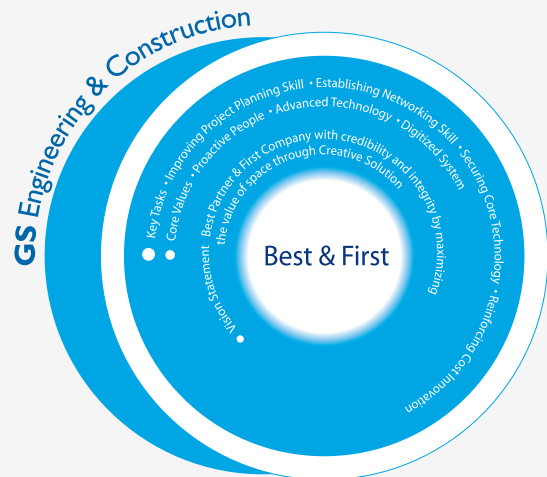


# Vision & Strategy

## Vision

| We are committed to becoming the “best and first” in our industry by creating the finest living and working environments. We will bring together talented people and equip them with state-of-the-art technology to establish an unparalleled standard of quality in the product we deliver to our clients. Our shareholders will prosper as we establish the highest standards in brand identity, market leadership and profitability.



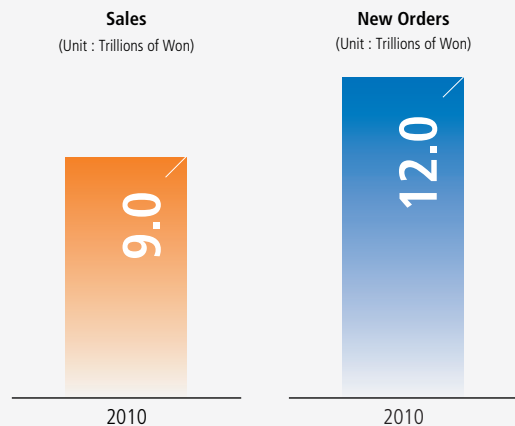
2010

2009  
2008  
2007  
2006



## Strategy

| We will “select and focus” on the five business cores; civil engineering, plant, environment, architecture and housing. While we continue to hone our skills and expertise in these areas, we will pursue opportunities in new arenas as well. To this end, we will remain vigilant for profitable opportunities that compliment the skills and disciplines we have developed. We will look to broaden our business base hence become a world-class total service provider.



Risk goes hand in hand with business. Risk in the construction industry involves construction time, engineering technology, finance, safety, and government policy, not to mention the world economy. In general, this risk could be classified in two categories, "Business risks and financial risks". The company-developed, proactive risk management system minimizes this potential and thereby makes a valuable contribution to the company's continued growth and profitability. An integrated efficient risk management is an integral element for overseas projects success.

## Business Risks

Business risks refer to potential losses caused by poor management decisions, employees' activities, operational system shortcomings, or negative outside factors. GS E&C only accepts projects that are identifiably profitable and associated with calculable risks. Each division has a Project Review Committee to ensure that projects are handled in accordance with the company's risk management guidelines. GS E&C carries appropriate insurance against liability risks and casualties. The scope of this insurance is reviewed on an ongoing basis and revised as necessary.

### Formal Project Risk Management Procedure

#### 1. Divisions

: Identify & review their respective risks

#### 2. Project Review Committee

: Categorize risks & prepare for the potential risks at the divisional level

#### 3. Corporate Project Review Steering Committee

: Evaluate & quantify overall risks at the corporate level

**Minimize Risk & Maximize Profit**

## Financial Risks

### Foreign Exchange Risk

Foreign exchange risk is the effect that unanticipated or fluctuating exchange rate changes have on the value of assets, liabilities, and potential gain or loss on foreign currency transactions. As an increase in overseas orders and sales, the importance of foreign exchange risk is bigger and bigger. GS E&C has Foreign Exchange Risk management Committee under the CFO once in a month and internal policy is 100% hedge against exchange risk. The company has three methods to hedge the risk ; natural hedge, foreign exchange risk insurance and derivatives. As a result, GS E&C's foreign exchange risk is minimal.

### Interest Rate Risk

Interest rate risk is defined as the variability of a corporate value due to an unexpected change in market interest rates. This can result from cash flows from interest bearing assets or liabilities that will produce an interest income or expense. The company keeps reducing debt to ensure it can weather any business circumstance, uncertain financial markets or long-term recession. As a result, the company has showed a net cash position since 2004, and interest also posted a net gain.

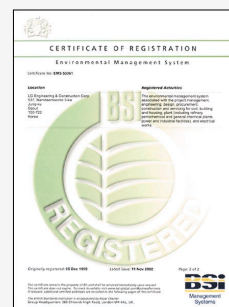
# Environment, Safety and Health Policy

GS E&C considers environment, safety and health issues for every project. These concerns for our clients, employees, and the public are an integral part in our corporate ethic. We feel that embracing these highest standards will ultimately create value for our customers and shareholders by enhancing the company's reputation as a solid corporate citizen. It is our company policy that we protect the natural environment, safety and health of the public, clients and employees by all means throughout the execution of our business activities with the following principles; GS E&C shall establish and maintain the ESH Management System, objectives and targets in accordance with ISO 14001 standard to contribute to continual improvement of natural environment.

- GS E&C shall observe customers' requirements as well as relevant environment, safety and health legislations and regulations.
- GS E&C shall make every effort to become the best company in ESH performance and create an accident and injury-free culture for the benefit of public, clients and employees by means of identifying ESH issues and controlling them.
- GS E&C shall take part in regional ESH programs and cooperate closely with the regional society.
- All of the GS E&C employees shall reduce the consumption of materials and energy and shall eliminate unnecessary waste generation.

The Management Representative shall ensure that this ESH Policy is fully understood, implemented and maintained at relevant functions and all levels of organizations by means of monitoring its continued suitability and improving the effectiveness of the documented ESH management system. At GS E&C, all of employees take part in the ESH Management System and make efforts to enhance the ESH mindset. We will continue to expand on the environmental protection, safety and health management while taking a critical look at existing measures.

## ESH Management Overview



Certificate of ISO 14001