periodical investor conference
- Yearly release of the company's annual report
- Yearly release of corporate ESG report
- Monthly announcement of revenue performance

- Shareholders section on the corporate website
- Quarterly board meetings
- Quarterly business division meetings

Partners

Significance to the Organization
By collaborating with communities, trade associations, civic groups, and non-profit organizations, we aim to build a public welfare ecosystem and amplify our positive impact.

Topics of Concern
E
- Climate Action Management

S
- Workplace Diversity, Equality, and Inclusion
- Market Presence
- Social Engagement

G
- Customer Relations and Service Quality Management

Corresponding Chapters
3.3 Customer Relationship Management
4.1 Climate Action
5.1 Building a Happy Workplace
6 Social Inclusion – External

Communication Method and Frequency
- SKS Community Care Welfare Foundation
- Taiwan SKS Foundation for Arts and Culture
- Safety educational promotion
- Sustainable environmental education
- Senior care activities

Suppliers

Significance to the Organization

The materials and services provided by our suppliers are an important basis for our innovation in products and services.

Topics of Concern

E
- Climate Action Management
- Supply Chain Management

S
- Workplace Safety and Health
- Workplace Diversity, Equality, and Inclusion

G
- Privacy Protection

Corresponding Chapters

4.1 Climate Action
4.3 Sustainable Supply Chain
5.1 Building a Happy Workplace
5.3 Healthy and Safe Workplace

Communication Method and Frequency

- Contract negotiation and procurement
- Monthly meetings on equipment procurement, production, and sales coordination
- Regular supplier performance evaluations
- Periodic on-site supplier inspections and visits
- Inviting suppliers to participate in corporate events

Government Agencies

Significance to the Organization

Collaboration with government agencies will ensure legal compliance and the sustainability of SKS's operations.

Topics of Concern

E
- Climate Action Management
- Energy Resources Management
- Supply Chain Management

S
- Workplace Safety and Health

G
- Privacy Protection

Corresponding Chapters

4.1 Climate Action
4.2 Green Management
4.3 Sustainable Supply Chain
5.3 Healthy and Safe Workplace

Communication Method and Frequency

- Shareholders section on the corporate website
- Meetings with competent authorities
- Thematic seminars and events
- Occasional development/research projects
- Compliance with laws and regulations

Media

Significance to the Organization

The media is the most direct channel for communicating SKS's philosophy, image, and sustainable management performance, as well as a channel for mutual understanding and communication with more stakeholders.

Topics of Concern

E
- Climate Action Management
- Workplace Safety and Health

S
- Market Presence
- Social Engagement

G
- Innovative Service

Corresponding Chapters

3.1 Sustainable Business Development
4.1 Climate Action
5.1 Building a Happy Workplace
5.3 Healthy and Safe Workplace
6   Social Inclusion – External

Communication Method and Frequency

- Occasional hosting of the press conference
- Periodical investor conference
- Inviting the media to participate in corporate events

Notes:
1. Suppliers include subcontractors and contractors.
2. Partners include communities, trade associations, non-profit organizations, and civic groups.
3. Media includes television, print and digital media, online platforms, rating agencies, and advocacy organizations.

Sustainability Achievements

SKS Named One of the Best Companies to Work for in Asia by HR Asia for the Second Time

In 2024, Shin Kong Security (9925) was once again selected as one of the Best Companies to Work for in Asia by HR Asia, which is one of Asia's leading human resources publications. This year, SKS also received the Sustainable Workplace Awards, a distinction that underscores the Company's outstanding performance in human capital management as well as our steadfast commitment to creating sustainable value and promoting employee well-being.

Chairman Wu, Hsin-Tung expressed his gratitude to the judging panel for recognizing SKS's ongoing efforts. He noted that behind this honor lies the Company's long-standing investment in employee welfare and a supportive workplace environment: "We are committed to building a vibrant, resilient, and sustainable workplace that offers diverse communication channels, comprehensive training resources, and a safe and healthy work environment that supports the balanced development of employees of all ages. These awards are a testament to our team's collective efforts and serve as powerful motivation for our continued pursuit of excellence."

From Recruitment to Management: Full-Scale AI Integration Earns SKS the Digital Transformation Award

Shin Kong Security (9925) was honored with the Digital Transformation Awards in the 4th annual awards program by the Global Traditional Chinese Edition of Harvard Business Review, in recognition of its "Digital Empowerment in Human Capital" project. SKS is the only company in the service sector to have received this prestigious accolade, establishing a new benchmark in the security industry.

"Digital transformation is imperative. Only by combining technology with human-centered applications can we unlock its full potential and foster mutual growth for enterprises and employees," said SKS Chairman Wu, Hsin-Tung. He emphasized that digital transformation goes beyond technological advancement to strengthen organizational resilience. By cultivating a learning-oriented organization, SKS is able to respond swiftly to environmental changes. This award affirms the company's excellence in enhancing digital learning and adaptability.

2

Steady Governance

Core Goals and Visions/

SKS regards sound governance as the foundation of sustainable corporate development. We uphold the principles of ethical corporate management, regulatory compliance, and risk control, and we are committed to building a transparent, accountable, and efficient governance structure. Our core objective is to ensure operational stability and resilience, thereby reinforcing the trust of shareholders, employees, customers, and society. By optimizing our governance mechanisms, we aim to drive long-term value creation for the Company. Looking ahead, SKS will continue to enhance our governance system, strengthen Board functions, improve internal controls, and increase information transparency to become a trusted role model in the industry and guide the sector toward steady advancement.

GRIs Corresponding to Sustainability Material Topics/

GRI

2-27 Compliance with laws and regulations

2-29 Approach to stakeholder engagement

205 Anti-corruption

Chapter Highlights /

2.1 About Shin Kong Security

2.2 Financial Performance

2.3 Corporate Governance

2.4 Regulatory Compliance

2.5 Risk Management

2.6 Digital Resilience

Sustainability Material Topic Description

Topics	Significance to SKS and Management Objectives	Management Policies	Possible Impacts on SKS	Corresponding SDGs	Corresponding GRIs	Corresponding Chapters
Regulatory Compliance	We continue to enhance the credibility of business ethics by establishing and following the code of ethics, and by strictly prohibiting corruption, anti-competitive behavior, and other unlawful activities.	1. Establish the Ethical Corporate Management Best Practice Principles and the Taiwan Shin Kong Security Co., Ltd. Procedures for Ethical Corporate Management and Guidelines for Conduct, and conduct audits on ethical corporate management annually. 2. Establish the Grievance and Reporting Rules as well as internal and external complaint and reporting channels. 3. Ethical corporate management educational training for newly hired employees and current employees.	1. Failure to comply with regulations may result in fines, legal liabilities, or damage to brand reputation. 2. Adhering to high standards of regulatory compliance may increase operational costs and administrative burdens.		2-27 205	2.4 Regulatory Compliance
Communication Mechanism	An effective communication mechanism ensures that the direction of key sustainability initiatives aligns with the needs of all stakeholders. It also facilitates timely strategic adjustments in response to challenges, thereby supporting the joint pursuit of sustainable development by the Company and society.	1. Regular publication of the Annual Report and ESG Report ensures proactive ESG disclosure, enhancing transparency and building stakeholder trust. 2. The Company has established internal feedback mechanisms that allow employees to promptly raise concerns, including an internal suggestion box and an anonymous complaint channel, thereby strengthening organizational resilience.	We engage with stakeholders both regularly and irregularly through diverse communication channels to ensure timely responses and effective issue resolution.		2-29	2.4 Regulatory Compliance

2.1About Shin Kong Security

Industry Group	Commercial & Professional Services
Headquarters	No. 128, Xing'ai Road, Neihu District, Taipei City
Branch locations	7 districts, 31 regions, and 69 branch offices throughout Taiwan
Overseas locations	China: Shanghai / Thailand: Bangkok
Nature of ownership and legal form	Listed company established in Taiwan (Republic of China)

Number of employees	1,735 人	
Number of system security customers (Household)	102,696 (Taiwan)	
Net Operating Income (NT$ thousand)	Revenue in Taiwan	3,834,395
	Revenue in China	233
	Revenue in Thailand	105,095
Paid-in Capital (NT$ thousand)	3,874,896	

Note :

1. The industry group is based on the "Global Industry Classification Standard (GICS)."

2. Compared to the previous year, SKS's overall business activities and value chain have not undergone significant changes.

2.2Financial Performance

Sustainable Management Performance

Shin Kong Security had a net operating income of NT$3.834 billion, net income after tax of NT$885 million, and earnings per share of NT$2.30 in 2024.

Year	2024	2023	2022	2021	2020	Difference between 2024 and 2023 (+/-)
Net Operating Income	38.34	36.97	37.35	37.70	35.70	+3.71%
Cost of Revenue	19.38	18.62	19.05	19.84	18.50	+4.08%
Net Income After Tax	8.85	9.38	9.65	9.63	8.88	-5.65%

Unit: NTD Billion

	Year	2024	2023	2022	2021	2020	Difference between 2024 and 2023 (+/-)
Operating Ability	Net Profit for the Period (NT$ thousand)	885,299	937,877	965,176	963,132	888,019	-5.61%
	Average Employee Earnings (NT$ thousand)	2,127	2,042	2,058	2,040	2,021	+4.16%
	Average Employee Profit (after tax) (NT$ thousand)	491	518	532	521	503	-5.21%
Profitability	Earnings Distribution and Allocation of Cash Dividends (NT$ thousand)	774,979	774,979	774,979	774,979	774,979	-
	Cash Dividend per Share (NT$) — Dividends from Retained Earnings	2	2	2	2	2	-
	Cash Dividend per Share (NT$) — Dividends from Capital Surplus	0	0	0	0	0	-
	Stock Dividends — Dividends from Retained Earnings	0	0	0	0	0	-
	Stock Dividends — Dividends from Capital Surplus	0	0	0	0	0	-
	Return on Assets	6.20%	6.52%	6.71%	6.77%	6.59%	-4.91%
	Return on Common Stockholders' Equity	7.69%	8.65%	9.10%	9.20%	8.92%	-11.10%
	Net Profit Rate	23.09%	25.37%	25.84%	25.54%	24.88%	-8.99%
	Earnings per Share (NT$)	2.30	2.43	2.51	2.50	2.31	-5.35%
	Retained surplus (NT$ 100 million)	59.00	57.18	55.68	53.05	50.51	+3.18%

Business Strategy

Business Model

Customer Service

Transmit message

Contact target property via phone for confirmation

Report to relevant department

Customers

Logistic Support

Increase manpower

Command duties

Product Maintenance

24-hour Customer Service Line

Customers

Business Philosophy
Faithfulness, Professionalism, Service, Innovation

Corporate Vision
Provide the best security and peace-of-mind service for our customers.

Entrepreneurship
Maintaining the status quo is to fall behind; research and development lead to progress.

Note:
1. Average employee earnings = Operating income/Number of employees in the year.
2. Average employee profit (after tax) = Net profit for the current period/Number of employees in the year.
3. To reflect realistic conditions, the number of employees in the year includes the number of employees in affiliated companies. The number of employees (salaried employees) for 2024 is calculated at 1,803 employees.
4. For employee salaries and benefits, payments to the government, and retained economic value, please refer to the 2024 annual financial report: https://reurl.cc/K8EvyM
5. The cash dividends for 2024 are pending the resolution of the 2025 shareholders' meeting.

Operational Goals

Short-term

✓ Strengthen digital green security and AI surveillance technologies to enhance market competitiveness.

✓ Expand smart security services to meet the carbon management needs of corporate clients.

✓ Enhance digital resilience to improve internal efficiency and customer service quality.

✓ Increase market penetration by delivering optimal smart security solutions.

Medium-term

✓ Expand smart city collaboration projects with the public and private sectors to co-create a safe environment.

✓ Build strategic alliances to deepen technological and market deployment.

✓ Promote smart green security solutions to reduce operational carbon emissions.

Long-term

✓ Provide customers with the best security and peace-of-mind service, becoming the AIoT leader.

2.3 Corporate Governance

Board of Directors

In 2024, the Board of Directors convened **8** meetings on 3/7, 5/9, 7/4, 7/15, 8/8, 10/2, 11/12, and 12/12, with an attendance rate of **81.9%**

In 2024, the directors continue to receive internal and external training, with an average training duration of **11** hours.

Board of Directors Structure

In 2024, we promoted board-related performance evaluation regulations, implemented corporate governance, and strengthened board effectiveness.

9 seats on the Board of Directors (including 4 independent board members)

Male **89%** Female **11%**

✓ Age 41-50 accounts for 34 %; age 51-60 accounts for 44%; age 61-70 accounts for 11%; and age 71-80 accounts for 11%.

✓ Foreigners 22%; natives 78%.

The board of directors is the highest governing body of SKS. The current Board of Directors consists of nine members, including four independent directors and five non-independent directors. The election of the Board members is based on a candidate nomination system. The board members are elected by shareholders at a shareholders' meeting. Unless otherwise provided for in the Company Act, the Board of Directors shall elect a chairman of the Board of Directors from among the directors by a majority vote at a meeting attended by over two-thirds of the directors. Board members are experts with extensive industry experience, the tenure of the office is three years, and can be re-elected. The independent directors are elected based on a candidate nomination system and are selected and elected from a list of independent director candidates at a shareholder meeting. The specialized qualifications, shareholdings, restrictions on concurrent employment, nomination, and election of independent directors, as well as other matters to be complied with, are in accordance with the regulations of the competent securities authorities. Independent directors and non-independent directors are elected together and the number of elected directors is calculated separately. The Board of Directors is responsible for listening to regular reports from the management team, understanding the Company's operational plans, and regularly reviewing the progress of the management team's strategies and financial reports.

On the other hand, the company equips senior executives with the necessary skills to join the Board of Directors, to familiarize them with the operation of the Board of Directors and the duties of the Group's units, and to deepen their industrial experience through job rotation and training in legal entities across different industries. To form a more diverse board and in consideration of the international trend of female director appointments, the company aims to increase the number of female directors. As a result, the Board supported the decision to increase the ratio of female to male senior executives. If any director or a juristic person represented by a director is an interested party with respect to any agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interests of the company, the director may not participate in the discussion or voting on that agenda item, and further, shall enter recusal during discussion and voting on that item and may not act as another director's proxy to exercise voting rights on that matter.

Note:
1. The SKS Board of Directors takes into account diversity in its composition, including but not limited to the following two major aspects: basic qualifications and values (such as gender, age, nationality, and culture), and specialized knowledge and skills background (such as legal, accounting, industrial, financial, marketing or technology) experience, etc.
2. Reference - Our company's official website / Corporate Governance / Operational Status / Management goals and implementation of board diversity: https://reurl.cc/d1o0gz
3. Reference - Our company's official website / Corporate Governance / Operational Status / Succession and operations of board members: https://reurl.cc/j93EbL
4. Reference - the TWSE MOPS website / Situation of directors and supervisors concurrently serving as independent directors: https://mops.twse.com.tw/mops/web/t100sb07

Continuing Education of Directors

Each director received an average of 11 hours of training in 2024. The continuing education courses and training sessions for SKS directors, both internal and external, include the "Insider Trading Prevention Advocacy Program," "ESG Sustainable Governance Trends and the Challenges and Opportunities Brought by Climate Change," "Summit on Strengthening Taiwan's Capital Market," "Industrial Upgrading and Collaboration Driven by AI and Big Data." These trainings are implemented so that the directors will carry out their duties faithfully and exercise the due care of a good administrator in conducting the company's business operations, and fully perform their functions of business-related decision-making, leadership, and guidance.

Note: Please refer to the TWSE MOPS website for the board members' attendance in continuing education: https://mopsov.twse.com.tw/mops/web/t100sb07

Board Performance Evaluation

To implement corporate governance and enhance the effectiveness of the Board of Directors' operations, SKS, in accordance with Article 37 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, approved the Board of Directors' Performance Evaluation Regulation at a board meeting in 2019. The evaluation unit conducts internal performance evaluations of the Board of Directors at the end of each year, following the evaluation procedures and indicators. The evaluation results are typically finalized by the end of the first quarter of the following year, conducted through performance self-evaluation questionnaires. Evaluation subjects encompass the Board of Directors, Board members, and functional committees. The outcomes of the Board of Directors' performance evaluations serve as a basis for future director selection and election, and aid the Remuneration Committee in determining individual compensation levels. The Board of Directors' performance evaluation for 2024 will be concluded by the end of the first quarter of 2025. Furthermore, we have designated dedicated personnel to handle investor information disclosure and shareholder inquiries. Additionally, functional committees convene regular discussions on specific topics, with the regulations governing their functions and powers further established by the Board of Directors.

Note: For the board performance evaluation, please refer to the 2024 annual report, pages 17-18.

Communication of Critical Concerns

In addition to holding regular internal meetings, the Company's management also regularly reports key information to the Board of Directors. In 2024, a total of 20 reports were submitted, which were primarily related to financial announcements and personnel changes. For details, please refer to the Material Information section on the TWSE MOPS website: https://mops.twse.com.tw/mops/#/web/t51sb10_q1

Functional Committee

Remuneration Committee

In 2024, the Remuneration Committee convened **4** meetings on 2/22, 3/7, 7/15, and 12/12, with a committee attendance rate of **91%**

In 2011, the Company established a Remuneration Committee comprising three independent directors, mandated to convene at least two meetings annually. The Remuneration Committee's objective is to aid the Board of Directors in formulating and assessing the Company's comprehensive compensation and benefits policies, including managerial compensation. The primary responsibilities of the Remuneration Committee are outlined below:

(1) Periodically reviewing and suggesting amendments to remuneration and compensation regulations.

(2) Establishing and periodically reviewing annual and long-term performance goals of directors and managers, as well as the company's policies, systems, standards, and compensation structures.

(3) Periodically evaluating the achievement of the Company's director and managerial performance goals and determining the content and amount of their individual remuneration.

Remuneration Policy for the Highest Governance Body and Senior Management

Remuneration for members of the Company's highest governance body (the Board of Directors) consists of fixed and variable compensation. However, no additional items such as signing bonuses, recruitment incentives, severance payments, clawback mechanisms, or retirement benefits are provided. Remuneration for senior management also includes both fixed and variable components, and their retirement and benefits are administered in accordance with SKS's existing employee policies. When making business decisions, the highest governance body and senior management take into account external factors such as economic trends, environmental risks, and societal needs. Their performance-based compensation is aligned with the Company's annual performance targets, and the outcomes are truthfully reflected in the Company's financial statements to ensure transparency and accountability.

Audit Committee

In 2024, the Audit Committee convened **4** meetings on 3/7, 5/9, 8/8, and 11/12, with a committee attendance rate of **94%**

The Audit Committee was established in 2018 in compliance with the law, comprising four independent directors, one of whom serves as the convenor, and at least one possessing accounting or financial expertise. Its primary objective is to aid the Board of Directors in enhancing corporate governance performance. The Committee primarily operates to oversee the fair presentation of financial statements, the selection (or dismissal), independence, and performance of certified public accountants, the effective implementation of internal controls, compliance with laws and regulations, and the management of existing and potential risks.

Investment Review Committee

In 2024, the Investment Review Committee convened one meeting on 2/22, with a committee attendance rate of **100%**

To implement ESG corporate sustainable development and enhance corporate governance, the Board of Directors approved the establishment of an Investment Review Committee in 2022. The Committee comprises five members, including the Chairman and four independent directors, with meetings held at least once a year, and extraordinary meetings convened as needed. The committee oversees responsible units to conduct pre-investment evaluations and post-investment management to mitigate investment risks and enhance shareholder equity.

Sustainable Development Committee

In 2024, the Sustainable Development Committee convened two meetings on 3/7 and 11/12, with a committee attendance rate of **100%**

To promote corporate sustainability, the Company changed the name of its original Corporate Social Responsibility and Sustainable Development Committee to the "Sustainable Development Committee" on February 1, 2022. To further enhance corporate governance, the Board of Directors resolved on December 22, 2022, to elevate the Sustainable Development Committee to a functional committee under the Board. The Committee consists of five members: the Chairman and four independent directors. Meetings are held at least once every 6 months and may be convened as needed, with outcomes reported to the Board of Directors. The Committee serves as the Company's decision-making and supervisory body for sustainability-related matters, including corporate governance, sustainable operations, and environmental and social facets, aiming to strengthen the Company's operational systems while devoting itself to environmental stewardship and social responsibility.

As for the Board of Directors, in addition to receiving regular reports from the Committee regarding stakeholder communication outcomes, in its capacity as the Company's highest governance body, the Board also directly participates in stakeholder engagement each year through physical shareholders' meetings.

Note: Please refer to Chapter 1.2 ESG Management for details on the operations of the Sustainable Development Committee.

Investor Conference

In 2024, the Company held two Investor Conferences on 4/26 and 12/19.

In compliance with the regulations outlined in the Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities, we have conducted annual investor conferences every year since 2017. These conferences aim to offer stakeholders a comprehensive overview of the Company's operations and prospects, thereby enhancing transparency in our information disclosure, with the expectation of achieving fair market evaluation.

Lists of Guilds/Associations

No.	Guild/Association	Member	Supervisor/Director	No.	Guild/Association	Member	Supervisor/Director
1	Taipei Security Commercial Association		V	23	Taiwan Assistive Technology and Long-Term Care Industry Association	V	
2	Association of Security Companies, New Taipei City	V		24	Taiwan Chamber of Commerce & Industry	V	
3	Taichung Security Commercial Union	V		25	Taipei Computer Association	V	
4	Hsinchu Security Commercial Association	V		26	National Association of Fire Engineering Equipment	V	
5	Tao-Yuan Security Commercial Association	V		27	The Institute of Internal Auditors-Chinese	V	
6	Keelung Security Commercial Association	V		28	Taiwan Stock Affairs Association	V	
7	The Security Union of Tainan City	V		29	Taiwan Intelligent Building Association	V	
8	Kaohsiung Security Commercial Association	V		30	Taiwan Safety and Security Industry Association	V	
9	Yilan Security Association	V		31	Taiwan Smart City Association	V	
10	Chinese Excellent Management Association	V		32	Taiwan Elderly Care Industry Association		V
11	Taiwan Automation Intelligence and Robotics Association		V	33	Neihu Safety and Health Promotion Association, Taipei		V
12	Monte Jade Science & Technology Association of Taiwan	V		34	Taipei Electrical Commercial Association	V	
13	Taiwan Friends of the Police Association of R.O.C.		V	35	Taitung Chamber of Commerce	V	
14	Taipei Friends of the Police Association		V	36	Service Robot Alliance (TAIROA)	V	
15	Cloud Computing & IoT Association in Taiwan	V		37	Health & Wellness and Smart Healthcare Alliance (ITRI's Smart Long-term Care Alliance)	V	
16	Taiwan Council of Shopping Centers	V					
17	Taiwan Chain Stores and Franchise Association	V		38	Chinese Cryptology and Information Security Association	V	
18	Taiwan Intelligent Aerotropolis Association	V		39	5G Smart Pole Standard Promotion Alliance	V	
19	Taiwan Mergers & Acquisitions and Private Equity Council	V		40	Taiwan Industry Associations of Intelligent Security and Safety	V	
20	Taiwan Electrical and Electronic Manufacturers' Association -ICT Alliance Member	V		41	Taiwan Space Industry Development Association	V	
				42	Association of Taiwan Net Zero Emissions	V	
21	Chinese National Association of Industry and Commerce	V		43	Taiwan Chief Information Security Officer Alliance (Taiwan CISO Alliance)	V	
22	Taiwan Smart Energy Industry Association		V	44	CommonWealth Sustainability CWS	V	

2.4 Regulatory Compliance

2-27　2-29　205

▪ **In 2024, the Company had no major violations.**

▪ **In 2024, a total of 5 sessions focusing on ethical corporate management advocacy, education, and training were conducted, with 4,846 participants, totaling approximately 2,948 training hours.**

Major Violations

"Major violations" are defined as incidents where the cumulative fine for a single event amounts to NT$1 million or more, or incidents that cause significant adverse effects on the Company's finances, operations, shareholders' rights, or stock price. No such events occurred during FY2024.

Ethical Corporate Management and Anti-Corruption Governance

Management System

▪ Established behavioral guidelines such as the Procedures for Ethical Corporate Management and Guidelines for Conduct, the Code of Ethical Conduct, and the Work Rule to regulate the conduct of SKS employees. Regular internal notifications and case studies are used for dissemination. In cases involving unethical behavior, disciplinary actions are taken in accordance with the severity of the offense, as stipulated in the Employee Reward and Punishment Regulations.

　Please refer to the Procedures for Ethical Corporate Management and Guidelines for Conduct: https://pse.is/5jw8jp
　Please refer to the Code of Ethical Conduct: https://pse.is/5jw8fk

▪ Established the Grievance and Reporting Regulations, which specify the procedures for reviewing and handling complaints and reports, as well as the related confidentiality mechanism. Dedicated units have been assigned to handle complaints and reports based on the identity of the stakeholders.

▪ When signing procurement or engineering contracts with suppliers, the contracts include clauses or commitments related to the protection of intellectual property rights, confidentiality obligations, information security responsibilities, integrity and honesty, as well as the supplier's code of conduct, to prevent unethical behavior.

▪ Ethical corporate management education is incorporated as a mandatory general education course for new employees. Teaching materials are made available in modules on the digital learning platform for employees to access and study.

▪ Annual ethical corporate management assessment: Each department conducts an annual assessment of ethical corporate management to analyze and review the adequacy and effectiveness of the preventive mechanisms. The execution of the ethical corporate management system is reported to the Board of Directors periodically, at least once a year.

Ethical Corporate Management and Anti-corruption

To enhance ethical corporate management, SKS has established the Procedures for Ethical Management and Guidelines for Conduct in accordance with the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, and integrates integrity and ethical values into the Company's business strategies. Additionally, SKS has formulated preventive measures that comply with legal requirements to ensure ethical corporate management. Standard operating procedures and conduct guidelines have been established for each project and business activity. SKS has also defined internal organizational structures, roles, and responsibilities, and established mechanisms for mutual supervision and checks and balances to address higher-risk areas of unethical behavior within its business scope. Since 2022, the Legal Affairs Office has been tasked with formulating and overseeing ethical corporate management policies and prevention measures. Periodic reports are submitted to the Board of Directors at least once a year. The most recent report was submitted on December 12, 2024, and no incidents of unethical conduct were reported during FY2024.

On the other hand, the security industry places significant emphasis on anti-corruption measures to eradicate occurrences such as inside theft. To this end, new employees receive education and training, while existing staff participate in daily training sessions and receive occasional reminders through notices to prevent potential violations of the law and ensure social safety.

Implementation Effectiveness

▪ Internal Notices/Case Sharing: Raised legal awareness through case sharing, touching on issues such as forgery of private documents and reiterating the prohibition against stealing others' property.

▪ Education and Training

　1. Training on the Procedures for Ethical Management and Guidelines for Conduct.

　2. Anti-corruption issues, including expense inflation, kickbacks, embezzlement of public funds, leakage of trade secrets, and signing of employee integrity and honesty pledges.

　3. Daily security training courses, covering: Abnormal situation management education and promotion, legal advocacy, traffic safety promotion, maintenance education and training, and random quizzes on situational awareness.

Future Planning

▪ Continue to assist the Board of Directors and management in auditing and assessing the effectiveness of the preventive measures established for the implementation of ethical corporate management; periodically evaluate compliance with relevant business processes and compile reports accordingly.

▪ Continue to update and adjust the regulations for education and training on ethical corporate management and guidelines for conduct; ensure the signing and dissemination of ethical corporate management commitments for SKS employees.

▪ Continuously conduct education and training sessions on ethical corporate management and anti-corruption issues during the annual new employee orientations at SKS headquarters.

▪ Continuously monitor legal updates relevant to the Company's operations and gather related case information; occasionally issue legal advocacy notices.

Advocacy and Education on Ethical Corporate Management and Anti-Corruption in 2024

No	Course Name	Target Participants	Training Hours	Participants	Remarks
1	Education on Ethical Corporate Management and Conduct Guidelines	Directors and Employees (including Managers)	0.15 hr/participant	1,906	Online
2	Anti-corruption and Gender Equality Education		0.50 hr/participant	208	Online
3	Training and Awareness on Internal Procedures for Handling Material Information		0.50 hr/participant	348	Online
4	Seminar on Workplace Legal Issues under the DEI Trend		1.00 hr/participant	448	Online
5	Thirty Prohibited Behaviors in the Workplace		1.00 hr/participant	1,936	Online

Grievance and Reporting System

To implement SKS's code of conduct for ethical corporate management and to ensure the legitimate rights and interests of complainants or whistleblowers, SKS has established the Grievance and Reporting Rules, which applies to SKS's directors, managers, employees, appointees or persons having substantial control over SKS. The Rules stipulate the procedures for receiving and investigating complaint reports, set up a dedicated unit and an independent investigation unit, and establish and announce the channels for receiving internal and external complaints via e-mail or written submission, on the corporate website and intranet for internal employees and external personnel. The identity of whistleblowers is kept confidential, and it is strictly forbidden to impose unfavorable personnel measures on internal staff whistleblowers. Additionally, we are also open to anonymous reports to actively prevent unethical, cheating, and criminal behavior. Upon receiving a major complaint (reporting) case, it should be reported to the president and approved by the president for processing.

For more details, please refer to Chapter 5.1 Building a Happy Workplace - Complaint and Communication Channels

Handling of Negative Messages or Incidents in 2024

I. In 2024, the Company received two labor-related penalties, which are detailed as follows:

1. Case No. 1130244412, issued by the Ministry of Labor: Due to the high volume of troubleshooting cases on the date in question, the Company failed to provide the legally mandated rest time. It was therefore found to violate Article 35 of the Labor Standards Act, resulting in a fine of NT$30,000. The Company cannot schedule fixed breaks for security personnel due to the time-sensitive nature of case handling; instead, breaks are typically granted after cases are fully resolved. Following the sanction, the Company conducted an internal review and enhanced its system by implementing bi-hourly push notifications on security personnel's PNDs, reminding them to take a 15-minute break after 2 hours of work, thus preventing future violations.

2. Case No. 1130194187 issued by the Ministry of Labor and Social Affairs: Due to the geographical distance between the customer's service location and that of the Company, working hours exceeded the legal maximum. The Company was therefore found to violate Paragraph 2, Article 32 of the Labor Standards Act and fined NT$50,000. To prevent recurrence, the Company plans to provide alternative security service plans for remote clients, thereby avoiding situations where extended travel leads to violations of working hour limits.

II. In 2024, the Company received one penalty for violating the Occupational Safety and Health Act. The incident, cause, and corrective actions are detailed as follows:

1. Incident and Cause:

A sales colleague was conducting an on-site inspection at a newly contracted client's construction site. While crossing a drainage ditch at the driveway entrance, the employee stepped on a water puddle, slipped, and sustained a foot injury that required hospitalization. The competent authority fined the Company NT$60,000 for violating Article 21 of the Occupational Safety and Health Facilities Regulations and Subparagraph 13, Paragraph 1, Article 6 of the Occupational Safety and Health Act.

2. Corrective Actions:

(1) The accumulated water was cleared, and a cover was installed over the drainage ditch.
(2) During morning and evening briefings, employees are now reminded to carefully assess site safety conditions during inspections, briefings, and acceptance procedures. They are advised to avoid hazards such as potholes, drainage ditches, puddles, gravel, and construction materials, and to ensure safety before proceeding on foot.

2.5 Risk Management

Risk Management

On August 12, 2021, the Board of Directors passed a resolution establishing the SKS Risk Management Policy and Procedures. The Procedures guide the Company to achieve its sustainable development goals by implementing risk management checks and balances and reducing potential operational risks.

The Company's risk management covers a wide range of risks associated with business operations, including market, operational, financial, investment, compliance/contractual, information technology, human resources, occupational hazards, environmental, and other risks. The processes of risk identification, assessment, monitoring, and reporting are executed accordingly and are adjusted in a timely manner in response to changes in the external environment and internal operations.

Risk Management Operations in 2024:
https://www.sks.com.tw/FileUploads/Document/2024年新光保全風險管理運作情形 1219.pdf

Risk Management System and Organizational Structure

To strengthen corporate governance and risk control capabilities and to continually optimize risk management policies and procedures, the Company established an interdepartmental Risk Management Task Force. The task force adopts a top-down approach to identify major risks to the organization and allocates resources to manage such risks using focused and effective strategies.

Board of Directors
Risk Management Task Force (Under the Sustainable Development Committee's Corporate Governance Team)
Audit Office
Convener
Executive Secretary
Heads of Various Departments
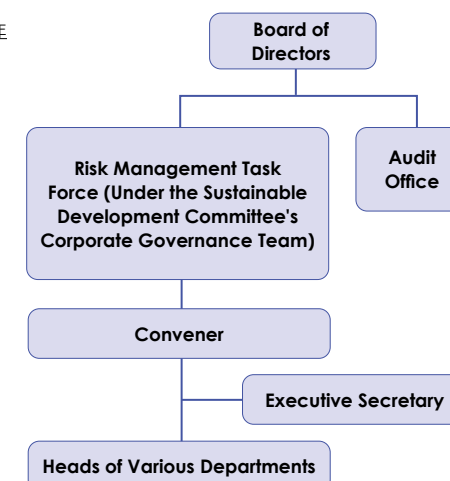
Risk Supervision

Board of Directors

The highest decision-making unit for risk management of SKS; responsible for the approval, review, and monitoring of the Company's risk management policies, to ensure their effectiveness.

Risk audit

Audit Office

Prepares the audit plan and execution methods in accordance with the Company's risk management policy and assessments; provides timely improvement suggestions; and promotes annual self-assessment operations for each unit's internal control systems to facilitate effective risk control.

Risk Management

Risk Management Task Force

The unit responsible for executing risk management; reviews the robustness of the Company's mechanisms related to significant risks, including those affecting operations, finance, and strategy; and monitors each unit's risks in accordance with the *Risk Management Policy*.

Risk Control

Relevant Departments and Offices

Responsible for analyzing and monitoring risks within the specific unit; conducts risk planning; establishes management standards to ensure the effective implementation of risk control mechanisms and procedures.

Risk Alert Assessment Process

Step1 Risk Identification	Identify sources and items of risk.
Step2 Risk Measurement	Assess the likelihood of risk occurrences and the potential losses.
Step3 Risk Monitoring	Monitor whether risks exceed predetermined risk limits.
Step4 Risk Reporting & Disclosure	Maintain complete documentation of risk management procedures and outcomes. This information is reported to the Board of Directors, and disclosed on the corporate website or in the annual general meeting report.
Step5 Risk Response	After assessing and consolidating risks, appropriate response measures should be taken, such as avoidance, transfer, mitigation, or acceptance.

Risk Management Mechanism

Every year, the risk management team compiles risk identification information from each department and convenes a Risk Management Task Force Meeting. This meeting reports to the Board of Directors on its operations at least once a year to ensure the effective implementation of the Company's risk management system.

Management system

- Revise the Company's Risk Management Policy and Procedures as necessary annually.
- Perform risk assessments for each department and office annually.
- Convene a Risk Management Task Force Meeting annually.
- Report to the Board of Directors on the year's operations annually.
- Emerging Risk Management Mechanism: Risk Identification - Risk Measurement - Risk Monitoring - Risk Reporting & Disclosure - Risk Response. Risk assessment criteria are based on the likelihood of occurrence and the degree of impact for each risk.
- The Audit Office assists in formulating the following year's audit plan or conducting special reviews for significant annual risks.

Implementation effectiveness

- Performed risk assessment in April 2024 and identified five significant risks for the year: HR risk, operational risk, operational hazard risk, compliance/contract risk, and information technology risk.
- The Risk Management Task Force convened a meeting in October 2024. Committee members provided recommendations on the risks and response measures submitted by each department. Relevant responsible units were instructed to implement and continuously monitor the risk status to ensure the effectiveness of the risk control mechanisms and procedures.
- In November 2024, the risk management operations for the current year were reported to the Board of Directors.
- Updated the corporate website with the implementation achievements for the year in December 2024.

Future planning

- Each department and office reviews the newly added control mechanisms from the previous year, together with the existing mechanisms.
- The scope of the SKS Risk Management Policy and Procedures is planned to be extended to subsidiaries starting in 2027.

Significant Risk Identification Results and Mitigation Measures

Dimension	Risk	Countermeasures
Economics/ Governance	Operational Risk	1. Update technology, take out insurance to transfer risk, supply diverse products, and assign personnel for on-site risk and value assessments to minimize the possibility of loss. Establish monitoring mechanisms, continuously track risks, and make timely adjustments to policies to cope with the changes. 2. Machinery and Material Management Regulations and Procurement Management Regulations are in place to categorize domestic and international machinery and material procurement into planned, project-based, and emergency requisitions. Appropriate safety stock levels are determined for the main warehouse and sub-warehouses. Evaluate the impact of quality and delivery times with suppliers before transactions and verify the actual situation.
	Operational Hazard Risk *For more details, please refer to Chapter 5.3 Healthy and Safe Workplace - Shin Kong Security Occupational Safety and Health Policy*	Continue to implement the ISO 45001 Occupational Health and Safety Management System through operational risk management measures, including complying with the Occupational Safety and Health Act requirements, strengthening occupational safety and health education and training, implementing risk assessment and management, promoting health management, and continuously improving occupational safety and health performance.
	Compliance/Contract Risk	1. Implemented internal control mechanisms and conducted regular audits through the Audit Office to ensure that all personnel and operations comply with relevant laws and company regulations. 2. Strengthened compliance training for all employees and conducted case-based awareness campaigns on incidents involving non-compliance with legal or contractual obligations.
	Information Technology Risk *For more details, please refer to Chapter 2.6 Digital Resilience*	1. Implementation of Information Security Measures: Achieved ISO 27001:2022 certification for the new-year scope covering "Control Center & Customer Service Center Operations and Security Service System Development & Maintenance." 2. Information Security Framework and Regulatory Management: Established an Information Security Office and appointed a Chief Information Security Officer (CISO). Bi-weekly information security meetings were held to track and follow up on action items, and external information security consultants were engaged to assist in developing security policies and conducting external audits. 3. Ongoing Enhancement of Defense Capabilities: Strengthened the Company's network architecture for enhanced information security, reinforced layered defense mechanisms for vulnerability detection and attack prevention, implemented threat detection and response services, adopted cloud system protection, expanded high-availability system clusters, conducted regular vulnerability scans, improved secure coding practices, and ensured software patching to mitigate security risks. 4. Employee Information Security Training: Conducted regular social engineering drills, provided ongoing general information security training, and developed information security software and project management talent to enhance the team's overall information security capabilities.
Social	HR Risk *For more details, please refer to Chapter 5.1 Building a Happy Workplace*	Enhancing the employee experience and improving labor conditions to retain talent, including: 1. Enhanced parental benefits: In line with national policies addressing low birth rates, employees are entitled to an additional day of pregnancy checkup accompaniment and paternity leave. Moreover, the childbirth subsidy provided by the Employee Benefit Committee has been increased from the current NT$2,000 per child to NT$6,000 per child. 2. Uniform improvement: Commencing from 2024, uniforms will transition to eco-friendly yarns, with summer uniforms featuring cooling materials to reduce discomfort during work hours. 3. Salary increase: Proactively addressing the issue of minimum wage and adjusting salaries accordingly in compliance with government laws and policies. 4. Optimization of working environment: Endeavoring to identify shaded areas with adequate ventilation as standby points for mission vehicles, and regularly sending push notifications to remind employees to take breaks.

Internal Control System

The internal audit unit of Shin Kong Security is established as an independent entity directly reporting to the Board of Directors. Its primary function is to support the Board of Directors and management by evaluating and reviewing the deficiencies in the internal control system and assessing operational effectiveness. Additionally, it offers timely suggestions for improvement to ensure the continuous and effective implementation of the internal control system. It also serves as the foundation for reviewing and revising the internal control system and issues the Statement of Internal Control System. The Audit Office formulates an annual audit schedule plan in compliance with the law, which is implemented upon approval by the Board of Directors. The results of these audits are submitted to each independent director for monthly review, and the Chief Auditing Officer presents reports on audit operations during regular meetings of the Board of Directors.

Internal Auditing Procedures

Planning Stage	▪ Conduct risk assessment with reference to the current year's internal control deficiencies + statutory mandatory inspection items. ▪ Formulate the audit plan for the following year. ▪ Board of Directors resolution.
Execution Stage	▪ Identify internal control deficiencies of abnormal events. ▪ Fully communicate with the inspected unit. ▪ Make suggestions for improvement.
Tracking Improvements	▪ Propose improvement measures. ▪ Report on improvements. ▪ Track reviews until improvements are completed.

2024 Internal Audit Operations

Total audits amounted to 90 cases in 2024	As of December 31, 2024, a total of 21 items have been rectified, with one item under ongoing follow-up. The remaining item is scheduled for completion by the end of June 2025, in line with the information system development timeline.	The Company's audit focuses on several key areas, including the operating procedures of the eight major internal control cycles, regulatory compliance checks, and internal control operations of our subsidiaries. Additionally, in accordance with the Regulations Governing Establishment of Internal Control Systems by Public Companies of the Executive Yuan's Financial Supervisory Commission, we have also established procedures for Internal Accounting Controls, Internal Management Controls, and Internal Audit Implementation Rules. These guidelines encompass eight major cycles of control operations and 19 internal management systems.
22 deficiencies; all of which were non-material		

Eight Major Internal Control Cycles

Sale and receipt cycle

Production cycle

Purchase and payment cycle

Research and development cycle

Eight Major Internal Control Cycles

Labor and wage cycle

Finance cycle

Property, plant and equipment cycle

Investment cycle

Audit Focus for 2025	1. Legal (law, regulation, bylaw) compliance matters.
	2. Audit of derivative product transactions
	3. Control activities for major financial or business activities, such as for acquiring or disposing of assets, extending loans to others, granting endorsements or guarantees for others, and management of related party transactions.
	4. Supervision and management of subsidiaries.
	5. Management of the Board of Directors and functional committee meetings.
	6. Management of financial accounting and financial statement preparation, including managing the application of International Financial Reporting Standards (IFRSs), procedures for specialized accounting judgments, and processes for making changes in accounting policies and estimates.
	7. Personal data security maintenance operations.
	8. Information security check operation.
	9. Sustainable information management operations.
	10. Major operating cycles, such as the sale/receipt cycle and the purchase/payment cycle.
	11. Handling complaints and projects.
	12. Handling annual internal control self-assessment.

Intellectual Property Risk Management

Since 2009, SKS has implemented the Taiwan Intellectual Property Management System (TIPS) and obtained certification as a qualified TIPS enterprise. In 2010, the Company established the Intellectual Property Review Group and implemented an IP management system. The primary assets under management include patents, trademarks, copyrights, and trade secrets. During the initial phase, the Company actively participated in the TIPS certification process and became a qualified TIPS enterprise, and it has also frequently shared its experiences through events organized by the Institute for Information Industry. TIPS has been in operation at SKS for over 15 years, fostering a correct understanding of intellectual property among employees.

Since 2014, IP management has been integrated into the Company's internal control system as one of the mechanisms to mitigate operational risks. Although the Company has not reapplied for formal certification, it continues to uphold the PDCA (Plan-Do-Check-Act) management cycle by conducting internal IP audits and self-assessments annually, the results of which are reported to the Board of Directors at the end of each year.

Through structured annual IP training and interviews, the Company ensures that all departments remain familiar with the IP management system. Combined with periodic internal self-assessments, this process helps verify the effectiveness of the relevant responsible units. In the 2024 internal self-assessment, four departments were evaluated based on issues identified in the 2023 IP management system. A total of 11 items were audited, with two recommendations issued across two departments. All recommendations were related to document control. These will be re-examined during the 2025 TIPS internal self-assessment to further refine the document control process.

2024 Policies, Goals, and Recommendations

IP Management Policy	2024 IP Strategy	2024 IP Goals
■ Protect the company's innovation results	Diverse protection	Diversify IP applications 1. Product development combined with patent invention 2. Increase the scope of protection for R&D products and patents
■ Increase employees' IP knowledge	Strengthen IP awareness	Optimize the secrets management system 1. Verify each unit's secret documents list 2. Implement secrets management and carefully examine information security management measures
■ Avoid the occurrence of violation risks	Systematically optimize risk management	Periodic inspections and risk management 1. Peer industry IP monitoring 2. Continuous internal audits of IP management

IP Goals

- ■ Diversification of IP applications
  1. Product development combined with patent invention.
  2. Increase the scope of protection for R&D products and patents.
- ■ Optimization of the secrets management system
  1. Verify each unit's secret documents list.
  2. Implement secrets management and carefully examine information security management measures.
- ■ Optimization of the secrets management system- Periodic inspections and risk management..
  1. Peer industry IP monitoring.
  2. Continuous internal audits of IP management.

Expected Benefits

- ■ By encouraging internal project development, the Company can more actively submit patent applications, which will in turn improve the Company's patent protection.
- ■ Increase the comprehensiveness of risk management and the possibility of assessment bonus points.
- ■ Assess the feasibility of implementing SKS's trade secret management, and subsequently expand the scope of management based on the results .
- ■ Actively monitor and defend against patent litigation risks.
- ■ Promote the implementation of the IP management system.

Implementation Results

- ■ Internal authorized units and patent processors were interviewed, discussing potential patents within the scope of their work. In 2024, the total number of draft patents reached 6, all of which were utility model patents.
- ■ In-depth interviews were conducted with a total of 6 units (Planning Office, Control Center, Training Center, Customer Service Center, Human Resources Department, Office of Legal Affairs). During the interviews and meetings, they discussed and confirmed the management requirements for confidential documents within their units.
  1. As of the end of December 2024, the Company held a total of 4 peer industry patent risk monitoring meetings. The meetings discussed cases of peer industries perceived as impacting SKS's business scope, aiming to avoid violating others' patent rights.
  2. On October 8, 2024, the company completed its internal audit of the intellectual property management system.

Intellectual Property Achievements Over the Years (as of 2024)

Category	Taiwan (No. of Cases)	Other Countries (No. of Cases)	Total
Patent Rights	73	2 (Japan*1, China*1))	75 (Invention*51, Utility Model*16, Design*8)
Trademark Rights	150	26	176

Annual IP Achievements

Patents	9 approved patents (3 inventions, 6 utility models) 6 patent applications filed in 2024	Trademarks	A total of 7 items and 33 approved trademarks

In 2024, SKS's intellectual property (IP) management strategy focused on three key pillars: "diversified protection, enhanced IP awareness, and system-based risk management." The primary management emphasis was on aligning with the Company's IP policy and deepening the understanding of IP responsibilities among relevant units through internal training, with the aim of reducing IP-related risks. To implement the IP management policy, in 2025, the Company plans to strengthen foundational competencies related to patents, trademarks, and trade secrets. Efforts will focus on improving employees' IP knowledge and preventing infringement risks.

2.6 Digital Resilience

Information Security Risk Management

- In 2024, there were no information security incidents that had a material impact on the Company's finances, involved data breaches, or affected customer trade secrets or personal information.

Information Security Assurance Statement

To maintain customer information security and implement information risk management, and to meet the service requirements for system security urgency, immediacy, and thoroughness, SKS's 24-hour control center has passed ISO 9001 Quality Management System Certification and ISO 27001 Information Security Management Certification. The Company follows the NIST framework principles of Identify, Protect, Detect, Respond, and Recover to ensure the confidentiality and security of information and to prevent information attacks.

Additionally, SKS has established the Information Systems and Related Equipment Disaster Recovery Plan. This establishes preventive measures and recovery plans for incidents such as power system faults, communication line failures, host equipment and system damage, malware intrusions, hacker break-ins, and human factors. Disaster recovery drills are held periodically, and important data is backed up and stored off-site to protect customer data and maintain normal information management operations, thereby providing secure and efficient customer services.

Taiwan Shin Kong Security Co., Ltd., President

HUNG, KUO-CHAO

Scope of Information Security Policy

All SKS employees, business partners, outsourced service providers, visitors, and users of the Company's services.

Risk Management Structure of Information Security

SKS has established the Information Security Promotion Committee to review and promote matters related to information security management. They report regularly to the Board of Directors on the Company's overview of information security governance. The latest report date is December 12, 2024.

The Information Security Promotion Committee has a management representative who is also the chairman of the Committee. This role is filled by the Chief Information Security Officer. The Committee members are the heads of implementation and supporting units, and internal and external experts and consultants may be appointed for assistance in accordance with the Company's operational and management needs.

Additionally, the Information Security Working Team, formed of information security representatives from each department, is established under the Information Security Promotion Committee to oversee the planning and implementation of information security operations. The Information Security Audit Team is also established to be in charge of formulating and implementing the internal (including subsidiaries) and supplier audit plans for information security, and tracking the implementation of deficiencies.

Information Security Promotion Committee

I. Scope of Information Security Policy

All SKS employees, business counterparties, outsourced service providers, visitors, and users of the Company's services.
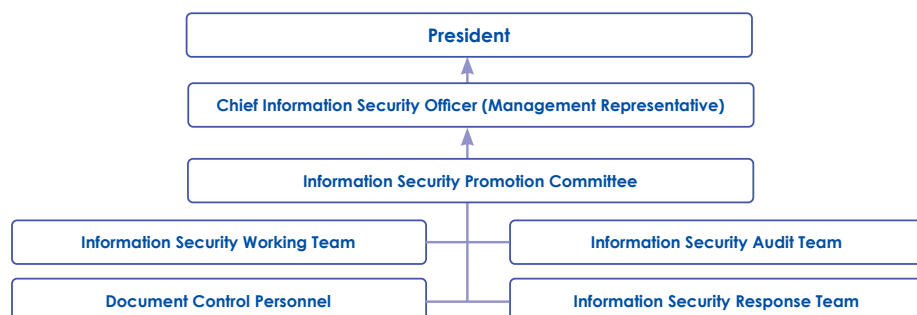
II. Information Security Policy

SKS has appointed a management representative to establish the Company's Information Security Promotion Committee, which is responsible for the formulation of information security policy. The Company's information security policy is reviewed and approved by the management representative, and subsequently approved by SKS's President for promulgation and implementation.

SKS's information security policy: Establish awareness of information security among all employees, and maintain the confidentiality, integrity, and availability of customer information through operational management and technical means, to ensure the privacy of customer information, enhance the security of corporate and supply-chain information, and ensure public trust, thereby strengthening SKS's brand value.

III. Information Security Specific Management Plan

Goals for Information Security Management

To achieve the goals of information security management, SKS has established the information security management system with reference to the requirements of the ISO 27001:2022 international standards. Furthermore, we have taken appropriate measures to protect important information and communications assets that fall within the scope of our information security management system, to ensure their confidentiality, integrity, and availability. This ensures the smooth and secure execution of all duties, to provide customers with excellent services that meet their needs for information security management.

The Information Security Promotion Committee reviews and evaluates the Company's information security management goals annually and proposes suggestions for amendments, which are then submitted to the management representative for review and approval. The review and evaluation of information security management goals are based on the following criteria:

1. The confidentiality, integrity, availability, and legal compliance of business (information) and services.
2. Restricted data protection.
3. Risk identification, assessment, and treatment.
4. Handling of information security incidents.
5. Information infrastructure, information system, and data backup management.
6. Management of account password settings.
7. Management of information security incidents disclosed by the media.
8. Management of business continuity planning drills.
9. Management of unplanned operational downtime.

Information Security Management Measures for Day-to-Day Operations

With reference to the ISO 27001:2022 standard and other international information security management frameworks that are with high credibility, we have established a standard procedure, i.e., the Plan-Do-Check-Act (PDCA) cycle, to continuously improve our management system.
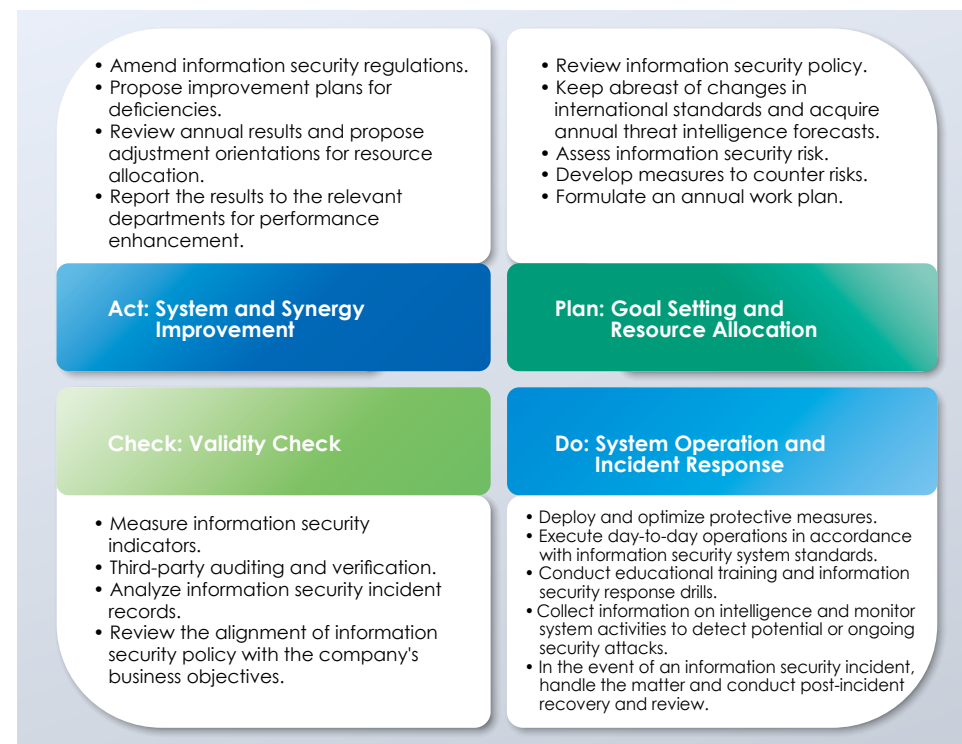
- Keep abreast of changing trends in the information environment, and refer to both technical literature and adjustment orientations of international laws and regulations, to assess the appropriateness of our information security policy and develop information security protection mechanisms and programs.
- Reduce information security risks by deploying endpoint protection, anti-malware systems, firewall security policies, and mail security control mechanisms, and by regularly updating operating systems and patching vulnerabilities through a multi-level defense structure with defense-in-depth design.
- Perform security testing, information and communication security health diagnosis, and social engineering drills every year to strengthen information security personnel's abilities to prevent crises and stop them from spreading.
- Conduct annual information security educational training for all employees, along with occasional social engineering drills conducted every year starting January 2019, and publish occasional information security notices to enhance employees' awareness of information security and to minimize the information security risk caused by human behavior.
- Conduct periodic audits on information security management, implement corrective measures for deficiencies, and track them until process completion.
- Formulate information security incident notification mechanisms and emergency handling operation manuals. In the event of an information security incident, internal and external notifications will be made in accordance with the incident level; and an Information Security Response Team will be formed to assess the scope of incident impact, perform damage control and subsequent incident investigation, etc. Doing this reduces both the scope and the duration of operational impacts, with priority given to maintaining customer interests.

25

■ Join TWCERT, a joint defense organization, to continuously acquire threat intelligence and take protective measures accordingly.

IV. Resources Invested for Information Security Management in 2024

1. Established an Information Security Office and appointed a Chief Information Security Officer (CISO); irregularly convened Information Security Task Force meetings to track and manage work items.
2. A total of 18 Information Security Task Force meetings were held in 2024.
3. Engaged external information security consultants to assist in formulating security policies and conducting external audits.
4. Conducted general information security awareness training for employees; developed information security software and project management professionals to enhance the team's overall technical capabilities.
5. Implemented Managed Detection and Response (MDR) for continuous threat detection and monitoring.
6. Procured vulnerability scanning software for regular scans.
7. Regularly conducted social engineering and system penetration tests to strengthen system defense capabilities.
8. Annual update of source code inspection software: Reinforced source code information security inspection to prevent the development of program vulnerabilities.
9. Adopted cloud-based e-mail protection services to defend the Company against unknown malware and virus attacks.
10. Procured firewall Intrusion Prevention System (IPS) modules to enhance intrusion detection and prevention.
11. Implemented Network Access Control (NAC) to integrate IP management, control end-user program installation privileges, prompt update reminders, and issue alerts for abnormal IP activity.

V.In 2024, there were no information security incidents that would result in a material financial impact on the Company.

Information Security Assurance Statement

To maintain customer information security and implement information risk management, and to meet the service requirements for system security urgency, immediacy, and thoroughness, SKS's 24-hour control center has passed ISO 9001 Quality Management System Certification and ISO 27001:2022 Information Security Management Certification. The Company follows the NIST framework principles of Identify, Protect, Detect, Respond, and Recover to ensure the confidentiality and security of information and to prevent information attacks.

Additionally, SKS formulated the Information Security Management Regulations and the Disaster Recovery Plan for Information Systems and Related Equipment in 2009. These establish preventive measures and recovery plans for incidents such as power system faults, communication line failures, host equipment and system damage, malware intrusions, hacker break-ins, and human factors. Disaster recovery drills are held periodically, and important data is backed up and stored off-site to protect customer data and maintain normal information management operations, thereby providing secure and efficient customer services.

Information Security Incident Notification

2025 Information Security Work Plan and Goals

Goal: Implement information security governance and risk control to enhance team awareness and defensive capabilities, strengthen threat monitoring and response mechanisms, and continuously optimize the defense system to ensure operational security and build customer trust.

I. Regulatory aspect: Implement Information Security Governance

1. Strengthen supply chain and product information security management to ensure that partners and products comply with information security requirements.

2. Continuously optimize internal control, risk management, and operational procedures to ensure that information security policies comply with regulations and address emerging risk trends.

3. Attain ISO 27001:2022 certification to enhance standardized information security management capabilities for the Control and Customer Service Centers.

II. Management aspect: Risk Control and Enhancement of Information Security Awareness and Defense Capabilities

1. Continuously collect information security management data and monitor key indicators to promptly respond to potential risks.

2. Optimize system configuration and architecture management to reduce information security vulnerabilities and enhance system security.

3. Continuously promote information security training and professional talent development, covering general information security knowledge, project management, and business-related regulations to improve the team's overall information security awareness and defense capabilities.

III. Technical aspect: Strengthen Threat Monitoring and Response Mechanisms; Continuously Optimize the Defense System

1. Regularly conduct vulnerability scans, social engineering tests, and penetration tests to identify and remediate system vulnerabilities, thereby continuously optimizing defense capabilities and improving the information security protection framework.

2. Deepen defense in depth architecture by strengthening multi-layered security mechanisms to enhance overall information security resilience.

3. Promote the establishment of a Security Operations Center (SOC), and progressively adopt a Zero Trust Architecture based on business needs and available resources.

Information Lifecycle Management

1. Data creation: Based on electronic security services, SKS regularly receives sensor signals from customers.

2. Data management: The Company's system analyzes and processes incoming signals, and the processed information is provided to mobile personnel to support subsequent response actions and customer service.

3. Data retention: All data is stored in the corporate database, with regular backup and recovery drills implemented to ensure data integrity and availability. Backup data is stored at an off-site location to reduce the risk of disasters.

4. Data access: Control center personnel can access data and respond in real time to abnormal signals. The Customer Service Center is responsible for retrieving relevant customer information to promptly address inquiries and support requests.

Data Protection Impact Assessment

A Data Protection Impact Assessment (DPIA) is a process of assessing the potential impact of specific activities on the protection of personal data, aiming to identify and analyze risks and to take measures thus needed to mitigate identified risks.

The Company conducts DPIA for the personal data it manages, covering the following specific steps:

1. Risk identification: We regularly take an inventory of personal data to identify assessments and types of personal data involved.

2. Risk analysis: Conduct risk assessments on data access permissions, scope of data processing, and data volume, and formulate appropriate information security protection strategies based on the assessment results.

3. Adopting measures: Enhance website information security mechanisms and implement strict access control to ensure the security and compliance of personal data.

Customer Trust

Core Goals and Visions/

At SKS, the principle of "Customer First" lies at the heart of our operations. We are committed to delivering professional, reliable, and innovative security services that have earned the deep trust of our clients. Our core objective is to exceed customer expectations by providing high-quality service experiences and continuous innovation, and by safeguarding lives and property in an ever-changing environment. Looking ahead, SKS will continue to enhance the value of our services and strengthen our technological capabilities as we strive to become the most trusted security partner in the eyes of our customers. We will join hands with our customers and work together to build a safer and more sustainable life.

GRIs Corresponding to Sustainability Material Topics/

GRI

418 Customer Privacy

Chapter Highlights/

3.1 Sustainable Business Development

3.2 Customer Health and Safety

3.3 Customer Relationship Management

Key Sustainability Actions

Sustainability Material Topic Description

Topics	Significance to SKS and Management Objectives	Management Policies	Possible Impacts on SKS	Corresponding SDGs	Corresponding GRIs	Corresponding Chapters
Privacy Protection	Ensuring customer data and privacy protection through privacy management measures.	1. SKS has established the Personal Data File Security Maintenance Plan and Post-Termination Data Handling Policy as well as the Personal Data Security Management Measures. Additionally, the Personal Data Protection Task Force convenes at least once annually. 2. Each department conducts annual personal data inventory checks, risk assessments, and self-evaluations. 3. The Audit Office performs audits of personal data protection management at least once every 6 months. 4. Compliance and business-related training sessions are held for both new hires and current employees on an irregular basis. 5. All vendors involved in the collection, processing, or use of personal data are required to sign a Personal Data Protection Undertaking.	The Company possesses a huge amount of user personal data, and if such data is inadvertently leaked, the Company will bear legal responsibility and suffer severe damage to its reputation.	4 16	418	3.3 Customer Relationship Management

3.1 Sustainable Business Development

Innovative Technologies Driving the Sustainable Transformation of Smart Cities

Guided by the core philosophy of AI-powered Urban Operations, SKS leverages cutting-edge technologies, including Artificial Intelligence (AI), the Internet of Things (IoT), and cloud platforms, to develop smart city solutions that help governments, businesses, and communities build safer and more sustainable living environments. Through four key strategies—Smart Transportation, Smart Care, Smart Management, and Smart Buildings—SKS integrates software and hardware technologies to enhance operational efficiency and reduce carbon emissions, aiming to realize a vision where smart cities and environmental sustainability coexist in harmony.

1. Smart Transportation: Promoting Green and Low-Carbon Transportation

   In response to the global net-zero transition and the government's push for full electrification of new cars by 2040, SKS is advancing EV charging infrastructure and LiDAR-based parking management systems to deliver unmanned and precise transportation solutions. These smart technologies enhance parking efficiency and traffic flow management, reduce vehicle carbon emissions, and optimize energy use, thereby supporting the development of sustainable smart cities.

2. Smart Care: Advancing Public Health and Comprehensive Care

   To address the shortage of medical staff in healthcare institutions, SKS has introduced automated guided vehicles (AGVs), management platforms, and digital queue display systems to optimize smart hospital operations. The Company also continues to expand telecare services and promote community and in-home health management in alignment with the government's Long-Term Care 2.0 policy and the growing demand for smart healthcare. These efforts aim to ensure equitable access to medical services in an aging society and improve overall public health and well-being.

3. Smart Management: Enhancing ESG Building Operations and Carbon Monitoring

   In response to the gradual implementation of carbon fees under the Climate Change Response Act, SKS offers the Intelligent Building Management System (iBMS), which utilizes Digital Twin technology for real-time monitoring to help businesses and property owners achieve their energy-saving and carbon-reduction goals. SKS's smart facility management systems also improve property management efficiency, enhance leasing performance, and lower operating costs, thereby empowering companies to implement ESG-driven sustainable practices.

4. Smart Buildings: Improving Construction and Fire Safety

   To strengthen construction site safety management, SKS integrates spatial measurement with mapping overlay technologies for real-time risk detection. Augmented reality (AR) is also employed to enhance visualized management and reduce the likelihood of accidents. For fire safety, SKS provides fire equipment and hazardous material location technologies that enable first responders to rapidly assess on-site conditions; this boosts emergency response efficiency and ensures the safety of personnel and facilities.

Smart Living and Information Security Protection

SKS is committed to advancing smart living and information security by promoting green lifestyles and digital safety. We strive to deliver innovative, secure, and efficient smart solutions that cater to the diverse needs of modern households and businesses.

iHome3 Smart Home Management System

The iHome3 system integrates safety management, scenario-based control, smart disaster prevention, smart energy efficiency, remote access, and community features into a single platform. Mobile device integration enables users to monitor their home status at any time, enhancing both residential safety and convenience.

Year	2024	2023	2022
Number of Units Sold	612	118	428

Smart Home Wireless Security System

Designed with wireless technology, the system requires no alteration to existing interior decor and can be seamlessly integrated with surveillance cameras, disaster prevention devices, and various security services. A mobile app allows users to monitor their home security status at any time, creating a home protection solution that combines safety with convenience. As of the end of 2024, the system had served a total of 34,925 households.

Year	2024	2023	2022
Number of Users (Household)	34,925	31,800	28,153

AI Smart Image Protection System

In 2022, SKS launched the AI Smart Image Protection System, which utilizes artificial intelligence to detect intrusion events in real time and emits an audio alarm to deter unauthorized activities and reduce property losses. Abnormal signals are simultaneously sent to the Control Center for verification before notifying users, which minimizes false alarms. Additionally, users can independently monitor and manage their security status via a mobile app to stay informed in real time. As of the end of 2024, the system had served 1,759 households with a total of 3,244 installed devices.

Year	2024	2023	2022
Number of Users (Household)	1,759	1,435	1,275
Total Number of Installed Units	3,244	2,571	1,878

Note: The table data has been updated to reflect the number of households served in 2022, 2023, and 2024, and the total number of installed units has been added.

Network Security Service

With the advent of the AIoT era, internet applications have become increasingly diverse, and data transmission across networks is growing more common. In response, SKS offers entry-level information security services tailored for small and medium-sized enterprises. These services are designed to help businesses safeguard critical data and user privacy, mitigate information security risks, and ensure a secure and stable operating environment.

Year	2024	2023	2022
Number of Users (Household)	197	227	269

iBMS Maintenance Management System Platform

SKS partnered with technology vendors to co-develop the iBMS Smart Maintenance Management Platform. Utilizing AI-based monitoring and equipment management, the platform supports businesses and institutions in achieving their energy-saving and carbon-reduction goals.

The platform offers the following core features:
- Equipment Information Management: Stores and manages comprehensive equipment data to ensure transparency in maintenance operations.
- Inspection and Maintenance History Tracking: Facilitates inspection planning, monitors repair progress, and enhances management efficiency.
- 3D Visualized Management: Enables real-time monitoring of building facilities through 3D modeling for improved accuracy and operational convenience.

The iBMS platform has been successfully integrated at Shin Kong Wu Ho-Su Memorial Hospital and the Jianbei Building and is now officially in operation, helping these organizations establish more efficient and energy-conscious operational models.

Smart Catering Ecosystem

SKS has expanded into the smart retail operations sector by launching the PoSS (Platform of Smart Store) Smart Catering Ecosystem. In collaboration with cross-industry partners, SKS delivers comprehensive smart marketing solutions to help merchants enhance operational efficiency.

The PoSS system offers a range of applications, including:
- POS Device Integration: Supports desktop, tablet, handheld, and self-checkout (Kiosk) systems.
- Delivery and Ordering Management: Links with food delivery platforms, supporting QR code self-ordering, mobile remote ordering, and reservation functions.
- Versatile Business Applications: Easily adaptable for various business formats—from brick-and-mortar stores to mobile food trucks—to meet the needs of diverse entrepreneurs.

Through digital transformation and intelligent management, SKS is dedicated to improving store operations, providing entrepreneurs with efficient and user-friendly marketing management solutions, and driving innovation in the smart dining market.

Year	2024	2023	2022
Number of Users (Household)	1,589	1,341	1,264

Fulfilling Social Responsibility and Strengthening First Aid Awareness

AED (Automated External Defibrillator)

AED (Automated External Defibrillator), commonly known as an automated defibrillator, can terminate arrhythmias and restore normal heart function. When used in conjunction with correct CPR measures, it can increase the success rate of first aid. In 2013, the government passed amendments to the Emergency Medical Services Act, requiring AED devices to be installed in public places. Furthermore, in the spirit of "no penalty for saving lives," first aid actions have been decriminalized, and nationwide CPR promotion has been initiated, encouraging people to lend a hand promptly and not leave regrets in critical moments.

Through its subsidiaries, SKS promotes the sale and maintenance of AEDs and has established a comprehensive AED Maintenance System to ensure that equipment is always in optimal working condition. The system supports real-time task communication and dispatch services, which significantly improve the efficiency of routine AED maintenance and troubleshooting and consequently ensure that devices deliver optimal performance at critical moments. To promote this business, all employees have received CPR and AED first aid training. In addition to regular CPR and AED training, over 100 colleagues have obtained Basic Life Support Instructor (BLSI) qualifications to meet the service demands. We also provide customers with CPR and AED education and training courses, aiming to create a safe and secure working environment and enhance the well-being and health security of the public.

- In 2024, a total of **18,000** units were sold, and **7** external events were sponsored, with a total of **140** AED devices provided for charity activities.

Year	2024	2023	2022
Number of Sponsored Units for Events	145	85	5

Note: The 2023 sponsorship figure has been updated.

- Details of AED Equipment Sponsorship for External Events in 2024:

Sponsorship of major marathon events (20 units per event)

2/25	Standard Chartered Taipei Marathon 2024
3/10	2024 Taipei Freeway Marathon
4/14	2024 Taishin Women Run
5/4	2024 Taipei 101 Run Up Marathon
9/22	2024 Yung-Ching Wang Run
10/27	EVA Air Marathon 2024
12/15	2024 Taipei Marathon

Other public welfare events

5/25	Grandparents Color Walk organized by the Hondao Senior Citizen's Welfare Foundation (2 units)
6/30	Chio-Tian Cup Tour de Taiwan Ultramarathon (3 units)

3.2 Customer Health and Safety

Care U Cloud-Based Home Care Service

- **Innovative Technology for a Safer Life**

Launched in 2015, SKS's Care U Cloud-Based Home Care Platform harnesses innovative technologies and years of service experience to provide 24/7 emergency response, GPS outdoor tracking, health management, and assistive device sales, offering comprehensive lifestyle support for older adults. The platform ensures that users receive well-rounded care and provides their families with safe and convenient aging-in-place solutions.

Since 2021, the Care U platform has received the Symbol of National Quality (SNQ) certification for 5 consecutive years, demonstrating its outstanding service quality and professional excellence. SKS continues to enhance its business operations while expanding service coverage through business group integration and strategic partnerships. The Company is dedicated to delivering all-encompassing care solutions for older adults and creating a safe living environment where they can enjoy their golden years.

- ## Care U Cloud-Based Home Care Service: Four Core Features

1.Secure Care – 24/7 Safety and Protection

Through the Secure Care Main Unit, older adults can contact the Care Center at any time in the event of an emergency. Health managers provide immediate assistance, including incident handling, ambulance dispatch, notifying emergency contacts, or arranging in-home visits—ensuring round-the-clock protection and peace of mind.

Six major functions

Emergency Notification	The user can request help from the Care Center at any time when facing emergencies at home.
Abnormality Alert	The system automatically senses and notifies the healthcare center when an abnormality occurs in the elders' life at home.
Away-from-home Text Messages	The system automatically sends notifications to family members when the user leaves or returns home.
Medication Reminder	Reminders are scheduled based on the user's medication schedule to ensure that prescriptions are taken on time.
Timed Check-In	Daily check-ins can be set up at fixed times based on the user's routine to enhance their sense of security.
Care and concern	The caregivers regularly contact the elders by phone to check on their security.

2.Health Care – Technology-Enabled Comprehensive Health Management

A professional care team provides end-to-end health management services, allowing the user and their family members to stay informed about the user's health status at all times.

Four major functions

Cloud Management	Measurement data is instantly uploaded to the cloud, allowing family members to check the user's health status at any time.
Abnormality Alerts	• When measurement values are abnormal, registered nursing personnel on the back end will provide timely care and reminders. • The system immediately sends an email to notify users' children.
Care and Greeting Service	Registered nursing personnel regularly contact elders to check on their health status.
Optimized Service	Monthly health data reports are provided to assist with medical consultations and follow-up visits.

3.Mobile Care Watch – Smart Protection and Safety On the Go

Equipped with a smart monitoring system, the Mobile Care Watch offers users 24/7 real-time assistance, providing peace of mind for caregivers and families and ensuring round-the-clock safety protection.

Five major functions

Emergency Alert	The user can immediately request help from the Care Center in emergencies.
Two-Way Communication	Built-in call functions allow the user to communicate directly with the Monitoring Center via the watch, ensuring prompt support.
Real-Time Positioning	Location data is transmitted simultaneously during an emergency alert. The Care Center can remotely activate the GPS function to assist in locating the user.
Fall Detection	Equipped with smart sensors, the watch automatically sends a "fall emergency" alert when a fall is detected, triggering the care response system.
Sedentary Reminder	The system can be set to transmit an "abnormal activity" notification if the user has been sedentary for a prolonged period.

4.Assistive Device Sales and Rentals – Comprehensive Support for a More Convenient Life

SKS offers professional assistive device sales and rental services, along with help in applying for government subsidies. These services are designed to enhance the independence and safety of seniors and individuals with mobility challenges.

Three key features

Assistance with assistive device subsidies at no charge	The project care manager will assist with assistive device assessments, and applications for official documents for subsidies, eliminating applicants' need to do complex administrative tasks.
Home delivery and product installation	Direct home delivery of products and assistance in assembly and instructions on product usage.
Diverse Product Selection	A wide range of assistive devices is available to meet varying needs and ensure the most suitable solutions for each user.

Emergency Rescue Notification Service for Elders Living Alone

To enable high-risk groups, chronic illness patients, elderly individuals living alone with limited mobility, and persons with disabilities to live independently and securely in their familiar living environment, or to receive medical attention in the shortest possible time, Shin Kong Security has established the "Care U Cloud-based Home Care Platform" to provide emergency notification, GPS positioning, and care and greeting services. Regular care visits are also conducted by professional nurses and social workers, to safeguard the safety of elderly individuals living alone at home.

Health Care Implementation

The Care U Cloud-Based Home Care Service continues to expand its reach, with ongoing enhancements to optimize service quality and user experience.

Year	2024	2023	2022
Number of Users (Household)	4,171	3,649	3,150

Elderly Living Alone Service Operation

Year	2024			2023		2022	
Area	Yunlin County	Hualien County	Taitung County	Hualien County	Taitung County	Hsinchu County	Taitung County
Total number of service recipients (emergency alert button notification, ambulance notification, hospitalization notification, hospital discharge notification, watch-assisted GPS positioning)	377	223	471	109	397	85	338

Elders Living Alone Service Satisfaction Survey

In 2024, home visit services received overwhelmingly positive feedback, achieving a satisfaction rate of 99.7%. The Care Center's online guidance services also earned strong trust, with a satisfaction rate of 99.5%. Likewise, the user experience with our devices was rated highly, reaching 99.5% satisfaction. These results reflect our unwavering commitment to providing professional care and high-quality services, giving every user peace of mind, and ensuring reliability.

Item	Content	Satisfaction Rate
Home Visitor	Regular visits are punctual, and the visitors wear company uniforms, providing friendly service with good attitudes.	99.7%
	Regular home-visit health checkups are done to understand the elderly individual's physical condition.	
	Detailed explanation of equipment usage and inspection of the test system usage.	
	Assistance with case referral reporting.	
Healthcare center	Healthcare consultants answer phone calls or reply to messages within 60 seconds, with a friendly and pleasant attitude.	99.5%
	Healthcare consultants provide effective answers and offer health education and counseling.	
	I am satisfied with healthcare consultants' prompt handling of situations.	
Equipment	The home-based host equipment operates steadily and normally.	99.5%
	I am satisfied with the efficiency of maintenance and upkeep for the host equipment.	
	I am satisfied with the overall telecare service.	

Smart Health × Sustainable Innovation

SKS promotes technological innovation and elder care by actively participating in various industry exhibitions. Through these efforts, we enhance health management, smart services, and environmental sustainability while demonstrating our commitment to creating safe, convenient, and inclusive living environments.

Taiwan Assistive Technology for Life (ATLife) 2024

SKS partnered with the Taiwan Access for All Association to jointly promote the elder health industry chain. We introduced in-company health measurement stations that allow employees to easily log their physiological data using simple identification methods; this facilitates real-time care and follow-up from healthcare professionals and enhances workplace health management. Additionally, the AI Smart Customer Service has been further upgraded to integrate diverse care resources, offering a more comprehensive health management solution. The exhibition area also showcased high-performance environmental technologies that reduce waste and carbon emissions, which can be paired with low-energy, noise-free air purification devices to create a clean and safe living environment for the public. Through a dual focus on technology and sustainability, SKS is proactively enhancing senior well-being and building a more age-friendly society.

Healthy Ageing Tech Show 2024

SKS was invited to participate in the Taipei Veterans General Hospital's Smart Aging Technology Pavilion, where we showcased our smart health management and home care systems. These solutions provide 24/7 emergency support and physiological monitoring, ensuring that older adults receive prompt assistance through real-time alert mechanisms in case of abnormalities. In collaboration with community health hubs, SKS installed measurement devices equipped with AI voice assistance, enabling older adults to easily manage their health, receive medication reminders, and access medical consultations. Our Smart Healthy Living solutions were also on display, highlighting the use of green technologies to enhance home safety and environmental performance. This exhibition demonstrated SKS's continued dedication and achievements in the field of smart elder care.

Cares EXPO TAIPEI 2024

SKS partnered with the Taiwan Elderly Care Industry Association and industry partners to jointly create the Aging in Place themed pavilion, which integrated six key domains—health, safety, finance, caregiving, nutrition, and mobility—and linked multiple company booths to promote an age-friendly environment. The combination of 24/7 emergency support and smart health management technologies enables seniors to receive real-time care within familiar community settings. By integrating intelligent technologies, we can improve healthcare services in community hubs and build highly interactive and convenient smart health communities. This event not only showcased industry innovation but also fostered cross-sector collaboration, encouraging dialogue among industries, the government, and academia to promote the sustainable development of the elder health industry.

Healthcare+ EXPO TAIWAN 2024

SKS collaborated with Shinsoft Co., Ltd., Shin-Po Life Care Co., Ltd., and affiliated partners Shin Kong Wu Ho-Su Memorial Hospital and Shin Shin AI Health Clinic to participate in the Healthcare+ EXPO TAIWAN 2024. This joint initiative focused on smart healthcare technologies and ESG business solutions, providing innovative approaches to address the challenges of a super-aged society. The exhibition showcased smart consultation systems, advanced medical devices, and automated navigation and delivery technologies, which comprehensively optimize medical workflows and improve hospital operational efficiency. Smart health management solutions also make home care more accessible and efficient.Emphasizing sustainability, the event featured green technologies and intelligent energy-saving products designed to enhance safety and comfort in both residential and medical environments. Through technological innovation, SKS is unlocking new possibilities in smart healthcare and intelligent living, actively advancing ESG initiatives, and inviting public participation to co-create a smarter, healthier future.

3.3 Customer Relationship Management

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Customer Privacy and Security

- In 2024, SKS had no incidents of significant penalties for personal data breaches.

- In 2024 **51** sessions on personal data protection and compliance advocacy and education were held, with **1,361** participants.

SKS places great importance on the protection of customer data. In accordance with the Personal Data Protection Act and related regulations, the Company has established a comprehensive personal data protection framework. This includes the Personal Data File Security Maintenance Plan and Post-Termination Data Handling Policy, which clearly outlines the responsibilities and obligations of employees when handling personal data. These measures are publicly available on the Company's website to ensure that customers are fully informed of their rights and protections. If a customer suspects a potential data breach, they can report it through the customer service center, through email via the corporate website, or at any regional business office. The receiving unit will notify relevant departments in accordance with the operational risk event reporting procedure to determine whether a personal data breach has occurred. If confirmed, the case will be handled and reported in accordance with the Personal Data *File Security Maintenance Plan and Post-Termination Data Handling Policy.*

Please refer to the Personal Data Security Maintenance Plan and Post-Termination Data Handling Method on the Company's website: https://psee.io/5jyb8k

In 2024, SKS reported no major incidents of customer data breaches and received no penalties from regulatory authorities for inadequate protection of personal data. Additionally, the Company established a Personal Data Protection Task Force, conducted regular risk inventories, and held 51 training sessions—reaching 1,361 participants—to enhance company-wide awareness of personal data protection. SKS has also enacted the Personal Data Security Management Measures, which are publicly available on the Company's website, to safeguard customer rights. If a customer believes their data may have been mishandled, they may report the issue through the customer service center, the corporate website, or business representatives. The Company will then initiate the reporting and investigation procedures in accordance with protocols.

Management system

- Establish the "Personal Data Response Team" to regularly review the appropriateness of regulations related to personal data protection and management.

- Establish the Personal Data File Security Maintenance Plan and Post-Termination Data Handling Policy and the Personal Data Security Management Measures to ensure the security and proper management of personal data, thereby preventing theft, alteration, destruction, or leakage.

- Each department conducts annual personal data inventories, risk assessments, and self-evaluations according to its operational flow, ensuring that all collected data is obtained legally and protected appropriately.

- The Audit Office conducts personal data protection audits at least semi-annually to verify the effectiveness of the management system.

- Periodic internal notices and awareness campaigns on personal data protection laws are communicated to all employees.

- All outsourced vendors with access to personal data are required to sign a Personal Data Protection Undertaking to prevent data breaches.

- Education and training: Since 2011, personal data protection-related education programs have been arranged for all levels of management and employees. Since 2016, regulations and case studies related to the Personal Data Protection Act have been included in new employee training.

Implementation effectiveness

- Training and Education: In 2024, a total of 48 training sessions were held, with cumulative attendance reaching 1,577 participants. These included in-person classes, online courses, and legal case studies.

- In November 2024, the Personal Data Protection Task Force convened to review current systems. This was followed by a company-wide data inventory and risk analysis across all departments in December 2024.

- In 2024, there were no incidents of data breaches or violations recognized by regulatory authorities.

- Personal data protection practices were carried out in accordance with Privacy Impact Assessment (PIA) principles.

1. Due to the needs to perform security duties, SKS collects, processes, and utilizes customers' data such as name, address, national ID number, phone number, etc., related to the performance of the contract, as well as contact information such as phone number, email address, and address for the customer's representative, legal representative, trustee, and contact person, only within the scope of the specific purpose stated in the contract.

2. SKS does not disclose customers' data to any third party, except for the use of such information by governmental agencies as required by law, third-party vendors related to the performance of the Company's services, or other third parties with the customer's consent.

3. We have formulated the Personal Data File Security Maintenance Plan and Handling Methods for Personal Data after Service Termination, and the Regulations Governing Personal Data Security Maintenance. We then handle access control, access rights differentiation, and contract access with the consent of the management unit supervisor, etc. in accordance with these regulations. Additionally, the Audit Office conducts audits on the management of personal data at least once every six months, with an aim to strengthen the security and effectiveness of personal data protection.

4. Customers have the right not to receive marketing, and to request to review, see a copy of, supplement, correct, demand cessation of collection/processing/use, and erase his/her data, which can be exercised by contacting our Customer Service Center. The contact information is disclosed on our corporate website.

Future planning

- Continue to strengthen employees' personal data protection training and awareness to prevent data breaches.

- Continuously enhance the current personal data protection framework in response to regulatory updates and business development needs.

Awareness and Education on the Personal Data Protection Act and the Trade Secrets Act in 2024

Course Name	Mode of Instruction	Training Hours	Participants	Remarks
Personal Data Protection Act	In-person	1 hr/participant	216	Internal training
Head Office Regulatory Compliance Training	In-person	1 hr/participant	26	Internal training
Personal Data Protection Framework Establishment	In-person	6 hr/participant	1	External training
Trade Secrets Act (Regulations and Practical Case Studies)	Online	1 hr/participant	1,118	Internal training
Awareness of the Trade Secrets Act	In-person	1 hr/participant	216	Internal training

Promotion and Education Related to the Personal Data Protection Act and the Trade Secrets Act Over the Past 3 Years

Course Name	2024 (Attendances)	2023 (Attendances)	2022 (Attendances)
Personal Data Protection Act	243	1,401	272
Awareness of the Trade Secrets Act	1,334	1,388	0

Customer Service Quality Management

Ensuring Service Quality and Enhancing Customer Satisfaction

- In 2024, the Company had no product- or service-related sanction events.

In 2024, SKS reported no penalties related to its products or services, which reflects the Company's strong commitment to regulatory compliance and professional service management. Service quality is closely tied to business performance and brand reputation, and it directly impacts market competitiveness and long-term sustainability. As such, SKS places great importance on customer satisfaction. In addition to maintaining a robust security service framework, the Company has established a 24/7 customer service center to ensure that client needs are promptly addressed and properly resolved.

SKS follows the Plan-Do-Check-Act (PDCA) management cycle to continuously improve its customer satisfaction mechanisms. The Company conducts satisfaction interviews with new customers and with those who contact the service center to ensure a consistently high level of service quality:

1. New Customer Engagement: Emphasis is placed on installation quality and service experience to ensure that customers receive optimal support during the installation and early usage phases.
2. Case Handling (Escalated Cases): For issues reported by customers via phone, SKS verifies whether service personnel delivered services as agreed and follows up on the outcome to ensure proper resolution.

Additionally, SKS adheres to ISO 9001 International Quality Management Standards by setting annual satisfaction targets and establishing a standardized complaint handling mechanism. This ensures that customer feedback is promptly relayed to relevant departments for resolution, enhancing service transparency and overall satisfaction.

Customer Relationship Management and Contract Termination Risk Control

To reduce customer churn, SKS actively engages in customer care and cross-industry collaborations to offer more competitive value-added services aimed at extending contract duration. Based on data analysis, contract termination is primarily due to site closures, cost-cutting measures, and business shutdowns. In response to these scenarios, SKS adopts the following strategies:

1. Contract Termination Due to Site Closures: These customers often include financial institutions, public sector units, and chain enterprises. Terminations typically result from market competition or internal strategic adjustments. To address this, SKS has established a dedicated department to coordinate cross-regional service demands and enhance relocation and service integration offerings, which increases the likelihood of contract renewal.
2. Contract Termination Due to Cost-Cutting: For customers inclined to terminate due to budgetary concerns, SKS offers flexible payment plans and value-added services to help them maintain security coverage within their financial limits, thereby reducing the risk of termination.
3. Contract Termination Due to Business Shutdowns: For leased properties, SKS has implemented a landlord contract mechanism to ensure a seamless transition to new contracts when tenants change, thus enhancing service continuity and market penetration.

Enhancing Internal Operational Efficiency and Optimizing Customer Service Experience

SKS enhances team execution and professionalism through standardized procedures and digital learning systems to ensure stable service quality that aligns with customer expectations:

1. Daily Meeting Mechanism: Morning and evening meetings are held by each department to stay updated on escalated cases reported to the customer service center and ensure timely responses to customer feedback.
2. Review Meetings: Monthly service review meetings are conducted by designated departments in each regional office to assess and optimize service performance. A reward and penalty system is in place to ensure that service targets are met.
3. Training and Digital Learning: The Training Center regularly conducts sessions for new and existing employees. A digital learning platform also offers professional courses to continuously enhance service competencies and improve customer interactions.

Customer Churn Rate Over the Past 3 Years

Year	2024	2023	2022
Number of Customers (Household)	102,696	101,769	100,202
Number of Terminated (Household)	7,898	7,797	7,879
Contract Termination Rate (%)	7.69	7.66	7.86

Between 2022 and 2024, the number of customers (households) served by SKS steadily increased from 100,202 to 102,696, demonstrating the Company's significant achievements in market expansion and customer relationship management. Overall, the customer churn rate has remained within a stable range over the past 3 years; nevertheless, there is still room for further improvement. Looking ahead, SKS will continue to advance its digital transformation by enhancing service efficiency through smart customer service applications, and the Company will strengthen customer relationship management to ensure sustained customer satisfaction. Upholding the "customer-centric" philosophy, SKS is committed to leveraging innovative technologies and professional services to achieve sustainable business operations and create shared value.

Smart Security Services Deliver Effective Theft Prevention

- In 2024, there were **45** cases of theft apprehended, with **63** individuals commended.

In the realm of system security services, security equipment serves as an essential foundation. SKS ensures that all equipment undergoes rigorous product evaluation and testing to guarantee safety, stability, and long-term operation without risks of short circuits or malfunctions, forming a critical ring of security services. Given the urgent, real-time, and comprehensive nature of system security, SKS has established a 24-hour Monitoring and Customer Service Center certified under the ISO 9001 Quality Management System and ISO 27001:2022 Information Security Management System, which enables the standardization, digitization, and real-time responsiveness of customer service processes. With years of accumulated experience in security services and data analytics, SKS is well-positioned to accurately address market needs, and the Company uses these insights to continuously improve services and develop new products, with the goal of enhancing customer satisfaction and strengthening market competitiveness.

Security Service Implementation Process and Method

Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
24-hour alert monitoring	**Abnormal signal confirmation**	**Flexible dispatching**	**Notification of the police**	**Accident handling**	**Other after-sales service**
Set up a 24-hour control center to monitor the safety of the customer's property around the clock.	Classify and process signals returned from the customer's property based on their content.	When receiving abnormal signals, dispatch personnel for handling.	Notify the police immediately in case of a burglary or other disastrous event.	Send staff to investigate and determine the responsibility after the occurrence of the accident, and further consider the compensation based on the contract.	Change of installation, after-sales maintenance, customer complaints, and other matters.

Apprehension Bonus

Item\Year	2024	2023	2022
Number of Theft Apprehended	45	19	27
Number of People Honored	63	22	30
Amount Released (NT$)	372,000	160,000	160,000

Based on statistical data from 2022 to 2024, SKS has shown continuous improvement in theft prevention, which underscores the effectiveness of the Company's smart security technology and professional personnel training. These efforts have significantly reduced criminal risks and safeguarded customer property.

1. Marked Improvement in Theft Interception: In 2024, SKS successfully thwarted 45 theft incidents, a substantial increase compared to 17 incidents in 2023 and 27 incidents in 2022. The continued advancement in smart security technologies and staff training has greatly enhanced crime prevention effectiveness.
2. Recognition of Employee Performance: In 2024, a total of 63 employees were commended for outstanding performance, significantly up from 19 in 2023 and 30 in 2022. This growth reflects enhanced theft-prevention awareness and professionalism among frontline personnel, which has further reinforced overall security capabilities.
3. Effectiveness of Incentive Scheme: The total amount of theft interception bonuses awarded in 2024 reached NT$372,000, far exceeding the NT$160,000 issued in both 2023 and 2022. This demonstrates the Company's strong commitment to recognizing and motivating high-performing employees, which effectively boosts team morale and operational diligence.

SKS has ceaselessly strengthened smart surveillance technologies, deepened professional training programs, and optimized real-time response mechanisms, aiming to minimize theft risks and enhance comprehensive security protection. In the future, the Company will continue to advance smart security services to provide even greater protection for public safety and customer property.

Customer Satisfaction and Service Optimization Strategies

•Collection and Analysis of Customer Satisfaction Information

Customer-needs analysis	Customer-driven product and service planning	Marketing and communication of service products	Customer-driven service delivery	Provide services that satisfy customer needs	Introduce within daily management

- Customer complaint rate
- Annual termination rate
- Attendance rate
- Alarming rate
- Security efficiency

- Processing case satisfaction survey
- New contract satisfaction survey

Customer Complaint Handling Process

Login to Notes Processing System via 0800 Customer Service Center	Customer calls in to complain	After sales and service personnels accept the call, they will login to the processing system for case tracking and processing

Notify the division supervisor and make an appointment by phone for in-person handling	Processing personnel report to customer service center and make an appointment with customers to handle the matter	1.Bring along the Customer Visit Form 2.Visit customers to finish processing and bring back form signed by customers	After the matter is processed, fill in processing form with review notes

System automatically reminds division supervisor if the matter is not resolved within 3 days	Dissatisfactory result	Customer service representative informs customers of processing result by phone

Case closed (Satisfactory result)

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Customer Satisfaction Over the Past 3 Years

Year	2024	2023	2022
New Contract (%)	99.57	99.77	99.85
Processing Cases (%)	99.79	99.87	99.96

According to customer satisfaction data from the past 3 years (2022 to 2024), SKS has consistently demonstrated stable and reliable service quality in both new contract engagements and case handling. These results reflect the Company's strong reputation and the trust earned from clients. Overall, customer satisfaction has remained at a high level, underscoring SKS's commitment to service excellence and continuous professional improvement. Looking ahead, SKS will further leverage AI-powered data analytics to refine customer engagement strategies, gain deeper insights into market needs, and strengthen its competitive edge. These efforts will ensure ongoing service quality enhancement and support the Company's long-term sustainability goals.

Optimizing Service Quality and Elevating the Customer Experience

1. **Enhancing Customer Service Training:** To ensure that customer service representatives possess up-to-date professional knowledge and strong responsiveness, the Customer Service Center conducts pre-shift and post-shift training sessions daily. In compliance with National Police Agency regulations, 4 hours of specialized training are also conducted monthly. These initiatives aim to continuously improve the team's service capabilities and ensure high-quality service for customers.

2. **Developing a Smart Customer Service Knowledge Base:** Using a knowledge management system, SKS has established a comprehensive smart customer service database. This allows customer service personnel to quickly access standard operating procedures and FAQs, thus ensuring accuracy and timeliness in their responses, enhancing problem-solving efficiency, and optimizing the overall customer service experience.

3. **Personalized Services:** By analyzing historical customer interaction data, SKS can accurately identify individual needs and offer tailored service recommendations and solutions. This approach significantly enhances customer satisfaction and brand loyalty while reinforcing long-term client relationships.

Improving Operational Efficiency and Advancing Digital Transformation

1.Reducing Response Time: By optimizing internal workflows through standardized operating procedures (SOPs), SKS has shortened customer wait times and accelerated issue resolution. These enhancements ensure timely service delivery, elevate customer experience, and strengthen brand trust.

2.Paperless Electronic Operations: As part of the Company's digital transformation efforts, SKS has introduced cloud-based data management. Customers can now complete online satisfaction surveys immediately after service delivery. This enables rapid feedback collection and real-time analysis, thereby improving operational efficiency and service quality while supporting environmental protection and sustainability goals.

3.System Integration and Real-Time Notifications: The Customer Service Center has upgraded and migrated its systems to enable push notifications via the mobile app. This functionality allows real-time alerts to be sent to front-line personnel, thus expediting response times, streamlining service processes, and improving incident handling efficiency to ensure timely and precise security services for customers.

Guided by a "customer-centric" philosophy, SKS remains committed to promoting smart technology innovation and digital transformation. By integrating advanced technologies with professional expertise, SKS aims to enhance the overall security service experience and strengthen risk warning and emergency response capabilities. We will continue to amplify our smart security development strategy in our quest to provide efficient, safe, and user-friendly protection mechanisms aimed at protecting our customers' property and safety. These efforts embody the Company's corporate social responsibility (CSR) and support our journey toward sustainable operations and value co-creation.

Key Sustainability Actions

SKS Leverages AI to Power Urban Operations and Showcase Smart City Innovation

At the 2024 Smart City Summit & Expo, SKS demonstrated our commitment to innovation with the theme "AI-Powered Urban Operations." The exhibit featured four major zones—Smart Transportation, Smart Healthcare, Smart Buildings, and Smart Management. Through scenario-based displays, we integrated Artificial Intelligence (AI), the Internet of Things (IoT), and cloud platform technologies, combining them with innovative business models to provide comprehensive smart operation solutions for local governments and enterprises. This initiative extended our security services beyond individual clients to serve broader community ecosystems.

SKS Showcases Health Promotion and Green Living at Assistive Technology Expo

In response to the global demographic shift and the challenges of an aging society, SKS actively seeks innovative development models for the health industry. By integrating industry resources, SKS promotes technologies and service models tailored to aging populations. At the 2024 Assistive Technology for Life Expo, SKS highlighted the theme "Health Promotion and Green Living" through an inter-industry collaboration with the Taiwan Access for All Association, aiming to build a comprehensive senior health industry ecosystem. A key feature of the exhibit was the Corporate Health Monitoring Station, which was designed to raise employees' awareness of personal health management. Employees can track and manage their health data using their National Health Insurance cards or ID badges. When abnormal readings are detected, occupational health professionals can follow up with real-time monitoring and support to ensure employees' physical and mental well-being. Additionally, the fully upgraded AI-powered customer service system integrates a broader range of services, establishing a new and comprehensive care model.

SKS Says "Yes" to the Space Industry Chain

The 2024 Taiwan International Assembly of Space Science, Technology, and Industry (TASTI 2024) was held at the Kaohsiung Exhibition Center. SKS participated for the second consecutive year to show our strong support for the development of Taiwan's space technology applications. At the venue, SKS showcased our integration of Low Earth Orbit (LEO) satellite technology into emergency response services such as the SKS GPS fleet management system. With a mission of safeguarding security and providing uninterrupted 24/7 service, SKS's dispatch center operates around the clock with high mobility and a top-tier service team, making the company an ideal partner for governments in building smart cities. LEO satellites offer comprehensive land–sea–air communication coverage, enhancing network resilience so that telephone and internet services remain uninterrupted even during major disasters. Chief Technology Officer Lin, Hsien-Chung remarked that the theme of this year's conference, "Link the World through Space", highlights the goal of seamlessly connecting the globe through LEO satellite technology. SKS is proud to support the application side of the space industry through the design of deployment schedules, fleet management resources, and backup support solutions tailored to the needs of local governments. By enhancing smart management efficiency, we can jointly build safe, secure, and happy communities.

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Environmental Sustainability

Core Goals and Visions /

Climate change has posed a threat to the survival environment of all living organisms. With the international Paris Agreement and the domestic Climate Change Response Act taking effect, there has been a gradual increase in external attention to energy issues. While pursuing corporate profits, we should also cherish the earth's resources and make efforts to create a living space for the next generation. To keep aligned with the world, we have translated the sustainability principle of "Moving Towards Sustainable Net Zero Emissions" into specific actions. We actively respond to the commitments of Net Zero Emissions by 2050, implement various action plans for environmental protection, and promote green transformation and climate resilience services through the integration of internal and external resources, contributing together to the conservation of the Earth's environment and realizing the vision of environmental sustainability.

GRIs Corresponding to Sustainability Material Topics /

GRI

204 Procurement Practices

302 Energy

305 Emissions

308 Supplier Environmental Assessment

414 Supplier Social Assessment

Chapter Highlights /

4.1 Climate Action

4.2 Green Management

4.3 Sustainable Supply Chain

4.4 Biodiversity and Sustainable Action

Key Sustainability Actions

Sustainability Material Topic Description

Topics	Significance to SKS and Management Objectives	Management Policies	Possible Impacts on SKS	Corresponding SDGs	Corresponding GRIs	Corresponding Chapters
Climate Action Management	Manage carbon emissions and targets, disclose TCFD and climate risk issues, and strive to achieve the 2050 net-zero commitments by joining the Taiwan Net Zero Emissions Association, in order to reduce costs and environmental burden, and enhance corporate competitiveness.	1. Follow TCFD international guidelines. 2. Provide customers with energy-saving system products and services.	1. Carbon emission regulations are becoming increasingly strict, and enterprises are required to pay carbon taxes or purchase carbon credits. 2. Failure to actively manage climate change transition issues may result in the Company losing favor with investors and consumers, leading to decreased revenue and difficulty in obtaining funding.		305	4.1 Climate Action 4.2 Green Management
Energy Resources Management	Introduce a systematic carbon emission management mechanism and set carbon reduction targets.	1. Implement energy-saving operations and procure green, energy-efficient equipment. 2. Follow the ISO 50001 Energy Management System, conducting annual audits and continuously improving energy performance.	1. To align with the Climate Change Response Act, the Company must improve energy efficiency, which may lead to increased operating costs. 2. With the goal of improving energy efficiency, avoid excessive use that leads to the depletion of natural resources.		302	4.2 Green Management
Supply Chain Management	Deepen communication with upstream and downstream suppliers on sustainability issues and commit to the procurement of environmentally friendly products to jointly create a safe and eco-friendly model of mutual benefit.	1. Establish procurement and supplier management procedures. 2. Sign the Supplier Code of Conduct Commitment Letter.	Suppliers must comply with low-carbon standards, which may impact supply chain stability.		204 308 414	4.3 Sustainable Supply Chain

4.1 Climate Action

Following the enactment of the Paris Agreement and the release of the United Nations' Sustainable Development Goals (SDGs), global climate change trends have become a key issue for global economic development. According to the World Economic Forum's Global Risks Report 2025, environmental risks account for half of the top ten global risks over the next 10 years (long-term). These include Extreme Weather Events, which have ranked first for two consecutive years; Biodiversity Loss and Ecosystem Collapse, which have risen to second place; Critical Change to Earth Systems in third place; Natural Resource Shortages in fourth; and Pollution ranking tenth. Regardless of the outcomes of efforts to combat climate change, businesses will face both risks and opportunities in their operations.

According to the Global Risks Report, the frequency and intensity of extreme weather events have continued to rise, posing greater challenges to property security across industries and regions. SKS serves clients from various sectors and locations, and extreme weather not only increases the risk of damage to client assets but also results in more frequent dispatches of SKS field personnel to ensure client safety and elevates the risks faced by dispatched staff. In response, we continue to optimize the application of smart technologies, leveraging AI surveillance and drone assistance to expand our service coverage while reducing personnel exposure to hazardous environments.

In 2021, Shin Kong Security joined the Taiwan Alliance for Net Zero Emission (TANZE) to support the joint goal of achieving global net-zero emissions by 2050. In 2023, all operational sites across Taiwan completed ISO 14064-1 carbon inventory and verification for Scopes 1, 2, and 3 in a practical demonstration of the Company's greenhouse gas management and carbon reduction commitments. In 2024, SKS further adopted data-driven carbon reduction strategies and promoted low-carbon transition practices among supply chain partners. These systematic responses to climate change aim to strengthen the Company's resilience and competitiveness.

Certification in Net-Zero Progress under Paris Agreement (1.5°C)

Task Force on Climate-Related Financial Disclosures (TCFD)

To enhance transparency in disclosing information on climate-related risks and opportunities, SKS has adopted the management framework proposed by the Task Force on Climate-Related Financial Disclosures (TCFD). This framework, comprising four core elements—Governance, Strategy, Risk Management, and Metrics and Targets—discloses SKS's risks, opportunities, and strategies regarding climate issues.

Climate Governance

The SKS Board of Directors oversees climate-related issues through the Sustainable Development Committee, which regularly reviews the Company's strategies, risk management, and opportunities in response to climate change. At the management level, Sustainable Development Executive Teams—comprising Corporate Governance, Sustainable Development, Environment, and Social teams—are responsible for identifying climate risks and opportunities, and for promoting energy conservation, carbon reduction, green transportation, and related action plans. These teams report regularly to the Board of Directors.

1. Board Responsibilities
   - Act as the highest decision-making body for climate change risk management and assumes ultimate responsibility for managing climate-related risks at SKS.
   - Approve climate change risk management strategies to guide, supervise, and manage the Company's exposure to climate risks.
   - Regularly review climate-related issues to ensure that climate risks and opportunities are incorporated into business decision-making.
   - Refer to relevant international TCFD guidelines and domestic regulatory timelines to ensure the ongoing effectiveness of climate risk management and disclosure.

2. Responsibilities of Management and Executive Teams
   - The Sustainable Development Committee is responsible for identifying and managing climate change issues, as well as formulating and promoting related strategies.
   - The Sustainable Development Executive Teams (Corporate Governance, Sustainable Development, Environment, and Social) regularly assess climate risks and propose response measures through relevant departments.
   - The Sustainable Development Team and the Environment Team are responsible for implementing low-carbon transition plans as well as energy-saving and emission reduction initiatives.

Climate Strategy

Following an internal assessment of climate issue likelihood and impact, SKS identifies climate risks and opportunities within the categories of Transition Risks (Policy and Legal, Technology, Market, and Reputation), Physical Risks (Acute and Chronic), and Opportunities (Resource Efficiency, Energy Source, Products/Services, Markets, and Resilience). A total of 6 climate risks and 5 climate opportunities were identified, including 3 significant climate risks and 2 significant climate opportunities.

Climate Risk Identification

SKS has identified a total of six major climate risks based on Transition Risks (Policy and Legal, Market) and Physical Risks (Acute and Chronic), of which three are classified as material climate risks. The criteria for materiality are defined as risks that could lead to a significant increase in operating costs or a substantial decrease in revenue.

Risk Type	Risk	Impact Level	Material Risk Marking
Policy and Legal	• To align with the Climate Change Response Act, the Company must improve energy efficiency, which may increase operating costs. • Carbon emissions regulations are becoming stricter, and enterprises are required to pay carbon taxes or purchase carbon credits.	High	✓Material Climate Risk
Market	• Growing demand from corporate clients for low-carbon products and services may reduce the competitiveness of traditional security services.	High	✓Material Climate Risk
Physical Risk (Acute)	• Extreme weather events (such as typhoons and heavy rain) may cause equipment damage, surveillance interruptions, and increased staff dispatches, leading to higher operating costs.	High	✓Material Climate Risk
Physical Risk (Chronic)	• Rising temperatures may lead to higher electricity prices, resulting in increased operating costs.	Medium	-
Supply Chain	• Suppliers are required to meet low-carbon standards, which may affect supply chain stability.	Medium	-
Technology	• Transitioning to low-carbon services may result in higher short-term costs.	Medium	-

Climate Risk Management

Climate Risk Identification and Assessment: SKS's Climate-related Risk and Opportunity Analysis (TCFD)

Climate Risk Analysis

Risk Type	Specific Risk	Severity of Impact	Likelihood of Occurrence	Timeframe Assessment	Financial Impact	Management Approach	Response Measures and Action Plans
Transition Risk (Policy and Legal)	To align with the Climate Change Response Act, the Company must improve its energy efficiency, which may lead to increased operating costs. Carbon emission regulations are becoming stricter, and enterprises are required to pay carbon taxes or purchase carbon credits.	High	High	Short-term	Increased operating costs: The Company may be required to pay carbon taxes or purchase carbon credits. Greater market competition pressure: Failure to meet standards may result in the loss of corporate clients.	Mitigation Control	Establish a carbon inventory mechanism to reduce carbon emissions. Improve the energy efficiency of equipment and provide low-carbon services to align with market trends. Introduce low-carbon equipment to reduce carbon-related costs.
Transition Risk (Market)	Increasing demand from corporate clients for low-carbon products and services may reduce the competitiveness of traditional security services.	High	Medium	Medium-term	Declining demand for system security services may impact revenue. The Company may need to invest R&D funds and adopt low-carbon technologies or services.	Mitigation Control	Launch low-carbon and energy management monitoring systems. Offer low-carbon security services.

Climate Opportunity Identification

SKS has identified five major climate-related opportunities related to low-carbon transition, green market development, and improved operational efficiency, two of which are classified as material climate opportunities. The criteria for materiality are defined as opportunities that could lead to a substantial increase in revenue or a significant reduction in operating costs.

Opportunity Type	Opportunity	Impact Level	Material Opportunity Marking
Markets	• Develop low-carbon services to attract external collaboration.	High	✓Material Climate Opportunity
Resource Efficiency	• Introduce smart energy management and green energy applications to reduce long-term operating costs.	High	✓Material Climate Opportunity
Supply Chain	• Collaborate with low-carbon suppliers to enhance green brand competitiveness.	Medium	-
Technology	• Enhance AI-based video surveillance and energy monitoring technologies to improve security performance.	Medium	-
Government and Industry Subsidies	• Apply for government subsidies to reduce the costs of low-carbon transition.	Medium	-

Short, Medium, and Long-term Strategic Directions

Timeframe	Strategic Direction	Action Plan
Short-term (1–3 years)	Reduce carbon emissions and strengthen energy efficiency management.	Conduct carbon inventories, procure green energy equipment, and implement smart energy management and green energy applications.
Medium-term (3–5 years)	Develop a low-carbon business.	Collaborate with low-carbon suppliers to enhance competitiveness as a green brand.
Long-term (5–10 years)	Climate adaptation and technological innovation.	Develop and adopt low-carbon equipment, products, and services.

Risk Type	Specific Risk	Severity of Impact	Likelihood of Occurrence	Timeframe Assessment	Financial Impact	Management Approach	Response Measures and Action Plans
Physical Risk (Acute)	Extreme weather events (such as typhoons and heavy rain) may cause equipment damage, monitoring interruptions, and increased staff dispatches, leading to higher operating costs.	High	High	Medium-term	Higher maintenance and replacement costs for equipment; monitoring interruptions may affect customer trust. Difficulties in dispatching personnel could potentially affect client safety.	Adaptation	Enhance equipment weather resistance and install backup systems. Strengthen disaster prevention and emergency response mechanisms.
Physical Risk (Chronic)	Rising temperatures may result in higher electricity prices, resulting in increased operating costs.	Medium	High	Long-term	Rising electricity costs may impact operating profit.	Mitigation Control	Install energy-saving and energy storage equipment. Plan for the procurement of renewable energy.
Supply Chain	Suppliers are required to comply with low-carbon standards, which may affect supply chain stability.	Medium	Medium	Short-term	Increased supply chain management costs and higher switching costs for suppliers.	Mitigation Control	Establish green procurement standards and select low-carbon suppliers.
Technology	Transitioning to low-carbon services may result in higher short-term costs.	Medium	Medium	Long-term	Higher costs for R&D and equipment upgrades.	Mitigation Control	Gradually introduce low-carbon equipment and technologies to reduce long-term carbon emissions. Collaborate with strategic partners to share R&D resources.

Note: Short-term (1–3 Years), Medium-term (3–5 Years), Long-term (5–10 Years).

Climate Opportunity Analysis

Opportunity Type	Specific Opportunity	Severity of Impact	Likelihood of Occurrence	Timeframe Assessment	Financial Impact	Management Approach	Response Measures and Action Plans
Markets	Develop low-carbon services to attract external collaboration.	High	High	Short-term	New business growth: Develop low-carbon services and expand into new markets.	Mitigation Control	Launch integrated solutions combining energy monitoring systems with low-carbon services.
Resource Efficiency	Introduce smart energy management and green energy applications to reduce long-term operating costs.	High	High	Long-term	Reduce long-term energy costs and enhance operational efficiency.	Mitigation	Establish a carbon management system to optimize energy efficiency.
Supply Chain	Collaborate with low-carbon suppliers to enhance green brand competitiveness.	Medium	Medium	Medium-term	Develop new business opportunities and differentiate to expand the market for low-carbon services.	Mitigation Control	Promote carbon reduction transition and certification initiatives in collaboration with partner vendors to enhance partnership stability.
Technology	Enhance AI-based video surveillance and energy monitoring technologies to improve security performance.	Medium	Medium	Long-term	Improve service efficiency to reduce labor and maintenance costs. Develop new business opportunities and further expand the market for low-carbon services.	Adaptation	Promote AI smart service systems to reduce carbon emissions and energy waste. Introduce AI image analysis and cloud-based management services.
Government and Industry Subsidies	Apply for government subsidies to reduce the costs of low-carbon transition.	Medium	Medium	Short-term	Meet the government subsidy criteria to secure subsidy resources.	Mitigation	Accelerate the achievement of carbon reduction targets.

Note: Short-term (1–3 Years), Medium-term (3–5 Years), Long-term (5–10 Years).

Climate Metrics and Targets

The Company sets short, medium, and long-term goals in response to climate-related risks and opportunities, implements them effectively, and regularly reviews and adjusts its goals. The achievement status is disclosed in the sustainability report. In 2022, the Company initiated the greenhouse gas inventory for the headquarters and completed the inventory process, establishing 2022 as the base year for future reference. An annual energy performance target of a 0.5% reduction compared to the previous year has been established as a continuous improvement goal. To promote sustainable development and ensure that carbon reduction targets are achieved, the Company plans to complete greenhouse gas inventories and obtain third-party verification for all business entities within the Group by 2029.

Carbon Reduction Roadmap

Year	2025	2030	2035	2040	2045	2050
The Company	Equipment Efficiency	30% Carbon Reduction ⬇	Supply Chain Management	Renewable Energy Adoption	Carbon Neutrality	✓ Net Zero
Business Group	Carbon Inventory	Equipment Efficiency	Energy Management	Low-Carbon Procurement	Renewables	✓ Net Zero
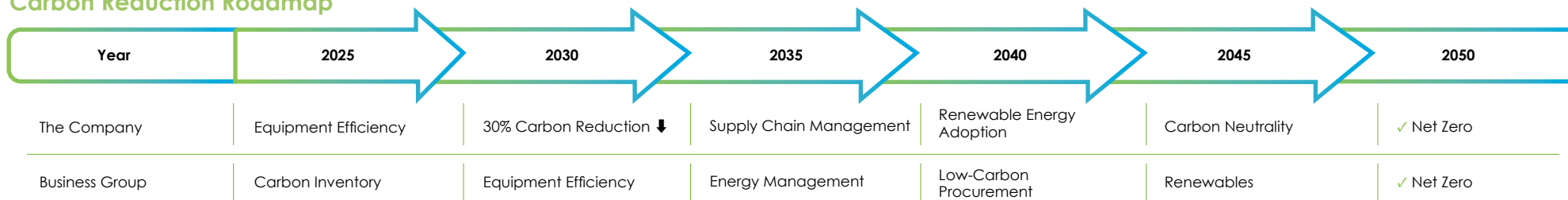
Scenario Analysis

SKS conducted a scenario analysis of climate change with reference to the AR6 (Sixth Assessment Report) released by the United Nations Intergovernmental Panel on Climate Change (IPCC) and selected the SSP1-2.6 and SSP5-8.5 scenarios.

Category	SSP1-2.6 Scenario Analysis	SSP5-8.5 Scenario Analysis
Scenario Analysis	1.Climate change is viewed as a major global issue, driving the pursuit of sustainable development, the implementation of high-efficiency technologies, and greater emphasis on environmental responsibility. 2.With the carbon tax rising to NT$300 per ton, SKS must strengthen its carbon management and carbon reduction technologies. 3.Transition risks increase, requiring more resources to transform operational processes and services. 4.The market places greater emphasis on environmental performance, prompting SKS to develop low-carbon services and green management practices.	1.An economy driven by fossil fuels and lacking effective climate response measures leads to frequent extreme weather events. 2.A temperature increase of 3.4°C results in heavier rainfall and extreme heat events, affecting equipment operation and personnel safety. 3.Equipment damage and increased maintenance frequency lead to higher operating costs. 4.Employee training and risk response procedures must be strengthened to enhance emergency response capabilities.
Key Risks	Increased transition risks, rising carbon costs, and a need to quickly adapt to environmental trends.	Increased physical risks (heavy rainfall, high temperatures), pose challenges to equipment and personnel.
Specific Impacts	The carbon tax rises to NT$300 per ton, raising operating costs; investments are required to transform processes and services.	Increased frequency of equipment damage leads to higher maintenance and replacement costs; employee health and attendance risks also rise.
Financial Impacts	1.Increased carbon tax expenditures. 2.Capital expenditures are required for investing in low-carbon technologies and green services. 3.Opportunities to enhance corporate sustainability ratings and market appeal, creating opportunities to attract new customers and generate revenue.	1.Increased maintenance and repair costs. 2.Higher costs for employee training and insurance. 3.If not properly addressed, these issues may result in service interruptions and revenue loss.
Response Strategies	1.Strengthen carbon inventory and carbon management. 2.Invest in low-carbon technologies and green product development. 3.Promote green security operations.	1.Strengthen climate disaster response procedures. 2.Enhance employee safety training and operational flexibility. 3.Optimize equipment, facilities, and backup systems.

To address climate issues, SKS integrates assessment methods into the risk management process (see Chapter 2 for details of the risk management process assessment methods), with an inter-departmental risk management team acting as the unit responsible for risk management established under the Sustainable Development Committee. As for risk assessment, SKS adopts the " three lines of defense," with the dedicated personnel in each department, department heads, and the Risk Management Team setting up a measurement and monitoring mechanism when risks are detected. In terms of climate issues, we also refer to SKS's risk management process, which includes risk identification, risk measurement, risk monitoring, risk reporting and disclosure, and risk response. In addition, we further analyze the level of impact and probability of climate risks and opportunities in the risk identification section and rank these items. The process of climate risk and opportunity identification is described as follows:

Step 1	Compile a List of Climate Risks and Opportunities	Based on the interaction between SKS's operational conditions and the environment, and with reference to TCFD's climate-related financial disclosure recommendations, SKS compiles a list of risks and opportunities.
Step 2	Gather All Departments to Identify Issues	The Sustainable Development Committee and the Risk Management Team convene a meeting and conduct discussion workshops and surveys to identify the short, medium, and long-term impacts caused by climate risks and opportunities. Additionally, we rank them on a scale of 1-5, representing low to high for the level of impact, and a scale of 1-6 from low to high for the probability.
Step 3	Identify and Rank Significant Risks and Opportunities	The risks scoring 16 and above, resulting from multiplying their level of impact and probability, are classified as climate risks and opportunities with a high level of impact and high probability. Additionally, these risks are ranked through discussions with the management.
Step 4	Evaluate Risks and Formulate Strategies	The Sustainable Development Committee evaluates the changes in products, services, or management processes resulting from identified risks across various scenarios. After assessing the impact on SKS's operations, the Committee assists in formulating strategies to address climate issues. Subsequently, it develops suitable measurement methods to track these strategies based on the requirements of each department.
Step 5	Report, Disclose, and Track the Risks	The Sustainable Development Committee periodically monitors the sustainability performance of each department and office regarding climate issues, and reports changes in climate-related regulations and the execution performance of climate strategies to the Board of Directors or management at least once a year.

In response to climate issues, SKS continues to track the performance of environmental indicators such as electricity consumption, energy usage, mission vehicle management, GHG emissions, water usage, and waste management, which are disclosed in subsequent environmental chapters.

4.2 Green Management

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In response to the crises of global warming and environmental issues, Shin Kong Security has turned "sustainable net-zero" into concrete actions by setting a goal of achieving net-zero emissions by 2030. We promote green security services, offer carbon reduction-related services, and support environmental sustainability initiatives, hoping to contribute to the global environment.

Energy Resources Management

Shin Kong Security's energy consumption mainly comes from electricity used in offices and gasoline used in mission support vehicles and official vehicles for dispatching service personnel or serving customers. Therefore, we continuously innovate our operating models to help our customers improve energy efficiency and reduce environmental impact, either directly or indirectly. This includes implementing energy resource management systems (e.g., energy saving in operating sites, purchasing energy-saving equipment, arranging employee participation in environmental protection activities, and purchasing electric motorcycles as mission vehicles), introducing carbon management systems (e.g., net-zero initiatives, mission vehicle management), and optimizing management processes (e.g., e-solutions for administrative management, recovery, and recycling of used machinery and materials). We are committed to providing green services to our customers, reducing environmental damage, and making our operations more efficient.

Energy Policy

Shin Kong Security strives to become a model green enterprise to create a safe, environmentally friendly, and sustainable environment. Therefore, we are committed to:

1. Providing various resources to support the operation of the energy management system and continuously improve energy performance.

2. Complying with energy management-related regulations and fulfilling our corporate social responsibility.

3. Purchasing high-efficiency, energy-saving products to promote effective use of energy.

4. Setting the target of reducing our energy performance index (by 0.5% compared to the previous year) and achieving it effectively.

5. Actively engaging in the R&D of energy-saving technologies and services, and focusing on developing smart green building technology as our key project to achieve green innovation.

Taiwan Shin Kong Security Co., Ltd., President
Task Force of Energy Management, Chairman

HUNG, KUO-CHAO

Energy Management Performance

Goal

- An annual energy performance target of a 0.5% reduction compared to the previous year.

2024 Implementation Effectiveness

- The annual procurement amount for green and energy-saving equipment totaled NT$24,090,668. The Company and all operating sites across Taiwan consumed 4,779,165 kWh of electricity, equivalent to 43,971.88 GJ, remaining consistent with 2023 levels. In November of the same year, the Company was recognized by the Department of Environmental Protection, Taipei City Government, for achieving over NT$5 million in green procurement.

Short, Medium, and Long-Term Goals

- Plan to install additional energy storage equipment in office spaces.
- Procure high-efficiency energy-saving products to promote effective energy use.
- Promote green management and mobile service operations.

Energy Management Approach

SKS's electricity consumption is primarily attributable to office information equipment rooms and air conditioning systems at operational offices across Taiwan. Since 2013, the technology headquarters building in Neihu (used for security service operations and R&D) and the Da'an Branch Office (used for the implementation and promotion of various security services) have served as demonstration benchmarks. The Company adopts Energy Use Intensity (EUI) as the energy performance indicator and has set an annual energy performance target of a 0.5% reduction compared to the previous year. An internal Energy Management Task Force has been established, with the President of the Company serving as the chairperson. A convener and a deputy convener were appointed as energy management representatives, and committee members consist of department heads responsible for promoting energy management-related initiatives. The scope of applicability includes Company employees, suppliers, and contractors. In 2013, Shin Kong Security became the first security company in Taiwan to obtain ISO 50001 Energy Management System certification, which continues to serve as the basis for its energy management practices.

Procurement of Green Energy-saving Equipment

Since 2020, traditional lighting in office areas has been gradually replaced with LED lighting, and office equipment with eco-label certifications has been procured. In 2024, the Company implemented office printing volume control measures to effectively manage office resource usage, reduce unnecessary consumable costs, and support energy-saving and carbon reduction policy goals.

Electricity Consumption Management

Taking into consideration the operational characteristics and energy consumption data, we set appropriate energy performance indicators to reflect the organization's energy usage. We adopt EUI as SKS's energy performance indicator, with the electricity consumption per unit floor area (kWh/m2) as the basis for calculation. In 2024, electricity consumption at the headquarters building was 2,172,400 kWh, representing a reduction of approximately 14.5% compared to 2,540,774 kWh in 2023. The EUI indicator decreased from 263.53 kWh/m² in 2023 to 225.32 kWh/m² in 2024, indicating improved energy efficiency.

The Company continues to promote energy conservation and carbon reduction by upgrading and optimizing equipment. SKS has replaced high-consumption equipment such as air conditioners, lighting, and other devices with high-efficiency alternatives and enhanced central air conditioning management through operational adjustments to improve energy efficiency. Additionally, employees have increased their environmental awareness and implemented energy-saving policies, such as turning off unnecessary electrical appliances and lighting after work and adjusting air conditioning settings appropriately to avoid energy waste.

In 2023, some tenants vacated the premises. In 2024, the Company reallocated internal space to accommodate new departments; however, overall electricity demand still declined compared to the previous year. This led to a significant reduction in electricity consumption at the headquarters building, demonstrating the effectiveness of the energy-saving strategy. Looking ahead, the Company will continue to monitor energy usage and seek further carbon reduction measures to achieve more efficient energy management goals.

Energy Consumption

Item	2024	2023	2022
Gasoline (L)	811,118	803,006	809,799
Electricity (kWh)	4,779,165	4,773,264	4,412,022
Total Energy Consumption (GJ)	43,971.88	43,682.95	42,606.65

Note:
1. Total energy consumption includes the headquarters and all operating sites across Taiwan.
2. The data scope for annual energy usage aligns with the data scope for greenhouse gas emissions for the respective year.
3. The heating value of gasoline is 0.033 GJ/liter; diesel is 0.035 GJ/liter; electricity is 0.0036 GJ/kWh.
4. There is no self-generated or sold energy; therefore, the values for sold electricity, heating, cooling, and steam are zero.
5. The original "Megajoule (MJ)" column has been revised to "Total Energy Consumption (GJ)."

Year	2024	2023	2022
Headquarters building electricity consumption (kWh)	2,172,400	2,540,774	2,016,556
EUI (kWh/m²)	225.32	263.53	209.15
Gigajoule (GJ)	7,820.6	9,146.7	7,259.6

Note:
1. The floor area of the headquarters building is 9,641.26 m^2 after deducting the rental space on the first floor.
2. Calculation unit: 1 kilowatt-hour (kWh) = 0.0036 gigajoules (GJ)
3. The original "Megajoule (MJ)" column has been revised to "Gigajoule (GJ)."

Carbon Management

Carbon Management Performance

Goal

- A 30% reduction in carbon emissions by 2030 relative to the base year.

2024 Implementation Effectiveness

- Completed training at all operational sites in Taiwan in 2024.
- Completed verification of ISO 14064-1 Scope 1, 2, and 3 at all operational sites in Taiwan by April.
  Note: The baseline year for ISO 14064-1 is 2022.
- Awarded the Green-Grade Certification in 2024.

Short, Medium, and Long-Term Goals

- The goal is to complete the inventory and verification of ISO 14064-1 greenhouse gas Scope 1, 2, and 3 for the business entity by 2029.

Carbon Management Approach

In 2021, in response to the Net Zero Emissions target set forth by the United Nations and Taiwan's pathways and strategies for achieving Net Zero by 2050, SKS joined the Association of Taiwan Net Zero Emissions (ATNZE) in September and established the Taiwan Alliance for Net Zero Emission (TANZE) with more than 20 other companies in Taiwan. The Company is working toward achieving the goal of net-zero carbon emissions by 2050 through a two-stage approach: Commitment and Achievement, which is certified by third-party organizations. In 2022, 2023, and 2024, Shin Kong Security was honored with the Green-Level Net-Zero Label, which was awarded by the Taiwan Institute for Sustainable Energy.

In addition to following the Financial Supervisory Commission's "Sustainable Development Roadmap for TWSE/TPEx Listed Companies," we introduced the carbon inventory mechanism—ISO 14064 GHG emissions inventory system—based on the ISO 14064-1:2018 standard guidelines in 2022. This was implemented at our Neihu technology headquarters and all operational sites across Taiwan, conducting Scope 1, 2, and 3 GHG emissions inventories. In December of the same year, we launched GHG emissions education and training programs nationwide. By October 2023, we completed the Scope 1, 2, and 3 GHG emissions inventory and verification for the parent company, with a target to complete the inventory and verification for the entire business entity by 2029. An internal GHG Emissions Inventory Promotion Team was established, led by the head of the Administrative Center as the representative responsible for approving the GHG emissions inventory operations and ensuring the accuracy and disclosure of report information. The General Affairs Manager serves as the inventory team leader, overseeing the GHG emissions inventory process, providing manpower, convening the internal verification team, assigning a dedicated specialist to act as the main contact for each department, generating the GHG emissions inventory report, coordinating with external verification agencies, and formulating and revising GHG emissions inventory procedures and standards. Team members from various departments (General Affairs Department, Human Resources Department, Electronic Security Department, Talent Development Department, Accounting Department, and various branch offices) are responsible for identifying emission sources and collecting activity data.

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│ Greenhouse Gas Inventory Management Representatives / │
│ Associate General Manager of the Administrative Center │
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┌─────────────────────────────────────────────────┐
│ Inventory Team Leader/                          │
│ General Affairs Department Manager              │
└─────────────────────────────────────────────────┘
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              │ Executive Secretary  │
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| General Affairs Department | Human Resources Department | Electronic Security Department | Talent Development Department | Accounting Department | Various Branch Offices |
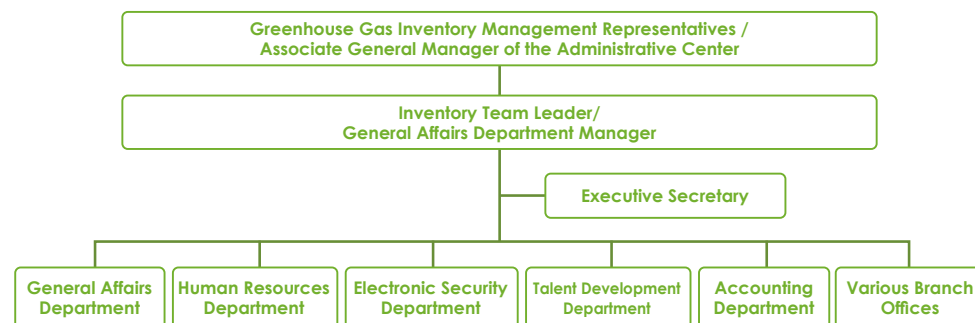
Mission Support Vehicle Management

In terms of the management of vehicles for dispatching service personnel or servicing customers, Shin Kong Security has replaced all diesel vehicles and LPG vehicles in recent years, and the remaining vehicles (including vehicles powered by gas) are regularly maintained in accordance with the regulations and replaced after 6 years. Apart from that, the mileage of official vehicles must be recorded after use to regulate the behavior of employees while leading them, from the top officers to the bottom employees, to reduce carbon emissions in their daily lives.

In addition to the basic anti-theft/anti-robbery functions, SKS's GPS fleet management system also serves as a monitoring and management system, providing a network fleet monitoring platform, real-time monitoring of vehicle locations, driving track checking, etc. In addition, the system also includes the detection records for door opening/closing and engine starting/stopping, making it possible to grasp the vehicle and driver dynamics and manage vehicle scheduling, to facilitate the assessment of driver service efficiency. Since 2017, with the primary consideration of maintaining the rights and interests of customers, SKS has optimized the procedures to continuously reduce the average energy consumption per kilometer for mission support vehicles in service. At the same time, customer contract cancellation rates have also been reduced, which shows that our optimized service procedures are highly effective.

In response to net-zero measures, the replacement schedule for security vehicles is planned as follows:

Year	2025	2026	2027	Total
Number of Vehicles Replaced	52	23	22	97
Replacement Ratio (%)	54%	24%	23%	100%

Note: As of 2024, there were a total of 222 security vehicles. Among them, 97 fuel-powered vehicles were over 7 years old. The Company plans to replace these with electric or hybrid vehicles within 3 years.

Total Distance Traveled and Energy Consumption of Mission Support Vehicles

Item	2024	2023	2022
Total distance traveled (km)	9,373,075	9,525,257	9,772,801
Liters of gasoline consumed	811,118	803,006	809,799
Total energy usage (GJ)	26,766.89	26,499.20	26,723.37
Average energy consumption per kilometer (GJ/km)	2.86	2.78	2.73

Note:
1. In 2024, the number of vehicles was 222.
2. The heating value of gasoline is 0.033 GJ per liter.
3. Energy consumption per kilometer = Total energy consumption/Total distance traveled.
4. The original column "Average energy consumption per kilometer (MJ/km)" has been revised to "Average energy consumption per kilometer (GJ/km)."
5. The "Total energy usage (GJ)" for 2022 and 2023 reflects corrected data.

Factors Associated with Misreporting and Improvement Practices

Factors

- Improper use of customer systems
- Internal/external circuit reports
- Power failure/restoration reports
- Bad sensor reports
- Poor circuit contact reports
- Poor server connection reports
- Dedicated line failure reports
- Other

Practices

- Business security system design: Focus on streamlined system design and implementation of training for new employees.
- Service personnel installation, explanation, and acceptance: Strengthen engineering explanation capabilities, enhance training, and conduct project inspections.
- Contractor construction: Implement requirements on construction quality and piping quality.
- Security personnel maintenance: Improve maintenance skills training for security staff.
- Equipment quality enhancement: The Product Application Department introduces higher-quality equipment.
- Strengthening quality for newly contracted customers: Strictly control poor installation targets going online and ensure customers are properly instructed on system usage.
- Enhancing staff maintenance skills: Strengthen training to improve response and maintenance capabilities when handling malfunctions.

GHG Emissions by Category

Year	2024	2023	2022
Scope 1 (Direct GHG Emissions) (tCO$_2$e)	2,011.3416	2,218.2562	2,166.2286
Scope 2 (Indirect GHG Emissions) (tCO$_2$e)	2,360.9075	2,362.7659	2,183.9518
Scope 3 (Other Indirect GHG Emissions) (tCO$_2$e)	3,357.2894	3,205.1238	3,590.8038
Total Carbon Emissions (Scope 1+2+3) (tCO$_2$e)	7,729.5385	7,786.1459	7,940.1462
Carbon Emission Density = tCO$_2$e / NT$1,000,000	201.57	210.61	212.61

Greenhouse Gas Emissions for the Year 2024

1	Category 1: Direct Greenhouse Gas Emissions and Removals		2,011.3416
1.1	Direct Emissions - Stationary Sources		1.8323
1.2	Direct Emissions - Mobile Sources		1,884.7939
1.3	Direct Emissions - Process Sources		0.0000
1.4	Direct Emissions - Fugitive Sources		124.7154
2	Category 2: Imported Energy		2,360.9075
2.1	Electricity Emissions - Headquarters & Jianbei		1,274.7454
	Electricity Emissions - Northern Region 1		117.7633
	Electricity Emissions - Northern Region 2		113.8933
	Electricity Emissions - Taoyuan, Hsinchu, Miaoli		158.9685
	Electricity Emissions - Central Region		270.9082
	Electricity Emissions - Chiayi-Tainan Region		147.4255
	Electricity Emissions - Southern Region		194.9317
	Electricity Emissions - Eastern Region		82.2716

Greenhouse Gas Emissions for the Year 2024		
3	Category 3: Indirect Greenhouse Gas Emissions from Transportation	1,467.3563
3.3	Employee Commuting	1,074.2644
3.5	Business Travel	393.0919
4	Category 4: Indirect Greenhouse Gas Emissions from products used by an organization	960.5415
4.1	Activities Related to Fuel and Energy Consumption	960.5415
5	Category 5: Indirect Greenhouse Gas Emissions associated with the use of products from the organization	929.3916
5.2	Downstream Asset Leasing	929.3916
Total		7,729.5385

Note:
1. Inventory boundary: Covering a total of 67 operational sites of Taiwan Shin Kong Security Co., Ltd.
2. The operation control criteria is used to compile the GHG emission volume.
3. SKS designated 2022 as the base year for its greenhouse gas inventory, with total emissions amounting to 7,940.1462 tCO$_2$e per year
4. GHG Emission Factor Management Table (version 6.0.4), Electricity Carbon Emission Factors. Source: Ministry of Environment; Bureau of Energy, Ministry of Economic Affairs.
5. For Scope 3 employee commuting, in 2022 and 2023, carbon emissions were calculated based on the number of respondents who actually participated in the commuting survey. In 2024, the calculation method was adjusted to estimate emissions based on the total actual number of employees. Since data for the previous two years had already been retroactively estimated to reflect the full employee count, this adjustment resulted in an increase in reported employee commuting emissions.

Administrative Operations E-Management

Mobile Office

To enhance administrative efficiency, SKS has introduced mobile services. Utilizing cloud and mobile technologies, the mobile office has been launched in phases. Personnel can handle administrative tasks on their mobile devices without needing to return to the office. This optimizes the Business Process Management (BPM) system, promoting organizational flattening, enhancing service efficiency, and expediting decision-making and administrative approval processes.

Paperless Administrative Operations

Shin Kong Security has implemented paperless administrative operations, transitioning from traditional paper-based approval processes to electronic signatures. Each electronic approval is equated to one A4 paper, and in 2024, approximately 3,359,255 sheets of A4 paper were saved. According to data from the Taiwan Paper Industry Association, an average tree can produce about 8,000 sheets of A4 paper. Therefore, the paperless initiative by Shin Kong Security in 2023 saved the equivalent of approximately 419.91 trees from being cut down.

Year	2024	2023	2022
Sheets of A4 Paper Saved	3,359,255	2,813,908	2,809,080

Note: Paper savings statistics are calculated on an annual basis.

Waste Management

The main sources of waste for our company are general waste and household garbage. We aim to reduce environmental impact through strict classification and management mechanisms. According to the Ministry of Environment standards, waste is categorized as follows:

1. Resource Recycling Waste: Waste that can be recycled and reused, such as cardboard and plastic packaging materials.
2. Other Waste: Examples include household garbage.

In addressing energy conservation, carbon reduction, and environmental protection issues, our efforts are directed toward reducing unnecessary consumption and the generation of harmful environmental pollutants during the transportation and installation of equipment. Additionally, we aim to strengthen the disassembly process to minimize loss rates and enhance the effective recycling of equipment, thereby reducing the scrappage rate and improving recycling efficiency.

Recycling of Used Machinery and Materials

Year	2024	2023	2022
Machinery and material recycling rate (%)	93%	94%	92%
Cyclical use rate (%)	36%	22%	52%

Note:
1. Due to the continuous launch of new products, which are still within their service life, the overall machinery and material recycling rate and cyclical use rate have remained stable year by year.
2. Calculation standard: Before 2022, waste recycling was measured in terms of the number of recycling trips only; starting in 2022, it will be measured in terms of actual weight per trip.
3. The 2023 machinery and material recycling rate (%) and cyclical use rate (%) are revised figures.

Water Management

SKS has been actively addressing water resource conservation and energy-saving environmental issues. Regarding water conservation initiatives, we start by comprehensively implementing daily water-saving practices. In 2024, water consumption was 6,536 million liters, a reduction of approximately 2,904 million liters compared to 2023, and a savings of about 47.12% compared to the base year (2020), which had a water consumption of 12,361 million liters.

Year	2024	2023	2022
Water consumption (million liters)	6,536	9,440	8,027
Approximate CO$_2$ emissions per cubic meter of water used	0.0948	0.0948	0.0948
Approximate CO$_2$ emissions (total volume)	619.61	894.91	760.95

Note:
1. Inventory Boundary: The water consumption of the headquarters in Neihu.
2. The reference data for the CO$_2$ emission equivalent per unit of water usage, based on the Taipei Water Department's (2020) emission coefficient, is approximately 9.48E-2 kgCO$_2$e per cubic meter.
3. SKS is in the service industry, and water consumption is primarily for daily use by employees and a small portion for use by visiting customers. Additionally, there is no wastewater generated from production processes. The current water usage data shows that the headquarters building and the operation sites are not in areas facing pressures for water resources.
4. Reasons for the reduction in water consumption in 2024 compared to 2023:
   (1) Strengthened promotion of water conservation information and implementation of water-saving devices and equipment.
   (2) Routine maintenance and inspections to identify and replace aging pipelines, thereby preventing leaks.
   (3) Enhanced promotion of sustainability and conservation initiatives to reinforce energy-saving awareness.
5. Source: Carbon Footprint Information Platform.

4.3 Sustainable Supply Chain

204　308　414

Suppliers of Shin Kong Security are primarily group businesses, such as Shinsoft Co., Ltd., which provides digital surveillance, access control products, smart logistics, and information platform services; Shincluster Electronics Co., Ltd., which primarily provides security control products (video intercom system, perimeter sensor, parking management system, access control and attendance system, monitoring management system, and various security equipment supply). Furthermore, according to the different business attributes of the business groups, the executives of each division at SKS are responsible for supervising the group's operations. In doing so, they not only improve communication efficiency, but also allow the concept and practice of corporate social responsibility to be implemented in the business group's operations, to create a sustainable supply chain.
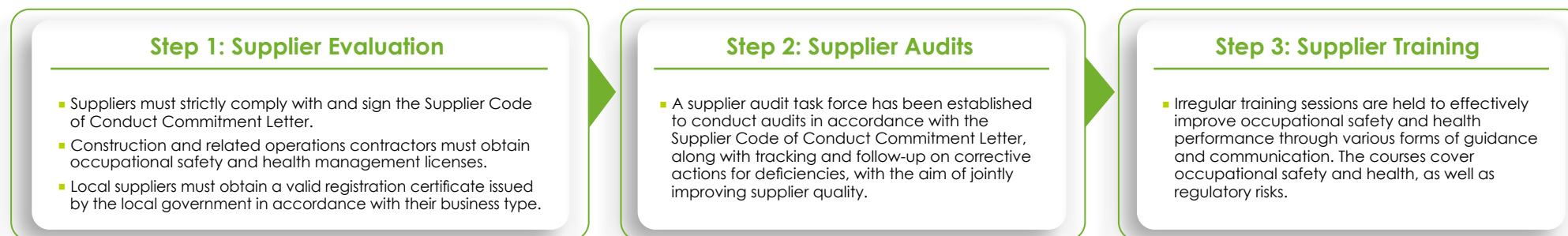
Supplier Management Performance

Goal

- Establish a sustainable supplier management policy.
- Implement local procurement and green procurement.

2024 Implementation Effectiveness

- 100% of our purchases have been made with domestic manufacturers for 10 consecutive years.
- Received a Certificate of Appreciation from the Environmental Protection Bureau for the "2024 Promoting Private Enterprise and Green Procurement Program."
- The amount of green procurement is NT$24,090,668.

Short and Mid-term Goals

- Have over 95% of suppliers sign the sustainability development pledges.
- Conduct audits for at least two key suppliers, with the number of audits to be increased annually.

Supplier Management Model

The Company regards suppliers as a key component of its sustainability efforts and requires them to strictly adhere to the *Supplier Code of Conduct Commitment Letter*, which aims to achieve a balance among economic, social, and environmental interests, as well as sustainable environmental development. To this end, the Company has established a supplier support program that integrates selection, auditing and guidance, performance evaluation, and training. Based on cooperation, sustainability requirements are incorporated into the daily management of the supply chain. Additionally, the Company holds weekly domestic and international equipment procurement meetings to collaborate with warehouses and relevant business units in identifying and managing risks such as insufficient supplier capacity, quality issues, or supply chain disruptions. In 2024, 100% of new suppliers signed the *Supplier Code of Conduct Commitment Letter*; existing suppliers are also required to comply with the guidelines upon contract renewal. Each year, the Company checks the official violation inquiry system for labor-related offenses to verify whether any suppliers have been penalized for violating local minimum wage standards. If any such violations are found, the suppliers are required to provide an explanation and implement corrective measures.

《Supplier Code of Conduct》

For details, please refer to the Company's official website/ Corporate Governance / Company Regulations / Supplier Code of Conduct Commitment Letter: https://reurl.cc/8Dnk9j

Step 1: Supplier Evaluation

- Suppliers must strictly comply with and sign the Supplier Code of Conduct Commitment Letter.
- Construction and related operations contractors must obtain occupational safety and health management licenses.
- Local suppliers must obtain a valid registration certificate issued by the local government in accordance with their business type.

Step 2: Supplier Audits

- A supplier audit task force has been established to conduct audits in accordance with the Supplier Code of Conduct Commitment Letter, along with tracking and follow-up on corrective actions for deficiencies, with the aim of jointly improving supplier quality.

Step 3: Supplier Training

- Irregular training sessions are held to effectively improve occupational safety and health performance through various forms of guidance and communication. The courses cover occupational safety and health, as well as regulatory risks.

Supplier Evaluations

In 2022, the Company established a supplier quality system and process capability evaluation standard, categorizing key suppliers into four levels: A, B, C, and D. Suppliers that pass the supplier management evaluation are eligible for contract renewal at the end of the year; those who fail are either designated for improvement guidance or disqualified from renewing their contracts. Penalties for certain suppliers are imposed in accordance with the *Supplier Evaluation and Reward and Penalty Guidelines*. Our management goal is to increase the proportion of sustainable suppliers. New suppliers are screened using the *Regular Supplier Evaluation Form*, in which environmental standards are one of the evaluation criteria. We invite suppliers to join us in making positive contributions to society, the economy, and the environment while minimizing negative impacts and jointly advancing toward a sustainable supply chain. Since 2021, on-site inspections have been suspended due to the COVID-19 pandemic, prompting the Company to accelerate its digital transformation. For example, some in-person vendor meetings have been replaced with telephone bidding, which reduces the need for cross-regional movement of personnel and clients while also creating new service models. In 2024, the Company conducted on-site audits for two key suppliers. Moving forward, the number of on-site evaluations will be increased. The Company will regularly assess supplier performance to ensure continued compliance with sustainability standards and will organize relevant training sessions as needed to enhance supplier management and support, thereby ensuring supply chain stability and sustainability.

Sustainable Procurement

To facilitate the selection of suppliers, in accordance with SKS's Procurement Management Regulations, the procurement unit examines suppliers' supply capability and credit status as well as establishes the basic information of suppliers prior to procurement. Additionally, the unit also conducts a comprehensive evaluation of suppliers' supply quality, service attitude, cooperation status, and price before each contract renewal, which helps eliminate suppliers with poor performance. In addition, since 2013, the Company has implemented the Human Rights and Environmental Sustainability Terms for Key Partners. In 2024, this was revised to the Supplier Code of Conduct Commitment Letter, which suppliers are invited to sign and agree to comply with. The commitment includes labor rights and human rights (including the prohibition of child labor), labor health and occupational safety, environmental protection, and ethical business practices. On-site inspections are conducted annually using the Supplier Inspection Form to promote a balance among economic, social, and environmental sustainability. SKS additionally requires suppliers to be informed when purchasing energy-using equipment over NT$150,000, and we include energy performance in procurement item evaluations and require suppliers to fill out Energy Performance Quotations. If a supplier is found to be in violation of the Commitment, subsequent procedures are carried out in accordance with the contract. We have maintained a 100% procurement rate from domestic suppliers for 10 consecutive years. Green procurement primarily focuses on products with eco-label certifications. The green procurement amount reached NT$24,090,668 in 2024.

Number & Percentage of Suppliers Signing the Commitment

Year	2024	2023	2022
Number of suppliers	181	185	208
Percentage of suppliers who have signed the Commitment (%)	100%	96.76%	94.23%

Supplier Categories

Year	2024	2023	2022
Machine Materials (%)	31.1%	35.4%	25.00%
Engineering Contracts (%)	21.9%	21.5%	10.58%
Other Procurements (%)	44.9%	43.1%	64.42%

Note: Other procurements include company assets, tooling expenses, office supplies, software and hardware maintenance and licensing fees, equipment leasing, and advertising, among others.

4.4 Biodiversity and Sustainable Action

Through climate governance and target setting, SKS responds to the challenges of climate change while seizing opportunities for transformation. The Company is also committed to biodiversity conservation and environmental public welfare initiatives to ensure the coexistence of corporate operations with environmental sustainability. In the face of climate change, all employees actively engage in energy conservation and carbon reduction while promoting the concept of environmental sustainability and aligning with both international and national environmental goals. In response to broader environmental demands, the Company not only provides customers with energy-saving and carbon-reduction systems and services, but also continues to promote environmental education through the An-Shin Classroom. These efforts help stakeholders understand the importance of combating global warming, reducing carbon emissions, and preserving ecosystems. Through sustainable actions, the Company aims to amplify its sustainability impact and contribute to the well-being of the planet.

Management Mechanism	• **Establish an environmental protection policy to ensure that business operations do not negatively impact the ecosystem.** • **Promote eco-friendly measures in office areas and communities, such as solitary bee hotels and rainwater harvesting.** • **Collaborate with government agencies and NGOs to implement ecological conservation projects.**
Concrete Actions	• **Ecological Protection: Participate in farmland biodiversity field monitoring and implement eco-friendly measures.** • **Reducing Ecological Impact: Promote a low-carbon supply chain and ensure that suppliers comply with environmental standards.** • **Corporate Volunteer Initiatives: Employees take part in environmental conservation activities.**
Advocacy / Response	• **Support for Environmental Sustainability Initiatives: Encourage employee participation in environmental campaigns and advocacy events (e.g., Earth Hour, Earth Day).** • **Promote Sustainable Transportation: Electrify company vehicles and encourage employees to adopt green commuting options (e.g., carpooling, participation in the "My Carbon Reduction Account Movement in Taipei, New Taipei, Keelung, and Taoyuan").**
Suppliers	• **Suppliers sign the Supplier Code of Conduct Commitment Letter.** • **Encourage suppliers to participate in environmental education seminars and activities organized by the Company.**
Social Welfare	• **Invite enterprises and partners to jointly participate in biodiversity-themed workshops and action plans.** • **Provide long-term support to young farmers in maintaining rural sustainability through organic farming, promoting eco-friendly land practices, organizing food and agriculture education, and promoting sustainable tourism activities.**

Key Sustainability Actions

An-Shin Classroom Promotes Earth Care by Fostering Biodiverse Farmland Environments

In recognition of the International Day for Biological Diversity (May 22), SKS's An-Shin Classroom partnered with the Lanyang Branch of the Hualien District Agricultural Research and Extension Station, Ministry of Agriculture, and Ching Chu Yilan Cooperative to co-host the Farmland Ecosystem Building and Ecological Knowledge Empowerment Workshop on May 23. Participants included young farmers from Yilan, staff from the Extension Station, members of the An-Shin Classroom team, and partners from the Shin Kong Life Foundation. The workshop took place in the rice fields of Sanxing Township, Yilan, adjacent to Ching Chu Yilan Cooperative's facility.

Researchers from the Extension Station gave lectures, then guided participants through hands-on biodiversity observation in the contract-farmed organic rice paddies cultivated by SKS and Yilan's young farmers. Given the ongoing impacts of global climate change and warming, which is causing species to disappear without notice, there is an urgent need to better understand farmland ecosystems. For instance, planting native wildflowers and cultivating diverse vegetation on farmland can create habitats that support beneficial insects; this allows natural predators to reduce pests and thus minimize pesticide use, ultimately promoting better health outcomes for humans.

SKS Leverages Experience in Sustainable Agriculture to Support ESG STORE and Co-Create a Sustainable New Market

The ESG STORE, a customized matching platform for agricultural sustainability launched by Taiwan's Ministry of Agriculture, is now officially online. Owing to our years of hands-on experience in agricultural sustainability and community revitalization, SKS was featured as a case study demonstrating the diverse potential of Taiwan's land through sustainable development. Since 2015, SKS has partnered with young farmers in Yilan through an organic rice contract farming program. Every year, SKS employees collectively donate and purchase organic white rice, which is then distributed throughout remote areas of Taiwan to underprivileged families and older adults living alone. The long-running Organic Rice Donation program is more than a public welfare effort that supports vulnerable households—over the years, it has also stimulated the growth of Yilan's local agriculture. For example, the "Come Farm and Eat in Yilan!" event jointly held with the Ching Chu Yilan Agricultural Marketing Cooperative in July highlighted recent achievements in sustainable agriculture and food and farm education. SKS also collaborates with the Cooperative to host regular events such as family days, small farmer markets, food education sessions, and rice harvesting activities. These events are designed to encourage more people to understand and value sustainable agriculture and environmental protection. SKS plans to deepen this partnership and will continue to work with the Cooperative by integrating local agricultural products into the Company's internal e-commerce platform for employee purchase. SKS will also continue to gather internal corporate resources to support new ESG innovation initiatives, aiming to maximize positive social impact and fulfill our corporate responsibility and mission.

Social Inclusion – Internal

Core Goals and Visions/

SKS believes that inclusion and respect are fundamental to sustainable corporate development. With a core focus on creating a diverse, equitable, and trusting workplace, we actively promote internal social inclusion, embracing the differences and values of each employee while encouraging diverse perspectives and cross-disciplinary collaboration. We are committed to building a workplace where every colleague can grow with confidence and fully realize their potential. Through ongoing communication, education, and support systems, we foster team cohesion and a positive culture. Looking ahead, we will continue to cultivate a philosophy of inclusion that empowers every employee to become a driving force in advancing the Company's growth and contributing to collective societal well-being.

GRIs Corresponding to Sustainability Material Topics/

GRI

202 Market Presence

401 Employment

402 Labor/Management Relations

403 Occupational Health and Safety

404 Training and Education

405 Diversity and Equal Opportunity

Chapter Highlights/

5.1 Building a Happy Workplace

5.2 Talent Training and Development

5.3 Healthy and Safe Workplace

Key Sustainability Actions

Sustainability Material Topic Description

Topics	Significance to SKS and Management Objectives	Management Policies	Possible Impacts on SKS	Corresponding SDGs	Corresponding GRIs	Corresponding Chapters
Workplace Safety and Health	With "zero disasters and zero accidents" set as our ultimate goal, we adhere to the principle of "putting people first," implement relevant legal regulations, and construct a workplace that is safe, secure, and comfortable.	Provide employees with a healthy and safe work environment. 1. Establish an occupational safety and health policy and implement a legally compliant occupational safety and health management system. 2. Implement hazard identification, risk assessment, and high-risk management, and conduct monthly statistical analysis of occupational injuries. 3. Provide occupational health management and health promotion measures, and strengthen employees' safety and hygiene education and training.	1. Workplace hazards incidents or an incomplete health promotion system will diminish the trust of employees and stakeholders in SKS. 2. Employee injuries and illnesses will impact attendance, increase personnel cost expenditures, and pose risks of litigation.		403	5.3 Healthy and Safe Workplace
Workplace Diversity, Equality, and Inclusion	Employees are our most important business partners. We take care of our employees in different roles, becoming their greatest support. This approach creates business value while also ensuring sustainable development.	1. Build a diverse and inclusive workplace, provide a variety of internal activities, and maintain clear complaint channels. 2. Provide daily off-work reminders, regular notifications about leave status via cell phones, and birthday greetings.	By changing the traditional mindset of the security industry being predominantly male, we aim to bring innovative influence to SKS and address the Company's pain points and potential needs regarding ESG.		401 402 405	5.1 Building a Happy Workplace 5.2 Talent Training and Development
Sustainable Employment and Talent Attraction	In response to the rapid changes in the overall environment and the unique nature of the security industry, digital transformation has become a trend. The key to success lies in the nurturing and development of talent.	1. Enable employees to achieve sound development in either managerial or technical/professional fields based on their individual characteristics and strengths while enhancing the management capabilities of supervisors at all levels to inspire employee engagement and commitment, thereby fostering mutual growth between employees and the Company. 2. The Company provides diverse learning channels and resources and encourages cross-disciplinary learning and multi-track career development to strengthen its sustainable competitiveness.	1. Only when our employees possess the professional knowledge and capabilities required for their positions/ranks can we ensure the smooth operation of various tasks at work. 2. By establishing a learning map, we enable our employees to understand the training system and future development directions, helping them gain a clearer insight into their career paths.		404	5.1 Building a Happy Workplace 5.2 Talent Training and Development
Market Presence	A good corporate image can earn SKS a good market reputation, and attract more partners, thereby expanding its market influence and enhancing employees' sense of identity with the organization.	1. In addition to complying with legal compensation policies, various incentive (bonus) systems are also provided. 2. Implement human rights policies, prohibit all forms of discrimination, and conduct annual employee satisfaction surveys.	Poor corporate governance will not only lower the credibility and reputation of SKS in the market and society, but also affect the loyalty of employees as well as the recognition and willingness to cooperate with SKS stakeholders, which will adversely affect business operations.		202	5.1 Building a Happy Workplace

5.1 Building a Happy Workplace

202 401 402 404 405

Talent Attraction and Retention

- Awarded the Best Companies to Work for three consecutive years.
- Honored with the Best Companies to Work for in Asia 2024 by HR Asia.

Shin Kong Security is dedicated to creating a workplace environment centered on employee well-being, aiming to build a safe and secure atmosphere. We offer competitive compensation and benefits, fair career development opportunities, comprehensive training programs, and a commitment to safety and health at work. We strictly prohibit forced or compulsory labor, ensuring that all employee working hours comply with relevant domestic laws and regulations. Our goal is to empower employees to thrive in their roles, boost morale, and leverage their strengths, all in pursuit of SKS's collective objectives. Furthermore, we prioritize the rights, health, and safety of our employees. We strictly adhere to regulations, including the prohibition of employing individuals under the age of 15, and provide protections for employees over 15 and female employees. Discrimination, sexual harassment, and any form of inhumane treatment are strictly forbidden, and we respect individuals' freedom to choose their profession and their right to associate freely.

In response to the diverse channels and development needs, we ensure fair, open, just, and efficient recruitment processes to select outstanding and suitable talents based on their professional abilities and experiences. Moreover, we strictly adhere to labor-related regulations to safeguard the legal rights and interests of our employees, ensuring equal treatment in our employment policies. Regardless of age, race, color, gender, religion, political affiliation, etc., all competent and skilled individuals are provided with equal job opportunities in accordance with the *Gender Equality in Employment Act*. Discrimination of any form in the workplace is strictly prohibited to ensure equitable treatment in recruitment, hiring, compensation, performance management, and career development. Additionally, employees interested in internal vacancies in other departments may apply for positions with the approval of their current supervisors, fostering diverse job opportunities and career transitions to retain more talented employees willing to explore various roles.

Employment Overview

All our employees are full-time employees under irregular labor contracts, with no casual employees at SKS. Non-employee workers at SKS are contractors (refer to Chapter 5.3 Health and Safety Workplace for details on the Safety and Health Management of Contractors). As of 2024, the percentage of local residents (Taiwan) employed as senior-level personnel is 100%.

The breakdown of employees by gender and region is as follows:

- In 2024, total males: **1,399** ; total females: **336**

Distribution by Job Category

Year	2024		2023		2022	
Category \ Gender	Male	Female	Male	Female	Male	Female
Sales	266	60	303	65	301	54
Dispatch	526	3	533	2	528	2
Control	98	44	95	46	100	40
Service	353	44	348	46	339	48
Administrative	156	185	149	180	151	177
Total	1,735		1,767		1,740	

Distribution by Employment Region

Year	2024			2023			2022		
Gender \ Region	North	Central	South	North	Central	South	North	Central	South
Male	842	310	247	867	305	256	839	235	255
Female	227	57	52	225	64	50	214	63	44
Total	1,735			1,767			1,740		

Distribution by Employee Age

Year	2024		2023		2022	
Age \ Gender	Male	Female	Male	Female	Male	Female
Age 30 or below	153	40	179	39	213	37
Age between 31 and 50	1,014	237	1,032	247	1,004	238
Age above 50	232	59	217	53	202	46
Total	1,735		1,767		1,740	

Note:
1. The headcount statistics are based on the actual number of employees in service as of December 31.
2. Dispatch personnel, due to restrictions imposed by Article 10 of the Private Security Service Act, must undergo a security investigation before appointment. These personnel constitute 30% of the total workforce.

Distribution by Education Level

Item	2024	2023	2022
University and above (persons)	804	811	771
Proportion (%)	46.3%	45.9%	44.3%
Junior college (persons)	252	340	343
Proportion (%)	14.5%	19.2%	19.7%
High school (persons)	679	616	626
Proportion (%)	39.2%	34.9%	36.0%

Note: Proportion = Number of people holding that education level in the current year/Total number of employees in the current year.

Percentage of Senior-level Personnel

Item	2024	2023	2022
Number of senior-level personnel	77	78	78
Total number of employees	1,735	1,767	1,740
Proportion (%)	4.4%	4.4%	4.5%

Note:
1. Senior-level personnel include all employees holding managerial positions or above at the headquarters, resident managers, and district directors in branch offices.
2. The 2023 percentage is the revised data.

Job Rotation Training

SKS implements a talent nurturing policy of "choosing the right person for the right job" and focusing on capability and performance training, expecting all employees to maintain an attitude of continuous learning. Through internal job rotation training, we strengthen our employees' expertise, and enhance their management mindset, execution capability, and creativity, thereby optimizing our organization and knowledge transfer, increasing internal and external loyalty and competitiveness, and nurturing outstanding talents in a variety of fields. In recent years, in response to strategies for optimizing organizational resources and precise manpower allocation, the number of internal transfers has been adjusted annually. During this adjustment process, the Company has strengthened the alignment between transfer planning and annual operational goals, focusing on key competency areas and the development of high-potential talent. Transfers are arranged based on individual career plans and departmental needs to achieve the talent development goal of "emphasizing both quality and quantity, and placing the right person in the right position."

Program	Description	Year and Number of Employees		
		2024	2023	2022
Job Rotation Training and Internal Recruitment	Purpose: Initiated by the headquarters, we provide job rotation opportunities based on organizational needs and employees' career planning. Target: Employees who wish to develop in different fields.	178	394	471

Composition Analysis of New Employees

Year	Item	Male	Female	Age 30 or below		Age between 31 and 50		Age above 50	
				Male	Female	Male	Female	Male	Female
2024	Number of employees	216	65	86	27	126	37	4	1
	Proportion of new employees (%)	15.4	19.3	56.2	67.5	12.4	15.6	1.7	1.7
2023	Number of employees	289	59	105	21	180	36	4	2
	Proportion of new employees (%)	20.2	17.4	58.7	53.8	17.4	14.6	1.8	3.8
2022	Number of employees	298	75	141	22	156	52	1	1
	Proportion of new employees (%)	21	23.4	66.2	59.5	15.5	21.8	0.5	2.2

Note:
1. Total number of employees: 1,735 in 2024; 1,767 in 2023; 1,740 in 2022.
2. The proportion of new employees in each age group is calculated as the number of new employees in that age group divided by the total number of employees in that age group.
3. The proportions of new male/female employees are calculated as the total number of new employees of that gender divided by the total number of employees of that gender.

Resigning Employee Distribution

Year	Item	Male	Female	Age 30 or below		Age between 31 and 50		Age above 50	
				Male	Female	Male	Female	Male	Female
2024	Number of employees	241	68	75	20	148	42	18	6
	Resignation rate (%)	17.2	20.2	49	50	14.6	17.7	7.8	10.2
2023	Number of employees	294	47	102	13	173	31	19	3
	Resignation rate (%)	20.6	13.9	56.9	57	16.8	12.6	8.8	5.7
2022	Number of employees	355	62	143	23	194	37	18	2
	Resignation rate (%)	25	19.3	67.1	62.2	19.3	15.5	8.9	4.3

Note:
1. Total number of employees: 1,735 in 2024; 1,767 in 2023; 1,740 in 2022.
2. The resignation rate in each age group is calculated as the number of resigning employees in that age group divided by the total number of employees in that age group.
3. Male/Female resignation rates are calculated as the total number of resigning employees of that gender divided by the total number of employees of that gender.
4. Regarding the resignation rate, the voluntary resignation rate is 17.8%, and the involuntary resignation rate is 0.001%.
5. The 2023 turnover rate (%) for males aged ≤30 is the revised figure.

A Diverse, Inclusive, and Friendly Workplace

SKS Human Rights Policy

Shin Kong Security recognizes and adheres to the principles outlined in international human rights conventions such as the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the UN Global Compact, and the International Labor Organization Declaration on Fundamental Principles and Rights at Work by staying committed to protecting the basic human rights of employees and creating a work environment that values the dignity and worth of the individual. Furthermore, the Company complies with labor-related laws and regulations in all operating locations and establishes appropriate management methods and procedures to prevent any human rights violations and infringements, in order to fulfill corporate social responsibility and protect the basic human rights of all employees, customers, and stakeholders. In 2021, the Company formulated a Human Rights Protection Policy to protect our current employees and expects our suppliers and contractors to adhere to the following principles to protect human rights:

1. Comply with local labor and environmental laws and regulations in the operating locations to ensure reasonable working conditions and a safe and healthy working environment for employees.
2. Strive to create a working environment that provides equal employment opportunities for all, and is free from discrimination, harassment, and differential treatment regardless of race, nationality, age, gender, marital status, political stance, religious belief, etc.
3. No forced labor and no child labor.
4. Respect employees' privacy.
5. Establish smooth labor-management communication channels, provide a complaint mechanism, conduct immediate investigation, and implement remedial and improvement measures in case of human rights violations.
6. Regularly review and evaluate the human rights system and practices.

Gender Equality

Due to the unique nature of our industry, SKS has a predominantly male workforce. In order to break the stereotypes of the security industry, we revise measures that emphasize the rights and benefits of female employees to create a gender-friendly work system and environment. To encourage female employees to pursue their career goals, we plan to increase the proportion of female supervisors and employees in recruitment, and strive to integrate gender equity awareness into our organizational culture and system.

Employee Ratio by Gender

Year	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
Number of employees by gender	1,399	336	1,428	339	1,419	321
Ratio of employees by gender (%)	80.6%	19.4%	80.8%	19.2%	81.5%	18.4%
Number of supervisors by gender	280	32	278	24	286	20
The ratio of supervisors to the total number of employees by gender	16.1%	1.8%	15.7%	1.4%	16.4%	1.1%

Note:
1. Proportion = Number of employees by category divided by total number of employees.
2. "Supervisors" refers to employees holding the rank of section chief or higher.

Diverse Work Scheduling System

Given the heavy traffic during peak commuting hours, the Company's Neihu Technology Headquarters has implemented a flexible working hours system, allowing employees to arrive within 2 hours after the designated start time or leave up to 2 hours before the designated end time. This policy enables employees to adjust their work schedules in accordance with public transportation timetables, thereby reducing the stress of being late due to traffic congestion. This initiative not only lowers rates of tardiness and absenteeism but also enhances employees' efficiency and sense of responsibility, further promoting overall productivity and workplace satisfaction.

Family-Friendly and Maternal Health Protection Policy

The Company is committed to creating a friendly workplace. In addition to providing female employees with menstrual leave, prenatal checkup leave, maternity leave, and parental leave in accordance with the law, the Company has further enhanced relevant benefits to support the government's pro-birth policies:

1. Supporting Shared Parenting
   • Paternity leave and paternal prenatal checkup leave have been extended to 7 days to encourage employees and their spouses to jointly share parenting responsibilities.
   • The spousal employment restriction for parental leave without pay has been removed, allowing more families to benefit.
   • Employees may apply for family care leave to accommodate situations such as family members receiving vaccinations, major illnesses, or other emergencies.

2. Maternal Health Protection Program
   To help married female employees balance work and family, the Company has implemented the Maternal Health Protection program, which provides a comprehensive health management mechanism:
   • Pregnant, postpartum, and breastfeeding women may undergo self-health assessments with assistance from company nurses.
   • Occupational safety personnel conduct workplace hazard assessments to ensure a safe working environment.
   • On-site occupational health physicians are available for consultations and adaptability assessments, offering professional advice to give female employees peace of mind throughout their pregnancies.

Through these initiatives, the Company not only fulfills its corporate social responsibilities but also creates a friendlier and healthier workplace environment for employees.

For more details on Maternal Health Protection, please refer to Chapter 5.3 Healthy and Safe Workplace.

Statistics of Employees on Parental Leave

Item	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
Number of qualified employees	21	11	21	7	24	9
Number of actual applications	16	6	18	8	12	11
Application Rate (%)	76%	55%	86%	100%	50%	100%
Expected number for reinstatements	23	7	15	5	13	11
Actual number for reinstatements	17	4	7	5	11	11
Reinstatement Rate (%)	74%	57%	47%	100%	48%	48%
Number of employed 12 months after reinstatement	2	4	8	11	1	1
Retention Rate (%)	29%	80%	73%	100%	100%	50%

Note:
1. The reason for not returning to work after the expiration of parental leave was the need to continue caring for their children.
2. Reinstatement rate = Actual number of employees who returned to work / Expected number of employees to return to work in the current year; Retention rate = Number of employees still employed 12 months after returning to work / Number of employees who returned to work in the previous year.
3. The number of actual applications in 2022, 2023, and 2024 includes those who were still on parental leave in the previous year.

Employee Diversity and a Friendly Workplace Environment

The Company actively promotes diversity in hiring practices by striving to provide fair job opportunities for disadvantaged groups. In alignment with national policies and through effective use of corporate resources, the Company hires individuals with disabilities and members of indigenous communities, creating a friendly workplace where everyone can thrive in roles suited to their strengths.

Upholding a philosophy of care and support for employees, the Company has established a massage room on the B1F of its Neihu Headquarters, which is staffed by visually impaired masseuses and offers the following benefits:

• Up to 20 employees may book massage services each day.
• Each employee may make up to 2 appointments per week.
• Employees celebrating their birthdays in the current month are entitled to two complimentary stress-relief massage sessions.

Through these initiatives, the Company not only enhances employee cohesion, morale, and productivity but also demonstrates genuine social care and fulfills its corporate social responsibility.

The employment situation is as follows:

Item	2024	2023	2022
Indigenous people (total)	29	27	30
Indigenous people (ratio)	2%	2%	2%
Persons with disabilities (total)	17	14	12
Persons with disabilities (ratio)	1%	1%	1%

Note: SKS values the employment rights of persons with disabilities and has been receiving annual government incentive grants since 2017 for the employment of persons with disabilities. (The total number of persons with disabilities in the table does not include the weighted statistics of persons with severe disabilities.)

Employee Performance Appraisal System

To enhance new employees' understanding of company policies, organizational structure, regulations, and work processes and to establish shared values, strengthen professional competencies, promote collaboration, and improve work efficiency, the Company has implemented an evaluation and examination system for new hires transitioning to regular staff. In addition to these regulations, online and offline training courses as well as mentorship by senior colleagues are provided to help new employees quickly integrate into the Company and demonstrate their potential.

To ensure management efficiency and work quality and to strengthen market competitiveness, the Company conducts quarterly performance evaluations for all employees. Performance management is linked to salary adjustments and bonus systems to motivate employees to take on challenges and achieve departmental and corporate goals. Moreover, separate evaluations are conducted for managerial and general staff positions, based on the specific needs and responsibilities of each role, to ensure the effective functioning of core competencies across all levels.

Compensation Plan

SKS ensures fairness and non-discrimination across all human resource systems, including salary, benefits, performance evaluation, promotion, and disciplinary actions. All employees—regardless of race, sex, age, marital status, sexual orientation, or physical and mental disabilities—are entitled to equal treatment.

In terms of the promotion system, employee salaries are determined based on market value and the Company's salary policy, ensuring that the pay structure is both reasonable and fair. Educational background, professional experience, and seniority are the primary indicators considered in salary decisions. For entry-level positions, the starting salaries for both male and female employees are set at a 1:1 ratio relative to the statutory minimum wage, ensuring equal pay. In 2024, SKS had a total of 1,699 full-time employees who were not in managerial positions, representing a decrease of 23 individuals compared to the previous year. The Company paid out a total of NT$1,250,593,000 in salaries, with an average salary of NT$736,000 and a median salary of NT$690,000. Compared to the previous year, total salary payout increased by NT$49,085,000, average salary increased by NT$38,000, and median salary increased by NT$34,000.

Reference - Our company's official website / Corporate Governance / Operational Status / Employee Compensation Policy and Implementation: https://reurl.cc/ZernaQ

Note:
1. In 2024, the ratio of the annual salary for the Company's highest-paid employee (A) to the median annual salary for all other employees (B) was (A/B) = 3.70.
2. From 2023–2024, the growth rate of the annual salary for the highest-paid employee (C) compared to the growth rate of the median annual salary (D) was (C/D) = 1.42.

Salary to Compensation Ratio

Category/Gender		Salary		Compensation	
		Male	Female	Male	Female
Supervisors	Section Chief	0.9	1.0	0.9	1.0
	Manager	1.0	1.0	1.0	1.0
	Assistant Manager	0.8	1.0	0.9	1.0
Employees	Administrative	1.0	1.0	1.1	1.0
	Sales	1.0	1.0	1.0	1.0
	Service	1.1	1.0	1.0	1.0
	Dispatch	1.0	1.0	1.0	1.0

Note:
1. Supervisors include job levels from section chief to assistant manager.
2. The statistical data above vary due to personal seniority, performance, and bonuses.
3. Salary refers to a monthly base salary; compensation is the sum of a full year's salary, variable bonuses, overtime pay, year-end bonus, performance bonus, excellent performance bonus, and employee compensation divided by 12 months.

Furthermore, SKS has always attached great importance to employee welfare measures. In accordance with the Employee Welfare Fund Act, we have established an Employee Benefits Committee to offer different welfare measures and incentive bonuses such as variable bonuses, year-end bonuses, performance bonuses, excellent performance bonuses, and employee compensation. Besides, dispatch personnel are also rewarded with apprehension bonuses when they apprehend thieves in order to ensure the safety of customer property. The employee welfare measures, retirement system, and their implementation, as well as the agreements between employees and management, are described as follows:

▪ Region: Taiwan

Employee Benefits

1. Birthday gift (voucher) and points.
2. LOHAS points for the Dragon Boat Festival, Mid-autumn Festival, and Spring Festival.
3. Wedding subsidy.
4. Death subsidy for the employee, his/her parents, spouse, or children.
5. Childbirth subsidy for the employee or his/her spouse (Note 1).
6. Subsidy for the employee suffering from a major injury or disaster.
7. Education subsidy for children of deceased employees.
8. Scholarship subsidy for members' children.
9. Subsidy for club activities organized by employees.
10. Childcare-friendly environment (Note 2).

Company Benefits

1. Annual discount on accident insurance and additional medical insurance (including dependents).
2. Dragon Boat Festival and Mid-autumn Festival bonuses.
3. Year-end and performance bonuses.
4. Excellent performance bonus.
5. Employee compensation distribution.
6. Spring banquet lottery event.
7. Subsidy for club activities.
8. Pension subsidy.
9. Wedding and funeral subsidies.
10. Overseas travel, domestic group travel (self-improvement activities) subsidies.
11. Maternity leave, parental checkup accompaniment paternity leaves, and family care leave (Note 3).

Other

1. Contribute to Labor Insurance, National Health Insurance, and (new/old) pension systems in accordance with the law.
2. Regular health checkups are better than those required by law.

Note:
1. Employees are eligible for a childbirth subsidy of NT$6,000 per child. If both parents are SKS employees, both of them are eligible to apply for the subsidy. The subsidy amount is multiplied by the second or higher birth order.
2. The Group's representative has signed a childcare service contract with Hess Educational Enterprise Co., Ltd., and employees will enjoy preferential registration fees at all of Hess's nursery schools and after-school daycare centers.
3. Provide 8 weeks of maternity leave, and 8 days of parental checkup accompaniment and paternity leave, in compliance with the law.
   Provide family care leave and flexible work schedule.
   Provide an unpaid parental leave system that complies with the law, with a 93% reinstatement rate.
   Provide postpartum employees with reinstatement assistance measures, appropriate work arrangements, and flexible workplaces in accordance with their needs.

Employee Welfare

Employee Support Programs	Description
Subsidies for employee clubs	Encourage employees to participate in health and recreational activities, and provide subsidies for self-initiated club-related expenses.
Scholarships for employees' children	Encourage employees' children to study diligently; those enrolled in public or private universities, colleges, high schools, and junior high schools may apply if their semester grades meet the standards set out in the regulations.
Subsidies for employee weddings, funerals, and other family events	Extend congratulations and condolences to employees and their families for events such as weddings, funerals, and other important occasions.
Distribution of gifts for employee birthdays and the three major holidays	Express congratulations and appreciation to employees on their birthdays and during the three major holidays.
Assistance for employees in the event of serious injury, disasters, or illness.	Express well-wishes and condolences to employees experiencing major injuries, disasters, or illnesses.
Subsidies for self-improvement activities	Encourage employees to participate in activities that enhance colleague relationships and relieve work-related stress.

Retirement System

To ensure employees' retirement rights and provide comprehensive retirement planning, the Company has established the Employee Retirement Regulations and the Preferential Retirement Regulations for Retirees. Employees who meet the legal retirement requirements may apply for retirement and will be awarded a certificate of appreciation and a gold medal to recognize their contributions. Retirement payments are handled in accordance with the Labor Standards Act and the Labor Pension Act, with a complete retirement preparation mechanism in place:

Old Pension Scheme:
- In accordance with the law, a reserve fund for the old pension system is established and managed in a dedicated account at the Bank of Taiwan for allocation and payment purposes.
- A monthly contribution of 2% to 15% of total employee wages is made as stipulated; the current rate is 8%.
  The account balance is estimated at year-end, and if insufficient, it is replenished by the end of March of the following year.

New Pension Scheme:
- In accordance with the law, a monthly contribution of 6% is allocated to each employee's individual pension account.
- Employees may voluntarily contribute an additional 0% to 6%, which the Company will deduct and deposit into their individual accounts accordingly.

Elimination of Workplace Discrimination

SKS is committed to creating a **fair and respectful workplace environment**, ensuring that all employees, job applicants, and service recipients are free from discrimination and harassment. The Company has established the Sexual Harassment Prevention Measures, Complaint, and Disciplinary Procedures and **implemented** preventive, corrective, disciplinary, and response measures to protect the rights and privacy of the parties involved.

In addition, we regularly promote:
- **Sexual harassment prevention education and training** to raise employee awareness and response capabilities.
- **Gender equality courses** to foster a gender-friendly workplace culture.

In 2024, a total of three sexual harassment incidents were reported—two internal and one external. For the internal cases, the Company initiated investigation procedures in accordance with the Sexual Harassment Prevention Policy. The Sexual Harassment Investigation Committee conducted investigations, confirming one case as substantiated, which was handled and followed up in accordance with relevant regulations. The other case was found unsubstantiated upon investigation; both parties accepted the outcome and the case was closed. For the external incident, the Company immediately provided complaint channels and legal assistance, along with necessary support and care measures based on the specific needs of the case to protect the employee's legal rights and physical and mental well-being, which demonstrated our commitment to a friendly workplace.

Diverse Activities

Given the **challenging and high-pressure** nature of security work, the Company actively fosters a **healthy and safe work environment** by offering a variety of stress-relief and physical and mental wellness activities, including:

Facilities at Neihu Headquarters B1F: Basketball arcade machines, a badminton club, and a fitness club are available to encourage employees to exercise and relieve stress.

Women's Day Event (held annually in May):
- Includes **lectures, skincare and beauty sessions, essential oil therapy, DIY crafts, gardening**, and other themed activities.
- Female employees who are unable to attend the event receive a **special gift**, allowing every woman to enjoy a moment of healing amidst a busy schedule and adding joy to life.

Men's Day Event (held annually in August):
- Held in conjunction with Father's Day, featuring activities such as Parent–Child Day or summer produce fairs.

Listening Policy

As a **company committed to employee well-being**, SKS values employee feedback and maintains harmonious labor relations through **diverse communication channels**, including:
- **Grievance and Reporting System:** Ensures that employees can safely express workplace concerns while safeguarding fairness and justice.
- **Creative Mailbox:** Encourages employees to contribute ideas, fostering corporate innovation and organizational development.

These mechanisms ensure that employee feedback is **promptly conveyed and effectively addressed**, further enhancing internal cohesion and strengthening corporate culture.

Creative Mailbox

The growth of SKS is multifaceted. Employees are encouraged to submit creative improvement proposals, and they are appropriately rewarded for doing so. This fosters both internal and external advancement and drives the Company's continued growth.

Item	2024	2023	2022
Number of suggestions	79	79	73
Bonus (NT$)	8,300	11,400	10,600

Complaint and Communication Channels

The Company is committed to **establishing a transparent and fair grievance and reporting mechanism** to ensure that employees and stakeholders can express their opinions through appropriate channels and receive timely responses.

Internal: Employee Grievance (Reporting) Procedure

1. For those with internal corporate network accounts:

• Complainant (whistleblower) → SKS corporate intranet → Human Resources Zone → Employee Complaint (reporting) Mailbox (online registration)

• Fill out the content of the complaint → Receiving department gathers and handles the problem → Forwarded to relevant departments (with a copy sent to the Executive Vice President and President) → Reply with the handling result.

2. For those without internal corporate network accounts:

• Complainants may complete a Grievance (Reporting) Form and send it via their personal external e-mail account to the dedicated HR mailbox (hr@sks.com.tw), where a designated staff member will handle the case.

3. Written grievance:

• Employees may also submit written complaints with supporting evidence to the HR Department to ensure their grievance rights are protected.

External: Stakeholder Grievance (Reporting) Procedure

• Stakeholders may file complaints or reports through the Company's official **website → Sustainability Section → Sustainability Grievance/Reporting Mailbox (Online Submission).**

• This mechanism ensures that external stakeholders (such as customers, suppliers, and partners) can also express their opinions freely, thereby promoting integrity and corporate accountability.

Note: For details on the complaint and reporting system in 2024, please refer to Chapter 2.4 Regulatory Compliance

Employee Satisfaction

SKS places great importance on **employee voices and workplace happiness**. We gather feedback through a variety of mechanisms and continuously strive to optimize the work environment.

Key Communication and Feedback Mechanisms

• **Quarterly labor–management meetings:** Ensure two-way communication and enhance harmonious labor relations.

• **Protection for new employees:** From the date of onboarding, employees are covered by the Labor Standards Act and related labor rights regulations.

• **Employee bonding activities**: Promote team interaction and strengthen cohesion.

• **Grievance and feedback channels:** Employees may express their opinions via the grievance mailbox, ESG mailbox, or e-mail, ensuring that all concerns are appropriately addressed.

• **Periodic employee satisfaction surveys:** Analyze employee feedback and implement reviews and improvements for areas with lower satisfaction levels.

HR Asia Awards – Best Companies to Work for in Asia

In 2024, SKS participated in the HR Asia Awards, **one of the most prestigious and large-scale human resource evaluations in the Asia-Pacific region.**

• Using a professional assessment framework, employees were invited to score their satisfaction levels, with evaluations covering:

1. Core values (CORE)
2. Personal development (SELF)
3. Team culture (GROUP)

• Survey results indicated that SKS **scored above the industry average in all indicators**, reflecting strong employee recognition of the corporate culture, workplace environment, and development opportunities.

5.2 Talent Training and Development

401 402 404 405

• In 2024, SKS offered a total of

230 training sessions, with

31,634 participants.

• The average training hours per employee in 2024

reached **107.17** hours

(including online training programs).

At a business management meeting, the Chairman of SKS shared that human needs are the foundation of all industrial development. However, population aging and declining birth rates have made labor shortages the new norm, reshaping expectations for working hours, compensation, and the realization of personal value. These shifts have significantly impacted the security industry, making talent a key driver for corporate transformation and sustainable development. 2023 was designated as the Year of Inception for a new era in corporate sustainability, with the overarching goal of HOPE". The "H" in HOPE stands for Human capital, emphasizing talent cultivation, suitable placement, and career development. Placing "H" first underscores the central role of people as the driving force behind HOPE. SKS's talent development policy clearly identifies human capital as a strategic focus, aiming to enhance sustainable talent strength by implementing organizational optimization, micro-learning platforms, and other initiatives focused on nurturing talent, placing the right people in the right roles, and supporting long-term career development.

The security industry has traditionally relied on a mentorship model for talent training. With the advent of the digital economy, human–machine collaboration supported by smart technologies is emerging as the mainstream approach. In response to rapid market changes, SKS provides training in digital skills, customer orientation and communication, and leadership development. Beyond enhancing industry expertise, SKS encourages continuous learning and supports workplace flexibility through inclusive strategies, building a high-quality talent ecosystem that empowers employees to grow and thrive.

In response to the increasingly volatile, uncertain, complex, ambiguous, and multilateral (VUCA) global trends, SKS recognizes the need for continuous corporate growth and for employees to adopt strategic thinking to navigate change. The Talent Development Department continues to enhance employees' capabilities by strengthening their knowledge and adaptability. A comprehensive and robust training framework has been established, focusing on onboarding programs for new employees, professional training for current staff, leadership and management development for supervisors, and talent pipeline programs for high-potential employees. At every stage of their careers, employees are offered diverse learning and growth opportunities.

Accordingly, the Talent Development Department continuously drives innovation and transformation based on industry trends, corporate operations, customer demands, and talent competency requirements. This ensures that employees benefit from thoughtful and effective training at each phase of their career development. Annual training plans are formulated based on business goals and the development needs of each department. From curriculum design, instructor selection, and implementation to post-training review and feedback, collaboration with each department ensures that all training activities align with the company's growth objectives and employee competency development needs.

For example, the foundational training for new sales personnel utilizes the E-Learning Platform for online learning and course preparation. Sales supervisors guide employees through reading materials, assessments, and Q&A sessions. The Talent Development Department further adopts a blended learning model of physical classrooms equipped with electronic devices for training, and uses roleplay-based product pitch evaluations to significantly enhance learning outcomes. Additionally, digital video modules on product training, business development, and administrative procedures are produced to boost learning motivation and reinforce content covered during in-person training sessions.

To ensure equitable access, employees who are unable to attend in-person training are not neglected. With the consent of instructors, courses are recorded and made available on the E-Learning Platform, which protects employees' rights to training without compromise.

Training Framework

To enhance employee skills and competencies and achieve corporate business objectives, the Talent Development Department has established a comprehensive training system. This system is guided by the Training *Quality Management Manual* and governed by the *Employee Training Regulations*.

Program	Applicable Roles	Description	Training Modules		
Common		As members of the SKS Group, employees are expected to possess competencies related to corporate awareness and compliance with regulatory requirements.	Corporate Culture and General Orientation Training Ethical Corporate Management Training	Personal Data Protection Act Training Intellectual Property Rights Training	Anti-Corruption and Gender Equality Education Occupational Safety and Health Training for General Workers
Sales	Sales Senior Sales	Training is designed to strengthen the knowledge, skills, and attitudes required for sales personnel to effectively promote services, develop customer bases, and enhance contract acquisition quality and performance.	Pre-employment Training (Sales) Basic Training for New Sales Personnel Advanced Sales Training Elite Sales Training	Buyout Product Sales Training New Product Roadshow Training Special Product Sales Training	Financial Channel Director Training Smart Construction Training (Sales) Fire Safety Product Training
Technical	R&D Service Safety & Health Security	Strengthen the professional capabilities of service personnel to improve service quality. Through skill certification at various levels, employees enhance their professional competencies to meet customer service demands. Operational procedures must comply with occupational safety and health requirements to prevent work-related injuries. Establish awareness among security personnel regarding the protection of client assets. Foster a sense of responsibility, legal compliance, and discipline to achieve the objectives of operational safety.	Pre-employment Training (Service) Refresher Training for New Service Staff Professional Skills Training for Service Personnel Special Product Engineer Training Buyout Product Maintenance Skills Training New Product Skills Training On-the-job Training for Service Specialists POS and Access Control Skills Training	Pre-employment Training (Security) Pre-employment Training for New Security Guards at Assigned Sites Refresher Training for New Security Guards Professional Skills Training for Security Guards Smart Construction Professional Training (Engineering) Building Engineering Training Customer Service Center Training Telecommunication Administrator Training	Technical Refresher Course First Aid (AED) Training Various Occupational Safety and Health Training Programs Honor Guard Personnel Training Control Center Training Trainee Control Center Program for Duty Supervisors Maintenance Refresher Course
Management	Supervisors Administration Finance Advisors	Optimize leadership and team management capabilities of supervisors to improve overall team performance and competitiveness. Leverage digital technologies to boost service efficiency and support frontline operations through a comprehensive service approach.	Senior-level Supervisor Development Training Section-level Supervisor Development Training Newly Promoted Supervisor Training Site Manager Development Training Head Office Administrative Competency Training	On-the-job Training for Branch Office Staff Trade Secrets Act Training Department Manager Development Training Service Director Development Training	On-the-job Training for Duty Supervisors Information Security Training Basic Intellectual Property Rights Training SAP End-User Training
Sustainability	Technology & Innovation Training Transformation	Adopt a customer-centric approach and harness digital technologies to enhance innovation capabilities and deepen solution development. Continuously strengthen the Company's operational foundation through process reengineering while fulfilling its corporate social responsibilities. Develop outstanding supervisors and place them in appropriate positions; cultivate internal trainers to meet the Company's ongoing development needs.	SKS Lecture Series Thematic Book Club Sessions Foresight and Strategic Insight Workshop CSR Training Academic Collaboration Programs	Energy Management Training Supervisor Empowerment and Reserve Training Program Elite Development Program (Site Manager) Elite Development Program (Department Manager) Domestic and Overseas Business Trip Sharing Session VI Seminar Domestic and International Site Visits	Scientific Research Lecture Finance Lecture Overseas Training Program Management Associate Training (Service) Management Associate Training (Operations) Internal Trainer Development Program

Learning Resources

1. Learning Environment: To fulfill our operational philosophy of Professionalism and uphold our core value of Earning Customer Trust, SKS has established ten classrooms equipped with specialized electronic devices to simulate client-site scenarios. These classrooms, which are located throughout Taiwan, serve as hands-on learning venues and are equipped for skill certification assessments. SKS is committed to investing in training facilities to enhance employees' technical service capabilities.

2. Internal Instructors: Talent is one of the key strategies for strengthening corporate competitiveness. To enhance the quality and effectiveness of training, SKS has established the Instructor Management Guidelines. By cultivating professional instructors across various job categories, the Company promotes knowledge and experience sharing. Instructors play a crucial role in mentoring employees and supporting their growth. As of the end of 2024, SKS had 159 internal instructors and 148 seed trainers in the security division, accounting for 18% of the workforce.

3. E-Learning Platform: To enable learning anytime and anywhere without being restricted by class schedules or locations, SKS developed a comprehensive KA knowledge base to facilitate knowledge transfer and serve as a performance management tool. It has also introduced an E-Learning Platform to provide employees with an online self-learning environment. This is especially helpful for field security staff who face limitations in accessing in-house learning opportunities. The platform supports the continuous improvement of their operational knowledge. Supervisors can also monitor individual learning progress and provide timely feedback and support. For new employees, the platform offers pre-course diagnostic tests, interactive discussion forums, and post-course material reviews.

Statistics on Training and Training Time, by Job Category (In-Person Classroom Training)

Year		2024		2023		2022	
		Male	Female	Male	Female	Male	Female
Employee Training Time (Hours)	Sales	2,996	611	6,276	1,038	2,101	683
	Security (Dispatch, Control)	308	NA	30,088	NA	1,174	NA
	Services	3,665	142	4,264	40	5,678	321
	Administrative	3,012	1,538	2,662	1,288	5,427	1,142
	Subtotal by Gender	9,981	2,291	43,290	2,366	14,380	2,146
	Total Hours	12,272		45,656		16,525	
Average Employee Training Time (Hours)	Sales	11.26	10.18	20.71	15.97	6.98	12.65
	Security (Dispatch, Control)	0.49	0	56.45	0	1.94	0
	Services	10.38	3.23	12.25	0.87	15.73	4.79
	Administrative	7.13	6.82	17.87	7.16	35.94	6.45
	Subtotal by Gender	7.13	6.82	9.56	6.98	10.13	6.68
	Per Employee	7.07		25.83		8.75	

Note:
1. Average employee training time = Total employee training time divided by the number of employees in the year.
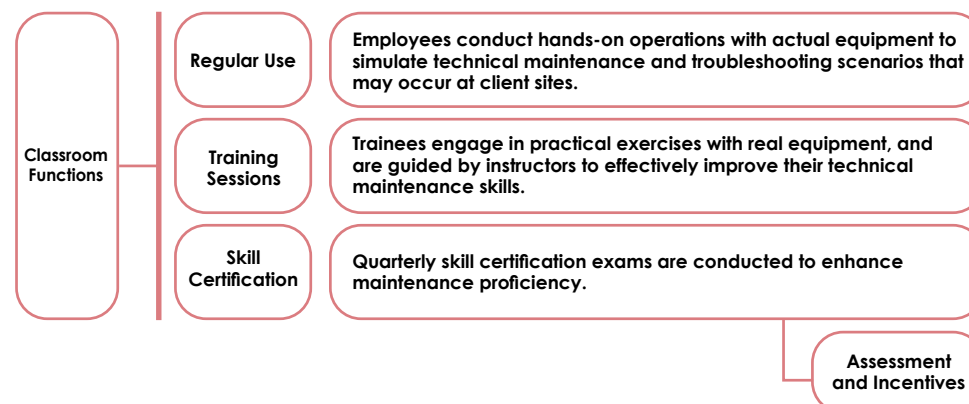2. Total time = Total training time of both male and female employees.
3. Our Control Center arranges occasional new product and internal regulation trainings for female employees.
4. This table only includes the results of in-person training sessions applied and recorded through the Company's training system. Online training hours, daily training for security personnel, and the mandatory 4-hour monthly on-the-job training required by security industry regulations are not included.
5. The figure for "Average Training Hours per Employee (Hours) – per employee" in 2023 reflects the revised data.
6. The Company has no female security personnel; therefore, training hours for females in the security job category are indicated as NA.

Classroom Functions

Regular Use	Employees conduct hands-on operations with actual equipment to simulate technical maintenance and troubleshooting scenarios that may occur at client sites.
Training Sessions	Trainees engage in practical exercises with real equipment, and are guided by instructors to effectively improve their technical maintenance skills.
Skill Certification	Quarterly skill certification exams are conducted to enhance maintenance proficiency.

Assessment and Incentives

Specialized Training Programs

1. Executive Training:

Senior executives play a critical role in determining a company's success or failure. In response to continuous changes, the Talent Development Department has organized a series of training programs, including workshops on strategy alignment, translating goals into results through performance management, corporate governance, sustainable development, productivity enhancement through ChatGPT, mastering advanced uses of ChatGPT, internal material information handling procedures, and general education in information and communication security. Executives also participate in Harvard Leadership Program courses, which are akin to a mini-MBA, and utilize case-based teaching to enhance practical analysis and decision-making skills while introducing new perspectives and the latest legal regulations.

To support ongoing learning, the Talent Development Department has subscribed to two channels for executive readership: CommonWealth Leader Campus and the Public Leadership Credential from Harvard. In 2024, the CommonWealth Leader Campus recorded 20,965 learning sessions, 14,880 completed units, and a total of 166,272 reading hours. Meanwhile, the Public Leadership Credential from Harvard enabled targeted learning through professional topic selections; 276 learners read 2,641 articles, totaling 421 reading hours.

2. Team Development Lecture Series:

To enhance communication skills among team members and improve overall team efficiency and workplace atmosphere, the Talent Development Department collaborated with the Teacher Chang EAP Center to organize a series of four lectures. A total of 511 participants attended these sessions.

Session	Topic	Speaker
1	Communication – Let's Be Better Together (Satir Communication Practice)	Psychologist Chen Ya-Ting
2	Building a Psychologically Safe Team	Consultant Yang Hsiang-Jung
3	From Bias to Understanding (Unconscious Bias)	Psychologist Yang Jui-Yu
4	Upward Communication Soft Skills	Dr. Chou Yu-Chia

3. Regulatory Compliance Training:

Course	Target Audience	Training Hours	Number of Participants	Remarks
Ethical Management	New Employees	0.5	216	In-person
	Current Employees	0.25	1,906	Online
Anti-Corruption	New Employees	0.5	216	In-person
Personal Data Protection	New Employees	0.5	216	In-person
	Current Employees	1	1,010	Online
Traffic Safety	Current Employees	1	289	In-person
30 Inappropriate Workplace Behaviors	Current Employees	0.3	1,481	Online
Workplace Legal Issues Amid the DEI Movement	New Employees	0.5	449	In-person
Head Office Regulatory Compliance Training	New Employees	1	26	In-person

4. Manager Today Magazine Sharing Sessions:

Targeted at branch directors, site managers, and department managers, these sessions are led by site managers who guide their respective department managers in discussing various topics from the current issue of Manager Today magazine. Together, they select a theme to report on at the following month's review meeting. During monthly business review sessions, participating supervisors share key insights and management reflections from the magazine, fostering the exchange of effective management practices and enhancing the overall quality of unit operations.

5. Promotion of Digital Micro Learning:

SKS promotes continuous learning by organizing initiatives such as the Diligent Learner Award and Top Learner Contest. These programs encourage employees to actively engage in learning. Recognition is provided through posters, gift vouchers, and public commendations during management meetings.

Talent Sustainability Training Program

1. High-Potential Talent Training Mechanism:

SKS conducts an inventory of key positions and high-potential elite talent based on future organizational capability requirements, historical performance, and individual competencies.

(1) Phase one involves assessments of leadership competencies and behavioral styles to identify strengths and weaknesses. A group coaching model is introduced to enhance participants' awareness of their roles and responsibilities.

(2) Phase two implements a mentoring/coaching program, in which senior executives regularly focus on performance objectives and provide one-on-one guidance. This ensures that high-potential talent receives strong support in both job responsibilities and project assignments.

(3) Phase three begins to establish an Individual Development Plan (IDP). Based on current job responsibilities, appropriate Harvard case studies and scenario simulations are selected for role-playing exercises. Additionally, a book club is used to reinforce the learning and application of managerial competencies and enhance internal communication skills.

2. Instructor Training:

Talent is one of the key strategies for a company to strengthen its competitiveness. To enhance the quality and effectiveness of training, SKS has established the Instructor Management Guidelines. Through the development of professional instructors across various job categories, employees are encouraged to share their knowledge and experience. The training received by these instructors enables them to serve as key facilitators in guiding colleagues' growth. As of the end of 2024, SKS had 159 internal instructors and 148 seed trainers in the security division, accounting for 17% of the workforce. In light of business expansion, talent deployment strategies, and upcoming retirements, SKS will continue to cultivate outstanding successors to ensure continuity and future development.

3. Competency Certification Mechanism:

To encourage learning among special product sales personnel, duty staff, and service employees, and to enhance both overall service quality and individual technical capabilities, the Human Resources Department regularly conducts competency assessments. These evaluations determine whether employees meet the required technical standards. Retesting is conducted annually to ensure continued qualification. Employees who pass are eligible for salary incentives or promotion qualifications. In 2024, a total of 277 employees passed the certification, with a pass rate of 82%.

4. Establishing a Comprehensive ESG Training System:

Through the ESG Talent Development Program, SKS has successfully cultivated an internal learning culture while steadily expanding its ESG influence. This initiative not only facilitates the Company's internal transition toward sustainability but also positions SKS as a benchmark for ESG development within the industry.

(1) SKS emphasizes the centering of employee needs. Through interviews, surveys, and other methods, the Company assesses employees' competencies, characteristics, and professional backgrounds to plan appropriate ESG training resources.

• Tailored learning programs are created for different functions, levels, and departments to ensure ESG knowledge is genuinely integrated into professional fields and daily work.

• By combining hands-on practice and case studies, employees acquire ESG knowledge through real-life scenarios, which enhances their ability to apply what they have learned.

(2) Aligning with corporate sustainability goals and HR strategies, SKS believes that ESG talent development should not be confined to a single department; rather, it should be closely integrated into the overall corporate strategy.

• Integrate ESG elements into the talent development system: Include ESG elements in competency development and performance evaluation standards.

• Promote cross-departmental collaboration: Make ESG part of corporate decision-making and ensure that all departments work together to advance sustainability.

• External linkage: Cooperate with external partners and social resources to enhance ESG competitiveness through learning exchanges and industry–academia collaboration.

Program Title	Number of Participants
ESG Knowledge Training Course	23
ESG Forum	42
ESG Workshop	49
Sustainability Talent Development MA Program	54
Total	168

5.3 Healthy and Safe Workplace

`403`

The concept of being People-Centered is deeply rooted in SKS's occupational safety culture. The Company attaches great importance to employee health and the safety and hygiene of the workplace environment. To establish a safe, healthy, and comfortable working environment, and to continuously reduce the rate of occupational hazards, we have formulated the Occupational Safety and Health Policy. With "risk management" and "continuous improvement" as our twin management guidelines, we improve our workplace, manufacturing equipment, and operational approaches to protect the safety and health of all workers (including employees and contractors) and other stakeholders. We aim to become the backbone of our employees' careers and to be a warm, happy workplace.

Occupational Safety and Health Management & Goal Achievement Rate

Our short-term goal is Zero major occupational hazards, with our ultimate goal set as Zero hazards and Zero accidents.

In 2024:

- ■ A total of 16 traffic accidents occurred during business trips, an increase of 8 cases compared to 2023. In 2025, SKS will continue to promote traffic safety and defensive driving, and the Company will invite traffic authorities to conduct safety seminars.

- ■ A total of 5 falling incidents occurred, an increase of 2 cases compared to 2023. In 2025, SKS will continue to promote fall prevention.

- ■ A total of 5 slipping incidents occurred, an increase of 2 cases compared to 2023. In 2025, SKS will continue to promote the prevention of slipping while walking.

- ■ Two additional incidents were recorded under other categories. In 2025, SKS will continue to conduct relevant preventative campaigns.

- ■ A total of 6 health seminars were held.

Plan Occupational Safety Management System

Occupational Safety and Health Management System Operations

SKS established an Occupational Safety and Health Office to prevent occupational hazards and ensure the safety and health of all employees. Each region is assigned an Occupational Safety and Health Business Manager for safety and health management. SKS falls within the industries that must establish occupational safety and health management systems, in accordance with Article 23 of the Occupational Safety and Health Act. Therefore, we established an Occupational Safety and Health Management System Promotion Group in 2020 in accordance with the ISO 45001 Occupational Health and Safety Management Systems standards, which meet or exceed the CNS 45001 national standard. The Group conducts educational training on the promotion of management systems and promotes those management systems. In April 2021, we completed the manuals, procedures, and rules and regulations required by the relevant chapters and provisions, and continue to refine and implement the regulations within SKS to formulate management plans so as to achieve the expected goals. The PDCA Circle model – Target Setting → Plan → Do → Check → Act – was established in the hope of implementing safety and health management and achieving continuous improvement. Currently, SKS has established an occupational safety and health management system in accordance with Article 23 of the Occupational Safety and Health Act, covering the headquarters and branch offices, but has yet to obtain certification for such.

Furthermore, SKS discloses the contents and statistics of occupational hazards monthly on the SKS corporate intranet (SKSOA, EIP) by means of notices to inform employees of the causes of occupational hazards and the corresponding preventive measures. In addition, we have formulated the Code of Practice for Occupational Safety and Health that specifies workplace practices to prevent the recurrence of similar occupational hazards.

Corporate Occupational Health and Safety Issues and Risk and Opportunity Management

In response to the possible risks and opportunities due to the changes in corporate occupational safety and health issues, SKS set standards for the identification of corporate occupational safety and health issues, workers and stakeholders, the collection of issues of concern, and the management of risks and opportunities. These risks and opportunities were assessed and managed with countermeasures and control measures taken in advance in order to achieve the sustainable operation goal and to ensure the effective operation of the occupational safety and health management system. Issues identified in 2024 were analyzed by category as follows:

- ■ External context issues: 14.
- ■ Internal context issues: 14.
- ■ Issues of concern to stakeholders: 4.
- ■ Regulatory compliance issues: 5.

- ■ A total of seven items were identified as unacceptable risks (high risk) for the organization. These include: supplier occupational safety management and professional qualification management, contractor professional qualifications, use of personal protective equipment (PPE), fire safety equipment and emergency response, falls and slips in the workplace, frequent traffic accidents, and the four major programs (ergonomics, unlawful harassment in the workplace, overwork, and maternal health). These issues will remain priorities for continuous improvement in 2025.

Occupational Safety and Health Senior Management Personnel Support and Engagement

In 2015, SKS established the Occupational Safety and Health Management Committee. This consists of 11 members, with the president as the chairperson, and four labor representative members (accounting for more than one-third of all members) elected by labor representatives from each department. The Committee holds quarterly meetings. They are responsible for the formulation, planning, promotion, and supervision of occupational safety and health-related affairs, such as regulations, proposal review, and making suggestions on additional purchases of protective equipment. On-site safety and health inspections are conducted by department supervisors once a month; these are then further randomly inspected by the managerial supervisor on an occasional monthly basis. Based on the random inspection results, the headquarters' Occupational Safety and Health Office presents safety reports, reviews, and recommendations at monthly headquarters management meetings and quarterly managerial supervisor meetings, with an aim to implement occupational safety and health management.

Shin Kong Security Occupational Safety and Health Policy

Shin Kong Security Occupational Safety and Health Policy

Taiwan Shin Kong Security Co., Ltd. (SKS) was established by Mr. Eugene Wu in 1980. In the initial stage of the Company's establishment, we partnered with a Japanese company, Sohgo Security Services Co., Ltd. (ALSOK), on technology to provide security services for domestic enterprises, factories, and households. In 1995, SKS was officially listed on the Taiwan Stock Exchange.

As operations stabilize and profit continues to grow, SKS upholds the spirit of "taking from society, giving back to society" as well as our core principles of "integrity, professionalism, service, innovation" to develop AIoT services with the latest technologies. Our ultimate goal is to create a win-win for both corporate profits and stakeholders, receive social recognition, and sustainable operation.

All employees of the Company share the common goal of creating a safe and healthy workplace. To prevent the occurrence of injury, disease, loss of assets, and occupational hazards, all supervisors must uphold their responsibility in safety and health management; while all employees must actively participate in activities that improve safety and health. To achieve this goal, we are committed to executing the following policies:

(1) Comply with the *Occupational Safety and Health Act*; fulfill our corporate social responsibility.

(2) Improve educational training for occupational safety and health; enhance awareness of safety and hazards.

(3) Implement risk assessments and management; control and eliminate occupational hazards.

(4) Implement health management and promotion; foster a happy and friendly workplace environment.

(5) Continue to improve occupational safety and health performance; ensure worker participation through consultations.

(6) Provide a safe and healthy workplace for security personnel.

SKS President **HUNG, KUO-CHAO**

Hazard Identification and Risk Assessment Management

The Company assesses occupational safety and health risks and opportunities by continuously identifying hazards, assessing risks, and implementing necessary risk controls for potential hazards in all SKS operations and facilities. This management applies to all activities carried out in SKS workplaces, including routine and non-routine activities, activities by all personnel who enter SKS workplaces (including contractors and visitors), and the basic infrastructure, equipment, and materials provided by the Company and other organizations in the workplace, to implement the occupational safety and health policy and to achieve continuous improvement. High risks identified by SKS must be controlled and reduced to acceptable risk levels within specific periods. The unacceptable risks are summarized in the table below.

Table of Unacceptable Risks

No.	Department	Hazard Factors	Risk Level	Existing Risk Control Methods	Countermeasures to Control Unacceptable Risks		
					Educational Training	Operational Control or Monitoring Document	Management Programs or Elimination or Alternative
1	Electronic Security Department	Slip Incidents	4	1. Strengthen training to ensure that the environment is confirmed to be safe before responding to any incident. 2. Use a flashlight to illuminate walking paths in dim lighting conditions.	1. Pre-employment training for new employees includes occupational accident prevention and case briefings conducted by site supervisors. 2. Strengthen awareness of occupational accident cases, focusing on safety precautions for preventing workplace falls. 3. Include education and drills on proper safety helmet usage in monthly and daily training sessions.	–	Reduce the incidence of employee slip injuries.
2	Electronic Security Department	Non-commuting Traffic Accidents	4	1. Require employees to return home and rest immediately after completing their duty. 2. Strengthen the *Traffic Safety Awareness* and promote case-based incident briefings.	1. Provide traffic accident case videos to all units for awareness and improvement purposes. 2. Unit supervisors shall strengthen the review of dashcam footage and report improper driving behaviors for follow-up review. 3. Reinforce the promotion of traffic safety and defensive driving during morning and evening briefings, as well as during routine duty training sessions.	–	An improvement program to reduce the number of traffic accidents.
3	Service Department	Non-commuting Traffic Accidents	4	Promote traffic safety and defensive driving.	Reinforce the promotion of traffic safety and defensive driving on a quarterly basis.	–	An improvement program to reduce the number of traffic accidents.
4	Service Department	Fall Incidents, Tumbling Incidents	4	Strengthen the promotion of the *Key Inspection Points and Safety Precautions for Step Ladders and Mobile Ladders*.	1. Develop and implement a management plan. 2. Reinforce the Key Inspection Points and Safety Precautions for Step Ladders and Mobile Ladders (Step Ladder Operation Guidelines).	–	An improvement program to reduce the number of falls.
5	Sales Department	Non-commuting Traffic Accidents	4	Strengthen the promotion of traffic safety rules and traffic accident case studies.	Enhance promotion on traffic safety and defensive driving.	–	An improvement program to reduce the number of traffic accidents.
6	Sales Department	Slip Incidents	4	Enhance training on site inspection operation standards.	1.Reinforce training on site inspection operation standards. 2.Require sales personnel to wear safety helmets during site inspections.	–	Reduce the incidence of employee slip injuries.

Note:
1. Assessment operation: Primarily consists of **process inspection → hazard identification → risk and opportunity assessment → risk control.**
2. The corresponding countermeasures include: A. Elimination (Improvement Plan) → B. Substitution → C. Engineering Controls → D. Administrative Controls or Warning Measures → E. Personal Protective Equipment (PPE).
3. Risks are classed in levels, from 1 to 5. Control facilities to reduce risks are required for risks ranging from level 4 to 5 to reduce their risk to a medium level (level 3). Each department must formulate a Management Plan Table for improvements. The Occupational Safety and Health Office randomly performs audits for continuous improvement.

Do Occupational Safety and Health Training

Occupational Safety and Health Training

To strengthen employees' awareness of occupational hazards and prevention concepts, and thus to prevent accidents at work, we offer labor safety and health educational training in accordance with SKS's *Regulations Governing the Labor Safety and Health Education and Training* and hold necessary safety and health educational training for all newly hired workers, workers in active service, and workers who change positions. Workers who serve as first responders and occupational safety personnel receive specialized training on their duties in order to achieve the goal of zero major occupational hazards.

To encourage employees to engage in self-learning on safety and health skills, a Safety and Health Teaching Material Zone is established within the Knowledge Management section on the SKS corporate intranet (SKSOA). The Company's safety and health-related regulations, implementation plans, and training materials are compiled in the zone, where employees can learn from them at any time, thereby enhancing their awareness of occupational hazards and preventing accidents. In addition, we also strengthen our employees' safety and health knowledge and skills through notices (on occupational hazard incidents and traffic safety promotion) and occasional educational training, to reduce the occurrence of accidents.

For non-employees (contractors), prior to entering the site, construction vendors are required to provide their personnel with a *Work Environment and Hazard Notification* and retain records of execution. This procedure is intended to inform workers of potential hazards in the work environment and the necessary precautionary measures, thereby reducing the risk of accidents and enhancing hazard awareness. Additionally, non-employees (contractors) must complete general occupational safety and health education, or obtain a Safety and Health Card, or present proof of completing a 6-hour general safety and health training program issued by a certified training institution before entering the site. This ensures that non-employees (contractors) possess fundamental hazard recognition and safety awareness before commencing work.

Labor Safety and Health Educational Training

Type of Training	Number of Participants	Completion Rate (%)
General safety and health educational training	238	99.6
Educational training for workers changing positions	8	100
Educational training for current workers	1,653	98.9
Total	1,899	—

Note:
1. General safety and health education training is scheduled for completion in 2025.
2. The total number of employees receiving on-the-job safety training does not include new hires of the current year or employees on leave without pay.
3. The employees who have not yet completed general safety and health education training are currently on overseas assignments and are expected to complete the training upon their return in 2025.

Safety and Health Professional Licenses

Type of License	Total Valid Certifications
Level A Technician for Occupational Safety Management	1
Level B Technician for Occupational Safety Management	2
Class 1 Manager for Occupational Safety and Health Affairs	43
Class 3 Manager for Occupational Safety and Health Affairs	4
Class A Manager of Occupational Safety and Health Affairs – Construction Industry	1
Class C Manager of Occupational Safety and Health Affairs – Construction Industry	15
First Responder	82
Fire Prevention Manager	2
Nurse Practitioner for Labor Health Services	1
Total	151

Note: The calculation includes licenses that are valid as of December 31, 2024.

Safety Management of Field Duty During Typhoons

Safety management of field duty during typhoons was formulated to reduce the risk of occupational accidents to workers and guarantee their health and safety while on duty during typhoons. If workers on duty during typhoon days identify a life-threatening risk, they must immediately report their current status, avoid venturing forth, and prioritize their safety; they will not be penalized if their missions are not accomplished. The Company implements the Occupational Safety and Health Policy in accordance with the *Requirements for Compliance with the Occupational Safety and Health Act*. In 2024, during school/office closures due to typhoons, a total of <u>two</u> safety assessments were conducted for field personnel on duty during typhoons. During typhoon duty, personal safety is the top priority. If personnel on duty during a typhoon encounter risks that threaten their lives, they should prioritize their own safety and avoid taking unnecessary risks. They must immediately report to their unit supervisor and the control center. Failure to complete the assignment under such circumstances will not result in any disciplinary action. The exercise of the Right to Withdraw by workers and the absence of punitive measures for those who are unable to complete tasks due to safety concerns are clearly stipulated in the Occupational Safety and Health Work Guidelines and the Typhoon Field Safety Management Plan.

Safety and Health Management of Contractors

To reduce negative impacts from major occupational safety and health incidents among our work partners, onsite supplier visits are conducted annually to check on their occupational health and safety, as well as regular evaluations of contractors and their compliance with occupational safety and health management. In addition, construction workers are informed of the "Working Environment and Hazards," with implementation of this recorded. This reminds construction workers of potential risks in the working environment and preventive measures to reduce accidents and improve danger prediction. Management of contractors who enter SKS workplaces for construction, maintenance, and repairs follows the *Contractor Safety and Health Management Procedures*, to enforce the safety and health management of our contractors and reduce accidents. In the future, contractors with valid contracts will be jointly managed in accordance with the *Occupational Safety and Health Management List of Contractors* (employees, (sub)contractors, cleaners, and security personnel, etc.) to reduce risks in contracted work.

Item	2024		2023	
	SKS	Workers	SKS	Workers
Number of People	1,735	274	1,790	288
Percentage (%)	86.4	13.6	86.1	13.9

Note: Worker: A non-employee whose job or workplace is under the control of the organization (contractors).

(Occupational) Disaster Incident Notification, Handling, and Investigation Management
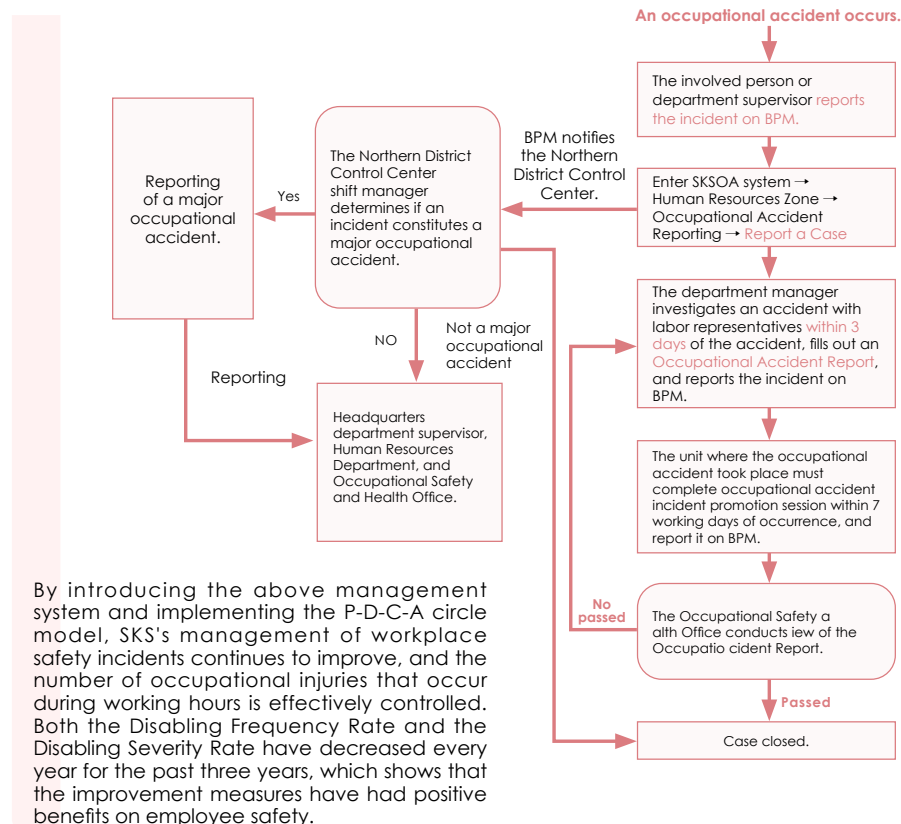
2024/
- **No occupational diseases, illnesses, or work-related death incidents were reported at SKS.**
- **No occupational injury incidents or work-related death incidents were reported among SKS's contractors.**

We enhance employees' risk awareness and safety knowledge by promoting and conducting risk assessments, hazard identification, safety and health education, and public notices. Regardless of whether the incident involves a major injury, a minor injury, or even a near miss, employees are required to report it immediately. Additionally, if employees encounter unsafe operations, occupational hazards, or dangerous conditions, they are entitled to exercise their Right to Withdraw and may report such issues through the Company's Creative Mailbox or directly to the Occupational Safety and Health Office for assistance and corrective action. The Company will not impose any adverse consequences on employees for making such reports. In the event of an occupational safety or health accident, in addition to taking immediate appropriate rescue measures to minimize injuries, investigations must also be conducted to review the causes and formulate prevention methods, to prevent the recurrence of similar accidents in the future. This management applies to all accidents in the workplace and on official business trips, involving employees, contractors, and visitors, but excludes contractors' traffic accidents.

In the event of an occupational accident, in addition to necessary first aid, rescue, and other measures, the department shall also report the incident in accordance with the notification process:

1. In the event of an occupational disaster, the involved person or the department supervisor must report the incident on BPM and enters the SKSOA system → Human Resources Zone → Occupational Accident Reporting → Report a Case.
2. The shift manager at the Northern District Control Center determines if the incident constitutes a major occupational accident. If it is a major occupational accident, the shift manager must report it on the occupational accident reporting website and notify the headquarters department supervisor, the Human Resources Department, and the Occupational Safety and Health Office. If it does not constitute a major occupational accident, the shift manager only needs to report it to the headquarters department supervisor, the Human Resources Department, and the Occupational Safety and Health Office. If the incident is not an injury or death of an employee caused by an accident during their commute, the shift supervisor will file and close the case.
3. The department manager must investigate the accident with labor representatives within 3 days of the accident, fill out an Occupational Accident Report along with photos from the scene of the accident, and report the incident on BPM.
4. Within 7 working days of the accident, the occupational accident incident and the traffic safety promotion session must be completed and reported (along with session photos and attendance form) on BPM, to prevent reoccurrence of similar accidents.
5. The department manager notifies the victim's family members of the status.
6. Follow-up handling of occupational accidents; disaster relief for victims and compensation for occupational accidents.
7. The Occupational Safety and Health Office compiles details and statistics on occupational accidents each month, which are then announced in the workplace and submitted to the labor inspection agency for review.

Occupational Accident Notification Process

An occupational accident occurs.

↓

The involved person or department supervisor reports the incident on BPM.

↓

Enter SKSOA system → Human Resources Zone → Occupational Accident Reporting → Report a Case

BPM notifies the Northern District Control Center.

→ The Northern District Control Center shift manager determines if an incident constitutes a major occupational accident.

- **Yes** → Reporting of a major occupational accident.
- **NO** / Not a major occupational accident → Reporting → Headquarters department supervisor, Human Resources Department, and Occupational Safety and Health Office.

↓

The department manager investigates an accident with labor representatives within 3 days of the accident, fills out an Occupational Accident Report, and reports the incident on BPM.

↓

The unit where the occupational accident took place must complete occupational accident incident promotion session within 7 working days of occurrence, and report it on BPM.

↓

The Occupational Safety alth Office conducts iew of the Occupatio cident Report.

- **No passed** → (returns)
- **Passed** ↓

Case closed.

By introducing the above management system and implementing the P-D-C-A circle model, SKS's management of workplace safety incidents continues to improve, and the number of occupational injuries that occur during working hours is effectively controlled. Both the Disabling Frequency Rate and the Disabling Severity Rate have decreased every year for the past three years, which shows that the improvement measures have had positive benefits on employee safety.

Occupational Accidents Statistics

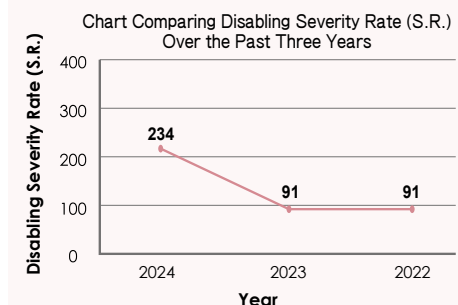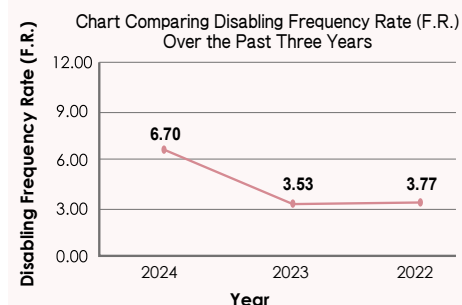| Year (Unit: Incidents)	2024		2023		2022	
Gender	Male	Female	Male	Female	Male	Female
Accidents during commute	11	4	15	2	19	3
Accidents on official business trips	14	2	7	1	11	2
Injuries on duty	10	2	5	2	2	1
Total	35	8	27	5	32	6
Proportion of total	81%	19%	84%	16%	84%	16%

Note:
1. Calculation of disabling injuries includes injury leave incidents with 1 or more days off.
2. Injuries sustained during duty include falls, slips, and others (such as dog bites and bee stings).

Disabling Injury Statistics

Year	2024			2023			2022		
Gender	Total	Male	Female	Total	Male	Female	Total	Male	Female
Disabling Injuries	28	24	4	15	12	3	16	13	3
Days Lost	980	877	103	387	363	24	385	367	18
Total Working Hours	4,179,560	3,461,040	718,520	4,255,260	3,548,076	707,184	4,242,080	3,562,904	679,176
Occupational Disease Rate (ODR)	0	0	0	0	0	0	0	0	0
Absentee Rate (AR)	0.78%	0.64%	1.35%	0.63%	0.53%	1.05%	1.24%	1.28%	1.94%
Number of Deaths from Occupational Injuries	0	0	0	0	0	0	0	0	0
Death Rate from Occupational Injuries	0	0	0	0	0	0	0	0	0
Disabling Frequency Rate (F.R.)	6.7	6.93	5.57	3.53	3.38	4.24	3.77	3.65	4.42
Disabling Severity Rate (S.R.)	234	253	143	91	102	34	91	103	27
Number of Severe Occupational Injuries (number of persons)	7	7	0	2	2	0	1	1	0
Rate of Severe Occupational Injuries (excluding number of fatalities)	1.67	2.02	0	0.47	0.56	0	0.24	0.28	0

Note:
1. Calculation of disabling injuries includes injury leave incidents with 1 or more days off.
2. Calculation of disabling injury incidents does not include traffic accidents occurring during commuting.
3. Death rate from occupational injuries = (Number of deaths from occupational injuries divided by total working hours) *1,000,000.
4. Ratio of severe occupational injuries (excluding the number of fatalities) = (Number of severe occupational injuries divided by total working hours) *1,000,000.
5. The number of severe occupational injuries is calculated based on the provision specified in Article 37, Paragraph 2 of the Occupational Safety and Health Act: (1) Accidents causing injuries to one person or more that require hospitalization, and (2) Accidents causing injuries to three or more persons.
6. Absentee Rate (AR): Number of days off (occupational injury + sick leave (including extended sick leave) + menstrual leave) divided by the total number of working days.
7. Some SKS employees extended their injury leaves; thus, the statistics on Days Lost, Absentee Rate (AR), and Disabling Severity Rate (SR) for 2022 and 2023 are revised.

Chart Comparing Disabling Frequency Rate (F.R.) Over the Past Three Years

Disabling Frequency Rate (F.R.)
- 2024: 6.70
- 2023: 3.53
- 2022: 3.77

Chart Comparing Disabling Severity Rate (S.R.) Over the Past Three Years

Disabling Severity Rate (S.R.)
- 2024: 234
- 2023: 91
- 2022: 91

Measures to Promote Good Health Management at the Workplace

• Obtained the Health Promotion Certification Mark

To comply with occupational safety and health regulations, four major plans have been formulated and are being continuously implemented: *"Prevention and Management Measures for Diseases Induced by Abnormal Workload," "Maternal Worker Health Protection Measures," "Prevention and Management Measures for Ergonomic Hazards,"* and *"Appropriate Work Measures for Middle-aged and Elderly Workers."* Since January 2022, a full-time health manager has been employed for on-site labor health services, work site visits, and regular health examinations. They also assess performance of health management and identify high-risk individuals, who then receive follow-up visits by healthcare professionals for risk control management. The Company organized corporate childcare services, self-improvement activities, club events, and health seminars with the aim of safeguarding employees' physical and mental well-being. As a result, the Head Office obtained the Health Promotion Certification Mark in 2024.

• Obtained the Occupational Safety Award—Workplace Peace of Mind Award from the Department of Labor, Taipei City Government in 2024
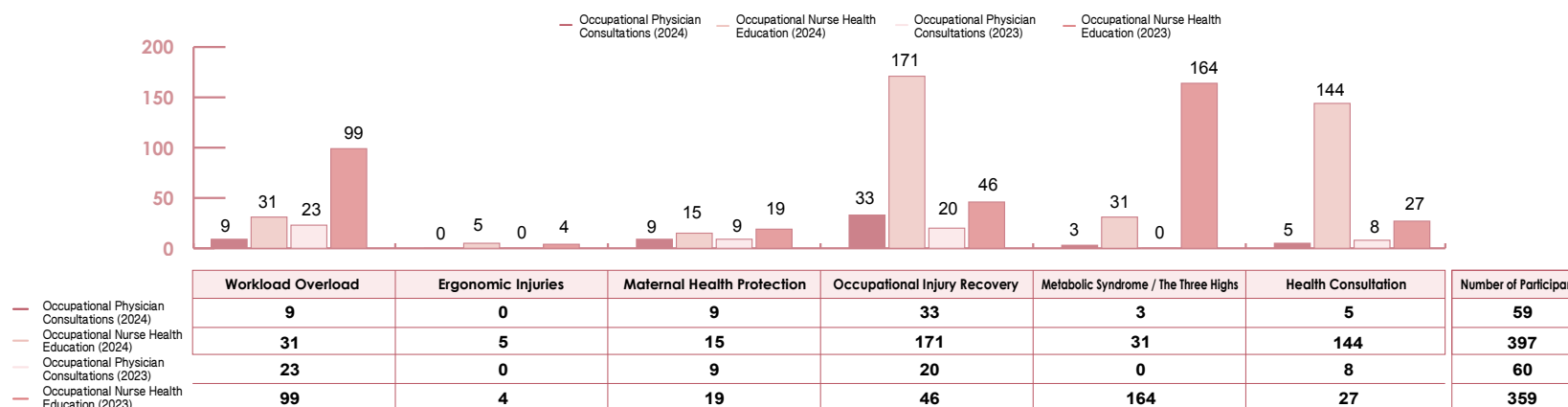
Occupational Health Management Project

Project	Management Measures	Key Performance in 2024
Health Management	1. On-site Clinical Health Services by Healthcare Professionals: As per provisions of the Regulations on Labor Health Protection, SKS's headquarters began hiring contract healthcare professionals in August 2018. These staff implement health management by handling on-site clinical health services, and analyzing, evaluating, and retaining records on worker health. 2. Health Examinations: To help employees maintain good physical and mental health, new employees are asked to undergo a physical examination to verify their suitability for duty, while current workers undergo a regular health examination (once every 3 years) for early detection and treatment of diseases, to guarantee employees' health. Employees with abnormal examination results such as the "three highs" (hypertension, hyperlipidemia, and hyperglycemia) or BMI that exceeds standards are provided with health guidance and life management suggestions. 3. Health Promotion: (1) Collaborated with the Neihu Health Center and the Northern Region Healthy Workplace Promotion Center in organizing multiple health seminars to enhance employees' health knowledge. (2) Partnered with Zhongxiao Branch of Taipei City Hospital to set up influenza vaccination stations. (3) Conducted monthly and occasional health education campaigns on topics such as: "Tips for Heart Health in Cold Weather", "Smoke-Free, Harm-Free, Long-Lasting Health", "Say No to the Three Highs, Be Kind to Your Heart", "Adult Health Checks Keep You Healthy", "Manage Your Blood Pressure Well, Worry Less About Your Vessels". These campaigns aimed to enhance employees' health knowledge and promote physical and mental well-being. (4) "Hand in Hand, Walk for the Earth" Walking Activity: The Company places great importance on employees' health and encourages regular exercise habits. In October 2024, the "Hand in Hand, Walk for the Earth" walking activity was held. Employees are the Company's most valuable asset, and the Company is committed to creating a high-quality healthy workplace to protect them. To foster a culture of exercise, promote health, and support energy saving and carbon reduction, the activity was integrated with the Company's afternoon wellness exercise time. Employees were encouraged to get up, stretch, and relax. Chairman Wu Hsin-Tung led all SKS employees across Taiwan in taking a pledge to walk with health and with energy. It is hoped that employees will continue walking even after the event ends, cultivating healthy exercise habits and maintaining good physical condition.	1. Frequency of onsite health services, doctors: 6 times/year, 2 hours/visit; a full-time nurse practitioner was employed to provide onsite health services. 2. Six health seminars were held: In March, held a "Traffic Safety and Defensive Driving" health seminar. In April, held a "Traffic Safety and Defensive Driving" health seminar for the Southern Region Division. In May, held a "Traffic Safety and Defensive Driving" health seminar for the Central Region Division. In May, held an "Our Distance from Sexual Harassment" health seminar. In August, held a "Balanced Diet" health seminar. In November, held a "Prevention of Cerebrovascular and Cardiovascular Diseases" health seminar. 3. The Fitness Club was established in 2023 with 30 members. Course offerings included Hi-Low Energy Aerobics, Bodyweight Strength Training, Cardio Boxing, Mat Core Training, and Basic Yoga. In 2024, regular club sessions continued every Friday to help members maintain their exercise habits. 4. A total of 16 health education sessions were conducted. 5. In November, a publicly funded influenza vaccination station was set up. 6. In October, the "Hand in Hand, Walk for the Earth" walking event was held: (1) Participants included 18 teams (219 participants), 394 individual participants, 60 participants in the "Light as a Feather" group, and 34 parent–child pairs (68 participants), totaling 428 participants. (2) Tree Planting for Earth Results: A total of 138 million steps were recorded, equivalent to approximately 110,000 kilometers walked, reducing 2.3 metric tons of carbon emissions—equivalent to the annual carbon absorption of 1,924 trees. A total weight loss of 144.55 kilograms was achieved.

Project	Management Measures	Key Performance in 2024
Prevention of Diseases Caused by Excessive Workload	Focus on prevention of cerebrovascular and cardiovascular diseases (prevention of overwork) due to excessive workloads; screen high-risk groups in accordance with the plan; have doctors perform health interviews and consultations to provide employees with risk prevention methods and health counseling.	1. In 2022, a total of 57 individuals were identified as high-risk employees requiring health interview sessions (continuous monitoring in progress). 2. In 2024, continued follow-up was conducted for individuals identified in the 2022 health screening as having moderate risk or a greater than 20% chance of developing cerebrovascular or cardiovascular diseases within 10 years. A total of 9 individuals received physician health consultations, and 31 individuals received occupational health education.
Prevention of Musculoskeletal Diseases Caused by Repetitive Work (Human-induced Hazards)	For the prevention of musculoskeletal disorders (i.e., prevention of human-induced hazards) caused by repetitive work, we identified employees with soreness levels of 3 or higher during health examinations using musculoskeletal symptom charts. The results showed that a total of 10 individuals at headquarters and 25 at branch departments had such conditions. Analysis revealed that musculoskeletal soreness was mostly caused by long-term use of computers, poor posture, lack of sufficient rest, and physical activity. As a result, the Occupational Safety and Health Office issued notices on the SKS corporate intranet-SKSOA explaining the hazards of computer operations and how to prevent them, and also gave instructions on correct computer-use posture.	In 2024, continued follow-up was conducted for 13 individuals identified in 2022 with a musculoskeletal discomfort rating of level 3 or above. Of these, 6 individuals received occupational health education; 7 did not receive education, among whom 3 were seeking medical treatment on their own and explicitly declined consultation. The remaining 4 will continue to be followed up with health education.
Maternal Health Protection	The *Regulations on the Maternal Health Protection of Female Workers* was established in accordance with the maternal worker's health protection policies. A nurse practitioner assists female workers while they are pregnant, after the birth of a child, and during breastfeeding with self-assessment of their health condition, and works with occupational safety staff to assess hazards in the workplace. An onsite health physician is also arranged to offer maternal health protection interviews and role suitability assessments to achieve the purpose of protecting the health of maternal workers.	1. A total of 9 individuals were interviewed by physicians for maternal health protection in 2024. 2. A total of 15 individuals received health education and promotion from nurse practitioner in 2024.
Recovery from Occupational Injuries	Interviews and assessment of workers recovering from occupational injuries: Occupational health physician offers health guidance and interview workers with occupational injuries that exceed a reasonable amount of recovery time, to accelerate their recovery. As a worker's capabilities gradually recover to meet the demands of their original duties, a gradual resumption of work enables them to slowly readapt to their duties before returning to full-time.	1. In 2024, a total of 33 physician consultation sessions were conducted. 2. In 2024, a total of 171 occupational health education sessions were provided by nurses (including cases involving traffic accidents and minor injuries where occupational injury leave was not applied for).
Prevention of Unlawful Infringement in the Workplace	1. Grievance Mechanism: To guarantee that employees are free from physical and mental abuse while carrying out their duties, the *Plan to Prevent Unlawful Infringement During the Execution of Duties* was established in 2016. In 2021, the *Regulations on the Prevention of Unlawful Infringement During the Execution of Duties* was established in response to ISO 45001. 2. In addition to issuing written orders that explicitly "Prohibit Violence in the Workplace," SKS has established a workplace violence complaint and reporting channel in the hopes of constructing a workplace culture of safety, dignity, non-discrimination, mutual respect, and compassion, thereby ensuring employees' physical and mental health. Grievance channels include: (1) Online Submission: SKS corporate intranet-SKSOA → Human Resources Zone → Employee Complaints and Reporting. (2) Email: Fill out a complaint (report) form and send it to → Complaint and Reporting Email hr@sks.com.tw. (3) Direct Grievance: Fill out a complaint (report) form → submit it directly to the HR Department or the Occupational Safety and Health Office.	1. In 2024, a total of 8 unlawful infringement complaints were filed, all of which have been investigated and addressed. 2. In December 2024, a total of 9 training sessions were held to enhance awareness of unlawful infringement and sexual harassment in enclosed work environments, such as control centers.

Project	Management Measures	Key Performance in 2024
Suitable Work for Middle-aged and Elderly Employees	In addition to ensuring the safety and health of middle-aged and elderly workers, the Company strives to enhance their labor participation, protect their employment rights, create an age-friendly working environment, and promote the effective use of human resources. SKS conducts workplace risk assessments, job fitness evaluations, and screenings for diseases triggered by abnormal workloads (including a ≥ 20% risk of cardiovascular disease occurring within the next 10 years and ergonomic musculoskeletal hazards), and other physical or health examination-based hazard identification and risk evaluation. Employees aged 45 and above who are identified with any of the above risk factors receive consultations or telephone guidance from occupational physicians and nurses to provide medical and job suitability advice.	1. Occupational physicians conducted 12 consultations, resulting in 0 referrals for medical treatment. Job suitability recommendation: All 12 are deemed suitable for their current position. 2. Occupational nurses provided preventive healthcare information to 40 individuals through consultations. Preventive information was also provided via e-mail to 90 individuals, and 6 workplace health promotion seminars were held. 3. A total of 24 individuals completed self-managed health programs; 145 individuals remain under follow-up and are pending reevaluation.
Employee Assistance Program	1. 0800 Teacher Chang Free Counseling Hotline: Provide psychological counseling and referral services. In cases of emergency, psychologists proactively coordinate with occupational health nurses to develop response plans to ensure employee safety. 2. Usage Statistics and Effectiveness Reports: Monthly usage data is provided, and an annual report is compiled at year-end to summarize outcomes such as satisfaction and usage patterns, without compromising personal data. 3. Thematic Awareness Seminars: Four seminars were offered during the year, focusing on workplace mental health issues and sharing practical experiences to enhance employees' psychological support and practical skills. 4. Awareness Column Articles: Experts wrote two articles per month, totaling 24 for the year, providing practical psychological techniques and legal knowledge.	1. In 2024, a total of 14 counseling calls were made to the 0800 hotline, covering topics such as emotional distress, life perspective and self-exploration, as well as legal consultation. 2. In 2024, a total of 34 awareness column articles were published, including 17 long-form and 17 short-form articles. 3. In 2024, four thematic seminars were conducted: "Communication – Let's Be Better Together," "Building a Psychologically Safe Team," "From Bias to Understanding (Unconscious Bias)," and "Upward Communication Soft Skills."
Operational Environment Monitoring	Carbon Dioxide Monitoring in Offices: Since 2015, the Monitoring Plan for Workplace Environments has been established for "places of work within buildings equipped with centrally managed ventilation facilities," as stipulated by the law. Every 6 months, carbon dioxide concentrations in workplaces are monitored once to gain an understanding of current workplace conditions. The results are announced to inform workers of exposure and in hopes of ensuring their health. As of the latter half of 2022, each department's "places of work within buildings equipped with centrally managed ventilation facilities" were added to the monitoring plan, with a total of 122 sites across 17 monitoring areas included.	In 2024, workplace carbon dioxide was monitored twice. All 17 monitor areas met the regulatory standards.

	Workload Overload	Ergonomic Injuries	Maternal Health Protection	Occupational Injury Recovery	Metabolic Syndrome / The Three Highs	Health Consultation	Number of Participants
Occupational Physician Consultations (2024)	9	0	9	33	3	5	59
Occupational Nurse Health Education (2024)	31	5	15	171	31	144	397
Occupational Physician Consultations (2023)	23	0	9	20	0	8	60
Occupational Nurse Health Education (2023)	99	4	19	46	164	27	359

On-site Health Services Performed by Medical Staff over the Past 2 Years

Check Performance Evaluation

2024 Occupational Safety and Health Management System Performance Indicators

1. Operated the Teacher Chang Free Psychological Counseling Hotline, offering professional counseling and referral services. This initiative was integrated with corporate childcare support, self-improvement activities, club participation, health seminars, and various health promotion programs to actively foster a supportive workplace environment. Emphasis was placed on building psychological resilience and family support systems for employees. Through these measures, the Company promoted holistic health development, enhanced employee well-being, and demonstrated its commitment to employee care and corporate social responsibility. In 2024, SKS successfully obtained the Health Promotion Certification Mark, marking a key step toward building a sustainable healthy workplace.
2. Received the Occupational Safety Award – Workplace Peace of Mind Award from the Department of Labor, Taipei City Government in 2024, affirming the Company's workplace safety efforts and culture.
3. Compliance audits were conducted at least once every 6 months.
4. The Company conducts at least four health seminars annually. In 2024, six sessions were conducted.
5. A consulting firm was engaged to assist with a comprehensive review of the ISO 45001 Occupational Health and Safety Management System. The Head Office plans to obtain certification by September 2025.
6. A target was set to reduce the number of occupational traffic accident cases by 10% compared to 2023. (This target was not met; a traffic accident reduction management plan has been developed and will continue in 2025.)

Act Goal Setting for Continuous Improvements

Occupational Safety and Health Management and Goal Achievement Rate

Our short-term goal is Zero major occupational hazards, with our ultimate goal set as Zero hazards and Zero accidents.

Expected Goals, Standards, and Management Programs for 2025

No.	Policy	Objective	Management Plan	Performance Indicator	Responsible Department
1	1. Comply with occupational safety and health regulations and fulfill corporate social responsibility. 2. Strengthen occupational safety and health education and training; enhance safety awareness and hazard recognition. 3. Implement risk assessment and management; eliminate and control workplace hazards. 4. Promote health management and wellness; foster a happy and friendly workplace environment. 5. Continuously improve occupational safety and health performance; ensure consultation and participation of workers. 6. Provide a safe and healthy working environment for security personnel.	Zero Accidents	An improvement program to reduce the number of traffic accidents.	Zero traffic accidents.	Service and Maintenance Department
2				Zero traffic accidents.	Sales Headquarters
3				Fewer than 20 at-fault traffic accidents.	Security Services Headquarters
4			An improvement program to reduce the number of falls.	Zero fall incidents.	Service and Maintenance Department
5			Reduce the incidence of employee slip injuries.	Zero slip incidents.	Sales Headquarters
6				Zero slip incidents.	Security Services Headquarters
7		ISO 45001 Certification Achieved	Implementation of ISO 45001 Occupational Safety and Health Management System	Obtain ISO 45001 certification by September 2025.	Safety and Health Office
8		Promote Employees' Physical and Mental Well-being	On-site Health Services Management Plan	1. Conduct at least 4 health seminars annually. 2. Publish at least 1 health education bulletin per month. 3. Achieve a 100% participation rate in on-site health consultations and guidance provided by occupational physicians and nurses.	Safety and Health Office
9		Enhance Safety and Health Awareness and Hazard Recognition	Enhance Employees' Safety Awareness and Perception	1. Professional training courses (use of step ladders). 2. Achieve a 100% completion rate for new employee training, in-service training, forklift operation, first aid, and recertification for occupational safety and health personnel.	Safety and Health Office

Key Sustainability Actions

Mother's Day Therapeutic Craft Workshop and Charity Gift Distribution

To celebrate the month of Mother's Day and continue our commitment to sustainability, SKS once again hosted our annual internal Women's Day event. As part of our Happy Workplace initiative, SKS invited local partner enterprise TLW Neihu Store to lead a hands-on workshop in crafting moss balls mounted on handmade wooden frames. Plants help absorb carbon dioxide and beautify indoor spaces. Female colleagues at the event attentively shaped and wrapped their moss creations with care, as if nurturing a small child. When their creations were complete, the room echoed with laughter, as each work had a unique and sometimes humorous character. The experience was therapeutic and joyful for everyone involved. This year's event also radiated kindness beyond the office. In response to the Hualien earthquake on April 3, 2024, SKS collaborated with the Mustard Seed Mission's vocational training center in Hualien to support the local community through meaningful giving. Three types of locally made drip bag coffee and tea gift boxes were selected and gifted to female employees across branches. This not only expressed gratitude but also supported community-based livelihood programs. Through this thoughtful gesture, the collective compassion of SKS employees flowed like a river—spreading love and care across Taiwan, just like the boundless love of a mother.

Joining Hands to Donate Blood, Building Better Communities Together

In support of World Blood Donor Day, SKS has participated in the Heart Blood Donation campaign, organized by CHC Healthcare Group and the CHC Charity Foundation, for 4 consecutive years. This initiative invites neighboring enterprises to join in, embodying a shared vision of cooperation between businesses and communities to create a better future. Despite the stormy weather typical of the plum rain season, SKS employees rolled up their sleeves and participated with great enthusiasm. Blood donation not only has the power to save lives but also brings health benefits to donors—such as reducing the risk of cardiovascular disease and supporting liver health—creating a win–win for public welfare and personal well-being. This effort serves as concrete implementation of corporate social responsibility and ESG principles, while also aligning with the United Nations Sustainable Development Goals (SDGs). It enhances public awareness of health issues and promotes sustainable, inclusive development within the community.

Social Inclusion – External

Core Goals and Visions/

SKS firmly believes that corporate growth should go hand in hand with societal prosperity. With social inclusion as a core objective, we are committed to promoting diversity, equality, support for underprivileged groups, and active community engagement—ensuring that safety and well-being reach every corner of society. Through professional services, philanthropic initiatives, and cross-sector collaboration, we strive to connect resources and amplify impact, working to create a social environment where safety, respect, and opportunity exist for all. Looking ahead, we will continue to deepen our social participation efforts, partnering with stakeholders to build an inclusive and sustainable society and serving as a vital bridge that links the positive forces of business and the community.

Chapter Highlights /

6.1 An-Shin Classroom

6.2 Deeply Rooted Local Sustainable Communities

6.3 SKS Community Care Welfare Foundation

6.4 Taiwan SKS Foundation for Arts and Culture

SKS's Contribution to SDGs in 2024

SKS's social inclusion initiatives encompass a wide range of programs, including community engagement, local care, and arts and cultural promotion, as well as diverse projects aimed at fostering local sustainability and deepening community roots. These initiatives align with multiple United Nations Sustainable Development Goals (SDGs). Each year, over ten thousand individuals benefit from these efforts, demonstrating SKS's meaningful contribution to building an inclusive society.

Internal and External Integration	Project	Description	Corresponding SDGs
Social Engagement	• An-Shin Class • Care projects for children in remote areas • Care projects for elderly persons living alone • Meal projects for families in remote areas	1. With our expertise in security, we continue to promote safety education throughout Taiwan, enabling the concept of "Safe and Secure" to take root in everyone's mind. 2. Scholarships and grants ensure access to education for underprivileged children, eliminating social discrimination and injustice. 3. Encourage the elderly to participate in different kinds of group activities to enhance the enjoyment of life, which in turn increases the amount of physical activity and social interaction, and achieves active aging. 4. Employees volunteered to collect and purchase organic rice produced under the contract farming system, and donate it to the underprivileged families in remote areas to spread the warmth of love. 5. The meal project helps underprivileged children in remote areas to be taken care of, to stop hunger, and to have a better learning environment and educational resources.	End hunger, achieve food security and improved nutrition and promote sustainable agriculture. Ensure healthy lives and promotes well-being for all at all ages. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.
Care for Local Communities	• Food and farming education • Sustainability activities • Community participation project	1. In support of environmental sustainability, rural revitalization, eco-friendly farming, land stewardship, and care for the underprivileged, SKS continues to fulfill its corporate social responsibility by partnering with the Agriculture and Food Agency and Agricultural Research and Extension Stations to promote food and agriculture education as well as biodiversity-related activities. 2. SKS leverages its core expertise to actively participate in local community safety initiatives, protecting neighborhoods and enhancing community well-being while contributing to the operation of safe community networks. 3. Through a service model based on companionship, care, technology, and peace of mind, SKS fosters happiness among older adults and has established public elder care centers.	Ensure healthy lives and promotes well-being for all at all ages. Make cities and human settlements inclusive, safe, resilient and sustainable. Ensure sustainable consumption and production patterns. Take urgent action to combat climate change and its impacts. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reserve land degradation and halt biodiversity loss.
Promotion of Arts and Culture	• Diverse talent project for children in remote areas • Senior arts and culture activities	1. We realize the educational idea of cultivating the arts by providing an inclusive, equitable, and diverse learning environment for children with disabilities. 2. We eliminate the urban-rural education gap and provide underprivileged children in remote areas with opportunities to learn a variety of talents. 3. We promote the mental health and well-being of the elderly by reaffirming themselves and developing diversity in their lives through participation in arts and cultural activities.	Ensure healthy lives and promote well-being for all at all ages. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. Reduce inequality within and among countries.

6.1 An-Shin Classroom

With specialized expertise in security services, SKS is committed to fulfilling its corporate social responsibility. Drawing on years of professional experience, the Company established the An-Shin Classroom in 2007, aiming to protect social safety while also actively advancing its CSR efforts. In light of the growing challenges posed by climate change, global warming, and the increasing risk of disasters, safety and environmental education have become more crucial than ever. The An-Shin Classroom promotes safety and environmental awareness via experiential learning, making these important topics accessible to communities throughout Taiwan.

The An-Shin Classroom was built around the concept of "shared benefit". SKS not only focuses on safety education for disadvantaged groups, but also collaborates with businesses to host internal disaster prevention seminars and parent–child safety workshops. These efforts extend safety awareness from the workplace to the home, making safety culture a common language between employees and society. At the same time, we encourage corporate employees to become safety ambassadors, bringing safety awareness back to their families and communities, thereby forming an inside-out safety network. The An-Shin Classroom also actively promotes safety education within communities, serving as a vital bridge for mutual neighborhood support. Through this, safety becomes not just an individual mindset but a shared social consensus, and ultimately, an integral part of long-term corporate investment and social responsibility.

Over the past 17 years, the An-Shin Classroom has grown from a simple safety promotion initiative into a nationally influential safety education platform. Our mission goes beyond public welfare—we emphasize shared benefit, ensuring that safety education not only benefits individuals but also contributes to society as a whole. Looking ahead, we will continue our efforts and collaborate with more partners to make safety awareness a part of everyone's daily life, and to truly establish "peace of mind" as a shared value across society.

Agri-Food Education – Come Farm and Eat in Yilan!

In 2024, the An-Shin Classroom collaborated with the Agriculture and Food Agency and the Ching Chu Yilan Agricultural Marketing Cooperative to host the Come Farm and Eat in Yilan! event, showcasing recent achievements in sustainable agriculture and agri-food education. Together with the Hualien District Agricultural Research and Extension Station, an ESG-themed activity focused on Farmland Biodiversity was also launched. Rice paddies are among the most biodiverse ecosystems on Earth, and through organic rice farming, corporate partnerships, and resource investment, the initiative supports local agriculture, ecological conservation, and rural sustainability. By integrating innovative ESG action plans, the program generates positive social impact while fulfilling corporate responsibility and the corporate mission. This initiative has been highly praised by the Ministry of Agriculture as a practical example of advancing agricultural sustainability and revitalizing rural vision, and it serves as a model for showcasing the diverse sustainable value of Taiwan's land.

Collaborating with LiFUNd on Corporate ESG Projects

The An-Shin Classroom partnered with LiFUNd and university students to jointly develop innovative and engaging ESG projects. Through collaboration between corporations and students, these initiatives practice social responsibility in a model of public and shared benefit, inspiring the younger generation to care about sustainability and take action. LiFUNd, a youth-centered platform, bridges enterprises and students to integrate resources and strengthen social impact through cross-sector collaboration. One such collaboration matched SKS's An-Shin Classroom with the Po Feng Squad of China Medical University's Feng Lang Pharmacy Service Club. Every summer, this squad cycles around Taiwan to visit social welfare organizations, conduct educational activities, and provide eldercare in rural areas. During this collaboration, students delivered safety and health education through skits, disaster-preparedness board games, and group activities, while the An-Shin Classroom contributed resources including CPR mannequins, AED training kits, and disaster-preparedness board games, enabling children to engage in hands-on learning. These services not only raised safety and health awareness among rural children and older adults, but also deepened the reach of SKS's safety education into communities with unmet needs. This project fostered social inclusion and encouraged broader participation by university students in community engagement. Through this collaboration, students learned how to apply corporate social responsibility in real-world settings, and the Company gained fresh creativity and new perspectives. The result was a lasting social impact that helped embed safety and sustainability values both deeply and broadly across society.

2024 Implementation Results

An-Shin Classroom organized **31** sessions with **1,830** participants

An-Shin Classroom

Years	2024	2023	2022
Sessions	31	45	22
Participants	1,830	3,030	1,308

First Aid Certification: held **160** sessions and certified **4,217** participants

First Aid Certification

Years	2024	2023	2022
Certification Sessions	160	183	170
Number of Certified Participants (Note)	4,217	3,310	3,208
BLSI Training Sessions	4	0	0
BLSI Participants (Note)	141	155	155

Notes:
1. First aid certification figures refer to the number of external clients' employees trained and certified in first aid by SKS instructors.
2. SKS has trained internal staff to become Basic Life Support Instructor (BLSI) seed instructors in order to establish standardized first aid education, improve training quality, and extend first aid education across various fields. In 2022, a total of 155 individuals were certified as BLSI seed instructors (certificates valid for 2 years); from 2024 onward, recertification is required to extend validity, and 141 individuals obtained renewed certification.

6.2 Deeply Rooted Local Sustainable Communities

Rooted in Neihu, Co-creating a Safe and Livable Community

Since 2006, SKS has actively participated in community safety initiatives as a member of the Neihu Safety and Health Promotion Association. The Company has also participated in the International Safe Community Certification for Neihu three times (in 2010, 2015, and 2021). Neihu is now the third community in the world to receive this certification four times—a distinction that reflects the community's relentless dedication to creating a safe, comfortable, and sustainable living environment, as well as SKS's unwavering commitment to safeguarding the community alongside local residents. As a company deeply rooted in Neihu, SKS cares for every corner of the community and leverages its professional expertise to support community safety infrastructure and promote various safety and reassurance services. Through collaboration with the Neihu Safe Community, SKS has implemented educational programs for different groups, covering home safety, senior safety, personal safety for schoolchildren, disaster preparedness, and first aid. In partnership with the Fire Safety Museum of the Taipei City Fire Department, SKS also utilizes interactive experiences to increase disaster awareness among residents. In 2024, SKS organized seven home safety promotion events for young children, drawing a total of 850 participants. These efforts help residents build safety awareness and enhance the community's resilience. Looking ahead, SKS will continue strengthening local ties and working with the Neihu community to create a safer and more livable environment.

Supporting Agriculture: Launch of ESG STORE to Co-create a Sustainable New Market

On October 30, 2024, the Ministry of Agriculture held a press conference to officially launch the ESG STORE, a customized ESG matchmaking platform for agriculture. As a dedicated initiative to promote diversified and sustainable agricultural development, the ESG STORE enables enterprises to design and jointly implement ESG projects tailored to agricultural settings with the aim of making meaningful contributions to Taiwan's sustainable future. The Ministry of Agriculture also selected exemplary enterprises from among the successful projects to share their experiences. SKS was selected as a featured case owing to its long-standing commitment to agricultural sustainability and vision-driven transformation. As emphasized during the press conference, the ESG STORE is a critical tool for advancing sustainable development. The Ministry hopes to work with enterprises through this platform to channel resources toward supporting local agriculture, ecological conservation, and rural sustainability efforts. The Ministry will issue achievement certificates to recognize the concrete actions and contributions toward environmental sustainability made by enterprises that are matched through the ESG STORE and successfully execute collaborative projects. SKS strongly voiced its support for the ESG STORE's launch, expressing its commitment to sailing together with the Ministry into this sustainable new market and creating a new era of mutual benefits. Additionally, SKS's Ecology, Culture, and Sustainability Family Experience Activity earned the "Most Popular" award in the Ministry's Organic Joy Agricultural Creative Video Competition.

6.3 SKS Community Care Welfare Foundation

The total sponsorship amount in 2024 was

NT$ **720,000**

benefiting

2,560 persons.

Fostering Social Inclusion and Creating a Happy Society

The SKS Community Care Welfare Foundation has long been committed to advancing social inclusion through diverse public welfare initiatives, supporting underprivileged groups, and promoting social equity and sustainable development. In terms of caring for the disadvantaged, the Foundation integrates its efforts through the An-Shin Classroom initiative, delivering disaster preparedness, anti-fraud, and anti-bullying education in remote schools to enhance children's self-protection capacity. Through the Elder Care Program, the Foundation also provides home safety inspections and elder fraud prevention seminars to ensure a secure living environment for older adults. In the spirit of inclusive participation, the Foundation promotes intergenerational activities. For example, corporate volunteers accompany older adults and children to foster meaningful exchanges. The Foundation also supports the development of arts and culture, enabling disadvantaged groups to engage in cultural experiences. These efforts are carried out through volunteer services and ESG actions, thereby fulfilling the Company's corporate social responsibility. Looking ahead, the Foundation will continue to implement charitable programs to generate a greater positive impact on society. In 2021, the Foundation formally expanded into the long-term care sector by establishing the Fangqiao Day Care Center in Banqiao District, New Taipei City. The center was built upon SKS's strong technological foundations to create a local space that is user-friendly, caring, and secure. Moving forward, the Foundation will continue to uphold the philosophy of corporate social responsibility while aligning more closely with ESG performance trends in its operations, aiming to create maximum value for all stakeholders and move steadily toward sustainable development.

SKS Fangqiao Day Care Center

Day Care Service: Serving

8,011 persons

Respite Care Service: Serving

253 persons

Transportation Service: Running

7,853 trips

In addition to providing daycare services, Fangqiao Day Care Center also creates a human-centered, caring and safe space locally with SKS's solid technological foundation. The adoption of technology not only enables us to create a user-friendly space, but also ensures the safety of the elderly at all times with fall detection devices installed in age-friendly bathrooms. In regards to daily activities, we design activities that evoke the memory in the service recipients' journey of life to develop their interests and inspire their potential, in the hope that each service recipient would feel moved in the heart. This will help them regain their achievements and dignity of life and help us to implement the goal of active aging. Through innovative technology and the integration of local cultural characteristics, each elderly can continue to be active and achieve the vision of independent living. Additionally, each participating elderly is integrated as part of the symbiotic community, enabling their children to work with peace of mind, reducing the burden of family caregivers, and the elderly service recipients to have access to health promotion activities to slow down the rate of deterioration of their body functions.

Rice Donation Event

Since 2015, Shin Kong Security has partnered with young farmers in Yilan to implement a contract farming initiative for organic rice. Each year, employees collectively donate and purchase organic white rice, which is then distributed to underprivileged rural families and older adults living alone across Taiwan. These long-standing organic rice donations have not only benefited many families and older adults but have also served as a tangible demonstration of SKS's ongoing commitment to social welfare while indirectly promoting the development of local agriculture in Yilan. To date, a total of 27,674 kilograms of organic rice have been donated, with accumulated charitable funds reaching NT$3,044,140. These donations have provided meaningful support to those in need while fostering the growth of local agriculture in Yilan. Additionally, to facilitate employee access to locally produced agricultural goods, SKS has established an internal e-commerce platform. This platform consolidates the Company's internal resources and aligns them with broader ESG initiatives, generating positive impact and fulfilling corporate social responsibility. Through these efforts, SKS demonstrates its dedication to sustainable development in Taiwan and strives to create a win–win scenario for both social welfare and agricultural sustainability.

2024 Results

Rice collected: **3,000** kg

Donations received: NT$ **330,000**

Beneficiaries: **1,500** persons

(900 children;600 elderly persons living alone)

Cumulative Results (2011–2024)

Rice collected: **39,988** kg

Donations received:NT$ **4,386,090**

Beneficiaries: **21,494** persons

(12,216 children;7,778 elderly persons living alone)

"Sustainable Good Days × Reverse Carnival" : SKS Promotes Sustainability and Public Welfare with Heart

Shin Kong Security rallied its partners to participate in volunteer services as a concrete expression of care and a way to extend the Company's influence in fulfilling its social responsibilities. Embracing a shared value approach, SKS collaborated with NGOs and NPOs—not only offering financial support, but also dedicating time and effort—to take part in the Reverse Carnival Market. Together with volunteers at the event, SKS supported initiatives from advocacy brands, sustainable eco-communities, and the Reverse Life Market, and watched as many sustainability concepts were actively put into practice. Despite giving up a weekend, it was a worthwhile experience! At the Taiwan Toy Library booth, volunteers accompanied children and helped with toy organization, endorsing the concept of second-hand donations and recycling. Participants could bring unwanted toys to exchange, and children were encouraged to dismantle old toys, sort them effectively, and understand the value of reuse. These activities helped instill in children the principles of sustainability and circular living.

Grandriders Traveling Thousand Miles Charity Event

For 7 consecutive years, SKS has supported the Go Grandriders, Traveling Thousands of Miles to Spread Love event organized by the Hondao Senior Citizen's Welfare Foundation. Represented by Grandpa Kuo Shen-Sen, the team of 30 riders—averaging 75 years in age—wore large stickers reading "I'm 100, Riding Around Taiwan" on their backs and enthusiastically chanted the slogan "2024 Grandriders Ride for Love," creating an energetic and inspiring atmosphere at the event. While riding, the Grandriders also served as goodwill ambassadors for the Hot Meal Program for Disadvantaged Elderly Living Alone, calling on the public care for older adults and raising awareness of nutrition issues among seniors. In addition to providing event funding, SKS also supported the initiative through its rice donation campaign, contributing organic white rice to help sustain the meal delivery program and address the dietary needs of disadvantaged older adults living alone.

New Learning Partners and Little Pen Pals Meet-and-Greet Event

Since 2017, the New Companion Relationships 2.0 – Big and Little Pen Pal Program has been a joint initiative of Shin Kong Security, the Andrew Charity Association, and the Boyo Social Welfare Foundation. Based on the concept of life mentorship, the program pairs Little Pen Pals from disadvantaged backgrounds with Big Pen Pals from various professional fields. Through letter exchanges, the program provides emotional support and encouragement while introducing children to diverse career paths. During the meet-up event, four guest speakers were invited to share insights about their professions. A senior associate manager from SKS emphasized that dedication and consistency transform routine work into craftsmanship. He shared his 40-year career motto, "Take initiative, be accountable," as a guiding principle worthy of learning. Chief Petty Officer Li from the Coast Guard encouraged children to dream big and bring those dreams to life, highlighting the importance of imagination. Marine conservationist Dr. Cheng introduced both conservation and restoration projects, showing how technology can deepen our understanding of the ocean. The climate expert, representing a field the children had never encountered before, sparked intense curiosity as the students eagerly asked questions. This meaningful initiative paves a bright path toward the future for rural children—nurturing dreams with love, support, and inspiration.

2024 SKS Community Care Welfare Foundation Sponsorship List
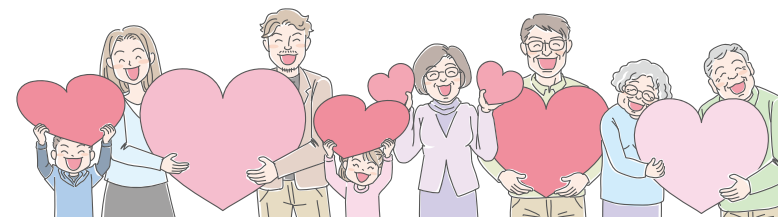
No.	Project	Amount (NT$)	Benefit Recipients (persons)
1	Grandparents Color Walk organized by the Hondao Senior Citizen' s Welfare Foundation	60,000	130
2	Public Welfare and Care Initiatives in Rural Areas	50,000	300
3	Funding, scholarships, and grants for the after-school care program for underprivileged children in rural areas	60,000	200
4	Sunshine Social Welfare Foundation scholarships and grants	30,000	10
5	Against the Wind Intergenerational Youth and Elderly Program	20,000	10
6	Sending Christmas and New Year gifts to rural areas	30,000	150
7	The 14th Rice Donation Event	330,000	1,500
8	New Companion Relationships 2.0 – Big and Little Pen Pal Program	100,000	200
9	Youth-Led Sustainability and Rural Care Initiatives	40,000	60
	Total	720,000	2,560

6.4 Taiwan SKS Foundation for Arts and Culture

The total sponsorship amount in 2024 was

NT$ **530,000**

benefiting

4,290 persons.

The Taiwan SKS Foundation for Arts and Culture continues to cultivate local arts and culture, with a strong focus on nurturing and developing artistic talent. Through various initiatives—such as supporting diverse talent learning programs in rural areas, providing charitable dance instruction, and organizing creative and painting competitions—the Foundation not only enhances the cultural quality of life but also contributes to a more robust and balanced arts development environment.

Additionally, the Foundation places great emphasis on elder culture and the physical and mental well-being of senior citizens. By actively supporting events for older adults, we help them regain self-recognition and proudly showcase the wisdom of aging. These efforts also create opportunities for the public to witness the passion and vitality of the elders and jointly foster a more inclusive cultural environment.

Born to Farm Charity Touring Performance

The Taiwan SKS Foundation for Arts and Culture has long been committed to promoting local arts and culture and supporting artistic development in rural areas. For the second consecutive year, the Foundation partnered with Day Day Work Theatre to conduct a charity performance tour with stops at eight elementary schools across Taichung, Changhua, and Keelung. Centered around the life stories of small-scale farmers, the performance featured traditional Taiwanese glove puppetry, a blend of Mandarin and Taiwanese languages, as well as original music, vividly portraying the warmth and charm of rural Taiwan. The play addressed themes such as rural life, food and agricultural safety, biodiversity, and climate change, conveying the importance of knowing the land, respecting the land, and cherishing the land. It underscored the importance of instilling food and agriculture education from an early age. Aligned with ESG principles of environmental sustainability, the performance also echoed SKS's long-standing commitment to organic rice contract farming in Yilan. Every year, employees are encouraged to donate rice to support underprivileged older adults and children. Through hands-on experiences such as rice planting and harvesting, employees and their families gain a deeper understanding of the value of the land, embodying the spirit of "every grain on the plate is hard-earned."

Cultural and Artistic Talent Development in Rural Areas

Due to the serious urban–rural divide and imbalance in regional educational resources, rural schools often face shortages of qualified teachers, hindering the development of arts and culture. The decline of traditional arts and the fading of native languages has further compounded this issue. In response, the Taiwan SKS Foundation for Arts and Culture has directed additional resources toward supporting disadvantaged children and promoting indigenous cultural education. Through initiatives such as the Taiwan Hope in Love Children Care Association's "Diverse Talent Training and Development Program for Underprivileged Children," the Taipei Orphan Welfare Foundation's "Dream Music and Arts Camps," and World Vision Taiwan's "Children's Cultural Team," the Foundation supports rural children in learning traditional culture and diverse talents. Programs such as music, dance, visual arts, and native language education encourage children from underprivileged families to explore their talents and embrace learning opportunities despite financial constraints. These experiences help children build confidence, gain a sense of achievement, and enrich their lives, fostering both ethnic pride and self-identity. The Foundation has long been dedicated to caring for disadvantaged groups and nurturing artistic talent. SKS hopes that children in rural areas will not be limited by their circumstances or labels, but will have equal opportunities to pursue their dreams and showcase their talents. With continued support, the Foundation aims to unlock their artistic potential and create infinite possibilities in the arts.

Bringing Art to Schools in Collaboration with Juedai Contemporary Jazz Dance Theater

In collaboration with Juedai Contemporary Jazz Dance Theater, SKS Foundation for Arts and Culture brings professional dance into schools, creating new artistic experiences for students in resource and special education classes. Through weekly 1-hour charity classes focused on dance movement and physical development, children are guided to explore the world through bodily expression and experience the joy of dance. These classes have become the most anticipated time of the week for many students—a warm and encouraging force in their development. The instructors from Juedai Contemporary Jazz Dance Theater have built strong bonds with the children, helping them become more cheerful, confident, emotionally resilient, and willing to actively engage with others. This transformation is not only the result of dance and rhythm but also the sprouting of a small seed in the children's hearts—one that blossoms into love and hope. Through arts education, we hope children will find joy and growth through dance. We aim to continue spreading love through dance and deeply cultivating a vision of accessible and inclusive arts education.

Grandparents' Talk Show Senior Stand-Up Comedy

Statistics on the Taiwan SKS Foundation for Arts and Culture Sponsor in 2024

No.	Project	Amount (NT$)	Benefit Recipients (persons)
1	Diverse Talent Training and Development Project for Underprivileged Children by the Taiwan Love and Hope International Charity	70,000	30
2	Day Day Work Theatre – " Born to Farm"	20,000	600
3	Children's Culture Team by the World Vision Taiwan	114,150	45
4	The teaching project "Sending Art Teachers to Campus with Love" by the Juedai Contemporary Jazz Dance Theater	50,000	270
5	Summer public welfare activities in remote areas by LiFUNd	50,000	100
6	Dream Music and Art Camp by the Taipei Orphan Welfare Foundation	50,000	66
7	Mustard Seed Mission – "Family-Like Music Smart Development Program"	50,000	39
8	Senior Stand-up Comedy by the Hondao Senior Citizen's Welfare Foundation	50,000	1,000
9	The 9th Cultural and Arts Competition by the Andrew Charity Foundation	60,000	2,000
10	Christmas Gift Program for Tutoring Class	21,600	120
11	Against the Wind Artists: Arts Education Companion Program	20,000	20
Total		555,750	4,290

Grandparents' Talk Show is Taiwan's first oral performance platform for seniors, pioneered by the Hondao Senior Citizen's Welfare Foundation. Now in its second year, the event provides older adults with a stage to express themselves and share their vibrant energy with the public. Through intensive training in the "Grandparents Speak Out" series of courses, senior participants learn to tell stories in engaging and humorous ways—taking the audience on a journey through time into the past or offering fresh perspectives on aging and everyday life. This program helps senior participants rediscover their self-worth and live with confidence and charm while embodying the wisdom of aging. In 2024, the platform expanded to Taipei, Taichung, and Hsinchu, inviting more members of the public to attend and support the performers while raising awareness of aging-related issues together.

7

Appendix—Sustainability Information Disclosure

Business Units Covered in the SKS Consolidated Financial Statements /

Taiwan Security Co., Ltd.

Yi-Kong Security Co., Ltd.

Yi-Kong International Apartment Building Management and Maintenance Co., Ltd.

Shin-Po Investment Co., Ltd.

E Tech Pro Ltd.

Lan An Co., Ltd.

Shin Kong Optical Networking Co., Ltd.

Shincluster Electronics Co., Ltd.

Shinsoft Co., Ltd.

XinBao International Co., Ltd.

Shin-Po International Investment Co., Ltd.

Shanghai Shin Kong Security Property Management Co., Ltd.

Shin Kong Communication Co., Ltd.

Security Shin Kong (Thai) International Co., Ltd.

New Light International Co., Ltd.

Shin Shin Investment Co., Ltd.

Shin-Po Life Care Co., Ltd.

Shin-Po Leasing Co., Ltd.

Shin Kong Security (Shanghai) Management Co., Ltd.

Tai-Po Service Technology Co., Ltd.

Hundure Technology Co., Ltd.

Smart Verge Holding Co., Ltd.

Shin Kong Cybersecurity Co., Ltd.

GRI Content Index

GRI 1: Foundation 2021

Statement of Use	Taiwan Shin Kong Security Co., Ltd. has reported in accordance with the GRI Standards for the period from January 1, 2024, to December 31, 2024.
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standards	As of June 2024, there are no Sector Standards applicable to our company.

GRI 2: General Disclosures 2021

★ SKS Sustainability Material Topics

GRI Standard	Disclosure	Corresponding Chapters	Page	Omission/ Note
2-1	Organizational details	About This Report 2.1 About Shin Kong Security	- P.13	
2-2	Entities included in the organization's sustainability reporting	About This Report Appendix - Business Units Covered in the SKS Consolidated Financial Statements	- P.83	
2-3	Reporting period, frequency and contact point	About This Report	-	
2-4	Restatements of information	3.1 Sustainable Business Development - AI Smart Image Protection System	P.30	
		3.1 Sustainable Business Development - AED (Automated External Defibrillator)	P.31	
		4.2 Green Management - Electricity Consumption Management	P.47	
		4.2 Green Management - Energy Consumption	P.47	
		4.2 Green Management - Total Distance Traveled and Energy Consumption of Mission Support Vehicles	P.49	
		4.2 Green Management - GHG Emissions by Category	P.49-50	
		4.2 Green Management - Recycling of Used Machinery and Materials	P.50	
		5.1 Building a Happy Workplace - Percentage of Senior-level Personnel	P.57	
		5.1 Building a Happy Workplace - Resigning Employee Distribution	P.57	
		5.2 Talent Training and Development - Statistics on Training and Training Time, by Job Category (In-Person Classroom Training)	P.63	

GRI Standard	Disclosure	Corresponding Chapters	Page	Omission/Note
2-5	External assurance	About This Report Appendix - Independent Assurance Opinion Statement	- P.105	
2-6	Activities, value chain and other business relationships	About This Report 2.1 About Shin Kong Security 2.2 Financial Performance Chapter 3 Customer Trust 4.3 Sustainable Supply Chain	- P.13 P.14 P.28-39 P.51-52	
2-7	Employees	5.1 Building a Happy Workplace	P.56-57	No significant variations compared to the previous period.
2-8	Workers who are not employees	5.1 Building a Happy Workplace 5.3 Healthy and Safe Workplace	P.56 P.66-67	No significant variations compared to the previous period.
2-9	Governance structure and composition	1.2 ESG Management 2.3 Corporate Governance	P.5 P.15-17	
2-10	Nomination and selection of the highest governance body	2.3 Corporate Governance	P.15-17	
2-11	Chair of the highest governance body	2.3 Corporate Governance	P.15-17	
2-12	Role of the highest governance body in overseeing the management of impacts	2.3 Corporate Governance	P.15-17	
2-13	Delegation of responsibility for managing impacts	2.3 Corporate Governance	P.15-17	
2-14	Role of the highest governance body in sustainability reporting	1.2 ESG Management	P.5	
2-15	Conflicts of interest	2.3 Corporate Governance Reference - Our company's official website / Investor Relations Section / Shareholder Column / Annual Report: https://pse.is/4rxv8c	P.15-17 -	
2-16	Communication of critical concerns	2.3 Corporate Governance	P.15-17	

GRI Standard	Disclosure	Corresponding Chapters	Page	Omission/ Note
2-17	Collective knowledge of the highest governance body	2.3 Corporate Governance Reference - Our company's official website / Investor Relations Section / Shareholder Column / Annual Report: https://pse.is/4rxv8c	P.15-17 -	
2-18	Evaluation of the performance of the highest governance body	2.3 Corporate Governance Reference - Our company's official website / Corporate Governance / Board Members: https://pse.is/4sw5g5	P.15-17 -	
2-19	Remuneration policies	5.1 Building a Happy Workplace Reference - Our company's official website / Corporate Governance / Functional Committee / Profiles and Duties of the Compensation Committee: https://pse.is/4unazc	P.56-61 -	
2-20	Process to determine remuneration	5.1 Building a Happy Workplace Reference - Our company's official website / Corporate Governance / Functional Committee / Profiles and Duties of the Compensation Committee: https://pse.is/4unazc	P.56-61 -	
2-21	Annual total compensation ratio	5.1 Building a Happy Workplace Reference - Our company's official website / Corporate Governance / Functional Committee / Employee Remuneration Policy and Implementation Status: https://reurl.cc/Gnrzkp	P.56-61 -	
2-22	Statement on sustainable development strategy	Words from the Management	P.1	
2-23	Policy commitments	Words from the Management 4.3 Sustainable Supply Chain - Supplier Code of Conduct 5.1 Building a Happy Workplace - SKS Human Rights Policy 5.3 Healthy and Safe Workplace - Shin Kong Security Occupational Safety and Health Policy	P.1 P.51 P.58 P.65	
2-24	Embedding policy commitments	Words from the Management Table of SKS Sustainability Material Topics Sustainability Material Topic Description in Chapters 2 to 6 2.4 Regulatory Compliance	P.1 P.13、P.29、P.41、P.55、P.75 P.18-19	
2-25	Processes to remediate negative impacts	Table of SKS Sustainability Material Topics Sustainability Material Topic Description in Chapters 2 to 6 2.4 Regulatory Compliance 5.1 Building a Happy Workplace - Listening Policy	P.13、P.29、P.41、P.55、P.75 P.18-19 P.60	

GRI Standard	Disclosure	Corresponding Chapters	Page	Omission/Note
2-26	Mechanisms for seeking advice and raising concerns	2.4 Regulatory Compliance 5.1 Building a Happy Workplace - Listening Policy	P18-19 P.60	
2-27	Compliance with laws and regulations	2.4 Regulatory Compliance	P.18-19	★ Regulatory Compliance
2-28	Membership associations	2.3 Corporate Governance - Lists of Guilds/Associations	P.17	
2-29	Approach to stakeholder engagement	Table of SKS Sustainability Material Topics 1.3 Stakeholder Communication and Management - Stakeholder Communication	P.4 P.9-10	★ Regulatory Compliance
2-30	Collective bargaining agreements	Although SKS does not have a union or group agreement, it holds regular quarterly labor-management meetings and has transparent and diversified communication channels.	P.9-10	

★ SKS Sustainability Material Topics

GRI 3: Material Topics 2021

GRI Standard	Disclosure	Corresponding Chapters	Page	Omission/Note
3-1	Process to determine material topics	1.3 Stakeholder Communication and Management	P.6-10	
3-2	List of material topics	Table of SKS Sustainability Material Topics 1.3 Stakeholder Communication and Management	P.4 P.6-10	
3-3	Management of material topics	1.3 Stakeholder Communication and Management Table of SKS Sustainability Material Topics Sustainability Material Topic Description in Chapters 2 to 6	P.6-10 P.13、P.29、P.41、P.55、P.75	

GRI Standard	Disclosure	Corresponding Chapters	Page	Omission/Note
GRI 202: Market Presence 2016				
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	5.1 Building a Happy Workplace Reference - Our company's official website / Corporate Governance / Functional Committee / Employee Remuneration Policy and Implementation Status: https://reurl.cc/Gnrzkp	P.56-61 -	

GRI Standard	Disclosure	Corresponding Chapters	Page	Omission/Note
202-2	Proportion of senior management hired from the local community	5.1 Building a Happy Workplace - Percentage of Senior-level Personnel	P.57	★ Market Presence
GRI 204: Procurement Practices 2016				
204-1	Proportion of spending on local suppliers	4.3 Sustainable Supply Chain	P.51-52	★ Supply Chain Management
GRI 205: Anti-corruption 2016				
205-3	Confirmed incidents of corruption and actions taken	2.4 Regulatory Compliance	P.18-19	★ Regulatory Compliance
GRI 302: Energy 2016				
302-1	Energy consumption within the organization	4.2 Green Management - Energy Resources Management	P.46-47	★ Energy Resources Management
GRI 305: Emissions 2016				
305-1	Direct (Scope 1) GHG emissions	4.2 Green Management - GHG Emissions by Category	P.49-50	★ Climate Action Management
305-2	Energy indirect (Scope 2) GHG emissions	4.2 Green Management - GHG Emissions by Category	P.49-50	
305-3	Other indirect (Scope 3) GHG emissions	4.2 Green Management - GHG Emissions by Category	P.49-50	
GRI 308: Supplier Environmental Assessment 2016				
308-1	New suppliers that were screened using environmental criteria	4.3 Sustainable Supply Chain	P.51-52	★ Supply Chain Management
GRI 401: Employment 2016				
401-1	New employee hires and employee turnover	5.1 Building a Happy Workplace - Employment Overview	P.57	★ Workplace Diversity, Equality, and Inclusion
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.1 Building a Happy Workplace	P.57-60	
401-3	Parental leave	5.1 Building a Happy Workplace - A Diverse, Inclusive, and Friendly Workplace	P.58	
GRI 402: Labor/Management Relations 2016				
402-1	Minimum notice periods regarding operational changes	The minimum notice period for layoffs is handled in accordance with the relevant time limits stipulated in the *Labor Standards Act*. For other labor-employer relations, please refer to Chapter 5.1 Building a Happy Workplace	- P.56-61	★ Workplace Diversity, Equality, and Inclusion

GRI Standard	Disclosure	Corresponding Chapters	Page	Omission/ Note
GRI 403: Occupational Health and Safety 2018				
403-1	Occupational health and safety management system	5.3 Healthy and Safe Workplace – Plan: Occupational Safety Management System	P.65-66	
403-2	Hazard identification, risk assessment, and incident investigation	5.3 Healthy and Safe Workplace – Act: Goal Setting for Continuous Improvements	P.72	
403-3	Occupational health services	5.3 Healthy and Safe Workplace	P.69-71	
403-4	Worker participation, consultation, and communication on occupational health and safety	5.3 Healthy and Safe Workplace – Plan: Occupational Safety Management System	P.65-66	
403-5	Worker training on occupational health and safety	5.3 Healthy and Safe Workplace- Do: Occupational Safety and Health Training	P.66-71	
403-6	Promotion of worker health	5.3 Healthy and Safe Workplace	P.69-71	★ Workplace Safety and Health
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.3 Healthy and Safe Workplace- Act: Goal Setting for Continuous Improvements	P.72	
403-8	Workers covered by an occupational health and safety management system	5.3 Healthy and Safe Workplace	P.65	
403-9	Work-related injuries	5.3 Healthy and Safe Workplace- Act: Goal Setting for Continuous Improvements	P.72	
403-10	Work-related ill health	5.3 Healthy and Safe Workplace	P.67-68	
GRI 404: Training and Education 2016				
404-1	Average hours of training per year per employee	5.2 Talent Training and Development	P.61-64	
404-2	Programs for upgrading employee skills and transition assistance programs	5.2 Talent Training and Development	P.61-64	★ Sustainable Employment and Talent Attraction
404-3	Percentage of employees receiving regular performance and career development reviews	5.1 Building a Happy Workplace	P.59	
GRI 405: Diversity and Equal Opportunity 2016				
405-1	Diversity of governance bodies and employees	5.1 Building a Happy Workplace 5.2 Talent Training and Development	P.56-61 P.61-64	★ Workplace Diversity, Equality, and Inclusion

GRI Standard	Disclosure	Corresponding Chapters	Page	Omission/ Note
GRI 414: Supplier Social Assessment 2016				
414-1	New suppliers that were screened using social criteria	4.3 Sustainable Supply Chain	P.51-52	★ Supply Chain Management
GRI 418: Customer Privacy 2016				
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	3.3 Customer Relationship Management	P.34-38	★ Privacy Protection

Sustainability Accounting Standards Board (SASB) Index

SKS is classified as the Professional & Commercial Services industry in the SASB Standards VERSION 2023-12.
The table below shows the disclosed SASB indicators and their corresponding chapters for the year 2024.

Table 1. Sustainability Disclosure Topics & Metrics

Topic	Metric	Code	Chapter	Page
Data Security	Description of approach to identifying and addressing data security risks.	SV-PS-230a.1	2.6 Digital Resilience	P.24-27
	Description of policies and practices relating to collection, usage, and retention of customer information.	SV-PS-230a.2	2.6 Digital Resilience	P.24-27
	(1) Number of data breaches, (2) percentage that (a) involve customers' confidential business information and (b) are personal data breaches, (3) number of (a) customers and (b) individuals affected.	SV-PS-230a.3	In 2024, there were no cybersecurity incidents that had a significant impact on the company's finances, resulted in data leaks, or involved customer trade secrets or personal information.	P.24
Workforce Diversity & Engagement	Percentage of (1) gender and (2) diversity group representation for (a) executive management, (b) non-executive management, and (c) all other employees.	SV-PS-330a.1	5.1 Building a Happy Workplace	P.56-61
	(1) Voluntary and (2) involuntary turnover rate for employees.	SV-PS-330a.2	5.1 Building a Happy Workplace	P.56-61
	Employee engagement as a percentage.	SV-PS-330a.3	5.1 Building a Happy Workplace	P.56-61
Professional Integrity	Description of approach to ensuring professional integrity.	SV-PS-510a.1	2.4 Regulatory Compliance	P.18-19
	Total amount of monetary losses as a result of legal proceedings associated with professional integrity.	SV-PS-510a.2		

Table 2. Activity Metrics

Activity Metric	Code	Chapter	Page
Number of employees by: (1) full-time and part-time, (2) temporary, and (3) contract.	SV-PS-000.A	5.1 Building a Happy Workplace	P.56-61
Employee hours worked, percentage billable.	SV-PS-000.B	The working hours for non-security personnel are 2,000 hours, while the working hours for security personnel are 3,024 hours. The billable percentage is 100%. Note: 1. The working hours for non-security personnel are calculated based on the 2024 number of workdays (250 days) and the standard working hours (8 hours per day). 2. The working hours for security personnel are calculated based on an average of 252 hours per month.	-

Task Force on Climate-Related Financial Disclosures (TCFD) Index

	TCFD Recommended Disclosures	Chapter	Page
Governance	a. Describe the board's oversight of climate-related risks and opportunities.	4.1 Climate Action	P.42-46
	b. Describe management's role in assessing and managing climate-related risks and opportunities.	1.2 ESG Management	P.5
Strategy	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	4.1 Climate Action	P.42-46
	b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	4.1 Climate Action	P.42-46
	c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	4.1 Climate Action	P.42-46
Risk Management	a. Describe the organization's processes for identifying and assessing climate-related risks.	4.1 Climate Action	P.42-46
	b. Describe the organization's processes for managing climate-related risks.	4.1 Climate Action	P.42-46
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	2.5 Risk Management 2.6 Digital Resilience 4.1 Climate Action	P.19-24 P.24-27 P.42-46

	TCFD Recommended Disclosures	Chapter	Page
Metrics and Targets	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	4.1 Climate Action	P.42-46
	b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	4.2 Green Management	P.46-50
	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	4.1 Climate Action	P.42-46

Climate-related Information of TWSE- and TPEx-Listed Companies

Items	Implementation Status
1. Describe the Board of Directors' and management's oversight and governance ofclimate-related risks and opportunities.	SKS's Board of Directors oversees climate-related issues through the Sustainable Development Committee, and regularly reviews the Company's strategies, risk management, and opportunities related to climate change. The management team has established a Sustainable Promotion Task Force responsible for identifying climate risks and opportunities, as well as promoting energy conservation, carbon reduction, green transportation, and other related initiatives. The task force reports to the Board of Directors on a regular basis. I. Responsibilities of the Board of Directors • Acts as the highest decision-making body for climate change risk management and holds ultimate responsibility for climate-related issues at SKS. • Approves climate risk management strategies, providing direction, oversight, and control over climate-related exposures. • Regularly reviews climate-related matters to ensure that risks and opportunities are incorporated into corporate decision-making. • Follows international TCFD recommendations and aligns with domestic regulatory timelines to continuously ensure effective monitoring as well as the management and disclosure of climate risks. II. Responsibilities of the Management and Executive Units • The Sustainable Development Committee is responsible for the identification and management of climate-related issues and for formulating and implementing related strategies. • The Sustainable Development Promotion Task Force regularly assesses climate risks and opportunities, with relevant departments proposing responsive action plans. • The Sustainable Development Team and Environment Team are responsible for implementing low-carbon transition plans and energy-saving and emission-reduction measures.

Items	Timeframe	Risk	Opportunity	Strategic Direction	Action Plan	Financial Impact
2. Explain how the identified climate risks and opportunities affect the Company's business, strategy, and financial planning (in the short, medium, and long term).	Short Term (1–3 Years)	Extreme weather events (e.g., typhoons, heavy rainfall) may hinder employee attendance and disrupt service operations.	Increased demand for smart security and cloud-based surveillance will drive digital transformation.	Reduce carbon emissions and strengthen energy management.	Conduct carbon inventory, procure green energy equipment, and implement smart energy management and green energy applications.	Risk: Equipment damage and service interruptions may lead to customer losses, resulting in increased operational costs. Opportunity: Rising demand may drive business growth, leading to increased revenue.
	Mid Term (3–5 Years)	Rising energy costs and stricter emissions regulations may increase operational expenses.	Strong ESG performance will enhance the brand image and boost competitiveness in bidding processes.	Develop low-carbon services.	Collaborate with low-carbon suppliers to enhance competitiveness as a green brand.	Risk: Rising energy costs may lead to increased operational expenses. Opportunity: Improved sustainability ratings and enhanced corporate image can facilitate capital raising.
	Long Term (5–10 Years)	Accelerated policy transition may introduce pressure in the form of carbon taxes or carbon credit trading mechanisms.	Developing low-carbon services and energy solutions will open up new market opportunities.	Promote climate adaptation and technological innovation.	Develop and adopt low-carbon equipment, products, and services.	Risk: Payment of carbon fees may increase operational costs. Opportunity: Growing market demand may lead to increased revenue.

Items	Implementation Status
3. Disclose the financial impacts of extreme weather events and transition actions.	Please refer to Note 1.
4. Describe how the processes for identifying, assessing, and managing climate risks are integrated into the overall risk management framework.	SKS incorporates climate-related assessments into its risk management process (for details, please refer to Chapter 2: Risk Management Process). An interdepartmental Risk Management Task Force under the Sustainable Development Committee is responsible for executing the Company's risk management practices. The Company applies a three-lines-of-defense model for risk assessment that tasks department personnel, responsible supervisors, and the Risk Management Task Force to establish measurement and monitoring mechanisms upon the discovery of any risk. When addressing climate issues, the Company follows its standard risk management framework, which includes risk identification, risk measurement, risk monitoring, risk reporting and disclosure, and risk response. During the risk identification stage, the potential impacts and likelihood of climate-related risks and opportunities are analyzed and prioritized accordingly. For details on the climate risk identification and response process, please refer to Note 2.
5. If scenario analysis is used to assess resilience to climate change risks, describe the scenarios, parameters, assumptions, analytical factors, and key financial impacts.	SKS conducted climate scenario analysis based on the Sixth Assessment Report (AR6) published by the Intergovernmental Panel on Climate Change (IPCC), selecting the SSP1-2.6 and SSP5-8.5 scenarios. I. SSP1-2.6 Scenario Analysis • Climate change is globally recognized as a critical issue, with an emphasis on sustainable development and the adoption of high-efficiency technologies focused on environmental protection. • Carbon tax increases to NT$300/ton, requiring SKS to strengthen carbon management and invest in emission reduction technologies. • Transition risks rise, necessitating increased resource investment in operational and service transformation. • Market attention to environmental performance grows, prompting the Company to develop low-carbon services and implement green management practices. II. SSP5-8.5 Scenario Analysis • Economic development remains fossil fuel-driven with insufficient climate action, leading to frequent extreme weather events. • Global temperatures rise by 3.4˚C, with an increase in heavy rainfall and extreme heat events, affecting equipment operations and personnel safety. • Equipment failures and maintenance frequency increase, resulting in higher operational costs. • Employee training and risk response procedures must be enhanced to improve emergency preparedness. III. Strategic Climate Response • SSP1-2.6: Strengthen carbon inventory, invest in low-carbon technologies, and promote green management and product labeling. • SSP5-8.5: Improve employee safety measures and risk management; enhance response capabilities for extreme weather events. Please refer to Note 3.
6. If a transition plan is in place to manage climate-related risks, disclose the content of the plan and the indicators and targets used to identify and manage physical and transition risks.	SKS has established short, medium, and long-term goals to address climate-related risks and opportunities. The Company implements corresponding plans and regularly reviews and adjusts the goals. Progress toward these goals is disclosed in the ESG Report. The Company designated 2022 as the base year to initiate a greenhouse gas inventory for its headquarters, which has been completed. To encourage continuous improvement, an annual energy performance indicator of a 0.5% reduction compared to the previous year has been set as a benchmark. To advance sustainable development, the Company plans to complete a greenhouse gas inventory for the entire Group and obtain third-party verification by 2029, ensuring the achievement of its carbon reduction goals. Please refer to Note 1.
7. If internal carbon pricing is used as a planning tool, explain the basis for setting the price.	The Company has not yet adopted internal carbon pricing as a planning tool. However, it plans to implement internal carbon pricing in the future, using the average carbon prices from domestic and international markets as a reference for evaluation. This pricing mechanism will be applied to investment benefit analyses for decisions such as equipment replacement and patrol vehicle upgrades.

Items	Implementation Status
8. If climate-related targets have been set, explain the covered activities, GHG emission scopes, planning timeframes, and annual progress; if carbon offsets or Renewable Energy Certificates (RECs) are used, disclose the sources and quantities of the carbon offsets or RECs.	As part of its climate strategy, SKS committed to and completed its participation in the Taiwan Alliance for Net Zero Emissions (TANZE) 2050 Net Zero Initiative between April and June 2022. I. SKS designated 2022 as the base year and the starting point for its greenhouse gas (GHG) inventory initiative, setting a target to reduce carbon emissions by 20% compared to the base year by 2027. The Company's total emissions in 2022 were 7,940.1462 tCO_2e/year. In 2023, emissions were reduced by 1.94% to 7,786.1459 tCO_2e/year, achieving the reduction target. In 2024, the Company conducted a more detailed analysis of employee commuting emissions. Although this refinement led to a small increase in reported emissions, it enabled a more accurate understanding of actual emission levels. The GHG emissions for 2024 decreased slightly to 7,729.5385 tCO_2e/year. The Company plans to complete GHG inventories and third-party verifications for all business entities by 2029 to ensure the achievement of its carbon reduction goals and advance its sustainable development efforts. II. The Company promoted internal paperless administrative operations by converting its paper-based approval processes to electronic approvals. Assuming each electronic approval equates to one A4 sheet of paper, SKS reduced paper usage by approximately 3,359,255 sheets of A4 paper in 2024. According to the Taiwan Paper Industry Association, one tree produces an average of 8,000 sheets of A4 paper. Based on this calculation, the Company's paper reduction efforts in 2024 are equivalent to saving approximately 419.91 trees from being cut down. III. Procurement of High-Efficiency and Energy-Saving Equipment: Since 2020, the Company has progressively replaced air conditioning units in office locations with energy-efficient models. In addition, outdated lighting systems have been replaced, with the headquarters building retrofit completed by 2021. The Company has set a target to reduce electricity consumption by approximately 0.3% annually (equivalent to about 15,000 kWh) and plans to complete the full replacement of lighting fixtures across all office sites by 2027. Upon completion, this initiative is expected to reduce electricity usage by approximately 1.5%, or about 75,000 kWh. IV. Promotion of Green Management, Services, and Actions: SKS has implemented a security equipment recycling program for clients. Recovered equipment is rigorously tested and refurbished, and items that meet regulatory standards are reused to extend their life cycle and improve equipment efficiency. Over the past 3 years, the average equipment recycling rate has remained at approximately 93%, and the average reuse rate has remained at approximately 46.6%. The Company prioritizes green procurement by selecting environmentally friendly products that are recyclable, low-polluting, and resource-efficient. A sustainable procurement management policy has been established based on supplier dependency and sustainability performance, incorporating carbon emissions and ESG factors as evaluation criteria. Through products, services, and educational assistance and collaboration (including with schools, communities, social networks, and multimedia platforms), SKS raises stakeholder awareness and consensus on climate change and the net-zero transition. Furthermore, the Company works together with stakeholders to create a low-carbon and sustainable ecosystem and achieve the collective goal of mitigating global warming. To establish a clearer carbon reduction pathway, in 2023, SKS completed the ISO 14064-1 inventory and verification for Scope 1, 2, and 3 emissions across all operational sites nationwide.
9. Disclose GHG inventory results, assurance status, emission reduction targets, strategies, and specific action plans.	Please refer to 1-1 and 1-2.

1-1 Greenhouse Gas Inventory and Assurance Status for the Past 2 Years

1-1-1 Greenhouse Gas Inventory Information

State the greenhouse gas emissions (tCO_2e), emissions intensity (tCO_2e/NT$1,000,000$), and data coverage for the past 2 years.
In the base year (2022), the Company's total emissions were 7,940.1462 tCO_2e. The total emissions for 2023 and 2024 were 7,786.1459 tCO_2e and 7,729.5385 tCO_2e, respectively. The inventory scope covers all operational sites across Taiwan.

	2023		2024	
	Emissions (tCO2e)	Emission Intensity (tCO2e/ NT$1,000,000)	Emissions (tCO2e)	Emission Intensity (tCO2e/ NT$1,000,000)
Scope 1: Direct Greenhouse Gas Emissions	2,218.2562	-	2,011.3416	-
Scope 2: Indirect Greenhouse Gas Emissions	2,362.7659		2,360.9075	
Scope 3:	3,205.1238		3,357.2894	

State the greenhouse gas emissions (tCO$_2$e), emissions intensity (tCO$_2$e/NT\$1,000,000), and data coverage for the past 2 years.				
Total	7,786.1459	210.61	7,729.5385	201.57

Direct emissions (Scope 1: emissions directly from sources owned or controlled by the Company), energy indirect emissions (Scope 2: greenhouse gas emissions indirectly caused by the consumption of purchased electricity), and other indirect emissions (Scope 3: emissions resulting from Company activities that are not classified as energy indirect emissions, but originate from sources owned or controlled by other entities).

Note: For Scope 3 employee commuting emissions, in 2022 and 2023, the carbon emissions were calculated based on the number of respondents who actually participated in the commuting survey. This year, the calculation was revised to project emissions based on the Company's actual total headcount. Because emissions for the past 2 years have also been projected based on the total headcount, as a result of this adjustment, the employee commuting emissions increased slightly.

1-1-2 Greenhouse Gas Assurance Information

Description of the assurance status for the past 2 years as of the Annual Report's publication date, including the scope of assurance, assurance provider, assurance standards, and assurance opinions.		
The 2023 greenhouse gas inventory was verified in April 2024; the 2024 greenhouse gas inventory is scheduled to be verified in March 2025. Verification was conducted by BSI in accordance with ISO 14064-1:2018, covering all operational sites across Taiwan, and obtained a reasonable level of assurance.		
Scope of Verification Execution	2023 Emissions (tCO$_2$e)	2024 Emissions (tCO$_2$e)
Scope 1: Direct Greenhouse Gas Emissions	2,218.2562	2,011.3416
Scope 2: Indirect Greenhouse Gas Emissions	2,362.7659	2,360.9075
Subtotal	4,581.0221	4,372.2491
Scope 3	3,205.1238	3,357.2894
Total	7,786.1459	7,729.5385
Assurance Provider	BSI – British Standards Institution	BSI – British Standards Institution
Assurance Standard	ISO 14064-1:2018, ISO 14064-3:2019	ISO 14064-1:2018, ISO 14064-3:2019
Description of Assurance Status	Reasonable assurance for Scope 1 and Scope 2	Reasonable assurance for Scope 1 and Scope 2
Assurance Opinion/Conclusion	Unqualified conclusion/opinion	Unqualified conclusion/opinion

1-2 Greenhouse Gas Reduction Targets, Strategies, and Action Plans

A description of the base year and corresponding data for greenhouse gas (GHG) reduction, the reduction targets, strategies, specific action plans, and the progress made toward achieving the reduction targets.

2022 marked the Company's first year of conducting a greenhouse gas (GHG) inventory. With the assistance of external experts, the inventory process was completed and the reliability of the data was assured. Accordingly, 2022 was established as the base year for GHG accounting. The Company has set an annual energy performance indicator of a 0.5% emissions reduction compared to the previous year to serve as a continuous improvement target. In 2023, total emissions amounted to 7,786.1459 tCO$_2$e, representing a 1.94% decrease compared to 2022-significantly outperforming the original annual reduction target. In 2024, the Company conducted a more detailed analysis of employee commuting emissions. Although this resulted in an adjustment in the reported emissions, it enabled a more accurate understanding of actual carbon emissions. Total emissions in 2024 were 7,729.5385 tCO$_2$e. To promote sustainable development, the Company plans to complete GHG inventories and third-party verifications for all group entities by 2029 to ensure the achievement of its carbon reduction goals. We continue to support emissions reduction directly or indirectly by helping clients improve energy efficiency, and we minimize environmental impact through innovations in our operational models. These efforts include the implementation of an energy and resource management system, the introduction of a carbon management system, and the optimization of management processes (e.g., digitalization of administrative tasks, refurbishment and recycling of

outdated equipment). These initiatives aim to provide green services to clients, minimize environmental harm, and improve the efficiency of the Company's operations. The 2024 emission intensity was 201.57 tCO$_2$e per NT$1,000,000, a reduction of approximately 4.3% compared to the 2023 emission intensity of 210.61 tCO$_2$e per NT$1,000,000—also exceeding the original annual target of a 0.5% reduction. The main drivers of emissions reduction included energy-saving measures at operational sites, procurement of energy-efficient equipment, and enhanced management of fleet vehicles. In response to climate change challenges and sustainable business goals, the Company will continue to allocate resources to strengthen the operation of its energy management system and continuously improve energy performance, with the aim of achieving a 20% reduction in total Group carbon emissions relative to the base year by the end of 2027.

Note: For Scope 3 employee commuting emissions, in 2022 and 2023, the carbon emissions were calculated based on the number of respondents who actually participated in the commuting survey. This year, the calculation was revised to project emissions based on the Company's actual total headcount. Because emissions for the past 2 years have also been projected based on the total headcount, as a result of this adjustment, the employee commuting emissions increased slightly.

Note 1: Financial Impacts of Risks and Opportunities and Response Measures

Climate Risk Analysis

Risk Type	Specific Risk	Severity of Impact	Likelihood of Occurrence	Financial Impact	Management Approach	Response Measures and Action Plans
Transition Risk (Policy and Legal)	Enhanced energy efficiency requirements in response to the Climate Change Response Act may lead to increased operational costs. Due to increasingly stringent carbon emission regulations, companies may be required to pay carbon taxes or purchase carbon credits.	High	High	Increased operating costs: Payment of carbon taxes or purchase of carbon credits is required. Greater market competition pressure: Failure to meet standards may result in the loss of corporate clients.	Mitigation Control	Establish a carbon inventory mechanism to reduce carbon emissions. Improve equipment energy efficiency and provide low-carbon services to align with market trends. Introduce low-carbon equipment to reduce carbon-related costs.
Transition Risk (Market)	Growing demand from corporate clients for low-carbon products and services may reduce the competitiveness of traditional security services.	High	Mid	Decreased demand for traditional system security services, affecting revenue. Need to invest in R&D and adopt low-carbon technologies or services.	Mitigation Control	Launch low-carbon and energy management monitoring systems. Offer low-carbon security services.
Physical Risk (Acute)	Extreme weather events (e.g., typhoons and heavy rainfall) may lead to equipment damage, surveillance interruptions, and increased personnel deployment, thereby raising operating costs.	High	High	Increased equipment maintenance and replacement costs; surveillance interruptions may undermine client trust. Difficulty in dispatching personnel, affecting client safety.	Adaptation	Enhance the weather resistance of equipment and set up backup systems. Strengthen disaster prevention and emergency response mechanisms.
Physical Risk (Chronic)	Rising temperatures may lead to higher electricity prices, resulting in increased operating costs.	Mid	High	Rising electricity costs are impacting operating profits.	Mitigation Control	Install energy-saving and energy storage equipment. Plan for renewable energy procurement.
Supply Chain	Suppliers must comply with low-carbon standards, which may impact supply chain stability.	Mid	Mid	Higher supply chain management costs and increased expenses when switching suppliers.	Mitigation Control	Establish green procurement standards and select low-carbon suppliers.
Technology	Transitioning to low-carbon services may result in increased short-term costs.	Mid	Mid	Increased costs for R&D and equipment upgrades.	Mitigation Control	Gradually adopt low-carbon equipment and technologies to reduce long-term carbon emissions. Collaborate with strategic partners to share R&D resources.

Climate Opportunity Analysis

Opportunity Type	Specific Opportunity	Severity of Impact	Likelihood of Occurrence	Financial Impact	Management Approach	Response Measures and Action Plans
Markets	Develop low-carbon services to attract external partnerships.	High	High	Develop low-carbon services to expand into new markets.	Mitigation Control	Launch integrated solutions combining energy monitoring systems and low-carbon services.
Resource Efficiency	Introduce smart energy management and green energy applications to reduce long-term operating costs.	High	High	Reduce long-term energy costs and enhance operational efficiency.	Mitigation	Establish a carbon management system to optimize energy efficiency.
Supply Chain	Collaborate with low-carbon suppliers to enhance green brand competitiveness.	Mid	Mid	Create new business opportunities and differentiate services to expand the low-carbon service market.	Mitigation Control	Promote carbon reduction transformation and certification jointly with partner vendors to enhance collaboration stability.
Technology	Improve AI video surveillance and energy monitoring technologies to enhance security performance.	Mid	Mid	Improve service efficiency and reduce labor and maintenance costs. Explore new business opportunities to broaden the low-carbon service market.	Adaptation	Implement AI smart service systems to reduce carbon emissions and energy waste. Introduce AI image analysis and cloud-based management services.
Government and Industry Subsidies	Apply for government low-carbon transition subsidies to reduce transformation costs.	Mid	Mid	Comply with government subsidy requirements to obtain funding support.	Mitigation	Accelerate the achievement of carbon reduction targets.

Note 2: Process for Identifying and Responding to Climate Risks

Step 1	Establish a climate risks and opportunities checklist	SKS has established a list of risks and opportunities based on the Company's operational status and its interaction with the environment, with reference to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).
Step 2	Convene interdepartmental meetings to identify relevant issues	The Sustainable Development Committee and the Risk Management Task Force convened meetings, held workshops, and conducted surveys using forms to identify the short, medium, and long-term impacts of climate-related risks and opportunities. The level of impact was scored on a scale of 1 to 5 (from low to high), and the likelihood of occurrence was scored on a scale of 1 to 6 (from low to high).
Step 3	Identify and prioritize material risks and opportunities	Risks and opportunities with a risk score exceeding 16 points-calculated by multiplying the impact score and likelihood score-are identified as high-impact and high-likelihood climate-related risks and opportunities. These are then prioritized through discussions with management.

Note 3: Financial Impacts of Scenario Analysis

Category	SSP1-2.6 Scenario Analysis	SSP5-8.5 Scenario Analysis
Scenario Analysis	1. Climate change is globally regarded as a critical issue. There is a strong push toward sustainable development, the implementation of high-efficiency technologies, and an emphasis on environmental responsibility. 2. With the carbon tax rising to NT$300 per ton, SKS must strengthen its carbon management and emission reduction technologies. 3. As transition risks increase, more resources must be allocated to transform operational processes and services. 4. The market places greater emphasis on environmental performance, prompting SKS to develop low-carbon services and implement green management practices.	1. The economy remains driven by fossil fuels; there is a lack of effective climate response measures, leading to a higher frequency of extreme weather events. 2. A temperature increase of 3.4°C results in heavier rainfall and extreme heat events, affecting equipment operation and personnel safety. 3. Equipment damage and maintenance frequency increase, leading to higher operational costs. 4. Employee training and risk response procedures must be strengthened to improve emergency response capabilities.
Key Risks	Transition risks increase, carbon-related costs rise, and rapid adaptation to environmental trends is required.	Physical risks intensify (e.g., heavy rainfall and extreme heat), posing challenges to equipment and personnel.
Specific Impacts	Carbon tax rises to NT$300 per ton, increasing operational costs; capital investment is required for process and service transformation.	Increased frequency of equipment failures raises maintenance and replacement costs; greater risks to employee health and attendance.
Financial Impacts	1.Increased spending on carbon taxes. 2.Capital expenditures are required for investment in low-carbon technologies and green services. 3.Enhancing the Company's sustainability ratings and market appeal may attract new clients and generate additional revenue.	1. Increased maintenance and repair costs. 2. Higher costs for employee training and insurance. 3. If not properly addressed, there may be service disruptions and revenue loss.
Response Strategy	1.Strengthen carbon inventory and carbon management. 2.Invest in low-carbon technologies and green product development. 3.Promote green security operations.	1. Strengthen climate disaster response procedures. 2. Enhance employee safety training and operational flexibility. 3. Optimize equipment and facilities, along with backup systems.

ISO 26000 Guidance on Social Responsibility Index

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Independent Assurance Opinion Statement

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By Royal Charter

INDEPENDENT ASSURANCE OPINION STATEMENT

2025 Shin Kong Security ESG Report

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

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

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

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

Scope

The scope of engagement agreed upon with SKS includes the followings:
1. The assurance scope is consistent with the description of 2025 Shin Kong Security ESG Report.
2. The evaluation of the nature and extent of the SKS's adherence to AA1000 AccountAbility Principles (2018) in this report as conducted with type 1 of AA1000AS v3 sustainability assurance engagement and therefore, the information/data disclosed in the report is not verified through the verification process.
3. The assessment of disclosure to be in conformance with the applicable SASB industry standard(s) in this report as conducted in accordance with type 1 of AA1000AS v3 sustainability assurance engagement.

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

Opinion Statement

We conclude that the 2025 Shin Kong Security ESG Report provides a fair view of the SKS sustainability programmes and performances during 2024. The ESG report subject to assurance is free from material misstatement based upon testing within the limitations of the scope of the assurance, the information and data provided by the SKS and the sample taken. We believe that the performance information of Environment, Social and Governance (ESG) are fairly represented. The sustainability performance information disclosed in the report demonstrate SKS's efforts recognized by its stakeholders.

Our work was carried out by a team of ESG report assurors in accordance with the AA1000AS v3. We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that SKS's description of their approach to AA1000AS v3 and their self-declaration in accordance with GRI Standards and SASB Standard(s) were fairly stated.

Methodology

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:
— a review of issues raised by external parties that could be relevant to SKS's policies to provide a check on the appropriateness of statements made in the report.
— discussion with managers on approach to stakeholder engagement. However, we had no direct contact with external stakeholders.
— 18 interviews with staffs involved in sustainability management, report preparation and provision of report information were carried out.
— review of key organizational developments.
— review of the findings of internal audits.
— review of supporting evidence for claims made in the reports.
— an assessment of the organization's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness, and Impact as described in the AA1000AP (2018).
— an assessment of the organization's use of metrics or targets of SASB Standard(s) to assess and manage topic-related risks and opportunities.

Conclusions

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

Inclusivity

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

Materiality

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

Responsiveness

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

Impact

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

GRI ESG reporting Standards (GRI Standards)

SKS provided us with their self-declaration of in accordance with GRI Standards 2021 (For each material topic covered in the applicable GRI Sector Standard and relevant GRI Topic Standard, comply with all reporting requirements for disclosures). Based on our review, we confirm that sustainable development disclosures with reference to GRI Standards' disclosures are reported, partially reported, or omitted. In our professional opinion the self-declaration covers the SKS's sustainability topics.

SASB Standards

SKS provided us with their self-declaration of in accordance with SASB Standard(s) (PROFESSIONAL & COMMERCIAL SERVICES Sustainability Accounting Standard, version 2023-12). Based on our review, we confirm that the sustainability disclosure topics & accounting metrics of SASB Standard(s) (PROFESSIONAL & COMMERCIAL SERVICES Sustainability Accounting Standard, version 2023-12) are reported, partially reported, or omitted. In our professional opinion the self-declaration covers disclosure topics, associated accounting metrics and activity metrics for applicable SASB industry standard(s).

Assurance level

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

The moderate level assurance provided is in accordance with AA1000AS v3 in our review of SASB Standard(s).

Responsibility

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

Competency and Independence

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

AA1000
Licensed Report
000-4/V3-WF8U6

Statement No: SRA-TW-821779
2025-05-30

For and on behalf of BSI:

Peter Pu, Managing Director BSI Taiwan

...making excellence a habit."

Taiwan Headquarters: 2nd Floor, No. 37, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.

A Member of the BSI Group of Companies.

SKS

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ESG Website