



Run Long Construction Co., Ltd.

2024

Annual Report

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<http://www.runlong.com.tw> Run Long Construction Co., Ltd.

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I. Letter to the Shareholders

Dear Shareholders,

Thank you all for being here with us. On behalf of Run Long, I would like to express my sincere gratitude for your support over the past year!

In the first half of 2024, the domestic real estate market saw a significant influx of capital, driven by TSMC's nationwide plant expansions and the favorable "Preferential Housing Loans for Youth" program. While the program was well-intentioned in helping younger buyers lower the threshold to homeownership, it unexpectedly pushed housing prices higher. By the second half of 2024, the central bank's lending restrictions began to take effect. Banks had reached near-capacity on real estate loans, leading to tighter credit checks. Additionally, the central bank implemented the seventh round of selective credit controls in September, further cooling the market. As a result, transaction volume began to decline month by month, though prices remained stable despite the policy-driven slowdown.

The Preferential Housing Loans for Youth program is set to continue through July 2026. First-time buyers with genuine housing needs remain a key focus for banks, and the government's anti-speculation measures aim to prioritize lending resources for individuals without existing properties, encouraging owner-occupancy and long-term holding. Consequently, market demand continues to favor compact, well-designed, and affordably priced units. In line with this trend, Run Long remains committed to developing properties in prime locations with lower total prices, such as small units, small two-bedroom units, and "2+1 room" configurations.

In the first half of 2024, Run Long successfully launched the "Windsor Castle" project in Taoyuan, which has already achieved over 90% sales. The "Contemporary Shoufu" project in Taichung was sold out, delivering strong performance. Meanwhile, the "Xinyi Fujian" project in Taipei, launched at the end of 2024, continues to be marketed. In 2025, Run Long plans to launch several new projects: "Dang Dai Yi Di" in Xitun, Taichung; "Anping Jincheng", "Annan Guoan" in Tainan; and "Lingya Chenggong" in Kaohsiung. All of these are located in key metropolitan areas and are expected to attract strong interest. Run Long will continue to pursue land development opportunities in central and southern Taiwan while also actively seeking urban renewal projects in northern Taiwan to maximize development benefits.

Highwealth Group and Run Long signed a Memorandum of Understanding (MOU) with the Taiwan Creative Content Agency (TAICCA) on October 17, 2024. This marks the first time TAICCA has established a collaboration with the construction industry, aiming to promote the integration of cultural content and heritage conservation within the fields of construction, architecture, and building materials. Through this partnership, we hope to create a positive impact on both the environment and society.

For the first time, Run Long has partnered with a cultural organization to address sustainability issues, focusing on the importance of coexistence with the environment. With the facilitation of Deloitte and TAICCA, and in collaboration with The Classic Vision Co., Ltd. (Spot Link Cinema), Run Long co-produced the documentary “A Promise of Coexistence.” The film captures our efforts to protect and restore the habitat of the Taipei tree frog during development, aiming to reduce ecological disruption throughout the construction process.

The documentary has been used as a platform for dialogue and engagement through discussion-based screenings held in schools and community neighborhoods. In 2024 alone, three such events were held, with further outreach planned for 2025. Through this film, we hope to communicate the Company’s values, raise public awareness of tree frog conservation, and foster a deeper emotional connection with the community. This initiative is expected to have a positive effect on enhancing the Company’s brand image and overall value.

Finally, we would like to sincerely thank all our dedicated team members. In 2024, the “Dream City” project in Keelung was successfully completed and delivered to homeowners. In 2025, several projects are scheduled for completion, including “Jing’an Wenhui” in New Taipei City, “Xinyi Fujian ” in Taipei, “VVS1” and “Shicheng Aiyue” in Taichung. Our business performance is expected to show significant growth compared to 2024. Run Long will continue to uphold its philosophy of pragmatic and steady management, striving to deliver solid returns to its shareholders.

The operating results of 2024 and the business outlook of 2025 are reported as follows:

1. Operating results of the previous year

(I) Implementation result of the 2024 business plan

- (1) In 2024, the Company’s consolidated net operating revenue totaled NT\$8,787,971 thousand, a decrease of NT\$21,895,970 thousand from NT\$30,683,941 thousand in 2023.
- (2) In 2024, the Company's consolidated net income before tax totaled NT\$2,753,067 thousand, an increase of NT\$9,359,841 thousand from NT\$6,606,774 thousand in 2023.
- (3) In summary, the decrease in recognized construction revenue in 2024 compared to 2023 was primarily due to a decline in the number of newly completed projects in 2024. As a result, both operating revenue and operating profit for the year decreased compared to 2023.

(II) Budget implementation status:

In accordance with the “Regulations Governing the Publication of Financial Forecasts of Public Companies,” it is not necessary for the Company to prepare financial forecasting for 2024.

(III) Analysis of financial income and expense and profitability:

(Expressed in Thousands of New Taiwan Dollar)

Item \ Year		2024	2023
Financial income and expenses	Net operating income	8,787,971	30,683,941
	Gross profit from operations	3,967,948	11,281,096
	Profit after tax	2,257,970	7,701,546
Solvency	Current ratio (%)	172.96	161.84
	Quick ratio (%)	48.98	60.15
Profitability	Return on assets (%)	5.82	18.11
	Return on equity (%)	16.09	78.85
	Operating profit to paid-in capital ratio (%)	29.08	210.12
	Pre-tax net profit to paid-in capital ratio (%)	27.74	207.52
	Net profit rate (%)	25.69	25.09
	Earnings per share(NT\$)	2.28	17.08

Note: Consolidated information of the Company and its subsidiaries.

(IV) Status of research and development:

(1) Architectural planning and design:

- ①The residential building is designed for first-time buyers and home exchangers. In terms of design space, the apartments are divided into 2 or 3 rooms using safe and healthy building materials. We value the needs of users in a bid to achieve both aesthetics and practicality.
- ②As major advanced countries around the world gradually phase out fuel-powered vehicles and fully electric vehicles become more widespread, new projects have incorporated EV charging infrastructure. This includes pre-installed wiring conduits, electric meters, and power boxes for EV charging spaces to support future installation of charging stations by residents.
- ③Starting from consumer demand and practicality, the company considers practicality as the main focus and combines "green building" and "environmental protection and energy saving." The company also emphasizes digital technology, earthquake resistance, safety, and age-friendly housing to meet the rapidly changing market demands.
- ④During the planning and design phase, 3D Building Information Modeling (BIM) technology is employed to improve construction efficiency and accuracy. New materials and methods are also introduced, such as modular construction (aluminum formwork, SPC stone-plastic composite flooring), and 3D printing technology, to enhance construction quality and sustainability.
- ⑤In addition to architectural aesthetics and functional needs, ecological conditions of the site, energy and water efficiency, green materials, and indoor environmental

quality are also considered. Green building concepts are adopted, with projects aiming to obtain the Green Building Label or Candidate Certificate.

(2) Construction and management:

- ① During the construction process, proactive measures are taken to manage air, water, noise, and waste pollution in order to minimize the environmental impact and protect the ecological integrity of the site.
- ② In response to the severe labor shortage in Taiwan and rising labor costs, the Group leverages over a decade of experience in BIM-based project management and applies prefabricated construction methods. These include the use of aluminum formwork, preassembled rebar columns, and robotic material transport. Although these technologies increase construction costs, they enhance efficiency and environmental performance and are applicable across projects in northern, central, and southern Taiwan, thus improving both construction quality and technical capability.

(3) Market research and development:

- ① The Group's official website integrates AI technology to provide more advanced and enriched services, enabling customers to quickly find relevant property listings and schedule house viewings online.
- ② In response to the digital and social media era, the Company actively engages with diverse target audiences through online platforms. Video marketing is used to communicate brand values and differentiate our offerings, strengthening brand identity and achieving word-of-mouth marketing effectiveness.
- ③ The Group's brand mascot, "Fa Bao" teamed up with "Taiwanimal" to launch a co-branded LINE sticker set, creatively combining ecological conservation with brand promotion. Featuring Taiwan's native wildlife, the sticker set integrates the Company's brand identity with its commitment to environmental protection through a digital platform.
- ④ We will continue to operate in the mainstream residential building market, focusing on homeownership and home exchange needs to meet the market demand. We will also strive to improve our after-sales services and quality control processes to gain recognition from home buyers and increase our brand awareness.

2. Summary of the operating plans for the current year

(I) Operating Policy

- 1. Continue to plan high-quality products with precise positioning and flexible sales strategies to meet customer needs.
- 2. The proposal mainly focuses on Type 2~3 real estate, to satisfy regional future needs for personal living and first purchase.
- 3. For newly developed projects that have obtained Green Building or Intelligent Building labels, the Company concurrently incorporates carbon footprint assessments for the construction industry, aiming to acquire the Low Carbon Building Alliance (LCBA)

Carbon Footprint Certificate during the design permit phase.

4. Perfect after-sales service to increase customers' trust in the Company, enhance the Company's future sales performance, and establish brand image and reputation.
5. In response to tighter loan-to-value ratios for construction loans imposed by banks, the Company continues to explore various land development opportunities. In addition to reserving land in premium locations, it has adopted a diversified land acquisition strategy by increasing participation in joint construction and urban renewal projects. This approach not only reduces capital expenditures but also helps to spread operational risk and ensure a steady pipeline of development projects.
6. Regarding local ecological conservation, the Company strives to preserve complete natural habitats throughout the construction process of new projects, continuing its commitment to environmental sustainability and enhancing the quality of healthy living for future residents.

(II) Forecasted sales volume and the basis

1. Projects expected to be completed and under construction this year:

Ongoing projects include "Jing'an Wenhui" in New Taipei City, "Xinyi Fujian" in Taipei, "Windsor Castle" in Taoyuan, "VVS1," "Shicheng Aiyue," "Contemporary Shoufu," and "Dang Dai Yi Di" in Taichung, as well as "Run Long Park Hyatt" in Tainan.

2. New projects expected in this year:

Additional developments include "Dang Dai Yi Di" in Xitun District, Taichung, "Anping Jincheng" and "Annan Guoan" in Tainan, and "Lingya Chenggong" in Kaohsiung.

3. Other remaining units for sale include "Shihengbin (Xingye District)" and "Dream City" in Keelung; "Bokelai Park" in New Taipei City; "Kuobin Kuandi" in Taipei, "National Central City" in Taoyuan; "Taichung Dibao", "NTC National Trading Center" in Taichung, and "Wenhua Run Long" and "Shuhoyuan" in Kaohsiung. The Company aims to fully clear the remaining property inventory.

(III) Important production and marketing policies

1. In terms of product planning, the main products are self-occupied units for first-time buyers and home replacement buyers. The planning and construction of individual projects will be strengthened based on the location of each individual project, in order to establish brand continuity and increase customers' willingness to change or purchase homes.
2. Establish appropriate pricing, sales channels and advertisement strategies pertinent to the characteristics of products, supervise the meeting of the targets of each sales scheme and closely monitor market trends to allow flexible adjustment, in order to facilitate project development and maximize performance.
3. Product features tend to be diversified, increasing requirements for smart buildings, humanized residences, green buildings, environmental protection, barrier-free spaces,

and medical care.

4. Adopt the principle of healthy and steady operations. In light of market prospects, perform pre-sales or sell houses while constructing them, or sell them after construction. Launch and sell the houses when appropriate.
 5. In response to the global trend toward net-zero carbon emissions, the Company is actively promoting energy-efficient building practices to reduce energy consumption and carbon emissions during building operations. New projects will proactively seek to obtain dual certifications for Green Building and Building Energy Efficiency.
 6. The Company is seeking joint development partners or opportunities to participate in urban renewal and redevelopment projects in prime locations, aiming to increase revenue while reducing the financial burden of land acquisition and the cost of land ownership.
3. Future development strategies, impact posed by external competition, the regulatory environment and the overall business environment

(I) Impact posed by external competition and the regulatory environment

Since the implementation of the seventh round of credit control measures by the Central Bank in September 2024, there has been a significant dampening effect on real estate transaction volumes. These policies are primarily aimed at curbing an overheated property market and minimizing the risks of excessive market speculation. Although the Central Bank did not introduce additional measures in 2024, stringent credit evaluations and stricter lending criteria have raised borrowing thresholds, placing greater financial pressure on homebuyers and reducing overall market activity.

On the lending side, the Central Bank raised interest rates by 0.125 percentage points and the reserve requirement ratio by 0.5 percentage points, effectively tightening market liquidity. As a result, banks have become more cautious in issuing real estate loans. In addition, under Article 72-2 of the Banking Act, which caps real estate lending at 30% of a bank's total loans, the Central Bank in August 2024 instructed banks to reduce the concentration of real estate lending. This further increased the difficulty for the general public to secure housing loans.

In terms of market liquidity, with the expiration of the five-year restriction under the Management, Utilization, and Taxation of Repatriated Offshore Funds Act, which prohibited investment in real estate, an estimated NT\$40 billion in offshore Taiwanese capital is now expected to enter the domestic market annually.

The Company will adopt a more prudent approach to new project development. However, as land remains an essential and irreplaceable resource, the Company will continue actively seeking and evaluating land acquisition opportunities, prioritizing prime locations and areas with high development potential throughout Taiwan. Urban renewal and the Reconstruction of Unsafe and Old Buildings projects will be leveraged to add value, underscoring the Company's competitive strength in the industry.

(II) The impact of the overall business environment

In the first half of 2024, Taiwan's stock index surpassed the 20,000-point mark. Coupled with the government's "Preferential Housing Loans for Youth" program, transaction volume in the real estate market surged in the first and second quarters. However, this also led to excessive concentration of real estate lending among banks.

Due to such concentration, the Central Bank found it necessary to impose credit control measures. Despite escalating land costs and ongoing labor and material shortages driving construction costs to record highs, the property market has recently exhibited a "volume shrinkage, stable price" trend. This reflects the effectiveness of the Central Bank's regulation, which has temporarily delayed the implementation of an eighth round of credit control. Nonetheless, 2024 marked a record high in residential building permits issued, and Taiwan is now entering a peak period of property handovers. Close monitoring is required to assess whether banks' real estate lending ratios exceed regulatory thresholds, as further credit control measures by the Central Bank remain a possibility.

In December 2024, the business climate indicators for the manufacturing, services, and construction sectors all trended upward. Taiwan's overall economic performance, particularly in investment and external demand, surpassed earlier expectations. The Taiwan Institute of Economic Research (TIER) has revised its 2025 domestic GDP growth forecast upward to 3.42%, outperforming the previous year. However, growth in the real estate market is expected to moderate due to central bank regulations on mortgage lending and the high base of housing prices.

In 2025, Taiwan officially entered the era of carbon pricing, and a series of new environmental policies are expected to follow. These policies may affect the supply side of the housing market, particularly with regard to green building standards and energy efficiency requirements for new residential developments. Additionally, any increase in energy prices will likely raise construction costs, limiting the possibility of significant housing price declines.

(III) Expected sales and its basis

As we enter 2025, Run Long's development strategy has expanded beyond land purchases and public land auctions. Alternative approaches such as joint construction projects, urban renewal of multi-dwelling units, government-led urban regeneration programs, and MRT joint development projects are being pursued to diversify the Company's development pipeline. The Company is actively assessing the feasibility of new development projects to ensure a steady source of growth.

Looking at the global economic landscape, inflation remains elevated, and the U.S. Federal Reserve has postponed interest rate cuts. Taiwan's Central Bank has kept deposit and lending rates unchanged. Meanwhile, global trade continues to be heavily influenced by U.S. tariffs and trade negotiations. Taiwan Semiconductor Manufacturing Company (TSMC), a key player in the global semiconductor industry, remains at the forefront of these developments. Whether TSMC will establish advanced process facilities in the U.S. will have a ripple effect across the supply chain, such as impacting whether related companies

choose to invest in Taiwan. In the short term, the impact of new U.S. policies under the Trump administration on Taiwan's real estate sector will be a critical factor to watch.

In line with global ESG trends, the Company remains committed to promoting green buildings, intelligent buildings, energy-saving labels, and earthquake-resistance certifications. These sustainability practices are being actively implemented across projects. For instance, in the Urban Forest project, environmental protection measures are enforced throughout the construction process, including regularly monitoring ecological indicators. The Company has allocated approximately NT\$20 million for the conservation of tree frogs and is actively engaged in habitat restoration, creating ecological corridors to foster biodiversity. These efforts reflect the Company's pursuit of a harmonious, win-win relationship between business and nature.

Chairperson:



Managerial Officer:



Head of Accounting:



II. Corporate Governance Report

1. Information of directors, the president, vice presidents, assistant vice presidents, department and branch directors

(1) Directors

April 19, 2025

Job Title	Nationality/ Place of Incorporation	Name	Gender Age	Date Effective	Term (Year)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives, Directors or Supervisors Who are Spouses or within the Second Degree of Kinship			Remarks (note 1)
							Shares	Holding shares ratio	Shares	Holding shares ratio	Shares	Holding shares ratio	Shares	Holding shares ratio			Job Title	Name	Relationship	
Institutional Director	Republic of China	Da-Li Investment Co., Ltd		2024.06.13	Three years	2012.06.10	17,663,965	3.92	38,860,723	3.92	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Representative of Institutional Director	Republic of China	Chiu, Ping- Tse	M 50-60	2024.06.13	N/A	N/A	N/A	N/A	2,717	0.00	0	0	0	0	Civil Engineering Institute, National Taiwan University Run Long Construction Co., Ltd. President Chairman of Chin Chun Construction Co., Ltd.	Run Long Construction Co., Ltd. Chairperson Chin Chun Construction Co., Ltd. Representative of Institutional Director	None	None	None	
Representative of Institutional Director	Republic of China	Lin, Wei- Chum	M 50-60	2024.06.13	N/A	N/A	N/A	N/A	0	0	0	0	0	0	Ming Chuan University Department of Applied English Chung Hua University Department of Civil and Construction Engineering Run Long Construction Co., Ltd. Manager, Development Department	Run Long Construction Co., Ltd. President	None	None	None	
Representative of Institutional Director	Republic of China	Chen, Kuo- Yen	M 60-70	2024.06.13	N/A	N/A	N/A	N/A	20,000	0.00	190,000	0.02	0	0	National Taipei University of Technology Industrial Design Department ChyiYuh Construction Co., Ltd. Vice Chairman Consultant, Highwealth Construction	ChyiYuh Construction Co., Ltd. Consultant	None	None	None	
Representative of Institutional Director	Republic of China	Lu, Chia-Yin (Note 2)	F 50-60	2024.06.13	N/A	N/A	N/A	N/A	102,905	0.01	0	0	0	0	Graduate Institute of Finance, National Taiwan University of Science and Technology Run Long Construction Co., Ltd. Finance Manager	Run Long Construction Co., Ltd. Concurrently serves as Finance Manager Company Governance Executives	None	None	None	
Institutional Director	Republic of China	Kaung Yang Investment Co., Ltd. (Note3)		2021.08.16	Three years	1999.07.19	N/A	N/A	—	—	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Representative of Institutional Director	Republic of China	Cheng, Chiao-Wen (Note 4)	F 30-40	2021.08.16	N/A	N/A	N/A	N/A	—	—	—	—	—	—	Pratt Institute Real Estate Development	—	—	—	—	

Job Title	Nationality/ Place of Incorporation	Name	Gender Age	Date Effective	Term (Year)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives, Directors or Supervisors Who are Spouses or within the Second Degree of Kinship			Remarks (note 1)
							Shares	Holding shares ratio	Shares	Holding shares ratio	Shares	Holding shares ratio	Shares	Holding shares ratio			Job Title	Name	Relationship	
Independent Director	Republic of China	Li, Wen- Cheng (Note 5)	M 80-85	2021.08.16	Three years	2016.06.13	N/A	N/A	—	—	—	—	—	—	Central Police University Judge and Presiding Judge of Taiwan High Court	—	—	—	—	
Independent Director	Republic of China	Chen, Yung- Chang (Note 6)	M 70-80	2024.06.13	Three years	2021.08.16	0	0	—	—	—	—	—	—	National Taiwan University Department of Law Judge of Taiwan High Court	—	—	—	—	
Independent Director	Republic of China	Yen, Yun-Chi	M 60-70	2024.06.13	Three years	2015.06.11	0	0	0	0	0	0	0	0	China University of Technology Department of Public Health	Tungyue Advertising Co., Ltd. Chairperson	None	None	None	
Independent Director	Republic of China	Chou, I- Chiang (Note 7)	M 70-80	2024.06.13	Three years	2024.06.13	0	0	0	0	0	0	0	0	Associate Professor, Department of Urban Planning and Spatial Information, Feng Chia University Chief Secretary, Feng Chia University Dean, College of Business, Feng Chia University Chairperson, Cheng Lie Navigation Co., Ltd.	University Affairs, Feng Chia University Consultant Wisdom Engineering Consultants Co., Ltd. Representative of Institutional Director AnBogen Therapeutics, Inc. Director	None	None	None	

Note 1: Where the chairperson and the president or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness and necessity thereof, and the measures adopted in response thereto (such as increasing the seats of independent directors, with the majority of directors not concurrently serving as employees or managerial officers): This situation does not apply to the Company.

Note 2: Corporate director representative Lu, Chia-Yin assumed office after the re-election at the shareholders' meeting on June 13, 2024.

Note 3: Corporate director Kaung Yang Investment Co., Ltd. was dismissed after the re-election at the shareholders' meeting on June 13, 2024.

Note 4: Corporate director representative Cheng Chiao-Wen was dismissed after the re-election at the shareholders' meeting on June 13, 2024.

Note 5: Independent director Li Wen-Cheng was dismissed after the re-election at the shareholders' meeting on June 13, 2024.

Note 6: Independent director Chen Yung-Chang resigned on December 17, 2024.

Note 7: Independent director Chou I-Chiang assumed office after the re-election at the shareholders' meeting on June 13, 2024.

Table 1: Major shareholders of legal person shareholders

April 19, 2025

Name of Legal Person Shareholder	Major shareholders of institutional shareholder	
	Name of shareholder	Shareholding ratio
Da-Li Investment Co., Ltd	Tsai ChungPing	50.44%
	Zheng Junfang	14.93%
Kaung Yang Investment Co., Ltd.	ChyiYuh Construction Co., Ltd.	100.00%

Table 2: The major shareholders of Table 1 the major shareholders of legal persons

April 19, 2025

Legal Person Name	Legal Person's Major shareholders	
ChyiYuh Construction Co., Ltd.	Name of shareholder	Shareholding ratio
	Highwealth Construction Co., Ltd.	100.00%

Directors (2)

1. The Disclosure of Directors Professional Qualification and Independent Directors Independence

April 19, 2025

Criteria Name	Professional Qualifications and Experience	Independence Situation	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Chiu, Ping-Tse	<ul style="list-style-type: none"> ■ Representative of Institutional Director/Chairperson ■ Have more than 5 years of rich leadership experience in the construction industry and construction industry, and have a full range of administrative practice experience in various businesses of the company ■ Primary current position Chairman of Run Long Construction Co., Ltd. ■ None of the provisions of Article 30 of the Company Act. 	Not applicable.	0
Lin, Wei-Chum	<ul style="list-style-type: none"> ■ Representative of Institutional Director/General Manager ■ Have more than 5 years of rich leadership experience in the construction industry and construction industry, and have a full range of administrative practice experience in various businesses of the company ■ Primary current position President of Run Long Construction Corporation. ■ None of the provisions of Article 30 of the Company Act. 	Not applicable.	0
Chen, Kuo-Yen	<ul style="list-style-type: none"> ■ Representative of Institutional Director ■ Have more than 5 years of rich experience in engineering construction industry leadership, and have business experience ■ Primary current position ChyiYuh Construction Co., Ltd. Consultant ■ None of the provisions of Article 30 of the Company Act. 	Not applicable.	0
Lu, Chia-Yin (Note 1)	<ul style="list-style-type: none"> ■ Representative of Institutional Director ■ Possesses over 5 years of practical experience in finance related to the construction industry ■ Primary current position Also serves as Finance Manager and Chief Corporate Governance Officer of Run Long Construction Co., Ltd. ■ None of the provisions of Article 30 of the Company Act. 	Not applicable.	0

Criteria Name	Professional Qualifications and Experience	Independence Situation	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Cheng Chiao-Wen (Note 2)	—	—	—
Li, Wen-Cheng (Note3)	—	—	—
Chen, Yung-Chang (Note 4)	—	—	—
Yen, Yun-Chi	<ul style="list-style-type: none"> ■ Independent director / member of Remuneration Committee / member of Audit Committee ■ With more than 5 years of profound construction and sales industry-related business background, and rich practical experience in business and accounting ■ Primary current position Chairman Tungyue Advertising Co., Ltd. ■ None of the provisions of Article 30 of the Company Act. 	<ol style="list-style-type: none"> 1. The daughter of independent director Yan, Yun-qi has been employed by the company since January 1, 2022, but is not the manager of the company, so it is comply with the “Regulations Governing Appointment of Independent Directors Compliance Matters for Public Companies”. 2. The person, the spouse, the relatives within the second degree of relatives do not hold the number of shares in the company 3. Independent directors maintain their independence within the scope of their business execution, and must not have direct or indirect interests with the company, in the two years before the election and during the term of office, there is no circumstance specified in Article 3 of the "Regulations Governing Appointment of Independent Directors Compliance Matters for Public Companies" 4. Has not provided business, legal, financial, accounting and other services to the Company or its affiliated companies for the last 2 years and received compensation. 	0

Criteria Name	Professional Qualifications and Experience	Independence Situation	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Chou, I-Chiang (Note 5)	<ul style="list-style-type: none"> ■ Independent director / Remuneration Committee Convener / Audit Committee Convener ■ Retired Associate Professor, holding more than five years of experience as a lecturer or above at private universities ■ Past Experience Associate Professor, Department of Urban Planning and Spatial Information, Feng Chia University Chief Secretary, Feng Chia University Dean, College of Business, Feng Chia University Chairperson, Cheng Lie Navigation Co., Ltd. Expert in national land planning, conservation, and sustainable environments. The Company aims to leverage his academic and practical background to bring new momentum to areas such as urban renewal, reconstruction of urban unsafe and old buildings, and sustainable architecture. ■ Primary current position University Affairs Consultant, Feng Chia University ■ None of the provisions of Article 30 of the Company Act. 	<ol style="list-style-type: none"> 1. Him, his spouse, and relatives within the second degree of kinship do not serve as directors, supervisors or employees of the company or its affiliated companies. 2. The person, the spouse, the relatives within the second degree of relatives do not hold the number of shares in the company 3. Independent directors maintain their independence within the scope of their business execution, and must not have direct or indirect interests with the company, in the two years before the election and during the term of office, there is no circumstance specified in Article 3 of the "Regulations Governing Appointment of Independent Directors Compliance Matters for Public Companies" 4. Has not provided business, legal, financial, accounting and other services to the Company or its affiliated companies for the last 2 years and received compensation. 	0

Note 1: Corporate director representative Lu, Chia-Yin assumed office after the re-election at the shareholders' meeting on June 13, 2024.

Note 2: Corporate director representative Cheng Chiao-Wen was dismissed after the re-election at the shareholders' meeting on June 13, 2024.

Note 3: Independent director Li Wen-Cheng was dismissed after the re-election at the shareholders' meeting on June 13, 2024.

Note 4: Independent director Chen Yung-Chang resigned on December 17, 2024.

Note 5: Independent director Chou I-Chiang assumed office after the re-election at the shareholders' meeting on June 13, 2024.

2. Diversity and Independence of the Board of Directors

(1) Diversity of the Board of Directors

1. The board of directors of the company guides the company's strategy, supervises the management and is responsible to the company and shareholders' meeting. In various operations and arrangements of the corporate governance system, the board of directors exercises its functions and powers in accordance with laws, the company's Articles of Incorporation or the resolutions of the shareholders' meeting.
2. The structure of the Company's Board of Directors shall be determined based on the scale of its business operations and the shareholding status of major shareholders. Taking practical operational needs into account, the appropriate number of board seats shall range from seven to nine.
3. The composition of the Board of Director should consider the diversification, and that appropriate diversification policies should be formulated based on its own operation, operation type and development needs, including but not limited to the following 2 facets of standards:
 - ①Basic conditions and values: Gender, age, nationality, culture, etc.
 - ②Professional knowledge and skills: Professional background. (such as law, accounting, industry, finance, marketing, law or environmental protection), professional skills, and other experiences of industry.
4. The Company adopts a candidate nomination system, under which all director candidates are nominated and approved by the Board of Directors before being submitted to the shareholders' meeting for election. In accordance with Article 20 of the Company's Corporate Governance Best Practice Principles, members of the Board of Directors shall possess the knowledge, skills, and qualities necessary to perform their duties. To achieve the goals of sound corporate governance, the Board as a whole should possess the following core competencies:
 - ①Ability to make operational judgments.
 - ②Ability to perform accounting and financial analysis.
 - ③Ability to conduct management administration.
 - ④Ability to conduct crisis management.
 - ⑤Knowledge of the industry.
 - ⑥Perspective of Global Market.
 - ⑦Leadership.
 - ⑧Capability of Decision Making.

(2) Specific management objectives of the Company's diverse policies and attainment:

Specific Governance Objectives	Attainment
Independent directors account for 1/3 of all directors	<p>At the shareholders' meeting held on June 13, 2024, all 7 directors, including 3 independent directors, were re-elected. Independent directors accounted for more than one-third of the Board.</p> <p>Independent Director Chen, Yung-Chang resigned on December 17, 2024. The Company will hold a by-election for one independent director at the Annual Shareholders' Meeting on June 17, 2025, to restore the ratio of independent directors to more than one-third of the Board.</p>
The proportion of female members of the Board of Directors should reach at least one-third	<p>The Company's Board of Directors is composed of 7 members, including 3 independent directors, representing 43% of the Board. Following the resignation of Independent Director Chen, Yung-Chang on December 17, 2024, the proportion of independent directors currently stands at 29%. The remaining 4 directors are non-independent and are all esteemed professionals from academia and industry.</p> <p>The Company places great importance on gender equality in the composition of its Board and has set a target of raising the proportion of female directors to at least one-third (33%). Currently, 71% (five) of the Board members are male and 14% (one) are female. A female independent director is expected to be elected at the upcoming shareholders' meeting on June 17, 2025. The Company will continue to actively promote gender diversity on the Board to achieve this goal.</p>

(4) The company's current board member diversity policy and its implementation are as follows:

1. The Company's current Board of Directors comprises 7 members, including 3 independent directors (Note 3). Each member brings extensive experience and expertise from diverse fields.
2. Directors who concurrently serve as employees account for 29% of the Board, while independent directors account for 29%. Among the independent directors, one has served for less than 3 years, and another has served for more than 9 years. In terms of age distribution, one director is over 70 years old, two are in their 60s, and three are between 50 and 60 years old. The Company places a strong emphasis on gender equality within the Board. Currently, 6 directors are male and one is female, resulting in a female representation rate of 14%. The Company will continue its efforts to increase the number of female directors as part of its commitment to enhancing board diversity.
3. The implementation of the diversification for the members of board of directors of this term (2024/06/13 ~ 2027/06/12) is as the following table:

Job Title	Name	Formation					Experience in industry / specialty									
		Nationality	Gender	The employee of the company	Age	Seniority of tenure as independent director	Financial Accounting	Law	Marketing	Operational Judgment	Business Management	Crisis Management	Knowledge of the Industry	Perspective of Global Market	Leadership	Capability of Decision
Chairperson and Representative of Legal Person Director	Chiu, Ping-Tse	Republic of China	Male		50~60		✓		✓	✓	✓	✓	✓	✓	✓	✓
Representative of Legal Person Director	Lin, Wei-Chum	Republic of China	Male	✓	50~60		✓		✓	✓	✓	✓	✓	✓	✓	✓
Representative of Legal Person Director	Chen, Kuo-Yen	Republic of China	Male		60~70				✓	✓	✓	✓	✓	✓	✓	✓
Representative of Legal Person Director	Cheng, Chiao-Wen (Note 1)	Republic of China	Female		30~40		✓		✓	✓	✓	✓	✓	✓	✓	✓
Representative of Legal Person Director	Lu, Chia-Yin (Note 1)	Republic of China	Female	✓	50~60		✓		✓	✓	✓	✓	✓	✓	✓	✓
Independent Director	Li, Wen-Cheng (Note 2)	Republic of China	Male		80~85	>3		✓		✓	✓	✓	✓	✓	✓	✓
Independent Director	Chen, Yung-chang (Note 3)	Republic of China	Male		70~80	>3		✓		✓	✓	✓	✓	✓	✓	✓
Independent Director	Yen, Yun-Chi	Republic of China	Male		60~70	>3	✓		✓	✓	✓	✓	✓	✓	✓	✓
Independent Director	Chou, I-Chiang (Note 2)	Republic of China	Male		70~80	<3				✓	✓	✓	✓	✓	✓	✓

Note 1: Cheng, Chiao-Wen, representative of the institutional director, was dismissed following the re-election at the shareholders' meeting on June 13, 2024, and Lu, Chia-Yin was appointed as the new representative on the same date.

Note 2: Independent Director Li, Wen-Cheng was dismissed following the re-election at the shareholders' meeting on June 13, 2024, and Chou, I-Chiang was elected as the new independent director on the same date.

Note 3: Independent director Chen Yung-Chang resigned on December 17, 2024.

(4) The Independence of the Board of Directors

1. The Company has established a director nomination system to ensure that the election process for all directors is transparent and fair. The procedures comply with the Company's Articles of Incorporation, Regulations Governing the Election of Directors and Independent Directors, Corporate Governance Best Practice Principles, Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and Article 14-2 of the Securities and Exchange Act. The Board consists of 7 members, including 3 independent directors. Independent directors account for 43% of the Board. Following the resignation of Independent Director Chen, Yung-Chang on December 17, 2024, the proportion of independent directors was reduced to 29%. The Company will hold a by-election for one independent director at the Annual Shareholders' Meeting on June 17, 2025.
2. The board of directors of the company guides the company's strategy, supervises the management and is responsible to the company and shareholders. In various operations and arrangements of the corporate governance system, the board of directors exercises its functions and powers in accordance with laws, the company's articles of association or the resolutions of the shareholders' meeting. The board of directors of the company emphasizes the functions of independent operation and transparency. Directors and independent directors are independent individuals and exercise their powers independently. The three independent directors also abide by the relevant laws and regulations, cooperate with the powers of the audit committee, review the management and control of the company's existing or potential risks, etc., so as to supervise the effective implementation of the company's internal control, the selection (dismissal) of certified accountants, and independence and Fair preparation of financial statements. In addition, according to the company's "Director Election Regulations", the cumulative voting system and candidate nomination system are adopted for the selection and appointment of directors and independent directors, and shareholders are encouraged to participate. Personnel qualification review and confirmation of violations of the items listed in Article 30 of the Company Law are conducted and announced in accordance with the law to protect the rights and interests of shareholders, avoid monopoly or excessive nomination rights, and maintain independence.
3. The positions of the Company's chairman and general manager are held by different individuals who are not spouses or relatives, ensuring that the board can effectively oversee and manage executive responsibilities and guide Company strategy, being accountable to the Company and its shareholders.
4. All directors of the Company do not have spousal or first or second-degree relative relationships with one another, in compliance with Article 26-3, Paragraph 3 of the *Securities and Exchange Act*. To ensure the independence of the board's operations, Article 15, Paragraph 1 of the Company's board meeting regulations explicitly states that directors with a personal or represented legal entity's conflict of interest in a matter under discussion must disclose the significant aspects of their interest at the meeting. If there is a potential harm to the Company's interests, they must abstain from discussing and voting on the matter and

cannot represent another director in voting. All directors comply with the aforementioned regulations, ensuring that discussions and decisions on various issues are made through objective and independent judgment by the directors.

5. The Company has established a performance evaluation system for the Board of Directors, and implements an internal self-evaluation of the Board of Directors and self-evaluation of board members once a year. The measurements of the Board of Directors performance evaluation include five major aspects, namely (1) the degree of participation in the Company's operations, (2) improvement in the quality of decision-making by the Board of Directors, (3) the composition and structure of the Board of Directors, (4) the election of the directors and their continuing professional education, and (5) internal control. The self-evaluation of board members include six major aspects, namely (1) grasp of the Company's goals and missions, (2) recognition of director's duties, (3) degree of participation in the Company's operations, (4) management of internal relationships and communication, (5) professionalism of directors, continuing professional education, and (6) internal control.

The results and recommendations from evaluations are used as references for selecting or nominating directors for the next term and are disclosed in the Company's annual report or on its official website.

6. To ensure that investors are well-informed about the operations of the Company's Board of Directors, relevant information has been disclosed in the Company's annual report, on its official website (<http://www.runlong.com.tw>), and on the Market Observation Post System (MOPS) (<http://mops.twse.com.tw>). The disclosures include: (1) Board members' meeting attendance records; (2) Board meeting proposals and resolutions; (3) Directors' continuing education status; and (4) Changes in directors' shareholding (including shareholding ratios, share transfers, and pledges of shares).

(2) Information of president, vice president, associates, department and branch directors

April 19, 2025

Job Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience(Education) (Note 1)	Position currently held at other companies	Managers who are Spouses or Within Two Degrees of Kinship			Remarks (Note 2)
					Shares	Holding shares ratio	Shares	Holding shares ratio	Shares	Holding shares ratio			Job Title	Name	Relationship	
President	Republic of China	Lin, Wei-Chum	M	2023.04.10	0	0	0	0	0	0	Department of Applied English, Ming Chuan University Department of Construction Engineering, Chung Hua University President of Run Long Construction Co., Ltd.	None	None	None	None	
Associate Vice President	Republic of China	Wu, Chin-Ching	M	2019.12.02	64,484	0.01	0	0	0	0	College of Management, Yuan Ze University Run Long Construction Co., Ltd. Administration Dept. Associate Vice President	None	None	None	None	
Associate Vice President	Republic of China	Fang, Tze-Chiang (Note3)	M	2021.08.10	—	—	—	—	—	—	—	—	—	—	—	
Associate Vice President	Republic of China	Lin, Yue-Feng (Note3)	M	2024.03.01	0	0	0	0	0	0	Department of Architecture, National Taiwan University of Science and Technology Highwealth Construction Corp. Planning Dept. Manager	None	None	None	None	
Associate Vice President	Republic of China	Lin, Chih-Long (Note 4)	M	2024.09.05	0	0	0	0	0	0	Department of Printing, Kaohsiung Municipal Kaohsiung Industrial High School Manager, Sales Department, Run Long Construction Co., Ltd.	Representative of institutional director Jin Jyun Construction Co., Ltd.	None	None	None	

Job Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience(Education) (Note 1)	Position currently held at other companies	Managers who are Spouses or Within Two Degrees of Kinship			Remarks (Note 2)
					Shares	Holding shares ratio	Shares	Holding shares ratio	Shares	Holding shares ratio			Job Title	Name	Relationship	
Associate Vice President	Republic of China	Lin, Chun-Lung (Note 4)	M	2024.09.05	0	0	0	0	0	0	Department of Textile Engineering, Vanung University Special Assistant to the Office of the President, Run Long Construction Co., Ltd.	None	None	None	None	
Manager concurrently serving as Chief Corporate Governance Officer	Republic of China	Lu, Chia-Yin	F	2011.10.27	102,905	0.01	0	0	0	0	Graduate Institute of Finance, National Taiwan University of Science and Technology Run Long Construction Co., Ltd. Finance Manager	None	None	None	None	
Manager	Republic of China	Lin, Ya-Mei	F	2011.10.27	0	0	0	0	0	0	Accounting Department, Fu-Jen University Run Long Construction Co., Ltd. Accounting manager	None	None	None	None	

Note 1: If any person currently holding the above position has relevant experience such as previous employment at the CPA firm responsible for the Company's audit or at a related party during the aforementioned period, the title and responsibilities held should be disclosed: This situation does not apply to the Company.

Note 2: Where the president or person of an equivalent post (the highest level manager) and the chairperson are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness and necessity thereof, and the measures adopted in response thereto (such as increasing the seats of independent directors, with the majority of directors not concurrently serving as employees or managerial officers): This situation does not apply to the Company.

Note 3: Due to a Group-wide personnel restructuring, effective March 1, 2024, Fang, Tze-Chiang, formerly Assistant Vice President of the Company's Planning Department, was transferred to the Group Planning Department. Lin, Yue-Feng, Manager of the Group Planning Department, was promoted to Assistant Vice President and appointed as the new head of the Planning Department.

Note 4: Lin, Chih-Long and Lin, Chun-Long assumed their roles as Assistant Vice Presidents on September 5, 2024.

2. Remuneration of directors, the president, and vice presidents in latest fiscal year

(I) Remuneration of directors and independent directors (name and remuneration method are disclosed individually)

December 31, 2024

Unit: NT\$ thousand; Shares; %

Job Title		Name	Remuneration								Ratio of total compensation A+B+C+D to net income (%)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of total compensation (A+B+C+D+E+F+G) to net income (%)		Remuneration received from investee enterprises other than subsidiaries, or from the parent company			
			Base Compensation (A)		Severance Pay (B)		Directors Remuneration (C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Remuneration (G)									
			The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	Cash Bonus	Stock Amount	Cash Bonus	Stock Amount	The Company	Companies in the consolidated financial statements				
General Director		Institutional Director	Da-Li Investment Co., Ltd	0	0	0	0	8,000	8,000	0	0	8,000	8,000	10,227	10,227	0	0	2,160	0	2,160	0	20,387	20,387	0.90%	0.90%	0
		Representative of the Chairperson	Chiu, Ping-Tse																							
		Director Representative	Lin, Wei-Chum																							
		Director Representative	Chen, Kuo-Yen																							
		Director Representative	Lu, Chia-Yin (Note 2)																							
		Institutional Director	Kaung Yang Investment Co., Ltd. (Note 3)																							
		Director Representative	Cheng, Chiao-Wen (Note 4)																							

Job Title	Name	Remuneration								Ratio of total compensation A+B+C+D to net income (%)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of total compensation (A+B+C+D+E+F+G) to net income (%)		Remuneration received from investee enterprises other than subsidiaries, or from the parent company
		Base Compensation (A)		Severance Pay (B)		Directors Remuneration (C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Remuneration (G)						
		The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company		Companies in the consolidated financial statements		The Company	Companies in the consolidated financial statements	
Cash Bonus	Stock Amount															Cash Bonus	Stock Amount					
Independent Director	Independent Director	Li, Wen-Cheng (Note 5)	3,000	3,000	0	0	0	0	0	3,000 0.13%	3,000 0.13%	0	0	0	0	0	0	0	3,000 0.13%	3,000 0.13%	600	
	Independent Director	Chen, Yung-Chang (Note 6)																				
	Independent Director	Yen, Yun-Chi																				
	Independent Director	Chou, I-Chiang (Note 7)																				
<p>1. Please describe the policy, system, standard and construction of director’s payment, and describe the relevance of the amount of payment according to factors, such as responsibility, risk, and times:</p> <p>In order to make independent directors have an impact on the Board of Directors and the operation of the Company and maintain independence, pursuant to Article 5 of the “Rules Governing the Scope of Powers of Independent Directors”, the Company has to pay the independent directors of the Company every month (or every quarter or every half year) regardless of the earnings of the Company. Moreover, the payment should be adjusted according to the level of participation and the value of the contribution (must be resolved by the Remuneration Committee and the Board of Directors).</p> <p>The independent directors do not involve with the assignment of consideration and other incentives.</p> <p>2. In addition to the disclosures in the above table, remuneration received by directors during the most recent fiscal year for providing services (e.g., consultancy roles not classified as employees) to all entities included in the financial statements: NT\$ 4,396 thousand.</p>																						

Note 1: Directors' and employees' remuneration for 2024 is based on estimated figures.

Note 2: Corporate director representative Lu, Chia-Yin assumed office after the re-election at the shareholders' meeting on June 13, 2024.

Note 3: Corporate director Kaung Yang Investment Co., Ltd. was dismissed after the re-election at the shareholders' meeting on June 13, 2024.

Note 4: Corporate director representative Cheng Chiao-Wen was dismissed after the re-election at the shareholders' meeting on June 13, 2024.

Note 5: Independent director Li Wen-Cheng was dismissed after the re-election at the shareholders' meeting on June 13, 2024.

Note 6: Independent director Chen Yung-Chang resigned on December 17, 2024.

Note 7: Independent director Chou I-Chiang assumed office after the re-election at the shareholders' meeting on June 13, 2024.

Remuneration Scale Table

2024

This table indicates the scale for the Directors' Remuneration of the Company.	Director Name			
	Total remuneration for the first four items (A+B+C+D)		Total remuneration for the first seven items (A+B+C+D+E+F+G)	
	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements
Below NT\$1,000,000	Cheng, Chiao-Wen Chen, Kuo-Yen Lu, Chia-Yin Independent Director Li, Wen-Cheng Independent Director Chen, Yung-Chang Independent Director Chou, I-Chiang	Cheng, Chiao-Wen Chen, Kuo-Yen Lu, Chia-Yin Independent Director Li, Wen-Cheng Independent Director Chen, Yung-Chang Independent Director Chou, I -Chiang	Cheng, Chiao-Wen Chen, Kuo-Yen Independent Director Li, Wen-Cheng Independent Director Chen, Yung-Chang Independent Director Chou, I -Chiang	Cheng, Chiao-Wen Chen, Kuo-Yen Independent Director Li, Wen-Cheng Independent Director Chen, Yung-Chang Independent Director Chou, I -Chiang
NT\$1,000,000 (incl.) – NT\$2,000,000 (excl.)	Lin, Wei-Chum Independent Director Yen, Yun-Chi	Lin, Wei-Chum Independent Director Yan, Yen, Yun-Chi	Independent Director Yen, Yun-Chi	Independent Director Yen, Yun-Chi
NT\$2,000,000 (incl.) – NT\$3,500,000 (excl.)	Da-Li Investment Co., Ltd Chiu, Ping-Tse	Da-Li Investment Co., Ltd Chiu, Ping-Tse	Da-Li Investment Co., Ltd Lu, Chia-Yin	Da-Li Investment Co., Ltd Lu, Chia-Yin
NT\$3,500,000 (incl.) – NT\$5,000,000 (excl.)	—	—	—	—
NT\$5,000,000 (incl.) – NT\$10,000,000 (excl.)	—	—	Lin, Wei-Chum Chiu, Ping-Tse	Lin, Wei-Chum Chiu, Ping-Tse
NT\$10,000,000 (incl.) – NT\$15,000,000 (excl.)	—	—	—	—
NT\$15,000,000 (incl.) – NT\$30,000,000 (excl.)	—	—	—	—
NT\$30,000,000 (incl.) – NT\$50,000,000 (excl.)	—	—	—	—
NT\$50,000,000 (incl.) – NT\$100,000,000 (excl.)	—	—	—	—
More than 100,000,000 dollars	—	—	—	—
Total	10 (ppl.)	10 (ppl.)	10 (ppl.)	10 (ppl.)

(II) Remuneration of president and vice president

December 31, 2024
Unit: NT\$ thousand; Shares; %

Unit: TWT\$ thousand, Shares, %														
Job Title	Name	Salary (A)		Severance Pay (B)		Bonuses and Allowances ... etc.(C)		Employee Remuneration (D) (Note 2)				Ratio of total compensation A+B+C+D to net income (%)		Compensation paid by an invested company other than the Company's subsidiary or parent company
												The Company	Companies in the consolidated financial statements	
		The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	Cash Bonus	Stock Amount	Cash Bonus	Stock Bonus	The Company	Companies in the consolidated financial statements			
President	Lin, Wei-Chum	1,560	1,560	0	0	1,482	1,482	800	0	800	0	3,842 0.17%	3,842 0.17%	0

Note 1: Regardless the title, any position equivalent to the president and vice president (e.g. director-general, chief executive, etc.) shall be disclosed.

Note 2: Employees' remuneration for 2024 is based on estimated figures.

(III) Names and distribution status of managerial officers with employee remuneration distribution

December 31, 2024
Unit: NT\$ thousand; Shares; %

	Job Title	Name	Stock Amount	Cash Bonus	Total	Ratio of total amount to net income (%)
MANAGERS	Chairperson	Chiu, Ping-Tse	0	2,848	2,848	0.13
	President	Lin, Wei-Chum				
	Associate Vice President	Lin, Yue-Feng (Note 1)				
	Associate Vice President	Lin, Chih-Long (Note 2)				
	Associate Vice President	Lin, Chun-Lung (Note 2)				
	Associate Vice President	Wu, Chin-Ching				
	Concurrently serves as manager Company Governance Executives	Lu, Chia-Yin				
	Manager	Lin, Ya-Mei				

Note 1: Assistant Vice President Lin Yue-Feng assumed office on March 1, 2024.

Note 2: Lin, Chih-Long and Lin, Chun-Long assumed their roles as Assistant Vice Presidents on September 5, 2024.

Note 3: The aforesaid amounts of 2024 employees' remuneration are the estimated distributed amount.

(IV) Analysis of the ratio of total remuneration (paid to the directors, president, and vice presidents of the Company by the Company and all the companies in the consolidated statements in the last two years) to net profit after tax as reported in the parent company only and individual financial statements, and explain the policy, standard, and combination of remuneration, the procedure for determining remuneration, and the relationship with operating performance and future risks:

1. Total remuneration, as a percentage of net income after tax stated in the financial reports, as paid by the Company during the two most recent fiscal years to directors, supervisors, president and vice presidents:

(Expressed in Thousands of New Taiwan Dollar)

Job Title	The Company				All the companies in Consolidated statements			
	2024		2023		2024		2023	
	Total remunerations	as a percentage of net income after tax	Total remunerations	as a percentage of net income after tax	Total remunerations	as a percentage of net income after tax	Total remunerations	as a percentage of net income after tax
Director	11,000	0.49%	13,000	0.17%	11,000	0.49%	13,000	0.17%
President and Vice President (Note 1)	3,842	0.17%	4,716	0.06%	3,842	0.17%	4,881	0.06%
Net income after tax	2,257,970	—	7,701,546	—	2,257,970	—	7,701,546	—

Note 1: The total remuneration paid to the Company's directors and president in 2024 was lower than in 2023, primarily due to a decline in net profit after tax in 2024.

2. Policy, standards, and composition of remuneration payment:

- (1) The Company has established the Remuneration Committee, whose function is to evaluate, from an expert and objective standpoint, the Company's policies and systems for the remuneration of directors and managers, and to make recommendations to the Board of Directors for the Board's reference in decision making.
- (2) The Directors' Remuneration of the Company pursuant to Article 22 of the Articles of Incorporation of the Company, the remuneration of directors for performing their duties shall be agreed upon by the Board of Directors based on the degree of individual directors' participation in the operation and the value of their contributions and refer to other companies in the peer industry (such as the Highwealth Construction Corp.). In addition, if the Company has made a profit in the current year, pursuant to the Article 29 of the Company's Articles of Incorporation, no more than 1% of profit may be appropriated as director remuneration. Independent directors receive a monthly fixed remuneration (paid semi-annually) determined by the Board of Directors, and do not participate in the distribution of remuneration when the Company makes a profit.

- (3) The assessment and comparison of Directors' Remuneration at the Company are as follows, with all performance evaluations and salary rationality being reviewed by the Salary and Remuneration Committee and the Board of Directors:
- ① According to the "Board Performance Evaluation Procedures," performance assessment covers six main aspects: grasp of Company goals and tasks, awareness of director responsibilities, involvement in Company operations, management of internal relationships and communication, director expertise and ongoing education, and internal control. For 2024, individual directors self-assessed their performance based on these criteria, scoring between 95 and 96 out of 100, indicating that overall operations are in good condition.
 - ② Directors' Remuneration (annual):
 - ❶ Base remuneration: Allocated based on individual director performance evaluations, term of office, and other comprehensive considerations, accounting for about 30% of the overall assessment.
 - ❷ Additional remuneration: For directors with special roles, additional remuneration is given based on the responsibilities, legal liabilities, and time commitment of the role, accounting for about 60% of the overall assessment.
 - ❸ Industry benchmark: Compared against the average Directors' Remuneration of similar publicly listed companies or peers (such as Highwealth Construction Corp.), accounting for about 10% of the overall assessment.
 - (4) The remuneration for the Company's managers is divided into fixed salaries and variable bonuses. The fixed salary is paid monthly, based on the role, skills, and market salary levels at the time the manager joins the Company, referencing the Company's "Job Grade Table" and "Job Salary Standard Table." The variable bonus is determined based on the Company's annual performance and the manager's contribution for the year, taking into account the Company's operational risks; additionally, if the Company is profitable, a portion not less than one-thousandth is allocated for employee remuneration according to Article 29 of the Company's charter. The Company follows the "Performance Management Procedures" for conducting performance evaluations, which serve as the basis for issuing managers' bonuses. The performance evaluation criteria for managers are divided into financial and non-financial indicators. 1. Financial indicators are based on the Company's management profit and loss statement, considering the contribution of each department to Company profits and the managers' goal achievement rate. 2. Non-financial indicators refer to implementation of the Company's core values, operational management capabilities, and involvement in sustainable management are considered, calculating their performance-based remuneration. The remuneration system is subject to review based on actual business conditions and applicable laws.

- (5) The combination of remuneration paid by the Company is based on the Remuneration Committee Charter includes cash compensation, stock options, profit sharing and stock ownership, retirement benefits or severance pay, allowances or stipends of any kind, and other substantive incentive measures. Its scope shall be consistent with that of the remuneration for directors and managers as set out in the “Regulations Governing Information to be Published in Annual Reports of Public Companies”.
- (6) The remuneration for the Company's managerial officer is processed according to the internal hierarchical responsibility chart for approval, then submitted to the Remuneration Committee for deliberation and passed on to the Board of Directors for resolution.

3. Procedures for setting remuneration:

- (1) To regularly assess the remuneration of directors and managers, the Company follows the "Board Performance Evaluation Procedures" for directors and the "Performance Management Procedures" applicable to managers and employees. Besides the monthly fixed salary, managers' compensation is also linked to the Company's overall operational performance, future industry risks, and development trends. It also considers individual performance achievement rates and contributions to the Company, and is submitted to the Board of Directors for approval. To fully reflect individual performance achievements, the evaluation of manager performance is divided into four categories: "Goal Achievement and Performance Growth 25%", "Leadership and Judgment 25%", "Interpersonal Relations and Subordinate Respect 25%", and "Management and Professional Knowledge 25%".
- (2) In 2024, the Board of Directors, individual directors, and all functional committee members achieved a self-assessment rating of “Significantly Exceeds Expectations.” Although the Company recorded a notable decline in annual revenue compared to 2023 (primarily due to the completion and partial handover of only one project, “Dream City” in Keelung) it is recognized that annual revenue fluctuations are common in the construction industry. All managerial officers met their performance targets, and performance evaluations for managers in 2024 confirmed that these goals were achieved.
- (3) The performance evaluations and remuneration rationality for the Company's directors and managers are regularly assessed and reviewed by the Remuneration Committee and the Board of Directors. These assessments consider individual performance achievement rates and contributions to the Company, as well as the Company's overall operational performance, future industry risks, and development trends. The remuneration system is reviewed as necessary, based on actual business conditions and relevant laws. At the 2nd meeting of the 6th Remuneration Committee held on December 2, 2024, the committee discussed the policies, systems, standards, and structures related to the performance evaluations and remuneration of directors (including independent directors) and managerial officers. The outcome confirmed that the Company's existing remuneration measures are consistent with its current operating conditions and demonstrate a clear link between performance and compensation. As a result, the current remuneration framework will

remain in place. These conclusions were approved by the Board of Directors at its 8th meeting on December 2, 2024. In addition, the Company has taken into consideration current trends in corporate governance to ensure the provision of reasonable compensation, aiming to strike a balance between long-term business sustainability and effective risk management. The actual remuneration amounts for directors and managers in 2024 will be deliberated by the Remuneration Committee and then decided by the Board of Directors.

4. Linkages to the operating performance and future risks:

- (1) The Company's review of its remuneration policies, including related payment standards and systems, is primarily based on overall operational performance. Remuneration standards are determined by evaluating the achievement of performance targets and individual contributions, with the aim of enhancing the overall effectiveness of the Board of Directors and the executive management team. In addition, by referring to the industry's remuneration standards, the remunerations of the Company's management is ensured to be competitive in the industry, to retain outstanding management talent.
- (2) The Company's operational performance and risk management are closely linked to ensure that potential operational risks are managed and mitigated. Significant decisions made by the Company's management are balanced against various risk factors, with decision-making performance reflected in the Company's profitability, thereby linking management remuneration with risk control.

5. Policy on linking senior executive remuneration to ESG performance:

- (1) Establishment of ESG-related incentive, evaluation, and performance indicators — Linking remuneration to sustainability performance:

1. 2025 (Short-Term Goal):

Incorporate ESG-related net-zero carbon reduction targets into the annual performance objectives of the President, with an assigned performance weight.

- (1) Design principles for short-term performance indicators for the President:

- Environmental (E): Includes carbon emissions reduction, resource conservation, and green building implementation.
- Social (S): Covers employee health and safety, community engagement, and talent development.
- Governance (G): Encompasses internal controls, transparency of information disclosure, and protection of shareholders' rights.

- (2) ESG performance weighting: ESG-related metrics will account for no less than 5% of the total annual performance evaluation.

2. 2026 - 2027 (Medium-Term Goal):

Strengthen the linkage between remuneration and sustainability performance, extending the applicable scope to senior executives and assigning appropriate weightings.

- (1) Strengthen the linkage between remuneration and sustainability performance, extending the applicable scope to senior executives and assigning appropriate weightings.
- (2) Incorporate net-zero carbon reduction goals into individual performance indicators.

3. 2028 - 2030 (Long-Term Goal):

Further strengthen the linkage between remuneration and sustainability performance, expanding its implementation to general managerial-level personnel.

- (1) Further strengthen the linkage between remuneration and sustainability performance, expanding its implementation to general managerial-level personnel.
 - (2) Incorporate net-zero carbon reduction goals into individual performance indicators.
- (2) The current performance evaluation system for the Company's managerial officers consists of four equally weighted indicators: 25% for "achievement of goals and business growth"; 25% for "leadership and judgment"; 25% for "interpersonal relations and respect for subordinates"; and 25% for "management and professional expertise." The Management Department will revise the current performance evaluation framework and weightings in accordance with the above implementation schedule. ESG-related indicators, particularly those related to carbon reduction, will be added to the evaluation and incentive system. A formal policy will also be established to link senior executives' remuneration with ESG performance assessments.

3. Implementation of Corporate Governance

(I) Operation of the Board meeting:

15 (A) Board meetings were held in the most recent year (2024), and the attendance of directors (including Independent Directors) was as follows:

Job Title	Name	Actual no. of meetings attended (in non-voting capacity) (B)	No. of meetings with entrusted attendance	Ratio of actual no. of meetings attended (in non-voting capacity) (B/A)	Remarks
Chairperson	Kaung Yang Investment Co., Ltd. Representative: Chiu, Ping-Tse	6	0	100.00%	June 13, 2024 dismissed (should attend 6 times)
Director	Da-Li Investment Co., Ltd Representative: Lin, Wei-Chum	14	1	93.33.00%	
Director	Kaung Yang Investment Co., Ltd. Representative: Cheng, Chiao-Wen	0	6	0.00%	June 13, 2024 dismissed (should attend 6 times)
Director	Kaung Yang Investment Co., Ltd. Representative: Chen, Kuo-Yen	6	0	100.00%	June 13, 2024 dismissed (should attend 6 times)
Chairperson	Da-Li Investment Co., Ltd Representative: Chiu, Ping-Tse	9	0	100.00%	June 13, 2024 taking office (should attend 9 times)
Director	Da-Li Investment Co., Ltd Representative: Chen, Kuo-Yen	9	0	100.00%	June 13, 2024 taking office (should attend 9 times)
Director	Da-Li Investment Co., Ltd Representative: Lu, Chia-Yin	9	0	100.00%	June 13, 2024 taking office (should attend 9 times)
Independent Director	Li, Wen-Cheng	6	0	100.00%	June 13, 2024 dismissed (should attend 6 times)
Independent Director	Chen, Yung-Chang	13	1	92.86%	Resigned on Dec. 17, 2024 (should attend 14 times)
Independent Director	Yen, Yun-Chi	15	0	100.00%	
Independent Director	Chou, I-Chiang	9	0	100.00%	June 13, 2024 taking office (should attend 9 times)
Average actual attendance rate of directors in 2024 (%) (Total actual attendances / total required attendances)				92.31%	

Other items to be recorded:

I. If any of the following circumstances occur in the operation of the Board meeting, please indicate the date of the Board meeting, the session number, the contents of the motion, the opinions of all independent directors and the Company's handling of the opinions of the independent directors:

(I) The matters listed in Article 14-3 of the Securities and Exchange Act:

Date	Motion Contents	Objection or reserved opinions of the independent directors	Opinions of the independent directors	The Company's handling of the opinions of the independent directors	Resolution
2024.02.05 25th meeting of the last term	Proposal to assess the independence and competence of attesting CPAs for the FY2023 financial statements	None	Approved	Not applicable.	All attending directors approved
2024.02.26 (26th meeting of last term)	The company plans to purchase land in the Jincheng section of Anping District, Tainan City	None	Approved	Not applicable.	All attending directors approved
2024.02.26 (26th meeting of last term)	Proposal to sell the housing and parking space of the Company's construction projects to related parties.	None	Approved	Not applicable.	Except for independent directors who did not participate in the discussion and avoid voting in accordance with the law, the remaining directors agreed to pass the case
	Proposal of the Company plans to issue the 2023 1 st Secured Ordinary Corporate Bonds.	None	Approved	Not applicable.	All attending directors approved
	Proposal to appoint and audit the CPAs				
2024.03.13 (27th meeting of last term)	Proposal to distribute remuneration to the Company's employees and directors for 2023.	None	Approved	Not applicable.	All attending directors approved
	Proposal to amend the Company's "Operational Procedures for Endorsements and Guarantees"				
	Proposal for the Company's "Evaluation of Internal Control System Effectiveness" and "Internal Control System Statement" for 2023.	None	Approved	Not applicable.	All attending directors approved
	Proposal to sell the housing and parking space of the Company's construction projects to related parties.	None	Approved	Not applicable.	Except for independent directors who did not participate in the discussion and avoid voting in accordance with the law, the remaining directors agreed to pass the case
	Proposal of the Company plans to issue the 2024 2nd Secured Ordinary Corporate Bonds.	None	Approved	Not applicable.	All attending directors approved
2024.03.26 (28th meeting of last term)	Proposal for the Company's 2023 earnings and capital increase by way of issuance of new shares.	None	Approved	Not applicable.	All attending directors approved
2024.05.13 30th meeting of last term	Proposal to renew the Company's "Directors' Liabilities Insurance"	None	Approved	Not applicable.	All attending directors approved
2024.07.10 2nd meeting of the term	Proposal to acquire land and building(s) located in Chenggong Section, Lingya District, Kaohsiung City	None	Approved	Not applicable.	All attending directors approved
	Proposal to sell the housing and parking space of the Company's construction projects to related parties.	None	Approved	Not applicable.	Except for independent directors who did not participate in the discussion and avoid voting in accordance with the law, the remaining directors agreed to pass the case

Date	Motion Contents	Objection or reserved opinions of the independent directors	Opinions of the independent directors	The Company's handling of the opinions of the independent directors	Resolution
2024.07.23 3rd meeting of the term	Proposal to acquire land and buildings located in Jincheng Section, Anping District, Tainan City	None	Approved	Not applicable.	All attending directors approved
2024.08.12 4th meeting of the term	Proposal to determine the ex-dividend and cash dividends distribution base dates for the FY2023 surplus and capital reserve transferred to capital increase for issuing new shares (capital increase).	None	Approved	Not applicable.	All attending directors approved
	Proposal for joint development project with subsidiary Jin Jyun Construction Co., Ltd.	None	Approved	Not applicable.	Except for independent directors who did not participate in the discussion and avoid voting in accordance with the law, the remaining directors agreed to pass the case
	The Company's proposal to entrust the subsidiary Jin Jyun Construction Co., Ltd. to offer the limit on guaranty amount for financing needs from financial institutions for business operations.	None	Approved	Not applicable.	Except for independent directors who did not participate in the discussion and avoid voting in accordance with the law, the remaining directors agreed to pass the case
2024.11.06 (7th meeting of the term)	Proposal to add the Company's "Internal Control System Statement" and "Internal Audit System"	None	Approved	Not applicable.	All attending directors approved
	The Company's proposal to entrust the subsidiary Jin Jyun Construction Co., Ltd. to offer the limit on guaranty within NT\$1,000,000,000 for financing needs from financial institutions for business operations.	None	Approved	Not applicable.	Except for independent directors who did not participate in the discussion and avoid voting in accordance with the law, the remaining directors agreed to pass the case
2024.12.02 (8th meeting of the term)	Proposal of the Company plans to issue the third secured corporate bonds in 2024.	None	Approved	Not applicable.	All attending directors approved
	Review the performance review and remuneration policy, system, standards, and structure case for the Company's directors (not including independent directors) and managerial officers.	None	Approved	Not applicable.	Except for independent directors who did not participate in the discussion and avoid voting in accordance with the law, the remaining directors agreed to pass the case
	Review the performance review and remuneration policy, system, standards, and structure for the Company's directors (not including independent directors) and managerial officers.				
	Finalized distribution plan for directors' remuneration for 2023				

Date	Motion Contents	Objection or reserved opinions of the independent directors	Opinions of the independent directors	The Company's handling of the opinions of the independent directors	Resolution
2024.12.31 9th meeting of the term	The Company's proposal to entrust the subsidiary Jin Jyun Construction Co., Ltd. to offer the limit on guaranty amount for financing needs from financial institutions for business operations.	None	Approved	Not applicable.	Except for independent directors who did not participate in the discussion and avoid voting in accordance with the law, the remaining directors agreed to pass the case
2025.03.10 11th meeting of the term	Proposal to assess the independence and competence of attesting CPAs for the 2024 financial statements	None	Approved	Not applicable.	All attending directors approved
	Proposal to distribute remuneration to the Company's employees and directors for 2024.				
	Proposal to replace the CPAs certifying the financial statements				
	Proposal to appoint and audit the CPAs				
	Proposal for the Company's "Evaluation of Internal Control System Effectiveness" and "Internal Control System Statement" for 2024.				
	Approval of construction contract signing				
2025.03.26 12th meeting of the term	Proposal for the Company to conduct a capital reduction payments to shareholders through cash refund	None	Approved	Not applicable.	All attending directors approved

(II) Any other documented objections or qualified opinions raised by independent directors against Board resolutions in relation to matters other than those described above: None.

II. For situations where a director avoids a motion related to their own interests, the director's name, the contents of the motion, the reasons for the avoidance of interests and the voting results shall be disclosed:

Date	Motion Contents	Name of recused director	Reasons for the required recusal, and participation in the voting process	Resolution
2024.02.26 26th meeting of last term	Proposal to sell the housing and parking space of the Company's construction projects to related parties.	Director Lin, Wei-Chum Manager Lu, Chia-Yin	The counterparties for this case are relatives within the second degree of kinship to Director Lin, Wei-Chum and Manager Lu, Chia-Yin, therefore, both Director Lin Wei-Chun and Manager Lu Jia-Yin are stakeholders in this case. They are legally required to recuse themselves from discussing and voting on this matter.	Except for independent directors who did not participate in the discussion and avoid voting in accordance with the law, the remaining directors agreed to pass the case
2024.03.13 27th meeting of last term	Proposal to sell the housing and parking space of the Company's construction projects to related parties.	Chairman Chiu, Ping-Tse	The counterparties for this case are relatives within the second degree of kinship to Chairman Chiu, Ping-Tse, therefore, Chairman Chiu, Ping-Tse is a stakeholder in this case. He is legally required to recuse himself from discussing and voting on this matter and has designated Independent Director Li, Wen-Cheng to preside over discussions and voting.	Except for independent directors who did not participate in the discussion and avoid voting in accordance with the law, the remaining directors agreed to pass the case

Date	Motion Contents	Name of recused director	Reasons for the required recusal, and participation in the voting process	Resolution
2024.07.10 2nd meeting of the term	Proposal to sell the housing and parking space of the Company's construction projects to related parties.	Director Lu, Chia-Yin	Director Lu, Chia-Yin is a related party in the proposed transaction, as the counterparty is a relative within the second degree of kinship. In accordance with relevant regulations, Director Lu Chia-Yin recused herself from discussion and voting on this matter.	Except for independent directors who did not participate in the discussion and avoid voting in accordance with the law, the remaining directors agreed to pass the case
2024.08.12 4th meeting of the term	Proposal for joint development project with subsidiary Jin Jyun Construction Co., Ltd.	Chairman Chiu, Ping-Tse	Chairperson Chiu, Ping-Tse representative of institutional director of Jin Jyun Construction Co., Ltd., and is therefore deemed an interested party in this matter. In accordance with relevant laws and regulations, Chairperson Chi, Ping-Tse recused himself from participating in the discussion and voting. He appointed Director Lin, Wei-Chum to act as chair and preside over the discussion and resolution of this agenda item.	Except for independent directors who did not participate in the discussion and avoid voting in accordance with the law, the remaining directors agreed to pass the case
	The Company's proposal to entrust the subsidiary Jin Jyun Construction Co., Ltd. to offer the limit on guaranty amount for financing needs from financial institutions for business operations.			
2024.11.06 7th meeting of the term	The Company's proposal to entrust the subsidiary Jin Jyun Construction Co., Ltd. to offer the limit on guaranty within NT\$1,000,000,000 for financing needs from financial institutions for business operations.	Chairman Chiu, Ping-Tse	Chairperson Chiu, Ping-Tse is the representative of institutional director of Jin Jyun Construction Co., Ltd., and is therefore deemed an interested party in this matter. In accordance with relevant laws and regulations, Chairperson Chi, Ping-Tse recused himself from participating in the discussion and voting. He appointed Director Lin, Wei-Chum to act as chair and preside over the discussion and resolution of this agenda item.	Except for independent directors who did not participate in the discussion and avoid voting in accordance with the law, the remaining directors agreed to pass the case
2024.12.02 (8th meeting of the term)	Review the performance review and remuneration policy, system, standards, and structure case for the Company's directors (not including independent directors) and managerial officers.	Chairman Chiu, Ping-Tse Director Lin, Wei-Chum Director Chen, Kuo-Yen Director Lu, Chia-Yin Manager Lin, Ya-Mei	Furthermore, as the content of this proposal involves personal interests of directors (excluding independent directors) and the attending managerial officer, four directors and one managerial officer were deemed interested parties. In accordance with regulations, all recused themselves from the discussion and voting. Chairperson Chiu, Ping-Tse appointed Independent Director Chen, Yung-Chang to act as chair and preside over the proceedings for this item.	Except for independent directors who did not participate in the discussion and avoid voting in accordance with the law, the remaining directors agreed to pass the case
	Review the performance review and remuneration policy, system, standards, and structure for the Company's directors (not including independent directors) and managerial officers.	Independent Director Chen, Yung-Chang Independent Director Yen, Yun-Chi Independent Director Chou, I-Chiang	As this case involves personal interests of independent directors, all three independent directors are stakeholders and are legally required to recuse themselves from participating in discussions and voting on this matter.	Except for independent directors who did not participate in the discussion and avoid voting in accordance with the law, the remaining directors agreed to pass the case
	Finalized distribution plan for directors' remuneration for 2023	Chairman Chiu, Ping-Tse Director Lin, Wei-Chum Director Chen, Kuo-Yen	Furthermore, as the content of this proposal involves personal interests of directors (excluding independent directors), three directors were deemed interested parties. In accordance with regulations, all recused themselves from the discussion and voting. Chairperson Chiu, Ping-Tse appointed Independent Director Chen, Yung-Chang to act as chair and preside over the proceedings for this item.	Except for independent directors who did not participate in the discussion and avoid voting in accordance with the law, the remaining directors agreed to pass the case

Date	Motion Contents	Name of recused director	Reasons for the required recusal, and participation in the voting process	Resolution
2024.12.31 (9th meeting of the term)	The Company's proposal to entrust the subsidiary Jin Jyun Construction Co., Ltd. to offer the limit on guaranty amount for financing needs from financial institutions for business operations.	Chairman Chiu, Ping-Tse	Chairperson Chiu, Ping-Tse representative of institutional director of Jin Jyun Construction Co., Ltd., and is therefore deemed an interested party in this matter. In accordance with relevant laws and regulations, Chairperson Chi, Ping-Tse recused himself from participating in the discussion and voting. He appointed Director Lin, Wei-Chum to act as chair and preside over the discussion and resolution of this agenda item.	Except for independent directors who did not participate in the discussion and avoid voting in accordance with the law, the remaining directors agreed to pass the case

III. Implementation status of assessment of the Board of Directors:

(I) The cycle, period, scope, method and content of evaluation for the self assessment of the Board of Directors

Period of Evaluation	Duration of Evaluation	Scope of Evaluation	Methods of Evaluation	Content of Evaluation
Once per year	Jan. 1, 2024 to Dec. 31, 2024	Board of Directors	Board Performance Internal Evaluation	The self-assessment focused on five key dimensions: participation in company operations, enhancement of board decision-making quality, board composition and structure, director selection and continuing education, and internal control.
		Individual Board Members	Board Member Self Evaluation	The evaluation covered six key areas: understanding of the company's goals and missions, awareness of director responsibilities, participation in company operations, internal relationship management and communication, professional expertise and continuing education, and internal control.
		Functional Committees (including the Audit Committee, Remuneration Committee, and Sustainable Development Committee (Note 1))	Functional Committees Self Evaluation	The self-evaluations assessed five aspects: participation in company operations, understanding of committee responsibilities, enhancement of decision-making quality, composition and member selection, and internal control.

Note 1: The evaluation period for the Sustainable Development Committee was from August 12 to December 31, 2024.

(2) The evaluation results for 2024 were submitted to the Remuneration Committee and the Board of Directors on March 10, 2025.

(3) Evaluation results: The performance evaluations of the Company's overall Board of Directors, individual board members, Audit Committee, Remuneration Committee, and Sustainable Development Committee were rated as "significantly exceeding the standard" (achieving a score of 90 or above), indicating that the overall operations of the Board of Directors, Audit Committee, Remuneration Committee, and Sustainable Development Committee are sound and in alignment with principles of corporate governance.

IV. Evaluation of the objectives and implementation of the strengthening of the functions of the Board of Directors in the current year and the most recent year:

(I) Objectives of enhancing functions of the Board of Directors:

The Company has appointed independent directors as members of the Board to strengthen its independence and established the Audit Committee on June 11, 2018, the Remuneration Committee on December 29, 2011, and the Sustainable Development Committee on August 12, 2024. (For details on the operation of these committees, please refer to pages 37–43, 66–71, and 71–73 of the annual report.) Through the establishment and functioning of these functional committees, the Company has enhanced the effectiveness of the Board.

(II) Implementation:

All major proposals of the Company (including those on investments, acquisition or disposal of assets, loaning or guarantee by endorsement) shall be submitted to the Board of Directors for full discussion and resolution before their execution. They shall be fully disclosed on MOPS in accordance with “the procedures released by Taiwan Stock Exchange Corporation for verification and publication of major information of listed companies of negotiable securities”, for the purpose of information publication and transparency. The implementation in 2024 was as follows:

1. On February 26, 2024, the Audit Committee and the Board of Directors approved the Company's purchase of land located in Jincheng Section, Anping District, Tainan City, and the sale of residential units and parking spaces from the Company's development project to related parties.
2. On March 13, 2024, the Audit Committee and Board of Directors approved the sale of residential units and parking spaces from the Company's development project to related parties.
3. On July 10, 2024, the Audit Committee and the Board of Directors approved the Company's purchase of land located in Chenggong Section, Lingya District, Kaohsiung City, and the sale of residential units and parking spaces from the Company's development project to related parties.
4. On July 23, 2024, the Audit Committee and the Board of Directors approved the Company's purchase of land and buildings located in Jincheng Section, Anping District, Tainan City.
5. On August 12, 2024, the Audit Committee and the Board of Directors approved a joint development project between the Company and its subsidiary, Jin Jyun Construction Co., Ltd., and authorized the Company to provide a corporate guarantee to financial institutions to support the subsidiary's financing needs.
6. On November 6, 2024, the Audit Committee and the Board of Directors approved the Company's application for financing from financial institutions to meet operational funding needs. The Company intends to appoint its subsidiary, Jin Jyun Construction Co., Ltd., to provide a corporate guarantee within a limit of NT\$1,000,000,000.
7. On December 31, 2024, The Audit Committee and the Board of Directors approved the provision of a corporate guarantee by the Company in support of Jin Jyun Construction Co., Ltd. for its financing application with financial institutions.
8. On March 10, 2025, the Audit Committee and Board of Directors approved the execution of a construction contracting agreement.
9. On March 26, 2025, the Audit Committee and Board of Directors approved the Company's capital reduction payments to shareholders.

(II) The operation of the Audit Committee

1. The Company's Audit Committee was established on June 11, 2018 to replace the original supervisor system. The members of the committee are composed of all independent directors of the board of directors. There are three members, at least one of whom should have accounting or financial expertise. After the re-election of the company's shareholders' meeting on June 13, 2024, the second session of the "Audit Committee" was formed by all the newly appointed independent directors, and the independent director Chen, Yung-Chang was elected by all the members as the convener on July 10, 2024.

Independent Director Chen, Yung-Chang resigned on December 17, 2024. On December 31, 2024, the 3rd Audit Committee elected Independent Director Chou, I-Chiang as convener, in accordance with the Company's "Audit Committee Charter."

A by-election to fill the independent director vacancy will be held at the Annual Shareholders' Meeting on June 17, 2025.

2. The main responsibilities and the key tasks of the year were reviewing and supervising the Company's financial reports, risk control, and finance-related proposals. The deliberations include: the Company's financial reports, accounting and internal control systems, and major asset or derivative transactions, offering or issuing negotiable securities, appointment or dismissal and remuneration of CPAs, matters involving the interests of the directors, and the appointment and dismissal of financial, accounting or internal audit officers, among other things.

(1) Review and Check of Financial Statements

Annual business report, financial statements and earning distribution proposals of the company shall be approved by the Audit Committee, and reviewed and discussed by the Board of Directors. After the approval of the Board of Directors, proposed to the shareholders' meeting for ratification. In addition, the quarterly financial reports are also submitted to the Board of Directors after being reported to the Audit Committee for discussion.

(2) Evaluate the Effectiveness of Internal Control System

The self-evaluation results of the internal control system were conducted according to routine operations by each unit within the Company annually and checked by the Audit Committee. The Audit Committee checks the internal control system, including understanding operation results and the extent to which efficiency goals have been reached, reliability, timeliness, transparency of reports, and the effective enacting and implementation in accordance to laws and regulations, in order to reasonably ensure goals are achieved.

On March 10, 2025, during the 7th meeting of the 3rd Audit Committee, the Committee approved the "Statement on Internal Control System" for fiscal year 2024. After evaluation, the Audit Committee concluded that the overall design and implementation of the internal control system of the Company and its subsidiaries were effective.

(3) Appointment and Evaluation of CPAs

The Audit Committee annually assesses the independence and suitability of its affiliated certified public accountants. This includes obtaining AQIs from accounting firms, assessing these based on AQI data to ensure that the accountants and the firms exceed the industry average in audit experience and training hours. Furthermore, an independence evaluation form is created in accordance with Article 47 of the *Certified Public Accountant Act* and Bulletin No. 10 of the Professional Ethics for Accountants, which pertains to "Integrity, Fairness, Objectivity, and Independence," to evaluate the independence, professionalism, and suitability of the accountants regarding any relationships or financial interests they may have with the Company.

The evaluation of the attesting CPAs for 2024 included a review of Audit Quality Indicators (AQIs) obtained from the accounting firm. The evaluation results were

reviewed and approved by the 7th meeting of the 3rd Audit Committee and the 11th meeting of the current Board of Directors on March 10, 2025. CPAs Yi-Lien Han and Kuo-Yang Tseng of KPMG Taiwan were found to meet the Company's standards for independence and suitability (refer to page 63-65 of the annual report for details).

To comply with KPMG Taiwan's internal rotation policy, the change of attesting CPAs for the Company's financial statements was approved at the 7th meeting of the 3rd Audit Committee and the 11th meeting of the current Board of Directors on March 10, 2025. Effective from the first quarter of 2025, the Company's financial statement attesting CPAs have been changed from CPAs Yi-Lien Han and Kuo-Yang Tseng to CPAs Yi-Lien Han and Emily Tsou.

The audit fees for fiscal year 2025 were also reviewed and approved during the 7th meeting of the 3rd Audit Committee and the 11th meeting of the current Board of Directors on March 10, 2025.

3. In the most recent year (2024) the Audit Committee held eleven (A) meetings, the attendance of the independent directors is as follows:

Job Title	Name	Actual no. of meetings attended (B)	No. of meetings with entrusted attendance	Ratio of actual no. of meetings attended (B/A)	Remarks
Independent Director	Li, Wen-Cheng (Convener) (Note 1)	5	0	100.00%	June 13, 2024 dismissed (should attend 5 times)
Independent Director	Chen, Yung-Chang (Convener) (Note 2)	9	1	90.00%	December 17, 2024 Resigned (was required to attend 10 meeting)
Independent Director	Yen, Yun-Chi	11	0	100.00%	
Independent Director	Chou, I-Chiang (Convener) (Note 3)	6	0	100.00%	June 13, 2024 taking office (should attend 6 times)
Average actual attendance rate of members of the Audit Committee in 2024 (%) (Total actual attendances / total required attendances)				96.88%	

Note 1: Independent director Li Wen-Cheng was dismissed after the re-election at the shareholders' meeting on June 13, 2024.

Note 2: Independent Director Chen, Yung-Chang was elected as the Convener at the 1st meeting of the 3rd Audit Committee on July 10, 2024, but resigned on December 17, 2024.

Note 3: Independent Director Chou, I-Chiang was elected as the new Convener at the 6th meeting of the 3rd Audit Committee on December 31, 2024.

Other items to be recorded:

- I. If the operation of the Audit Committee has one of the following circumstances, the date and time of the Audit committee meeting, the term, the content of the proposal, dissenting opinions, reservations or major proposals of independent directors, the results of the resolution of the Audit Committee and the Company's handling of the opinions of the Audit Committee shall be disclosed:

(I) The matters listed in Article 14-5 of the Securities Exchange Act:

Date of Board of Directors Meeting	Motion Contents	Date of the Audit Committee meeting	Resolution of the Audit Committee	The Company's handling of the opinions of the Audit Committee	Resolution of the Board of Directors
2024.02.05 25th meeting of the last term	Proposal to assess the independence and competence of attesting CPAs for the FY2023 financial statements	2024.02.05 17th meeting of the 2nd term	All attending members approved	Not applicable.	All attending directors approved
2024.02.26 26th meeting of last term	The company plans to purchase land in the Jincheng section of Anping District, Tainan City	2024.02.27 18th meeting of the 2nd term	All attending members approved	Not applicable.	All attending directors approved
	Proposal to sell the housing and parking space of the Company's construction projects to related parties.		All attending members approved	Not applicable.	Except for independent directors who did not participate in the discussion and avoid voting in accordance with the law, the remaining directors agreed to pass the case
	Proposal of the Company plans to issue the 2023 1 st Secured Ordinary Corporate Bonds. Proposal to appoint and audit the CPAs		All attending members approved	Not applicable.	All attending directors approved

Date of Board of Directors Meeting	Motion Contents	Date of the Audit Committee meeting	Resolution of the Audit Committee	The Company's handling of the opinions of the Audit Committee	Resolution of the Board of Directors
2024.03.13 27th meeting of last term	Proposal for the Company's 2023 business report and financial statements.	2024.03.13 19th meeting of the 2nd term	All attending members approved	Not applicable.	All attending directors approved
	Proposal to amend the Company's "Operational Procedures for Endorsements and Guarantees"				
	Proposal for the Company's "Evaluation of Internal Control System Effectiveness" and "Internal Control System Statement" for 2023.		All attending members approved	Not applicable.	Except for independent directors who did not participate in the discussion and avoid voting in accordance with the law, the remaining directors agreed to pass the case
	Proposal to sell the housing and parking space of the Company's construction projects to related parties.				
	Proposal of the Company plans to issue the 2024 2nd Secured Ordinary Corporate Bonds.		All attending members approved	Not applicable.	All attending directors approved
2024.03.26 28th meeting of last term	Proposal for capital increase from 2023 earnings and issuance of new shares	2024.03.26 20th meeting of the 2nd term	All attending members approved	Not applicable.	All attending directors approved
2024.05.13 30th meeting of last term	2024 Q1 Consolidated Financial Report	2024.05.13 21st meeting of the 2nd term	All attending members approved	Not applicable.	All attending directors approved
	Proposal to renew the Company's "Directors' Liabilities Insurance"				
2024.07.10 2nd meeting of the term	Proposal to acquire land and building(s) located in Chenggong Section, Lingya District, Kaohsiung City	2024.07.10 1st meeting of the 3rd term	All attending members approved	Not applicable.	All attending directors approved
	Proposal to sell the housing and parking space of the Company's construction projects to related parties.		All attending members approved		
2024.07.23 3rd meeting of the term	Proposal to acquire land and buildings located in Jincheng Section, Anping District, Tainan City	2024.07.23 2nd meeting of the 3rd term	All attending members approved	Not applicable.	All attending directors approved
2024.08.12 4th meeting of the term	2024 Q2 Consolidated Financial Report	2024.08.12 3rd meeting of the 3rd term	All attending members approved	Not applicable.	All attending directors approved
	Proposal to determine the ex-dividend and cash dividends distribution base dates for the FY2023 surplus and capital reserve transferred to capital increase for issuing new shares (capital increase).				

Date of Board of Directors Meeting	Motion Contents	Date of the Audit Committee meeting	Resolution of the Audit Committee	The Company's handling of the opinions of the Audit Committee	Resolution of the Board of Directors
2024.08.12 4th meeting of the term	Proposal for joint development project with subsidiary Jin Jyun Construction Co., Ltd.	2024.08.12 3rd meeting of the 3rd term	All attending members approved	Not applicable.	Except for independent directors who did not participate in the discussion and avoid voting in accordance with the law, the remaining directors agreed to pass the case
	The Company's proposal to entrust the subsidiary Jin Jyun Construction Co., Ltd. to offer the limit on guaranty amount for financing needs from financial institutions for business operations.				
2024.11.06 7th meeting of the term	2024 Q3 Consolidated Financial Report	2024.11.06 4th meeting of the 3rd term	All attending members approved	Not applicable.	All attending directors approved
	Proposal to add the Company's "Internal Control System Statement" and "Internal Audit System"				
	The Company's 2025 Audit Plan				
	The Company's proposal to entrust the subsidiary Jin Jyun Construction Co., Ltd. to offer the limit on guaranty within NT\$1,000,000,000 for financing needs from financial institutions for business operations.		All attending members approved	Not applicable.	Except for independent directors who did not participate in the discussion and avoid voting in accordance with the law, the remaining directors agreed to pass the case
2024.12.02 8th meeting of the term	Proposal of the Company plans to issue the third secured corporate bonds in 2024.	2024.12.02 5th meeting of the 3rd term	All attending members approved	Not applicable.	All attending directors approved
2024.12.31 9th meeting of the term	The Company's proposal to entrust the subsidiary Jin Jyun Construction Co., Ltd. to offer the limit on guaranty amount for financing needs from financial institutions for business operations.	2024.12.31 6th meeting of the 3rd term	All attending members approved	Not applicable.	Except for independent directors who did not participate in the discussion and avoid voting in accordance with the law, the remaining directors agreed to pass the case

(II) In addition to the aforementioned matters, other matters that have not been approved by the Audit Committee and have been approved by more than two-thirds of all directors: None.

II. For situations where an independent director avoids a motion related to their own interests the contents of the motion, the reasons for the avoidance of interests and the voting results shall be disclosed: None.

III. Communication between the independent directors and the internal audit supervisors and accountants (shall include the major issues, methods and results of communication regarding the Company's financial and business conditions):

(I) Communication between the independent directors and accountants:

1. The company's audit committee is composed of all independent directors. It holds regular meetings and communicates and discusses with certified accountants on the company's financial business-related proposals. The Audit Committee examines the various forms prepared by the Board of Directors and submitted to the shareholders' meeting (business report, financial statement, earnings distribution plan). And issue the audit committee review report in accordance with the regulations.
2. The Company's CPAs regularly conduct audits or reviews of the annual and quarterly financial statements, with written results or meeting reported to the Audit Committee every quarter, as well as other communications required by relevant laws and regulations.

3. The Company's independent directors have direct communication channels with internal audit officer and CPAs, and may communicate through email, phone call, interview, or meeting as necessary; and pursuant to the regulations of the competent authority, they regularly check the Company's financial and business conditions, and communicate directly with the management unit.

(II) Communication between the independent directors and internal audit supervisors:

1. Assess the effectiveness of the company's internal control system (issue a statement of internal control system), and submit it to the board of directors for resolution after being approved by the audit committee.
2. A summary of the company's "internal control system" rules and regulations will be submitted to the board of directors for resolution after being approved by the audit committee.
3. The formulation and revision of the Company's "Internal Audit System and Implementation Rules" shall be approved by the Audit Committee and then submitted to the Board of Directors for resolution.
4. The company has set up an audit unit directly under the board of directors, which is responsible for determining the organization, establishment and responsibility of internal audit, comprehensively managing audit business, and regularly and irregularly reporting the implementation of audit business to the audit committee and the board of directors.
5. After the internal audit unit issues internal audit reports and follow-up reports, such reports are submitted to the Chairperson for approval and subsequently made available for review by all independent directors (either in person or via electronic delivery).

The audit officer attends the Audit Committee and the Board of Directors to report on the internal audit operation, and fully communicates on the execution of the audit operation, the deficiencies found in audits and their improvement tracking, and the effectiveness.

The Company's independent directors may communicate and discuss with the audit officer depending on the content of the above-mentioned matters or as needed any time.

6. The auditing unit of the company listed the inspection opinions or the lack of inspection on the self-assessment of accountants and internal units, and the matters that should be strengthened in the internal control system statement. Report to the Audit Committee and the Board of Directors in writing.
7. Before the end of each fiscal year, the audit unit of the company will submit the audit plan for the next year to the board of directors for resolution after being approved by the audit committee.
8. In principle, the audit unit of the company holds a "Symposium on Review of Defects in Internal Control System" once a year. All independent directors have a discussion with the internal audit supervisor on the review of the lack of internal control system and make a record. The meeting minutes will be submitted to the board of directors.

(III) The communication between the Company's independent directors and both the internal audit officer and the CPAs in fiscal year 2024 is disclosed in detail on the Company's website at: <https://www.runlong.com.tw> > Investors > Corporate Governance Information > Communication Between Independent Directors and Internal Audit Officer in 2024.

(III) Corporate governance status, variance from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
1. Does the Company follow the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies, and has the Company established and disclosed its own Corporate Governance Best Practice Principles?	✓		The Company has established a "Corporate Governance Best Practice Principles," which have been disclosed on the "Corporate Governance Information" section under the "Stakeholders" area of the Company's official website, as well as on the MOPS. In addition, the Company approved an amendment to the "Corporate Governance Best Practice Principles" at the 25th meeting of the previous Board of Directors held on February 5, 2024.	No variances.
2. The company's shareholding structure and shareholders' equity				
(1) Does the company stipulate internal operating procedures to deal with shareholders' suggestions, doubts, disputes and litigation matters, and implement them according to procedures?		✓	(1) The Company has a stock affairs unit, a spokesperson, and an e-mail box to handle shareholder suggestions or disputes pursuant to the Company's internal operating procedures. The complaint filing, reporting, and suggestion functions are also provided on the Company's website. If legal issues are involved, the legal department will take over.	(1) No significant variances
(2) Does the company have a list of the ultimate controllers of the major shareholders and major shareholders of the actual control company?	✓		(2) The Company obtains the shareholders register from the stock affairs agent and receives a list of shareholders holding 5% or more of the Company's shares each quarter from the Taiwan Depository & Clearing Corporation. Additionally, by	(2) No variances.

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
(3) Does the company establish, implement and control the risk control and firewall mechanism between the enterprises?	✓		<p>the 10th of each month, the Company conducts regular monitoring and verification in conjunction with the filing of changes in shareholdings of directors and insiders.</p> <p>(3) The Company has clearly defined the management responsibilities for personnel, assets, and finances between itself and its related entities, and has effectively conducted risk assessments and established appropriate firewall mechanisms. Transactions with related entities are conducted based on principles of fairness and reasonableness and are handled in accordance with the established "Operational Standards for Financial Transactions among Related Parties" and other relevant internal control procedures.</p>	(3) No variances.
(4) Does the company stipulate internal regulations and prohibit insiders from using the undisclosed information on the market to buy and sell securities?	✓		<p>(4)</p> <p>1. The Company has established "Code of Ethical Conduct," "Integrity Management Code," "Whistleblowing Procedures," and “Significant Internal Information Handling Procedures” to regulate the use of non-public market information by insiders and information recipients for trading securities.</p>	(4) No variances.

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
3.the composition and duties of the board of directors (I) Does the board of directors formulate diversity policies, specific management objectives and implement them?	✓		<p>2. On February 5, 2024, during the 25th board meeting of the current session, the Company approved the revision of the "Significant Internal Information Handling Procedures," renaming it to "Significant Internal Information Handling and Insider Trading Prevention Procedures."</p> <p>3. On February 5, 2024, during the 25th meeting of the previous Board of Directors, the Company approved amendments to Article 10 of the “Corporate Governance Best Practice Principles” and Article 4 of the “Material Internal Information and Insider Trading Prevention Handling Procedures.” The amendments introduced new provisions prohibiting insiders from trading the Company’s stock during blackout periods, specifically, within 30 days prior to the announcement of the annual financial report and 15 days prior to the announcement of each quarterly financial report.</p> <p>(1) The board of directors of the company guides the company's strategy, supervises the management and is responsible to the company and shareholders’ meeting. In various operations and</p>	(1) No variances.

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
(2) Does the Company voluntarily set up other functional committees in addition to the Remuneration Committee and the Audit Committee?	✓		<p>arrangements of the corporate governance system, the board of directors exercises its functions and powers in accordance with laws, the company's Articles of Incorporation or the resolutions of the shareholders' meeting. For the specific management goals and implementation status of the Company's board diversity policy, please refer to pages 15 to 19 of the Company's annual report: Board Diversity and Independence.</p> <p>(2) In addition to the legally required establishment of the Remuneration Committee and the Audit Committee, the Company also established the Sustainable Development Committee on August 12, 2024, in view of its business operations and development needs. The conveners of the Audit Committee and the Remuneration Committee are independent directors, and more than half of the members of the Remuneration Committee and the Sustainable Development Committee are also independent directors. The operations of the functional committees are smooth, and they have performed a sound supervisory function and strengthened the functions of the Board of Directors.</p>	(2) Additional functional committees may be established in the future depending on the Company's business development needs or in accordance with regulatory requirements.

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
(3) Does the company stipulate the performance appraisal methods of the board of directors and their assessment methods, and conduct performance evaluations every year and regularly?	✓		<p>(3)</p> <p>1. According to the Board Performance Evaluation Procedures established by the company, an internal performance evaluation for 2024 was conducted, with the results reported to the Remuneration Committee and Board of Directors on March 10, 2025. Key improvement recommendations and directions for continuous enhancement were proposed as the basis for review and improvement. The internal performance evaluation of the Board of Directors in 2024, including its scope, methods, and the period evaluated, is detailed on page 36 of the annual report. The summary of evaluation results is as follows:</p> <p>2. The internal performance evaluation rated the "overall performance of the Board of Directors" as "significantly exceeds standards" (scores of 90 or above).</p> <p>3. Directors highly appreciated the overall performance of the Board of Directors.</p> <p>4. All directors acknowledged the Board's commitment to enhancing decision-making quality, with resolutions being thoroughly discussed and opinions exchanged, and guidance provided to the</p>	(3) No variances.

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
			<p>management team on directions for improvement and risks to be aware of. All directors also recognized that independent directors could freely express opinions and exercise their duties independently without undue interference or pressure, and agreed on the recommendations and supervision regarding internal controls.</p> <p>5. Overall, the company's Board of Directors system is well-structured, adheres to legal compliance with transparent information, and comprises diverse and complementary members, which helps enhance the function of the Board. The overall performance of the Board met the directors' expectations.</p> <p>6. The operation of each functional committee within the Company is satisfactory, with the Audit Committee, Remuneration Committee, and Sustainable Development Committee each demonstrating performance consistent with the expectations of their respective members.</p> <p>7. All committee members strongly agree that the operation of the functional committees is independent and transparent. The composition and recognition of responsibilities contribute to the effectiveness of the functional committees, and the establishment and pre-screening</p>	

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
			<p>functions of the committees are affirmed, aiding in the decision-making quality and efficiency of the Board.</p> <p>8. All board members affirm that the Board's operational system is well-structured, information is transparent, and all members strictly adhere to the norms required in exercising their duties. The composition of the company's Board includes professionals from various fields, who provide diverse perspectives and opinions appropriate to their expertise during Board discussions and decision-making.</p> <p>9. Directors also affirm that the management team adheres to the principles of openness and transparency, providing sufficient information for directors to grasp the operational status of the company. Board members highly value and acknowledge the responsibilities and norms they should adhere to as directors, placing significant importance on overseeing and implementing various aspects of the internal control system, and they are committed to continually building upon their professional knowledge and skills.</p>	
(4) Does the company regularly assess the independence of the visa accountant?	✓		<p>(4)</p> <p>1. According to Article 29 of the “Corporate Governance Best Practice Principles for</p>	(4) No variances.

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
			<p>TWSE/TPEX Listed Companies”, listed companies should choose certified public accountants with specialty, responsibility and independency. The Company should assess the independency and suitability of certified public accountants employed regularly (at least once a year).</p> <p>2. The Company’s Audit Committee conducts an annual evaluation of the independence and competence of the attesting CPAs, in accordance with the established assessment criteria (see Note 1), and with reference to Audit Quality Indicators (AQIs). All audit and non-audit services provided by the CPAs must be reviewed and approved by the Audit Committee in advance. There have been no instances where the same accountant has served more than seven consecutive years or returned within two years of rotation. The CPAs maintain both formal and substantive independence. Additionally, the AQIs confirm that the CPAs’ audit experience, training hours, professional support, and audit input exceed industry standards, with no deficiencies or disciplinary actions found in external inspections. The accounting firm has also continued to implement digital audit tools to enhance audit</p>	

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
			<p>quality.</p> <p>3. The evaluation results of the audit services provided by the attesting CPAs for 2024 were approved by the 7th meeting of the 3rd Audit Committee and the 11th meeting of the current Board of Directors held on March 10, 2025. Both CPAs Yi-Lien Han and Kuo-Yang Tseng of KPMG Taiwan were confirmed to meet the Company’s criteria for independence and competence (see Note 1 for details).</p>	
4. Does the TWSE/TPEX-listed company appoint appropriate and sufficient corporate governance personnel and designate a corporate governance officer responsible for corporate governance matters (including but not limited to providing directors with necessary information for business execution, assisting directors in legal compliance, handling matters related to Board and shareholders’ meetings in accordance with the law, and preparing meeting minutes)?	✓		<p>1. Approved by the board of directors on November 10, 2022, Lu, Chia-Yin, the manager of the Finance Department, also acted as the Company Governance Executive.</p> <p>2. The Company's Corporate Governance Officer serves as the most senior executive responsible for corporate governance matters. Primary duties include, but are not limited to: handling matters related to Board and shareholders’ meetings in accordance with the law; preparing and reviewing Board and shareholders’ meeting minutes; assisting directors in assuming their roles and undergoing continuing education; providing directors with the information necessary to execute their duties; assisting directors in legal compliance; reporting to the</p>	No variances.

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
			<p>Board on the results of the review of independent directors’ qualifications during nomination, election, and tenure in accordance with relevant laws and regulations; managing changes in directorships; and handling other matters stipulated by the Company’s Articles of Incorporation or contractual obligations. Additionally, the Corporate Governance Officer coordinates with the stock affairs unit and relevant departments to enhance the Company’s corporate governance framework by referencing corporate governance guidelines and best practices, thereby strengthening the planning and implementation of governance efforts and supporting the Company’s sustainable development under a sound governance structure.</p> <p>3. Company governance executives’ advanced studies in 2024 (Note 2)</p>	
5. Does the company establish communication channels with interested parties (including but not limited to shareholders, employees, customers and suppliers), set up stakeholder areas on the company's website, and respond appropriately to important corporate societies of concern to stakeholders, and responsibility issues?	✓		<p>1. The Company’s website includes a “Communication and Feedback” section under the “Investors” section, which is established out of respect for stakeholder rights and interests. The Company regularly identifies stakeholder categories and sets up dedicated communication channels and contact points to understand their reasonable</p>	No variances.

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
			<p>expectations and needs, as well as appropriately address material corporate social responsibility issues of concern to stakeholders.</p> <p>2. An annual report on stakeholder communication is submitted to the Board of Directors. The status of stakeholder communication for 2024 was reported to the Board at the 9th meeting of the current term on December 31, 2024.</p> <p>3. Complete stakeholder-related information is available on the Company’s website at https://www.runlong.com.tw > ①Investors > Communication and Feedback ②Investors > ESG Report</p>	
6. Does the company appoint a professional stock agency to handle the affairs of the shareholders' meeting?	✓		The Company has appointed the professional stock agency, the agency department of Capital Securities Corporation to handle the affairs of the shareholder meeting.	No variances.
7. Information disclosure (1) Has the company set up a website to disclose financial and corporate governance information?	✓		(1) The “Investors” section of the website also discloses information regarding business performance, financial reports, and corporate governance. The website is regularly and promptly updated.	(1) No variances.
(2) Does the Company adopt other information disclosure methods (such as setting up an English website, appointing a dedicated	✓		(2) In addition to legally mandated disclosures in the annual report and prospectus, the Company also provides information	(2) No variances.

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
<p>person responsible for the collection and disclosure of company information, implementing a spokesperson system, posting the corporate briefing process on the Company website, etc.)?</p> <p>(3) Does the Company publicly announce and file the annual financial reports within two months after the accounting year-end, and publicly announce and file the first, second and third quarter financial reports and monthly operating status reports before the stipulated deadlines?</p>		✓	<p>through the following channels:</p> <ol style="list-style-type: none"> 1. A Chinese-language website disclosing important financial, business, and corporate governance information. 2. A designated spokesperson system. 3. Publication of investor conference information and related materials on the Company’s website. <p>(3) The Company announces and files its annual financial reports by March 16 each year. The financial reports for the first, second, and third quarters of 2024, along with monthly operating results, were announced and filed within the required or earlier-than-required timeframe.</p> <p>The Company will assess the feasibility of announcing and filing the annual financial report within two months after the end of the fiscal year.</p>	(3) No significant variances
8. Has the Company disclosed any other important information that helps stakeholders understand the state of its corporate governance including but not limited to employee rights, employee care, investor relations, supplier relationships, stakeholder rights, director training, implementation	✓		The Company has other important information helpful to understand the operation of corporate governance:	No variances.

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
of risk management policies and risk measurement standards, customer policy implementation, and the Company’s purchase of liability insurance for directors?				

(1) Employee rights:

1. The Company has consistently prioritized employee welfare. Together with its subsidiaries, it has established a Joint Employee Welfare Committee that regularly organizes birthday celebrations, medical checkups, and various employee engagement activities. All current employees are eligible to participate. Funding for these initiatives is allocated from a portion of the Company and its subsidiaries' operating income, with the Welfare Committee responsible for its management and utilization. The members of the Welfare Committee are elected by employees and are re-elected regularly to promote benefits.
2. Employees facing situations such as childcare needs, major illness, or significant personal events that require extended leave may apply for unpaid leave and later request reinstatement, balancing personal and family care needs.

(2) Employee welfare: The Company appreciates the safety and health of employees, provides health care and assistance services. Employees are entitled to the group insurance and annual health checks; the welfare committee and various clubs were established to organize various events to promote employee interactions.

1. Work-life balance: Subsidies for club activities and travelling subsidies.
2. Parenting support: The Company offers parental leave, collaborates with licensed childcare and after-school care institutions, and provides nursing rooms. Starting from January 1, 2025, the Company introduced new family-friendly benefits:

	Item	Content
1	Flexible working hours for parents	Employees may apply for a fixed schedule (e.g., 8:00 a.m. to 5:00 p.m.) to accommodate childcare or family activities.
2	Half-day paid parental adjustment leave	Employees are entitled to 0.5 days off for a child’s first day of kindergarten and 0.5 days for the first day of elementary school.
3	Parenting seminars and psychological support	The Company periodically hosts parenting talks and offers free occupational health consultations to help employees navigate parenting challenges.

3. Livelihood support: Group insurance for employees and their families, wedding subsidies, childbirth subsidies, scholarships for employees' children, holiday bonuses, birthday cash gifts, employee injury and illness condolences and care, and subsidies for hospitalization and medical

care.

4. Work assistance: Health checks and meal subsidies.

5. Other: Year-end parties, recognition for senior staff and preferential offers for employees at contracted merchants.

6. For employee benefits in 2024, please refer to pages 160–162 of the annual report.

Note: The aforesaid benefits include the Company and the Employee Welfare Committee.

(3) Investor relations:

1. The Company has a spokesperson and deputy spokesperson, responsible for the Company's external communications.

2. The Company announces finance, business, and material information on the Company website and MOPS immediately, so that investors may fully understand the Company's development direction and strategic orientation, maximizing the interests of shareholders.

3. The Company's general shareholder meetings provide shareholders with electronic ways to exercise their voting rights. When the shareholder meeting is held, extemporary motions are avoided as much as possible, in order to protect the interests of shareholders using electronic communication to vote.

(4) Supplier relationships: The Company is committed to growing and fulfilling corporate social responsibilities with suppliers, and innovating and improving quality together. The Company keeps good relations with suppliers and ensures stable contract implementation.

1. The Company has set up the "Management Procedures for Suppliers". New suppliers are reviewed in advance, and only those who pass the review may be traded with; if there is no transaction within three years, the qualification of qualified suppliers will be cancelled, and only after review and confirmation may they become qualified suppliers again. The review includes the supplier's capacity, scale, industry reputation and financial credit, among other things.

2. Supplier evaluation:

For qualified suppliers, the procurement unit shall fill in the "Supplier Appraisal Form" before the end of January and July each year for suppliers whose transaction amounts reach NT\$200,000 or more, or who have conducted six or more transactions. Evaluations are carried out using the "Supplier Appraisal Form" and include metrics such as delivery time, quality, cooperation, service, and pricing. Suppliers must also comply with safety, health, environmental protection, and human rights standards. The Company aims to foster long-term, sustainable partnerships that enhance corporate social responsibility.

The procurement unit has completed the "Supplier Appraisal Report" on January 31, 2024, and August 5, 2024, respectively, and the results of the appraisal are all A-level qualified vendors.

(5) Management policy for project contractors:

1. In addition to the environmental protection and occupational safety regulations stipulated in contracts, the Company holds daily toolbox meetings before work commences and convenes monthly occupational safety and health coordination meetings. These sessions ensure contractors are thoroughly informed of the construction site conditions, designated work zones, and hazard warnings. Safety concepts and correct operating procedures are reinforced to ensure workers operate in a secure environment. Furthermore, on-site personnel conduct daily walkthrough safety inspections after work hours to ensure a safe and compliant worksite.

2. The Company holds weekly construction meetings at each project site to systematically review engineering progress, safety, quality, and scheduling. These meetings are documented to provide contractors with clear guidance and expectations. Quality and schedule improvements are regularly discussed to ensure smooth communication between parties and to foster a sustainable and mutually beneficial partnership.

3. Evaluation of contract manufacturers:

After acceptance upon project completion, the Construction Department shall fill in the Manufacturer Evaluation Form, and further evaluate the contract manufacturers together with related departments. Require the suppliers to comply with rules regarding safety, hygiene, environmental protection and human rights. Jointly commit to enhancing corporate social responsibilities and establishing partnerships for sustainable development. The evaluation shall cover project quality, project progress, sense of responsibility, coordinated cooperation, shift scheduling, obedience and financial strengths, etc.

In 2024, the Company obtained the use permit for the Dream City project in Keelung. The Construction Department evaluated two contractors involved in the project, both of whom received scores of 85 or above.

4. Contractor evaluation of subcontractors:

For the Shihengbin (Shangye District) project in Keelung, the main contractor, Taisei Corporation, submitted a completion report dated February 29, 2024, which included evaluations of 25 subcontractors. Scores ranged from 76 to 95, with 11 subcontractors scoring above 90, 11 scoring between 80 and 90, and 3 scoring between 70 and 80.

(6) Rights of stakeholders:

To uphold its commitment to stakeholders and to respect and safeguard their legitimate rights, the Company has established multiple communication and grievance channels. It adheres to principles of integrity and responds promptly and appropriately to stakeholder concerns. By establishing communication channels, the Company understands the issues that stakeholders are concerned about and immediately responds to their needs in a proactive manner, and takes such as a reference for the future direction of corporate social responsibility. In addition, the “Communication and Response” page of the “Investors” section on the Company website <https://www.runlong.com.tw> discloses the performance of communication with stakeholders. The communication with stakeholders in 2024 was reported at the 9th meeting of this term of the Board of Directors on December 31, 2024.

(7) Continuing education of directors:

Pursuant to the “Directions for the Implementation of Continuing Education for Directors of TWSE Listed and TPEX Listed Companies”, the Company provides continuing education courses to the directors from time to time. Continuing education in 2024 is as follows:

Job Title	Name	Date of continuing education	Held by	Training Program	Duration (hour)
Chairperson	Chiu, Ping-Tse	2024/07/03~2024/07/03	Cathay Financial Holdings, its subsidiaries, and the Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit Forum	6 hours
Representative of Institutional Director	Lin, Wei-Chum	2024/07/03~2024/07/03	Cathay Financial Holdings, its subsidiaries, and the Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit Forum	6 hours

Job Title	Name	Date of continuing education	Held by	Training Program	Duration (hour)
Representative of Institutional Director	Chen, Kuo-Yen	2024/07/03~2024/07/03	Cathay Financial Holdings, its subsidiaries, and the Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit Forum	6 hours
		2024/10/04~2024/10/04	Taiwan Corporate Governance Association	Net Zero Carbon Emissions Awareness Seminar – Taichung Session	3 hours
Representative of Institutional Director	Lu, Chia-Yin	2024/07/03~2024/07/03	Cathay Financial Holdings, its subsidiaries, and the Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit Forum	6 hours
		2024/10/08~2024/10/08	Taiwan Stock Exchange Corporation	2024 WIW Forum: "Digital and Sustainable Finance in the Age of AI"	3 hours
		2024/11/22~2024/11/22	Securities & Futures Institute	2024 Annual Insider Equity Transaction Legal Compliance Publicity and Briefing Session	3 hours
Independent Director	Li, Wen-Cheng (Note 1)	2024/03/22~2024/03/22	Taiwan Stock Exchange Corporation	Seminar on Sustainability Knowledge in the Emerging Carbon Era	3 hours
		2024/04/19~2024/04/19	Taiwan Corporate Governance Association	Board Responsibilities in Management Disputes: A Focus on the Protection of Shareholder Rights	3 hours
Independent Director	Yen, Yun-Chi	2024/07/03~2024/07/03	Cathay Financial Holdings, its subsidiaries, and the Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit Forum	6 hours
Independent Director	Chen, Yung-Chang (Note 2)	2024/09/30~2024/09/30	Taiwan Stock Exchange Corporation	Expanding Taiwan Capital Market Summit	3 hours
		2024/11/22~2024/11/22	Securities & Futures Institute	2024 Annual Insider Equity Transaction Legal Compliance Publicity and Briefing Session	3 hours
Independent Director	Chou, I-Chiang	2024/09/06~2024/09/06	Securities & Futures Institute	2024 Insider Trading Prevention Seminar	3 hours
		2024/10/04~2024/10/04	Taiwan Corporate Governance Association	Net Zero Carbon Emissions Awareness Seminar – Taichung Session	3 hours
		2024/10/08~2024/10/08	Taiwan Stock Exchange Corporation	2024 WIW Forum: "Digital and Sustainable Finance in the Age of AI"	3 hours
		2024/10/25~2024/10/25	Securities & Futures Institute	2024 Annual Insider Equity Transaction Legal Compliance Publicity and Briefing Session	3 hours
Total training hours completed by directors for the year					63 hours

Note 1: Independent director Li Wen-Cheng was dismissed after the re-election at the shareholders' meeting on June 13, 2024.

Note 2: Independent director Chen Yung-Chang resigned on December 17, 2024.

(8) Execution of risk management policies and risk measuring standards:

I. Risk Management Policy

In order to strengthen corporate governance, improve operations and sustainable development, and establish a comprehensive risk management culture as the basis for the company's risk management, the company has passed the "Risk Management Measures" by the Board of Directors on Oct. 21, 2021. As the highest guiding principle of the company's risk management.

II. Risk Management Scope

The risk management of the company at all levels includes "Strategic Deployment Risk", "Operational Management Risk", "Financial Operation Risk", "Hazardous Event Risk" and "Other Risks", etc., identification, measurement, monitoring and reporting of various risks, etc. The process should be adjusted in a timely manner in accordance with changes in the business environment, business and operational activities.

III. Risk Management Organization

1. The board of directors

The company's risk management organization is governed by the Board of Directors, which is the highest management and decision-making body, assisted by the Audit Committee (comprised entirely of independent directors) overseeing risk management. The Board of Directors formulates risk management policies and procedures in line with the company's business strategy and the industry environment, involving all levels of management and employees in the implementation.

2. Conduct management meeting

The supervisory meeting or operation meeting chaired by the president or the relevant operation supervisor is responsible for reviewing and controlling the risk assessment and contingency command of various plans and projects initiated by the competent departments.

3. Responsible department

Heads of departments and divisions are responsible for risk management, and are responsible for analyzing, monitoring and preventing relevant risks within their subordinate units to ensure the effective implementation of risk control mechanisms and procedures.

4. Audit unit

Responsible for supervising all competent and responsible departments to follow the approval authority and related risk management methods and procedures to ensure the risk management awareness and implementation effectiveness of all employees.

IV. Implementation status

The Board of Directors approved the "Risk Management Measures" on October 21, 2021. On December 31, 2024, a report on risk management practices for the year was submitted to the 2024 2nd meeting of the 1st Sustainable Development Committee and the 9th meeting of the current Board. Key highlights include:

1. Strategic risk: According to the changes in the construction industry, set strategic goals, and cooperate with budget control to control the company's business direction. Set strategic goals and budgets once in year 2024.
2. Operational risk: In addition to the weekly Tuesday group executive meetings and Wednesday company management meetings (each held over 40 times in 2024), the

Company addressed major ESG-related risk management topics, summarized as follows:

Perspectives of discussion	Topics for discussion	Response measures of the Company
Environmental perspective	Shortage of workers and materials	<ul style="list-style-type: none"> ●For shortage of workers, consider commencement of works first before sales, to flexibly adjust selling prices ●When costs of raw materials increase, actively look for alternative raw materials
	The prices of building energies soar	<ul style="list-style-type: none"> ●Reduce consumption of building energies and actively engage in designing green energy-saving buildings, to create carbon neutral net-zero buildings
	Violation of Environmental Regulations	<ul style="list-style-type: none"> ●Operations are conducted in compliance with legal regulations
	Extreme climate events (climate change)	<ul style="list-style-type: none"> ●Enhance construction scheduling and emergency response measures. ●Integrate climate change impact into future land development planning. ●Closely monitor regulatory changes related to climate and aligning with government policy. ●Promoting green building certifications that support energy conservation, carbon reduction, environmental impact mitigation, and enhanced functional value.
Social perspective	Workplace Accidents	<ul style="list-style-type: none"> ●Implement occupational safety and health management to reduce the likelihood of workplace accidents.
	Safety incidents of construction sites	<ul style="list-style-type: none"> ●During construction, strictly require the contractors to abide by rules in relation to construction safety, reduce any personal injuries resulting from the contractors' negligence or oversight, and prevent safety incidents on the construction sites
	High Turnover Rate	<ul style="list-style-type: none"> ●The Company offers salaries and benefits that exceed market standards to reduce turnover rate ●Establish a comprehensive education and training system to improve employees' workplace and skills
Economic perspective	Risks of market changes	<ul style="list-style-type: none"> ●Develop real estate markets in different regions, actively develop architectural products suitable for population structures and seize business opportunities, to enhance operational performance
	Risks of land development	<ul style="list-style-type: none"> ●Prudently analyze profits and returns of investments in land and buildings as grounds for decision making on land investment, to enhance operational performance
Governance perspective	Consumer and customer complaints and disputes	<ul style="list-style-type: none"> ●Analyze problems and discuss specific solutions; communicate with customers to satisfy their requirements or solve their problems
	Customer changes and disputes on house delivery	<ul style="list-style-type: none"> ●Analyze problems and discuss specific solutions; communicate with customers to satisfy their requirements or solve their problems
	Risks of change in construction period	<ul style="list-style-type: none"> ●Make sales strategies and construction methods precise for shortening construction period and reducing risks
	Regulatory Violations	<ul style="list-style-type: none"> ●Complying with relevant laws and regulations, review and review the signed contracts in accordance with procedures, their legal validity, whether there are omissions, and inadequate regulations, so as to maintain the best interests of the company
Technical perspective	Control over construction quality	<ul style="list-style-type: none"> ●The executives of related organizations shall keep informed about construction progress, improve quality of buildings and prevent inappropriate construction supervision from deteriorating construction quality

3. Financial risk: The company does not engage in high-risk investment, and has also formulated relevant measures such as "operational procedures for loaning funds to others" and "operational procedures for endorsement guarantees" to reduce financial risks.
4. Legal risk: In operating activities, in addition to complying with relevant laws and regulations, review and review the signed contracts in accordance with procedures, their legal validity, whether there are omissions, and inadequate regulations, so as to maintain the best interests of the company.
5. Information security risk: In 2024, the Company did not encounter any significant cyberattacks or incidents that had or could have had a material adverse impact on its business operations. Furthermore, the Company was not involved in any related legal proceedings or regulatory investigations. A report titled "Information Security Risk Management Status" was submitted on December 31, 2024, to the 2nd meeting of the 1st Sustainable Development Committee and the 9th meeting of the current Board of Directors.
6. Occupational Safety, health, and environmental risk: Before commencing work or switching roles, newly hired or current employees must receive general occupational health and safety training appropriate for the specific job, unless the work environment and nature of duties remain equivalent to their previous roles. All new hires or employees undergoing job changes (including administrative personnel) are required to complete three hours of general occupational health and safety training.

A total of 13 employees completed the online OHS course and received certification between March and December 2024, accumulating a total of 41 hours of training.

7. The Company continues to prioritize climate change response and risk control. On August 12, 2024, the Board of Directors approved the establishment of the Sustainable Development Committee to promote environmental, social, and governance (ESG) initiatives. This committee enhances the Company's capabilities in mitigating the impacts of climate change and developing adaptation strategies. In addition to cross-departmental communication and data collection efforts to assess the overall impact of various risks on the Company, these risks are also evaluated in relation to the Company's short-, medium-, and long-term operational goals. This approach enables the Company to determine its risk tolerance and strengthen its overall risk resilience.

(9) Implementation of customer policy: The Company has set up a dedicated customer service unit and staff to deal with issues related to customers, and maintains good relationship with customers for creating profit.

(10) The Company's purchase of liability insurance for the directors:

1. The Company obtains directors' liability insurance with respect to liabilities resulting from the exercise of their duties during their terms of directorship.
2. The coverage of the Company's "Directors' Liability Insurance" for 2024 and 2023 has been reviewed and approved in 19st meeting of last term of the Board of Directors on May 9, 2023, and the 30st meeting of this term of the Board of Directors on May 13, 2024. The insurance amount is US\$3 million, and the insurance application has been completed.

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
9. Please state the improvements made to the items in the corporate governance evaluation results issued in the most recent year by the Corporate Governance Center of the Taiwan Stock Exchange Co., Ltd., and indicate the enhancement and improvement measures for the items not yet improved.				
1. Already improved:				
①Item 2.14: The Company established a Sustainable Development Committee on August 12, 2024. The committee comprises three members, with a majority being independent directors. At least one member possesses the professional expertise required by the committee. The committee's composition, responsibilities, and operations have been disclosed accordingly.				
②Item 4.6: The Company has formulated a Human Rights Policy and corresponding management plans with reference to international human rights conventions. The relevant policies and implementation status are disclosed on the Company’s website and in its annual report.				
2. Priority to enhance according to items that have not yet been improved:				
①Item 4.7: The Company plans to publish an English version of its Sustainability Report in 2025 and will upload it to the Market Observation Post System (MOPS) and the Company’s official website.				

Note 1: Assessment criteria for CPAs’ independence:

I. Assessment description: According to Article 29 of the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”, listed companies should choose certified public accountants with specialty, responsibility and independency. The Company should assess the independency and suitability of certified public accountants employed regularly (at least once a year).

II. Evaluation Target:

CPA name:	Yi-lien Han, Accountant Kuo-Yang Tseng, Accountant	Accounting firm name:	KPMG Taiwan
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III. Evaluation Content: The evaluation items for independence are set according to Article 47 of the Certified Public Accountant Act and Bulletin No. 10 of the Professional Ethics for Accountants of the Republic of China

Item	Evaluation Item	Assessment Outcomes	Whether compliant with Independence requirements
1	The CPAs have no direct or significant indirect relationship involving financial interest with the Company	YES	YES
2	The CPAs do not have mutual financing or guarantee activities with the Company or the Company's directors	YES	YES
3	The CPAs do not have any potential employment relationship with the Company	YES	YES
4	The accounting firm does not overly depend on remuneration from a single client (this Company) as its source of fees.	YES	YES
5	The non-audit services provided by the CPAs to the Company do not directly affect important items of the audit case	YES	YES
6	The CPAs do not intermediate the shares or other securities issued by the Company	YES	YES
7	The CPAs have not represented the Company's defense against any legal proceedings with third parties or other disputes	YES	YES
8	The CPAs and its audit team members are not been currently serving or have within the last two years served as directors, managerial officers or positions that have a significant impact on the audit case in the Company.	YES	YES
9	The CPAs are not related to the Company's directors, managers or persons who have significant influence on the audit case	YES	YES
10	The CPAs have not served as directors or managerial officers, or positions having a significant influence on the audit case in the Company within a year of resignation	YES	YES
11	The certifying accountants have not been involved in the management decision-making processes of the company	YES	YES
12	There has been no situation where the same accountant has been used without change for seven years as of the most recent certification process	YES	YES
13	The Company does not require CPAs to accept improper options made by the Company in accounting policies or improper disclosures in financial statements?	YES	YES
14	The Company has not put pressure on CPAs to reduce professional service fees and thus prompt them to improperly reduce the audit tasks that should be performed	YES	YES

IV. Evaluation of AQIs: The audit quality of the accounting firm and its audit team is assessed based on annual AQI provided by KPMG.

V. Work Performance and Effectiveness:

1. Timely completion of the Company's periodic financial reports and tax certifications.
2. Provision of periodic financial and tax consultation services to the Company.

VI. Assessment Outcomes:

After the assessment, the certified public accountants the company appoints all do not have cases described above. We can make sure that the certified public accountants are correspond with the rules of independency, and the accountants and audit team have the audit experience and professional capabilities, thus the financial reports written by them can be trusted.

Note 2: Company governance executives' advanced studies in 2024:

Date of continuing education	Held by	Training Program	Duration (hour)
2024/03/22	Taiwan Stock Exchange Corporation	GDP Taiwan Conference – “Empowering the Carbon Era with Sustainability Knowledge” Promotion Session	3.0
2024/04/30	Taiwan Stock Exchange Corporation	Sustainability Empowerment Course – Non-Electronics Industry – “Empowering the Carbon Era with Sustainability Knowledge” Promotion Session	6.0
2024/09/06	Securities & Futures Institute	2024 Insider Trading Prevention Seminar	3.0
Total training hours completed for the year			12.0

(IV) Composition, duties, and operation of the Remuneration Committee

1. Remuneration Committee Member Information

April 19, 2025

Criteria		Professional Qualifications and Experience	Independence Situation	No. of other listed companies working as remuneration committee member of
Identity	Name			
Independent Director	Li, Wen-Cheng (Convener) (Note 1)	—	—	—
Independent Director	Chen, Yung-Chang (Convener) (Note 2)	—	—	—
Independent Director	Yen, Yun-Chi	Independent director / member of Remuneration Committee / member of Audit Committee With more than 5 years of profound construction and sales industry-related business background, and rich practical experience in business and accounting ■Primary current position Chairman Tungyue Advertising Co., Ltd. ■None of the provisions of Article 30 of the Company Act.	1. The daughter of Remuneration Committee member Yan, Yun-qi has been employed by the company since January 1, 2022, but is not the manager of the company, so it complies with the “Regulations Governing Appointment of Independent Directors Compliance Matters for Public Companies”. 2. The person, the spouse, the relatives within the second degree of relatives do not hold the number of shares in the company 3. The members of the Remuneration Committee maintain their independence within the scope of execution of their business, and shall not have direct or indirect interests in the company. They have no Circumstances stipulated in Article 6, Paragraph 1 of “Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange” in the two years prior to their appointment and during their term of office. 4. Has not provided business, legal, financial, accounting and other services to the Company or its affiliated companies for the last 2 years and received compensation.	0

Note 1: Independent director Li Wen-Cheng was dismissed after the re-election at the shareholders' meeting on June 13, 2024.

Note 2: On July 10, 2024, the Board appointed Independent Director Chen, Yung-Chang as a member of the 6th Remuneration Committee, and on September 5, 2024, during the 1st meeting of the 6th term, he was elected as the convener. However, he resigned on December 17, 2024.

Criteria		Professional Qualifications and Experience	Independence Situation	No. of other listed companies working as remuneration committee member of
Identity	Name			
Independent Director	Chou, I-Chiang (Convener) (Note 3)	<ul style="list-style-type: none"> ■ Independent director / Remuneration Committee Convener / Audit Committee Convener ■ Retired Associate Professor, holding more than five years of experience as a lecturer or above at private universities ■ Past Experience Associate Professor, Department of Urban Planning and Spatial Information, Feng Chia University Chief Secretary, Feng Chia University Dean, College of Business, Feng Chia University Chairperson, Cheng Lie Navigation Co., Ltd. Expert in national land planning, conservation, and sustainable environments. The Company aims to leverage his academic and practical background to bring new momentum to areas such as urban renewal, reconstruction of urban unsafe and old buildings, and sustainable architecture. ■ Primary current position University Affairs Consultant, Feng Chia University ■ None of the provisions of Article 30 of the Company Act. 	1. Him, his spouse, and relatives within the second degree of kinship do not serve as directors, supervisors or employees of the company or its affiliated companies. 2. The person, the spouse, the relatives within the second degree of relatives do not hold the number of shares in the company 3. Independent directors maintain their independence within the scope of their business execution, and must not have direct or indirect interests with the company, in the two years before the election and during the term of office, there is no circumstance specified in Article 3 of the "Regulations Governing Appointment of Independent Directors Compliance Matters for Public Companies" 4. Has not provided business, legal, financial, accounting and other services to the Company or its affiliated companies for the last 2 years and received compensation.	0

Note 3: Chou, I-Chiang, the independent director, was elected at the shareholders' meeting on June 13, 2024. On December 31, 2024, the Board of Directors reappointed the members of the 6th Remuneration Committee, and on January 21, 2025, the 3rd meeting of 6th term of the the Remuneration Committee was elected as the convener.

Identity	Name	Criteria	Professional Qualifications and Experience	Independence Situation	No. of other listed companies working as remuneration committee member of
Others	Cai, Chi-chan	<ul style="list-style-type: none"> ■ Member of the Remuneration Committee ■ Qualified as a lawyer for more than 5 years, with rich experience in legal affairs ■ Primary current position Attorney of Hong-Li Law Firm Sole mediator of Taichung City Government Labor Bureau ■ None of the provisions of Article 30 of the Company Act. 		<ol style="list-style-type: none"> 1. Him, his spouse, and relatives within the second degree of kinship do not serve as directors, supervisors or employees of the company or its affiliated companies. The Remuneration Committee member Cai, Chi-Chan concurrently serve as the Remuneration Committee member of the parent company, does not apply to this restriction. 2. The person, the spouse, the relatives within the second degree of relatives do not hold the number of shares in the company 3. The members of the Remuneration Committee maintain their independence within the scope of execution of their business, and shall not have direct or indirect interests in the company. They have no Circumstances stipulated in Article 6, Paragraph 1 of “Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange” in the two years prior to their appointment and during their term of office. 4. Has not provided business, legal, financial, accounting and other services to the Company or its affiliated companies for the last 2 years and received compensation. 	1

2. Authority of the Remuneration Committee

The remuneration committee of the Company convenes at least twice a year, and may hold meetings at any time as needed. The main responsibilities and annual work focus are to formulate and regularly review the policies, systems, standards and structures of directors and managers' performance evaluation and remuneration, and regularly evaluate and determine the remuneration of directors and managers.

3. Remuneration Committee Operation Status

- (1) The Company's Remuneration Committee is composed of three members.
- (2) The term of office of the fifth term members: From September 7, 2021, to June 13, 2024.
The committee convened 3 times (A) in 2024. Member attendance was as follows:
- (3) The term of office of the sixth term of members: From July 10, 2024, to June 12, 2027. The committee convened 2 times (A) in 2024. Member attendance was as follows:

Job Title	Name	Actual no. of meetings attended (B)	No. of meetings with entrusted attendance	Actual no. of meetings attended (B/A)	Remarks
Convener	Independent Director Li, Wen-Cheng (Note 1)	3	0	100.00%	June 13, 2024 dismissed (should attend 3 times)
Convener	Independent Director Chen, Yung-chang (Note 2)	2	0	100.00%	December 17, 2024 Resigned (was required to attend 2 meeting)
Committee member	Independent Director Yen, Yun-Chi	5	0	100.00%	
Convener	Independent Director Chou I-Chiang (Note 3)	0	0	0%	December 31, 2024 taking office (should attend 0 times)
Committee member	Cai, Chi-chan	3	2	60.00%	
Average actual attendance rate of members of the Remuneration Committee in 2024 (%) (Total actual attendances / total required attendances)				86.66%	
<p>Note 1: Independent director Li Wen-Cheng was dismissed after the re-election at the shareholders' meeting on June 13, 2024.</p> <p>Note 2: On July 10, 2024, the Board appointed Independent Director Chen, Yung-Chang as a member of the 6th Remuneration Committee, and on September 5, 2024, during the 1st meeting of the 6th term, he was elected as the convener. However, he resigned on December 17, 2024.</p> <p>Note 3: Independent Director Chou, I-chiang was appointed by resolution of the Board on December 31, 2024, and was elected as the convener at the 3rd meeting of the 6th Remuneration Committee on January 21, 2025.</p> <p>Other items to be recorded:</p> <p>I. Subjects and resolutions of the proposals of the Remuneration Committee during 2024 and 2025 as of March, and the Company's handling of the opinions of the Remuneration Committee:</p>					

Date of meetings of the Remuneration Committee	Motion Contents	Resolutions of Remuneration Committee	The Company's treatment to the opinions of the Remuneration Committee	Date of Board of Directors Meeting	Resolution of the Board of Directors
2024.02.05 11th meeting of the 5th term	Proposal to distribute 2022 managerial officers' remuneration.	All attending members approved	Submitted to the Board of Directors for resolution	2024.02.05 25th meeting of the last term	Except for independent directors who did not participate in the discussion and avoid voting in accordance with the law, the remaining directors agreed to pass the case
	Proposal to disburse the 2023 annual performance bonus of the managerial officers.				
2024.02.26 12th meeting of the 5th term	Change in Head of Planning Department at the Company	All attending members approved	Submitted to the Board of Directors for resolution	2024.02.26 26th meeting of last term	All attending directors approved
2024.03.13 13th meeting of the 5th term	Proposal to distribute remuneration to the Company's employees and directors for 2023.	All attending members approved	Submitted to the Board of Directors for resolution	2024.03.13 27th meeting of last term	All attending directors approved
2024.09.05 1st meeting of the 6th term	Proposal for personnel promotion and salary adjustment	All attending members approved	Submitted to the Board of Directors for resolution	2024.09.05 5th meeting of the term	All attending directors approved
2024.12.02 2nd meeting of the 6th term	Review the performance review and remuneration policy, system, standards, and structure case for the Company's directors (not including independent directors) and managerial officers.	All attending members approved	Submitted to the Board of Directors for resolution	2024.12.02 8th meeting of the term	Except for independent directors who did not participate in the discussion and avoid voting in accordance with the law, the remaining directors agreed to pass the case
	Review the performance review and remuneration policy, system, standards, and structure for the Company's directors (not including independent directors) and managerial officers.	Except for members who did not participate in the discussion and avoid voting in accordance with the law, the remaining members agreed to pass the proposal			
	Finalized distribution plan for directors' remuneration for 2023	All attending members approved			
2025.01.21 3rd meeting of the 6th term	Proposal to distribute 2023 managerial officers' remuneration.	All attending members approved	Submitted to the Board of Directors for resolution	2025.01.21 10th meeting of the term	Except for independent directors who did not participate in the discussion and avoid voting in accordance with the law, the remaining directors agreed to pass the case
	Proposal to distribute 2024 annual performance bonuses to managerial officers				
2025.03.10 4th meeting of the 6th term	Proposal to distribute remuneration to the Company's employees and directors for 2024.	All attending members approved	Submitted to the Board of Directors for resolution	2025.03.10 11th meeting of the term	All attending directors approved

II. If the Board of Directors did not adopt or amend the suggestions of the Remuneration Committee, please indicate the date and session number of the Board meeting, the contents of the motion, the result of the resolution and the Company's handling of the suggestions of the Remuneration Committee (if the remuneration passed by the Board is better than the suggestion of the Remuneration Committee, please

state the difference and the reasons): No such situation.
III. If any member had objections or reservations about the resolutions of the Remuneration Committee and there is a record or a written statement, please indicate the date and session number of the Remuneration Committee meeting, the contents of the motion, all the opinions of the members and how the opinions were handled: No such situation.

(V) Composition, Responsibilities, and Operations of the Sustainable Development Committee

1. Sustainable Development Committee Member Information

Job Title	Name	Academic / Professional Background	Area of Expertise
Chairperson (Convener)	Chiu, Ping-Tse	Graduate Institute of Civil Engineering, National Taiwan University President of Run Long Construction Corporation.	Industry knowledge and business management
Independent Director	Chen, Yung- Chang (Note 1)	Department of Law, National Taiwan University Judge of Taiwan High Court	Law and corporate governance
Independent Director	Chou, I-Chiang	M.A./Ph.D. in Urban and Regional Planning, University of Southern California (USC) Associate Professor, Department of Urban Planning and Spatial Information, Feng Chia University Chief Secretary, Feng Chia University Dean, College of Business, Feng Chia University Chairperson, Cheng Lie Navigation Co., Ltd.	National land planning, conservation, and sustainable environment
Independent Director	Yen, Yun- Chi (Note 2)	Department of Public Health, China University of Technology Chairman Tungyue Advertising Co., Ltd.	Business and accounting\

Note 1: Independent director Chen Yung-Chang resigned on December 17, 2024.

Note 2: Independent Director Yen, Yun-Chi was appointed by resolution of the Board of Directors on December 31, 2024.

2. Duties of the Sustainable Development Committee

The Company's Sustainable Development Committee shall convene at least twice a year and may hold meetings as needed. The primary mission is to enhance corporate governance effectiveness, fulfill corporate social responsibility, and implement environmental sustainability. The duties include the following:

- (1) Deliberation of sustainable development policies.
- (2) Deliberation of sustainable development strategies and plans.
- (3) Supervision of the implementation of sustainable development strategies and plans, and review and follow-up of results.
- (4) Other material issues of concern to stakeholders, including investors, customers, suppliers, employees, government agencies, society, and the media.
- (5) Other matters as assigned by resolution of the Board of Directors. Resolutions of the Sustainable Development Committee shall be implemented by relevant task forces, such as the Sustainable Development Promotion Team or other functional groups.

3. Sustainable Development Committee Operation Status

- (1) The Sustainable Development Committee currently consists of 3 members.
- (2) The term of the first Committee is from August 12, 2024 to June 12, 2027. In fiscal year 2024, the Committee held 2 meetings (A), and members' attendance is as follows:

Job Title	Name	Actual no. of meetings attended (B)	No. of meetings with entrusted attendance	Actual no. of meetings attended (B/A)	Remarks
Chairperson (Convener)	Chiu, Ping-Tse	2	0	100.00%	
Independent Director	Chen, Yung-Chang (Note 1)	1	0	100.00%	December 17, 2024 Resigned (was required to attend 1 meeting)
Independent Director	Chou, I-Chiang	2	0	100.00%	
Independent Director	Yen, Yun-Chi (Note 2)	—	—	—	December 31, 2024 taking office (should attend 0 times)
Average attendance rate of the Sustainable Development Committee in 2024 (%): (Total actual attendances / total required attendances)				100.00%	

Note 1: Independent director Chen Yung-Chang resigned on December 17, 2024.

Note 2: Independent Director Yen, Yun-Chi was appointed by resolution of the Board of Directors on December 31, 2024.

4. Matters discussed and resolutions passed by the Sustainable Development Committee in 2024, and the Company's handling of Committee opinions:

Committee Meeting Date	Agenda and Follow-up Actions	Resolution	Company's Handling of Committee Opinions
2024.10.14 1st meeting of the 1st term	Report on the establishment of the Company's Greenhouse Gas Inventory Task Force	The attending committee members acknowledged and submitted it to the Board of Directors	The Board of Directors acknowledged it upon agreement of all attending directors
	Progress report on the implementation timeline for the greenhouse gas inventory and verification planning of the Company and its subsidiaries		
2024.12.31 2nd meeting of the 1st term	Report on the operations and implementation of sustainable development initiatives in 2024	The attending committee members acknowledged and submitted it to the Board of Directors	The Board of Directors acknowledged it upon agreement of all attending directors
	Report on cooperation with domestic cultural industries in 2024		
	Report on the implementation of corporate ethical management initiatives in 2024		
	Report on the implementation of insider trading prevention measures in 2024		
	Report on the management and implementation of information security risk in 2024		
	Report on the intellectual property management plan and implementation in 2024		
	Report on the risk management policy and its implementation in 2024		
	Report on stakeholder communication in 2024		
	Progress report on the implementation timeline for the greenhouse gas inventory and verification planning of the Company and its subsidiaries		

(VI) Facilitate Sustainability Development implementation and Differences with the Sustainability Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons

Implementation Action Items	Implementation situation			Deviations from “The Sustainability Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
1. Does the company establish a governance structure to promote sustainable development, and set up a dedicated (part-time) unit to promote sustainable development, and the board of directors authorizes the senior management to handle and supervise the situation to the board of directors?	✓		<p>1. To strengthen the management of sustainable development, the Company established a governance structure to promote sustainability and formally set up the Sustainable Development Committee on August 12, 2024. The committee comprises three directors, including two independent directors. Please refer to pages 71–73 of the annual report.</p> <p>2. The Committee is chaired by the Chairperson (Convener). Cross-departmental functional teams have been formed, with department heads designated as team leaders responsible for coordinating, communicating, and consolidating relevant data and matters within their purview to support project implementation and address key sustainability issues across various functional dimensions.</p> <p>3. The Company has appointed the Management Department to concurrently serve as the dedicated unit</p>	No variances.

Implementation Action Items	Implementation situation			Deviations from “The Sustainability Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
			<p>for promoting sustainable development. It is responsible for sustainability-related policies, systems, management guidelines, planning and executing sustainability initiatives, and compiling the Sustainability Report.</p> <p>4. The Management Department reports regularly each year to the Sustainable Development Committee and the Board of Directors on the Company’s concrete sustainability achievements and implementation progress. This was most recently reported at the 2nd meeting of the 1st Sustainable Development Committee and the 9th Board meeting on December 31, 2024.</p> <p>5. The Sustainable Development Committee and the Board of Directors, based on the Management Department’s reports (including the ESG report), review performance, assess the effectiveness of implementation, and, when necessary, propose improvements or</p>	

Implementation Action Items	Implementation situation			Deviations from “The Sustainability Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
			adjustments to ensure the full integration of sustainability strategies into daily operations.	
2. Does the company assess the risk of the environment, society, and issue of management of the company and set up a policy or strategy of risk management, according to principle of importance? (Note 1)	✓		<p>1. This disclosure covers the company's sustainable development performance at its main bases from January 2024 to December 2024. The risk assessment boundary is mainly based on the company and its subsidiaries.</p> <p>2. Based on the Company's and subsidiaries' operations, risks potentially affecting business or profitability are identified and evaluated in a proactive and cost-effective manner. Major considerations include operational environment, business activities, finances, and occupational safety. The Company reviews the completeness and effectiveness of its enterprise risk management, assessing key risks related to environmental, social, and governance (ESG) issues and establishing frameworks accordingly. Please refer to pages 60–62 of the annual report and the Company website</p>	No variances.

Implementation Action Items	Implementation situation			Deviations from “The Sustainability Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
			[https://www.runlong.com.tw > Investors > ESG Report].	
3. Environmental Issue (1) Does the company set up an appropriate environmental management system, according to the feature of the industry?	✓		(1) 1. Green Buildings: The Company is committed to environmental protection and sustainable development. Its green buildings comply with standards for green and low-carbon certification, offering benefits such as energy savings, carbon reduction, reduced environmental impact, and high usability. 2. Green Building Labels and Candidate Certifications: By obtaining official labels and candidate certifications, the Company demonstrates that its construction projects incorporate environmental and energy-saving considerations from the design stage, meeting required benchmarks. 2024 Green Building Certification Participation: (1) Urban Forest Project, Taipei – Green Building Candidate Certificate, Diamond Level (2) National Central City Project, Taoyuan –	(1) No variances.

Implementation Action Items	Implementation situation			Deviations from “The Sustainability Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
(2) Does the company dedicate in promoting efficiency of the usage of any energy, and use renewable materials that have a low impact on the environment?	✓		<p>Green Building Certificate, Silver Level</p> <p>(3) Juke Run Long Project, Hsinchu – Green Building Certificate, Gold Level</p> <p>3. Low-Carbon Buildings: To promote net-zero construction transformation, the Company integrates life-cycle thinking into project development, adopting low-carbon and circular construction design. This includes lightweight structures, energy-saving designs, renewable energy, low-carbon construction methods, use of circular materials, and recycling of construction waste for optimal energy efficiency and carbon reduction.</p> <p>2024 Low-Carbon Building Certification Participation:</p> <p>(1) Xitun Wenshang-1 Project, Taichung – Low-Carbon Building Certificate, Compliant Level</p> <p>(2)</p> <p>1. Incorporating Green Building Concepts for Sustainable Homes: In response to escalating</p>	(2) No variances.

Implementation Action Items	Implementation situation			Deviations from “The Sustainability Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
			<p>climate change, the Company addresses low-carbon initiatives such as green finance, carbon footprint mechanisms, carbon trading and asset management, and negative emissions technologies. In architecture, the focus is on “zero-carbon” or “net-zero” buildings. The realization of net-zero buildings is based on green building concepts, enhanced through intelligent building technologies and supported by renewable energy.</p> <p>The Company has fully integrated green building concepts into new projects, promoting eco-friendly planning and design. Guided by the Green Building Label framework, it applies sustainability throughout the entire lifecycle—from materials production and architectural planning to construction, usage, management, and demolition—incorporating ecological, energy-saving, waste-reducing, and health-enhancing principles.</p> <p>From 2024, for new projects seeking Green Building or</p>	

Implementation Action Items	Implementation situation			Deviations from “The Sustainability Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
(3) Does the company assess the risks and chances that the climate change makes to the present and the future of the company, and adapt measures against the issue?	✓		<p>Intelligent Building certification, the Company has also introduced carbon footprint assessments for the construction industry, aiming to obtain LCBA Building Carbon Footprint Certification during the design approval phase.</p> <p>2. Energy-Saving Equipment: Rooftop solar panels have been installed to increase the use of green energy. See Note 2.</p> <p>(3)</p> <p>1. The Board of Directors serves as the highest decision-making body for climate-related issues. The Sustainable Development Committee, established on August 12, 2024, is chaired by the Chairperson and annually reviews the Company’s climate change strategies, targets, risk management actions, execution status, and future plans, reporting directly to the Board.</p> <p>2. The Company identifies feasible opportunities and formulates corresponding strategies. In terms of climate change mitigation,</p>	(3) No variances.

Implementation Action Items	Implementation situation			Deviations from “The Sustainability Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
(4) Does the company calculate the emission of green house gas, water consumption, and the amount of waste, and set up a managerial policy of reducing green house gas, reducing using water, or other waste.	✓		<p>efforts focus on green operations, energy management, carbon disclosure, and green building practices. The Company has implemented foundational improvements, built sustainable operating capabilities, and utilized green building measures.</p> <p>3. Details of the Company’s climate risk and opportunity analysis are disclosed in the Sustainability Report. Please refer to the Market Observation Post System (MOPS) [http://mops.twse.com.tw > Corporate Governance > ESG-Related Information > Sustainability Report] or the Company website [https://www.runlong.com.tw > Investors > ESG Report].</p> <p>(4)</p> <p>1. The Company has compiled two years of greenhouse gas emissions, water usage, and construction waste data and formulated policies for GHG reduction, water conservation, and other waste management. See Note 3.</p>	(4) No variances.

Implementation Action Items	Implementation situation			Deviations from “The Sustainability Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
			<p>2. The Company continues to implement energy-saving programs such as “Energy Conservation and Carbon Reduction.”, the target for greenhouse gas emissions in the office area was set to remain below 100tCO₂e.</p> <p>3. The construction wastes produced in the construction processes of the Company’s projects somewhat vary with the construction progress. The Company’s strategies for managing construction wastes particularly highlight lawful collection, transportation, reduction and recycling of wastes.</p> <p>4. For detailed information on greenhouse gas emissions, water consumption, waste treatment, and relevant policies, please refer to the Company’s website: https://www.runlong.com.tw > Investors > ESG Report and Note 3.</p>	
<p>4. Social Issues</p> <p>(1) Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?</p>	✓		<p>(1)</p> <p>1. The Company recognizes and voluntarily adheres to internationally accepted human rights standards, including the “Universal Declaration of Human</p>	(1) No variances.

Implementation Action Items	Implementation situation			Deviations from “The Sustainability Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
(2) Does the company set up and practice the measures of employees’ welfare (including payment, vacation, and others), and adjust the payment according to the performance of the operation?	✓		<p>Rights,” the “UN Global Compact,” the “UN Guiding Principles on Business and Human Rights,” and conventions of the “International Labour Organization.” The Company has established the “Human Rights Policy and Code of Workplace Conduct,” which is publicly available on the Company’s website.</p> <p>2. A summary of the Company’s human rights management policy and concrete programs is provided in Note 4.</p> <p>(2)</p> <p>1. The Company has clearly defined systems for employee promotion, evaluation, training, and rewards and penalties.</p> <p>2. The Company closely aligns individual goals with organizational objectives. Based on individual performance and Company results, employees are granted year-end and performance bonuses, as well as three festival bonuses annually. In addition, two performance</p>	(2) No variances.

Implementation Action Items	Implementation situation			Deviations from “The Sustainability Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
			<p>reviews are conducted each year, with remuneration adjusted accordingly. Please refer to pages 140–142 of the annual report.</p> <p>3. Employee Welfare Measures: The Company has established a Joint Employee Welfare Committee. In 2024, the Company allocated over NT\$7 million in employee welfare funds, planning and offering a wide range of quality benefits, including group insurance, regular health checkups, uniforms, travel subsidies, birthday celebrations, birthday and festival gifts, marriage and bereavement allowances, childbirth benefits, scholarships for employees' children, communication subsidies, club sponsorships, and holiday bonuses. For details, please refer to pages 160–162 of the annual report.</p> <p>4. In terms of the Company’s leave system, in addition to a standard five-day workweek, employees who have completed one year of service are entitled to 10 days of special leave</p>	

Implementation Action Items	Implementation situation			Deviations from “The Sustainability Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
(3) Whether the company offers both safe and healthy working environment for its employees, and put into practice of safety and health education on a regular basis or not?	✓		<p>annually (pro-rated for those with less than one year of service). Employees facing needs such as parental leave, major illness, or significant life events may also apply for unpaid leave to balance personal and family responsibilities. Please refer to pages 160–162 of the annual report.</p> <p>5. To foster workplace diversity and gender equality, in 2024, women made up 29.53% of total staff across the Company and its subsidiaries, with female representation in the Company itself reaching 51.04%.</p> <p>(3)</p> <p>1. The Company attaches great importance to the employees’ safety and health. It provides health care and assistance. The employees are entitled to group insurance and annual physical examination (once a year).</p> <p>2. In accordance with labor health protection regulations, the Group arranges for on-site healthcare services by</p>	(3) No variances.

Implementation Action Items	Implementation situation			Deviations from “The Sustainability Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
			<p>medical professionals for four hours per month. Employees receive professional guidance and recommendations regarding occupational injuries, personal illnesses, health check reports, or post-illness return-to-work cases.</p> <p>3. To enhance employee awareness of occupational safety and health:</p> <p>(1) New employees or those changing job roles must receive appropriate general occupational safety and health education and training before commencing work (exempting cases where the work environment and duties are similar). All new hires or employees undergoing job changes (including administrative personnel) are required to complete three hours of general occupational health and safety training.</p> <p>(2) A total of 13 Company employees completed online safety and health courses between March and December 2024, with a combined total of 41 training hours and</p>	

Implementation Action Items	Implementation situation			Deviations from “The Sustainability Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
(4) Whether an effective career development training project is available for employees or not?	✓		<p>certification upon passing.</p> <p>4. In 2024, the Company and its subsidiaries recorded zero workplace injury cases (excluding traffic-related incidents), with no injuries or fatalities, accounting for 0% of total employees.</p> <p>5. No fire incidents occurred within the Company or its subsidiaries in 2024.</p> <p>(4)</p> <p>1. The company prioritizes long-term talent development based on organizational needs, departmental needs, and individual employee needs by planning various internal and external training programs. These include training for new employees, advanced professional training, and management training, aiding colleagues in continuous learning and growth through diverse learning methods.</p> <p>2. For advanced studies and training of the Company and its subsidiaries in 2024, please refer to Page 162-167 of the annual report.</p> <p>3. On March 3, 2025, the Company’s Management</p>	(4) No variances.

Implementation Action Items	Implementation situation			Deviations from “The Sustainability Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
(5) Whether the health and security of the customers, privacy of the clients, and marketing and indication issues are following the rules, and related consumer or customers protection policies and grievance procedures are available by the company?	✓		<p>Department announced the newly established “Employee Training and Career Development Plan,” available on the Company’s website: https://www.runlong.com.tw > Investors > Corporate Governance Information > Employee Training and Career Development Plan.</p> <p>(5)</p> <p>1. The Company has established Personal Data Protection Guidelines and a dedicated Personal Data Protection Team to manage and safeguard customer privacy. Internal audits, external certifications, crisis prevention, and education and training are implemented to ensure data security.</p> <p>2. The Company strictly complies with government regulations, including signing standardized purchase agreements per Ministry of the Interior requirements, adhering to marketing regulations, maintaining timely communication on customer project modifications, and</p>	(5) No variances.

Implementation Action Items	Implementation situation			Deviations from “The Sustainability Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
(6) Whether the company set up a managerial policy of supplier, asking them to follow the rules, such as environmental rules, workplace safety and health, and labor right?	✓		<p>performing independent quality inspections and repair follow-ups to safeguard consumer rights.</p> <p>3. The Company maintains good communication channels with customers, and has dedicated departmental customer service personnel, who comply with confidentiality protocols and the Personal Information Protection Act for customer privacy. The Company’s website has an Investors section, disclosing policies to protect consumer rights and provide a complaint filing channel.</p> <p>(6) For supplier management policies and implementation in 2024, please refer to pages 57–58 of the annual report.</p>	(6) No variances.
5. Does the company compile the Sustainability Report that disclose non-financial information according to international principle or guideline of report editing? Are the report confirm and guarantee by third testing unit?	✓		<p>1. The Company’s 2023 Sustainability Report was prepared in accordance with the GRI Sustainability Reporting Standards (GRI Standards), following the “Core” option. It also referenced the Sustainability Accounting Standards Board (SASB) in 2023 and the Task Force on Climate-</p>	No variances.

Implementation Action Items	Implementation situation			Deviations from “The Sustainability Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
			<p>related Financial Disclosures (TCFD) indicators to disclose ESG developments and trends.</p> <p>2. The report underwent limited assurance in accordance with ISAE 3000, performed by the independent third-party firm Ernst & Young, which issued an assurance statement. Please refer to the Company’s website: https://www.runlong.com.tw > Investors > ESG Report.</p>	
<p>6. If the Company has its own Sustainable Development code in accordance with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe the difference between its operation and the prescribed code:</p> <p>The Company has amended its “Sustainable Development Best Practice Principles” in accordance with the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” to reinforce corporate sustainability and social responsibility. These principles have been integrated into the Company’s operations and management.</p> <p>In order to improve the management of sustainable development, the company establishes a governance structure to promote sustainable development and assigns the administration dept. as a part-time unit to promote sustainable development, responsible for the proposal, promotion, implementation, and report of sustainable development policies, systems, or related management guidelines and specific promotion plans. And report the implementation situation to the board of directors at least once per year.</p> <p>On August 12, 2024, the Board of Directors approved the establishment of the Sustainable Development Committee, enacted its organizational regulations, and appointed its first-term committee members.</p>				
<p>7. Other important information to help understand the facilitation of corporate sustainable development:</p> <p>(1) The Company expects that its own operations will bring positive developments to neighborhood communities. In addition to focusing on its major business, the Company will continue to manage and maintain the adopted roads and parks in order to establish good community relations:</p> <p>1. Adoption of parks, plazas, green spaces, beside Zhiyun Road in Hsinchu City (Land No. 1065, Guangwu Section). The adoption period is from October 25, 2018, to October 25, 2027. The adoption includes responsibilities such as maintaining the adopted parks and green spaces by</p>				

Implementation Action Items	Implementation situation			Deviations from “The Sustainability Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	

collecting garbage and cleaning animal excrement. When the park, green space or plaza facility is damaged due to natural disasters or by people, the Hsinchu City Government shall be notified as soon as possible.

Summary of Maintenance Items and Related Expenses:

Unit: NT\$

Item	Maintenance Project	Maintenance Cost (Tax Inclusive)
1	Landscape maintenance	186,900
Total		186,900

2. The Company, together with Hai Ju Construction and Huan Ding Development, has adopted 16 plots (Nos. 1021, 1024-1, 1026-1, 1027-1, 1060, 1073-1, 1073-2, 1074-1, 1076-1, 1076-2, 1076-3, 1077, 1080, 1086-3, 1086-8, and 1122) located in De'an Section, Zhongshan District, Keelung City, covering urban planning road areas and related facilities (including but not limited to roads, drainage systems, retaining walls, streetlights, etc.). During the adoption period, took charge of sustainability maintenance and management from September 29, 2022. The adoption covers completely milling and paving the adopted roads every 8 years, eliminating deficiencies of the adopted roads, setting emergency security measures, and regularly dispatching personnel for patrol and maintenance, etc.

3. The Company, together with Hai Ju Construction and Huan Ding Development, also jointly adopted the maintenance of four land plots (Nos. 1084, 1086-1, 1089, and 1090-1) located in the green space areas of De'an Section, Zhongshan District, Keelung City, and related facilities (including but not limited to lighting, railings, riverside platforms, and landscaped pedestrian bridges). During the adoption period, took charge of sustainability maintenance and management from September 13, 2022. The adoption covers regular and irregular maintenance of environmental cleanliness, tree straightening, vegetation trimming, and maintenance of lights and related facilities, etc.

4. The Company undertook the maintenance of the above roads and related facilities (2. and 3.) in De'an Section, Zhongshan District, Keelung City. The maintenance projects and related expenses for 2024 are as follows:

Implementation Action Items	Implementation situation			Deviations from “The Sustainability Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	

Unit: NT\$

Item	Maintenance Project	Maintenance Cost (Tax Inclusive)
1	Landscape maintenance	204,120
2	Environmental sanitation	232,200
Total		436,320

(2) Ecological Conservation – Taipei Tree Frogs:

Since 2019, the Company has implemented a Taipei tree frog conservation project in Wanfeng Section, Wenshan District, Taipei City. Out of a total site area of approximately 29,322 m² near the Xinyi District, only approximately 1,256 m² were used for the development of boutique ecological residences. This decision was made to preserve the natural habitat of the tree frogs located at the rear of the property. Detailed plans were implemented throughout the construction phases to protect the surrounding environment, mitigate ecological impact, and maintain neighborly relations. The Company's direct investments in conservation (Note) are as follows:

Item	Frequency	Period	Unit Price (Monthly)	Total Price	Accumulated Amount as of December 2024
Amphibian expert consultant fees	September to May	5 years	NT\$45,450	NT\$2,045,250	NT\$1,454,400 January 2021 to May 2024
Taipei tree frog monitoring	Monthly	13 years	NT\$27,000	NT\$4,212,000	NT\$1,620,000 September 2019 to August 2024
Total				NT\$6,257,250	NT\$3,074,400

Note: The amounts listed above do not include environmental monitoring fees for the site and reflect only direct costs related to frog conservation.

(3) Cooperation with the Domestic Cultural Industry:

- On October 17, 2024, the Company signed a Memorandum of Understanding with the Taiwan Creative Content Agency (TAICCA) to collaborate on initiatives related to urban mining, sustainable fashion, and ecological conservation, aiming to amplify the scale, depth, and influence of cultural impact.
- For the first time, Run Long has partnered with a cultural organization to address sustainability issues, focusing on the importance of coexistence with the environment. With the facilitation of Deloitte and TAICCA, and in collaboration with The Classic Vision Co., Ltd. (Spot-Link Cinema), Run Long co-produced the documentary “A Promise of Coexistence.” (watch here: <https://www.youtube.com/watch?v=SmLYExKYJFI>). The film documents the Company’s efforts to protect and restore the tree frog habitat during the development process, minimizing ecological impact.

Implementation Action Items	Implementation situation			Deviations from “The Sustainability Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons																
	YES	NO	Abstract Illustration																	
<p>3. The documentary has been used as a platform for dialogue and engagement through discussion-based screenings held in schools and community neighborhoods. Through this film, we hope to communicate the Company’s values, raise public awareness of tree frog conservation, and foster a deeper emotional connection with the community. This initiative is expected to have a positive effect on enhancing the Company’s brand image and overall value.</p> <p>4. Starting from November 2024, a total of three sessions were held. Further community and campus screenings will continue in 2025, using engaging quizzes to instill concepts of sustainability and environmental balance in children and residents. The sessions held in 2024 were as follows:</p> <table><tr><th>Session</th><th>Organization/School</th><th>Date & Time</th><th>Participants</th></tr><tr><td>1</td><td>Shih Hsin University (No. 1, Lane 17, Section 1, Muzha Road, Wenshan District, Taipei City)</td><td>Nov. 7, 2024 3:00–4:00 PM</td><td>33</td></tr><tr><td>2</td><td>Zhongzheng Elementary School (No. 62, Longjiang Road, Zhongshan District, Taipei City)</td><td>Nov. 8, 2024 9:35–10:15 AM</td><td>28</td></tr><tr><td>3</td><td>Xing’an Elementary School (No. 22, Section 3, Ren’ai Road, Da’an District, Taipei City)</td><td>Nov. 22, 2024 1:30–2:20 PM</td><td>60</td></tr></table> <p>5. This collaboration with the Taiwan Creative Content Agency (TAICCA) encompasses three key themes—(1) Documentary Film Production, (2) Urban Mining, and (3) Emerging Creators—covering a total of five projects. In addition to the aforementioned documentary co-produced with Sporangium Cinema, the Company is also partnering with TAICCA and the following cultural creators:</p> <p>(1) Yuan Yuan Accessories Studio: Redesigns discarded concrete blocks and cement into eco-friendly succulent cement planters. These not only serve as gifts but also effectively promote the reuse of construction waste.</p> <p>(2) RE:NEW – Recycled Banner Shopping Bags: Repurposes promotional mesh banners from construction projects into aesthetically pleasing and practical shopping bags, helping reduce material waste and advancing the goal of sustainable fashion.</p> <p>(3) Ray Chu Studio – Micro Office Inspiration Space: Leverages fashion design concepts to create distinct styles that set themselves apart from conventional commercial designs.</p> <p>(4) Aoyi Brand Design – LINE Sticker Co-Design: Launched a series of LINE stickers featuring native Taiwanese wildlife, combining the Group’s mascots “Fa Bao” and “Taiwanimal” in collaborative designs that integrate corporate identity with environmental protection themes. Among the featured animals is the tree frog, which echoes the Company’s conservation initiatives.</p> <p>6. The Company remains committed to transforming corporate social responsibility into tangible actions—from environmental conservation and social care to corporate governance—while</p>					Session	Organization/School	Date & Time	Participants	1	Shih Hsin University (No. 1, Lane 17, Section 1, Muzha Road, Wenshan District, Taipei City)	Nov. 7, 2024 3:00–4:00 PM	33	2	Zhongzheng Elementary School (No. 62, Longjiang Road, Zhongshan District, Taipei City)	Nov. 8, 2024 9:35–10:15 AM	28	3	Xing’an Elementary School (No. 22, Section 3, Ren’ai Road, Da’an District, Taipei City)	Nov. 22, 2024 1:30–2:20 PM	60
Session	Organization/School	Date & Time	Participants																	
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Implementation Action Items	Implementation situation			Deviations from “The Sustainability Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
working hand-in-hand with cultural creators to foster harmonious cross-industry development.				
(4) Participation in Architecture-Related Recognition Activities:				
1. Urban Forest Project, Taipei – Green Building Candidate Certificate, Diamond Level				
2. National Central City Project, Taoyuan – Green Building Certificate, Silver Level				
3. Juke Run Long Project, Hsinchu – Green Building Certificate, Gold Level				
4. Xitun Wenshang-1 Project, Taichung – Low-Carbon Building Certificate, Compliant Level				
(5) The company sponsors various public welfare activities from time to time:				
1. A donation of NT\$100,000 to Fo Guang Shan Temple.				
2. Donated NT\$10,000 to Taichung Urban Medical Clinics Association.				
3. The Company encourages employees to participate in diverse volunteer activities and incorporates these efforts into performance evaluations. In 2024, a total of 19 employees participated in public service, contributing approximately 113.5 hours. The charitable activities and partnering organizations included:				
Andrew Charity Association – Food Bank Program (12 hours); Taiwan Mix Care For Stray Animals Association – Cat Shelter Cleaning and Care (6 hours); Jing Chuan Child Safety Foundation – Packing Traffic Safety Educational Materials and Promotional Items (88 hours); Eden Social Welfare Foundation – Recreational Activities for People with Disabilities (7.5 hours).				
(6) Office energy saving measures:				
1. Employees are encouraged to take stairs instead of elevators, promoting health and reducing carbon emissions.				
2. Lighting and appliance purchases prioritize models with energy-saving labels.				
3. Copiers switch to automatic energy-saving mode when idle.				
4. Pantries remain in energy-saving mode when not in use, with motion-sensor lighting recommended.				
5. Air conditioners are set to a minimum of 26°C, and doors and windows are kept closed during operation to prevent cool air leakage.				
6. After meetings, lights and air conditioning in conference rooms should be turned off promptly.				
7. Supervisors are expected to turn off lights and air conditioning in their offices when attending meetings or working off-site.				
8. Regular cleaning of air conditioning units extends equipment life and improves energy efficiency.				
9. Computers should be set to power-saving mode to automatically enter low-energy sleep mode.				
10. Devices such as computers, monitors, speakers, printers, and copiers should be fully powered off when not in use for extended periods to avoid standby energy waste.				

Implementation Action Items	Implementation situation			Deviations from “The Sustainability Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	YES	NO	Abstract Illustration	
<p>11. Power strips with individual switches help minimize standby power consumption from unused devices.</p> <p>12. Employees must turn off lighting and air conditioning in their work areas after hours; failure to comply may result in accountability.</p> <p>13. Lights are turned off during lunch breaks to reduce lighting electricity consumption by 10%.</p> <p>14. Putting computers to sleep for one hour during lunch saves approximately 0.1 kWh.</p> <p>15. Shutting down a personal computer for 15 hours each day can save around 1 kWh per day, or about 375 kWh annually.</p> <p>16. Turning off copy machines after work can save approximately 1,476 kWh per year.</p> <p>(7) Water Conservation Measures:</p> <p>1. Use of sensor-activated faucets to minimize unnecessary water use.</p> <p>2. Promotion of environmental awareness by adjusting water flow in restrooms and pantries.</p> <p>(8) Paper Usage:</p> <p>1. Default to black-and-white printing and prioritize the use of recycled paper or double-sided printing.</p> <p>2. The briefcase/ briefcase is reused repeatedly.</p> <p>3. Use electronic document processing to reduce printing or photocopying.</p> <p>4. Make good use of the scan function to convert it into an electronic image archive.</p> <p>(9) Introduction of Electronic Invoicing</p> <p>1. Environmental Protection: Reduction in paper usage and mail delivery carbon footprint.</p> <p>2. Social Responsibility: Provision for consumers to store invoices electronically in the cloud, facilitating easier invoice tracking and prize claims.</p> <p>3. Corporate Governance: Integration of invoicing into the information system to enhance transparency.</p> <p>4. In 2023, 19,582 electronic invoices were issued, reducing carbon emissions by 0.074 metric tons.</p> <p>5. In 2024 14,801 electronic invoices were issued, reducing carbon emissions by 0.056 metric tons.</p> <p>(10) Others: The recycling management and resource classification of wastes such as kitchen waste, iron-aluminum glass jars, waste paper and special bottles, etc., shall be carried out, and professionals shall be responsible for the treatment and classification of wastes.</p>				

Note 1: The principle of materiality refers to those related environmental, social and governance issues having significant impact on the Company’s investors and other stakeholders.

Note 2: Energy-saving equipment: Procurement of energy-saving equipment in 2024 (Year 113) is as follows:

Energy-Saving or Green Energy Item	Amount (NT\$)	Power Generation Equipment (kW)	Annual Power Output (kWh)	GHG Reduction (Power Emission Factor = 0.495 kg)
Solar Power Generation Equipment	1,800,000	33.66	36,366.26	18,001.29kgCO ₂ e

Note 3: The company's statistics on the greenhouse gas emissions, water consumption and total weight of construction waste in the office area in the past two years are as follows:

Year \ Item	Greenhouse gas emissions (tons CO ₂ e)				
	Scope 1	Scope 2			Total
	Taipei	Taipei	Taichung	Tainan	
2023	6.6	96.28	—	—	102.88
Carbon Intensity (Tons CO ₂ e/NT\$ Million)	0.0002	0.0031	—	—	0.0033
2024	276.4671	71.6599			348.1270
Carbon Intensity (Tons CO ₂ e/NT\$ Million)	0.0315	0.0082			0.0397

- Scope 1 boundary: Taipei office of the Company.
- Scope 2 boundary: Taipei office (2023); Taipei, Taichung, and Tainan offices (2024) of the Company.
- Calculation of Carbon Intensity: The calculation is based on the total emissions of the company (in tons of CO₂e) divided by the annual revenue of the company (in million NT\$).
- Scope 1: ①In 2023, three company vehicles were in use (one reassigned to an affiliate company in May 2024).
②The Company used two official vehicles, one of which was transferred for use by a related party in May 2024. Maintenance was also performed on air conditioners, refrigerators, water dispensers, ice water dispensers(air conditioner), and other office equipment not classified under specific categories.
- Scope 2: ①In 2023, main energies consumed were mainly electricity purchased from Taipei office areas of the Company. (electricity purchased from Taiwan power plants).
②In 2024, the primary energy consumption came from purchased electricity (Taipower) for its Taipei, Taichung, and Tainan offices.
- Scope 3: Indirect greenhouse gas emissions from the use of products (Category 4): Only upstream emissions from imported electricity and purchased goods (fuels) are quantified.
 - Emissions amounted to 17.9970 tCO₂e
 - Emissions intensity was 0.0021 tCO₂e per NT\$1 million in revenue.
- GHG Emissions for 2024 (Scope 1, Scope 2 and Scope 3):
 - Total emissions amounted to 366.1240 tCO₂e (not yet verified by a third party).
 - Emissions intensity was 0.0418 tCO₂e per NT\$1 million in revenue.

(3) Progress of Greenhouse Gas Inventory : GHG inventory for 2024 was completed in March 2025, and third-party verification is expected to be finalized by the end of May 2025. (Scope of confidence: Scope 1 and Scope 2).

8. The Company's water usage is limited to domestic use in its office operations. Under the water conservation plan, employees are encouraged to incorporate water-saving practices into their daily routines to maximize the efficient use of available water resources. In 2024, the Taipei office recorded a total water consumption of 145 cubic meters, representing a 34.98% reduction compared to 223 cubic meters in 2023.

Year	Water usage (m ³)				Intensity (metric tons/million NTD)
	Taipei	Taichung	Tainan	Total	
2023	223	—	—	223	0.0073
2024	145	150	27	322	0.0368

9. The scope of construction waste inventory for the years 2023 to 2024 is outlined as follows:

9.1 For 2023, the areas include Keelung Dean Section C, Zhonghe Yuantong 337, Taoyuan Shanji 76, Taichung Hui'an 223, and Taichung Chungcheng 228.

9.2 For 2024, the areas included Zhonghe Yuantong 337, Taoyuan Shanji 76, Taichung Hui'an 223, Taichung Chungcheng 228, Taichung Wenshang 11, Tainan Xinnan 93.

9.3 Construction waste generated from the Company's projects may vary depending on project size and construction progress.

Year	Total weight of construction waste (tons)	Intensity (metric tons/million NTD)
2023	26,647.50	0.8710
2024	20,265.50	2.3131

10. Policies for reducing greenhouse gasses, water usage, and managing other wastes are as follows:

10.1 Reduce greenhouse gas emissions:

- ① Company's primary energy consumption stems from externally purchased electricity and general-use power, resulting in indirect greenhouse gas emissions (Scope 2). To achieve annual energy-saving goals, the Company continues to educate employees on energy conservation measures such as turning off computers, lights, air conditioners, and other appliances after work, switching off lights during lunch breaks, and setting office air conditioning temperatures consistently between 26–28°C (as detailed on page 94-95 of the annual report).
- ② Our goal is to reduce carbon emissions by 1% compared to the previous year, contributing to greenhouse gas reduction and sustainable corporate development.
- ③ When replacing company cars, priority will be given to purchasing hybrid vehicles to support sustainable development goals for both the enterprise and the environment.

- ④ As leading nations around the world move to phase out fuel-powered vehicles, electric vehicles are becoming increasingly common. The Company is proactively incorporating EV charging infrastructure into its new projects, including installing conduits, power meters, and power boxes to facilitate future installation of charging stations by users.

10.2 Water Resource Management:

- ① The company's primary source of water is tap water supplied by the Taipei Water Department, used for domestic purposes in the office, presenting a relatively low risk associated with water resource impacts. Despite this, we are fully committed to water resource management. Our office water use focuses on infrastructure maintenance and improvements, including the use of sensor-based water-saving valves to effectively reduce unnecessary water wastage. We also continuously promote water conservation information among our employees to minimize the impact on water resources and the environment.
- ② We aim to reduce unnecessary water wastage each year by at least 1% compared to the previous year.

10.3 Wastewater Management:

- ① The source of wastewater in our office primarily comes from domestic wastewater generated by employees. The general domestic wastewater from our office does not significantly impact water bodies. As a non-manufacturing enterprise, we do not produce process wastewater. The wastewater from our building and adjacent properties is discharged in accordance with legal regulations, making it difficult to precisely quantify wastewater emissions.

10.4 Waste Management:

- ① The waste generated in our company's offices consists primarily of employee-generated domestic waste. In line with our environmental policies and compliance with government environmental regulations, we categorize waste into general waste and recyclables (including paper, PET bottles, and metal cans). The building's management service center contracts a cleaning company to handle waste uniformly. After properly recycling the reusable materials, the non-recyclable waste is ultimately disposed of through incineration or landfill. Therefore, it is not possible to precisely measure the volume of domestic waste generated by office employees.
- Although office waste management is not considered a material topic for the Company, efforts will continue to promote waste reduction initiatives in office operations, foster employees' habits of reducing plastic use, and instill green sustainability values in daily practices, with the aim of achieving environmental sustainability and evolving into a low-carbon enterprise.
- ② The waste generated from the Company's construction sites is classified as non-hazardous. The Company complies with applicable waste management regulations for proper sorting and disposal. Construction site waste is primarily categorized into construction waste and domestic waste, with construction waste comprising the majority. To ensure effective waste treatment, contractors are required to strictly manage the waste produced during construction activities and to engage licensed vendors approved by the government for waste disposal. Before the commencement of each project, the Company assigns personnel to conduct on-site inspections of the contractor-designated waste disposal sites to verify their compliance with legal standards.

- ③ In our main construction processes, such as formwork engineering, aluminum formwork is used on a case-by-case basis, effectively reducing the generation of construction waste. The company continues to explore new energy-saving construction methods to enhance waste reduction management policies.
- ④ As a non-manufacturing entity, our company does not need to differentiate between hazardous and non-hazardous waste.

11. Future Quantitative Management Goals:

Energy and Carbon Reduction Goals	In response to climate change, the Company will continue to advance its energy conservation and carbon reduction efforts through quantitative management. The year 2024 will serve as the base year, with an annual carbon reduction target of 1%.
Water Management Goals	In light of global water resource scarcity, the Company has also set 2024 as the base year, with the goal of reducing total corporate water consumption by 1% each year, taking concrete action to face the challenges of climate change alongside other global enterprises.
Waste Reduction Goals	Office waste is handled by the building's property management center, which contracts a cleaning company for unified processing; therefore, the amount of employee domestic waste on our office floor cannot be measured. Additionally, construction waste generated during project execution varies with the scale and progress of each project, making it unsuitable for a quantifiable management target.

Note 4: Summary of the Company's Human Rights Management Policy and Action Plans:

Human rights management policies	Specific proposal and implementation
Provide safe and healthy working environment	<ol style="list-style-type: none"> 1. The Company attaches great importance to the employees' safety and health. It provides health care and assistance. The employees are entitled to group insurance and annual physical examination (once a year). 2. In accordance with the Occupational Health Protection Rules, the Company arranges four hours of on-site healthcare services by medical professionals each month. These services offer employees guidance and recommendations on occupational injuries, personal health conditions, annual physical check-up reports, or post-diagnosis return-to-work issues. 3. The Company organized annual health checkups for office employees. For those whose indicators exceeded standard values in blood sugar, lipids, or blood pressure, the Group arranged for follow-up healthcare services by healthcare personnel to provide professional guidance and advice. 4. To enhance employee awareness of occupational safety and health: Newly hired workers or employees reassigned to different roles are required to undergo general occupational safety and health training appropriate to their new duties (except in cases where the work environment and nature of duties remain essentially unchanged). All new hires or employees undergoing job changes (including administrative personnel) are required to complete 3 hours of general occupational health and safety training. A total of 13 employees completed the online OHS course and received certification between March and December 2024, accumulating a total of 41 hours of training.
Measures for protecting working environment and employees' personal safety	<ol style="list-style-type: none"> 1. The Company has formulated the Management Measures for Whistleblowing and the Management Measures for Complaints, and set channels for the employees to file complaints, in order to protect personal safety of the employees. In 2024, the Company received no whistleblowing or complaints. 2. The Company has established the "Implementation Rules for Mentors of New Employees" to help new hires understand the corporate culture, quickly integrate into their respective teams, and develop a sense of belonging and commitment to their work environment.

Human rights management policies	Specific proposal and implementation																
Assist the employees in keeping physically/mentally healthy and maintaining a balance between work and life	1. Implement a holiday system.																
	2. Work-life balance: Subsidies for club activities and travelling subsidies.																
	3. Parenting support includes parental leave without pay, partnerships with registered childcare and after-school care providers, and breastfeeding rooms. Starting January 1, 2025, the Company introduced additional family-friendly benefits, with additional items indicated below:																
	<table><tr><td></td><td>Item</td><td>Content</td><td>As of the publication date of the annual report:</td></tr><tr><td>1</td><td>Flexible working hours for parents</td><td>Employees may apply for a fixed schedule (e.g., 8:00 a.m. to 5:00 p.m.) to accommodate childcare or family activities.</td><td>3 applicants</td></tr><tr><td>2</td><td>Half-day paid parental adjustment leave</td><td>Employees are entitled to 0.5 days off for a child’s first day of kindergarten and 0.5 days for the first day of elementary school.</td><td>2 applicants</td></tr><tr><td>3</td><td>Parenting seminars and psychological support</td><td>The Company periodically hosts parenting talks and offers free occupational health consultations to help employees navigate parenting challenges.</td><td>—</td></tr></table>		Item	Content	As of the publication date of the annual report:	1	Flexible working hours for parents	Employees may apply for a fixed schedule (e.g., 8:00 a.m. to 5:00 p.m.) to accommodate childcare or family activities.	3 applicants	2	Half-day paid parental adjustment leave	Employees are entitled to 0.5 days off for a child’s first day of kindergarten and 0.5 days for the first day of elementary school.	2 applicants	3	Parenting seminars and psychological support	The Company periodically hosts parenting talks and offers free occupational health consultations to help employees navigate parenting challenges.	—
		Item	Content	As of the publication date of the annual report:													
	1	Flexible working hours for parents	Employees may apply for a fixed schedule (e.g., 8:00 a.m. to 5:00 p.m.) to accommodate childcare or family activities.	3 applicants													
	2	Half-day paid parental adjustment leave	Employees are entitled to 0.5 days off for a child’s first day of kindergarten and 0.5 days for the first day of elementary school.	2 applicants													
	3	Parenting seminars and psychological support	The Company periodically hosts parenting talks and offers free occupational health consultations to help employees navigate parenting challenges.	—													
	4. Livelihood support: Group insurance for employees and their families, wedding subsidies, childbirth subsidies, scholarships for employees' children, holiday bonuses, birthday cash gifts, employee injury and illness condolences and care, and subsidies for hospitalization and medical care.																
	5. Work assistance: Health checks and meal subsidies.																
6. In 2024, the Company and its subsidiaries allocated over NT\$7,000,000 to the Employee Welfare Fund. Details can be found on pages 160–162 of the Annual Report.																	

Human rights management policies	Specific proposal and implementation
Educational training	<ol style="list-style-type: none"> 1. Directors (including independent directors), the corporate governance officer, head of accounting, and internal audit personnel all participated in continuing education programs as required by law. 2. The Group organizes annual integrity and ethics training: On December 5, 2024, current directors (including independent directors), managerial officers, and employees attended training that covered common legal disputes in real estate development, gender equality topics, and case analyses. The aim was to promote ethical business conduct by helping directors, managerial officers, and employees understand legal risks and responsibilities commonly encountered during business operations. The training also strengthened their knowledge of gender equality laws to foster a safe, respectful, and equitable work environment. The course lasted 180 minutes, with 26 participants. The course materials were also distributed to all directors, managerial officers, and employees. 3. On September 4, 2024, the Management Department invited lecturers from the Taipei City Labor Bureau to conduct a three-hour training session on workplace sexual harassment prevention and the Act of Gender Equality in Employment. A total of 20 participants from the company attended this session. 4. For advanced studies and training of the Company and its subsidiaries in 2024, please refer to Page 162-167 of the annual report.
Prevent discrimination to reasonably ensure availability of equal work opportunities	<p>According to HR management criteria of the Company about employment, wages, benefits, training, promotion, termination, retirement or other labor rights and interests, the employees and the applicants shall not be unequally treated for their race, religion, belief, gender, marital or fertility status, age, political background, nationality, disability, sexual orientation, constellation or any other reasons which affect the recruitment process and decision or other discriminations.</p> <p>In 2024, the Company has a total of 96 employees, among which, males, females, executives and female executives accounted for 48.96%, 51.04%, 31.25% and 23.33% respectively. Apparently, the Company does not discriminate against females for their gender. Instead, the Company provides workplaces for equal competitions and creates gender equality.</p>

Human rights management policies	Specific proposal and implementation
Prohibit forced labor	<p>The Company's rules on the employees' daily and weekly regular and extended working hours, holidays, special holidays and all other types of holidays comply with ordinances.</p> <p>Never force or coerce any employees to perform any work against their wills.</p>

(VII) Climate-Related Information for Listed Companies

1. Implementation of climate-related information

Item	Implementation situation
1. Description of the Board of Directors and the management supervise and govern climate related risks and opportunities.	<p>●The board of directors</p> <p>The Board of Directors is the Company's highest decision-making body for climate risk management, overseeing the structure and implementation of climate-related risk policies and holding ultimate responsibility for managing climate-related risks and opportunities.</p> <p>●Sustainable Development Committee (established on August 12, 2024)</p> <ol style="list-style-type: none"> 1. The Sustainable Development Committee is composed of three directors, including two independent directors. 2. The Committee is chaired by the Chairperson (Convener). Cross-departmental functional teams have been formed, with department heads designated as team leaders responsible for coordinating, communicating, and consolidating relevant data and matters within their purview to support project implementation and address key sustainability issues across various functional dimensions. 3. The Company has appointed the Management Department to concurrently serve as the dedicated unit for promoting sustainable development. It is responsible for sustainability-related policies, systems, management guidelines, planning and executing sustainability initiatives, and compiling the Sustainability Report.

Item	Implementation situation
<p>1. Description of the Board of Directors and the management supervise and govern climate related risks and opportunities.</p>	<p>4. The Management Department reports annually to the Sustainable Development Committee and the Board of Directors on the Company's sustainability performance and implementation. The implementation status was reported at the second meeting of the first Sustainable Development Committee and the ninth meeting of the current Board of Directors on December 31, 2024.</p> <p>5. Based on the reports provided by the Management Department (including the ESG report), the Sustainable Development Committee and the Board of Directors review implementation effectiveness and, when necessary, request improvements or adjustments to ensure that sustainability strategies are fully integrated into daily operations.</p> <p>●Management Levels</p> <p>1. Functional teams are formed by each department, with department heads serving as team leaders to assess and respond to climate impacts within their respective areas of responsibility.</p> <p>2. The Management Department is responsible for the overall planning and formulation of the Company's climate change response and green energy enhancement action plans, and for executing related climate risk control plans and countermeasures. Plans also include linking senior management compensation with ESG performance, setting benchmarks that integrate environmental and social considerations to help achieve sustainable development goals.</p>
<p>2. Description of how the identified climate risks and opportunities impact corporate business, strategies and financial affairs (short, medium and long term).</p>	<p>The Company is actively developing solutions aimed at mitigating the operational and financial impacts of climate change and enhancing organizational climate resilience. Short-term is defined as within three years, mid-term as three to five years, and long-term as over five years. The Company assesses the potential operational and financial impacts of climate-related risks and opportunities and develops corresponding action plans.</p>

Item	Implementation situation
<p>2. Description of how the identified climate risks and opportunities impact corporate business, strategies and financial affairs (short, medium and long term).</p>	<p>1. Physical Risks</p> <p>(1) Acute Risks: Extreme Weather Events</p> <p>Such as facility damage, disruption of delivery logistics, employee health and safety risks, operational interruptions, and supply chain disruptions.</p> <p>Possible impacts to the Company include:</p> <ul style="list-style-type: none"> ● Loss of assets (machinery, personnel, buildings, inventory) in high-risk areas. ● Delayed raw material shipments resulting in extended construction periods. ● Labor management issues (e.g., safety, absenteeism). ● Power outages or instability due to damaged electrical infrastructure. ● Supply chain interruptions leading to material or equipment shortages. <p>(2) Chronic Risks – Long-Term Climate Change</p> <p>Including shifts in precipitation patterns and rising temperatures.</p> <p>Possible impacts to the Company include:</p> <ul style="list-style-type: none"> ● Transition from moderate rainfall to infrequent but intense rain, increasing the likelihood of water restrictions and supply interruptions, thus raising operational risks. ● Higher average temperatures may shorten equipment lifespans and increase energy use (e.g., cooling), leading to higher maintenance and energy costs. <p>2. Transition Risks</p> <p>(1) Policy and Regulatory Risks</p> <p>Such as electricity usage restrictions, renewable energy policies, and greenhouse gas regulations.</p> <p>Possible impacts to the Company include:</p> <ul style="list-style-type: none"> ● Energy-saving policies (e.g., electricity rate hikes, power rationing) increase energy and operational costs. ● Under the Renewable Energy Development Act, large electricity users must install renewable energy systems equal to 10% of their capacity within 5 years (by 2026) or equip new buildings with solar panels, driving up mid-term energy costs.

Item	Implementation situation
<p>2. Description of how the identified climate risks and opportunities impact corporate business, strategies and financial affairs (short, medium and long term).</p>	<ul style="list-style-type: none"> ● New carbon-related regulations may impose carbon taxes, fees, or emission caps, raising operational expenses. <p>(2) Technological Risks: Costs of low-carbon transition. Possible impacts to the Company include:</p> <ul style="list-style-type: none"> ● Investing in or developing new technologies and equipment to produce low-carbon products may increase R&D and capital expenditures. <p>(3) Market Risks:</p> <p>Changing market demand and rising material costs. Possible impacts to the Company include:</p> <ul style="list-style-type: none"> ● Meeting customer expectations for low-carbon products (e.g., offering products with lower carbon footprints or using a designated proportion of green electricity in production) may result in increased energy costs. Failure to meet these expectations could lead to order cancellations and decreased revenue. ● Due to severe climate risks faced by suppliers, material supply and demand imbalances may arise, leading to increased raw material costs. Additionally, the pursuit of low-carbon or alternative materials may further raise Run Long Construction's material expenses. <p>(4) Reputational Risk: brand value impairment. Possible impacts to the Company include:</p> <ul style="list-style-type: none"> ● As customer expectations for sustainability continue to grow, failure to meet such standards may lead to negative feedback regarding Run Long Construction, ultimately affecting brand reputation. <p>3. Climate-Related Opportunities</p> <p>(1) Resource Efficiency:</p> <p>This includes high-efficiency equipment or buildings, water resource management, and circular economy practices.</p> <p>Potential opportunities for the Company include:</p> <ul style="list-style-type: none"> ● Utilizing high-efficiency equipment or buildings to improve production efficiency, reduce energy costs, and lower greenhouse gas emissions. ● Implementing water-saving measures and improving water resource usage efficiency.

Item	Implementation situation
<p>2. Description of how the identified climate risks and opportunities impact corporate business, strategies and financial affairs (short, medium and long term).</p>	<ul style="list-style-type: none"> ●Increasing the use of recycled and reclaimed materials, and designing, developing, or modifying products with circular reuse in mind to reduce material costs and enhance customer purchasing interest. <p>(2) Energy Sources: This includes the procurement of low-carbon and diversified energy. Potential opportunities for the Company include:</p> <ul style="list-style-type: none"> ●Installing in-house renewable energy generation systems to reduce greenhouse gas emissions. ●Procuring the latest energy-saving equipment (e.g., inverter air conditioning units) and establishing more efficient systems (e.g., energy monitoring systems). <p>(3) Products and Services: Low-carbon products Potential opportunities for the Company include:</p> <ul style="list-style-type: none"> ●Advancing low-carbon products, expanding product lines, or sourcing locally and using environmentally friendly materials to meet current market demand and enhance product competitiveness. <p>(4) Market Risks: Developing new markets, securing government incentives, and diversifying financial assets. Potential opportunities for the Company include:</p> <ul style="list-style-type: none"> ●Exploring low-carbon business opportunities through the R&D and production of new products, gaining market access. ●Receiving public sector subsidies or incentives for using energy-saving equipment or producing low-carbon products. ●Accessing preferential loan interest rates from banks based on Run Long Construction's sustainability or climate performance, or issuing green bonds to diversify funding sources. <p>(5) Resilience: Identifying climate risks across the Company and supply chain Potential opportunities for the Company include:</p> <ul style="list-style-type: none"> ●By identifying climate-related risks and opportunities within the Company and its supply chain, Runlong can enhance its ability to respond to climate change and achieve sustainable operations.

Item	Implementation situation
<p>3. Description of impacts of extreme climate events and transition actions upon financial affairs.</p>	<p>Financial Impacts of Extreme Climate Events:</p> <ol style="list-style-type: none"> 1. Through internal discussions, inventory assessments, and evaluations, the Company has identified potential risks related to flooding, drought, and extreme shifts in rainfall and climate patterns that may impact production sites or logistics. Flooding caused by heavy rain may result in construction suspension and equipment damage, leading to temporary halts in operations. Drought and water shortages may hinder normal operations, increasing operating costs. 2. Except that climate anomalies increase power consumption and in summer, peak power consumption results in power outage, catastrophic extreme climates such as hurricane and heavy rain have become increasingly more serious. These would possibly suspend operations of construction sites, offices, computer rooms and other facilities. Accordingly, asset impairment would be caused. <p>Financial Impacts of Transition Actions:</p> <ol style="list-style-type: none"> 1. Under transition risks, a shift toward a low-carbon economy may involve extensive changes in policies, regulations, technologies, and market dynamics. Depending on the nature, pace, and focus of these changes within the analysis timeframe, elements such as carbon fees, greenhouse gas cap-and-trade systems, renewable energy regulations, and shifts in consumer preferences may increase operating costs or reduce sales volumes. 2. The Company addresses these risks by implementing energy-saving and carbon-reduction initiatives, minimizing the climate impact of its operations and supply chain through reduced energy and water consumption and waste generation. It also invests in green energy equipment and incorporates new construction methods developed within the Group to promote green buildings that meet consumer demands. These projects will lead to increased capital expenditures and operating costs for the Company.

Item	Implementation situation
<p>4. Description of how to integrate the procedures for identifying, evaluating and managing climate risks into the overall risk management system.</p>	<ul style="list-style-type: none"> ●Functional Units and Departments Each department collects and consolidates risk-related issues within its area of responsibility and reports them to the sustainability team to implement climate risk response measures in day-to-day operations. ●Cross-Departmental Sustainability Team All teams and departments report identified material risks to the Management Department, which then presents them to the Sustainable Development Committee and the Board of Directors. The Management Department submits a report at least once annually to the Sustainable Development Committee and the Board of Directors detailing the status of management execution and risk control. ●Sustainable Development Committee (established on August 12, 2024) Climate risk management and ESG-related topics are reviewed by the Sustainable Development Committee at least once a year before being submitted to the Board for further oversight. ●The board of directors As the Company’s highest decision-making body, the Board monitors and reviews the executive team’s risk management performance to strengthen organizational resilience.
<p>5. If using scenario analysis to assess resilience to climate change risks, the scenarios, parameters, assumptions, analytical factors, and main financial impacts used should be described.</p>	<p>The company has not yet adopted scenario analysis for climate change.</p>

Item	Implementation situation				
6. Introduction of any transition plan for managing climate related risks, indexes and objectives for identifying and managing physical and transition risks.	The Company follows the group's low-carbon operations management to identify and manage physical and transition risks based on the following indicators:				
	Type	Scenario	Risk Description	Potential Impact	Response Measures
	Physical Risks	Extreme weather events	Extreme weather may affect facilities or equipment operations within the Company's scope of operations, leading to equipment damage, disruptions to employee commutes, reduced production efficiency, and project delays.	Increased expenditure on climate adaptation measures.	Allocate contingency funds to mitigate financial impacts from asset damage or operational and supply chain disruptions. Monitor water conditions via Water Resources Agency updates and formulate drought response strategies to enhance disaster preparedness and operational resilience.
		Rising raw material costs	Climate change may cause global disruptions in raw material supply chains—such as stone and construction materials—and raise transportation costs due to port congestion and logistical delays.	Increased material costs erode operating margins.	Increase local procurement rates, identify alternative suppliers to stabilize supply chains. Ensure diversified sources of supply and establish a Supplier Code of Conduct for effective management.
		Energy supply interruptions	Extreme weather or government-imposed power restrictions may disrupt energy supply, hindering the Company's ability to operate as scheduled.	Revenue loss due to suspended operations.	Implement energy management strategies to maintain operational stability and improve competitiveness.
	Physical Risks	Rising average temperatures	Gradual climatic changes may lead to increased site shutdowns due to high temperatures, decreased work efficiency, or employee heatstroke, negatively impacting labor productivity and increasing labor-related costs (e.g., health, safety, absenteeism).	Increased electricity usage and carbon emissions raise operating costs.	Regularly review electricity consumption and set reduction targets. Reduce equipment usage during off-peak hours or switch to intermittent operations. Install shelters to protect workers from heat-related illnesses.

Item	Implementation situation				
6. Introduction of any transition plan for managing climate related risks, indexes and objectives for identifying and managing physical and transition risks.					
	Type	Scenario	Risk Description	Potential Impact	Response Measures
	Transition Risks	Mandatory product and service regulations	Stricter international and domestic environmental laws (e.g., waste recycling, wastewater discharge, and noise control) may increase associated compliance or penalty costs.	Additional internal transformation expenditures to meet compliance standards. Cost of investments in energy-saving systems and equipment.	Establish sustainable procurement guidelines to ensure operations comply with government regulations. Replace outdated and high-energy-consuming equipment.
		Increased greenhouse gas emissions costs	As domestic and international regulations tighten on greenhouse gas emissions, including the implementation of carbon taxes and fees, the Company must consider compliance and related expenditures.	Paying carbon fees increases operating costs. Failure to comply with regulations may result in penalties, raising operating expenses.	The Company aims to reduce electricity use and greenhouse gas emissions through energy-saving lighting, lighting time control, and temperature regulation of air conditioning. By adopting BIM and aluminum formwork methods to standardize construction, the Company reduces construction time, material waste, and continues to promote green building products.
Tightening renewable energy regulations		Stricter renewable energy regulations may lead to higher electricity costs under existing electricity demand—such as costs of installing/purchasing green energy or increased electricity rates due to government green energy initiatives.	Costs associated with purchasing renewable energy and green energy certificates. Investments in driving the Company’s green transition.	Installation of solar photovoltaic panels to build a low-carbon society and city, and use of total heat exchangers in conjunction with air conditioning systems to improve cooling efficiency.	

Item	Implementation situation
7. If internal carbon pricing is utilized as a planning tool, the basis for price setting should be explained.	The Company has not yet adopted internal carbon pricing.
8. If climate-related goals are set, the explanation should cover the activities involved, the scope of greenhouse gas emissions, the planned time frame, and annual progress. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve these goals, the source and amount of the carbon reduction or the number of RECs should be detailed.	<p>The Company follows the Group's low-carbon operation policies and targets, with an annual goal of reducing total greenhouse gas emissions (Scope 1 and Scope 2) by 1%.</p> <ol style="list-style-type: none"> 1. Energy-saving measures applied to building envelopes include glass that meets shading coefficient and reflectivity standards, shading eaves and fins, insulated roofing materials, natural ventilation design, and thermal insulation materials to reduce energy consumption. 2. Full use of solar energy and energy-efficient building envelopes reduces air conditioning demand. Natural ventilation-based air cooling systems are installed according to local climate conditions. 3. Air conditioning system energy efficiency: building massing oriented north-south with appropriately sized windows to facilitate summer ventilation and reduce winter drafts, thus lowering reliance on air conditioning. 4. Lighting system energy efficiency: high-efficiency and LED lighting fixtures are used. Nighttime building lighting follows a three-stage design to reduce energy waste and lower electricity costs shared by residents. 5. Solar photovoltaic panels are installed to foster a low-carbon society and city, creating a new image of energy conservation and carbon reduction. Total heat exchangers are combined with air conditioning to enhance system efficiency. 6. BIM and aluminum formwork methods are adopted to standardize construction, shorten construction time and reduce errors, minimizing material waste while promoting green building products. 7. In terms of office management: Energy-saving lighting, lighting schedule controls, and air conditioning temperature control (set no lower than 26°C) are adopted to reduce electricity consumption and greenhouse gas emissions. Water-saving equipment is also used.

Item	Implementation situation
8. If climate-related goals are set, the explanation should cover the activities involved, the scope of greenhouse gas emissions, the planned time frame, and annual progress. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve these goals, the source and amount of the carbon reduction or the number of RECs should be detailed.	8. Progress in greenhouse gas inventory: The Company engaged external experts in 2025 to assist with the greenhouse gas (GHG) inventory process and completed the GHG inventory for 2024 in March 2025. Third-party assurance is scheduled to be completed by the end of May 2025, and the full assurance results will be disclosed in the Sustainability Report.
9. Greenhouse gas inventory and assurance information, reduction targets, strategies, and specific actions (see Tables 1-1 and 1-2).	Please refer to below for details.

1-1 Recent Two-Year Greenhouse Gas Inventory and Assurance Information

1-1-1 Greenhouse Gas Inventory Information:

Describe the greenhouse gas emissions for the last two years (metric tons CO₂e), intensity (metric tons CO₂e per million NT\$), and the scope of the data.

Detailed on pages 81-82, 96–97 of the annual report.

Note 1: Direct emissions (Scope 1, directly from sources owned or controlled by the company), energy indirect emissions (Scope 2, from imported electricity, heat, or steam causing indirect greenhouse gas emissions), and other indirect emissions (Scope 3, emissions from company activities that are not energy-related but from sources owned or controlled by other companies).

Note 2: The scope of direct emissions and energy indirect emissions must comply with the implementation timeline stipulated in Article 10, Paragraph 2 of the Regulations Governing Information to be Published in Annual Reports of Public Companies. Other indirect emissions may be disclosed on a voluntary basis.

Note 3: Greenhouse gas inventory standards refer to the Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Organization for Standardization (ISO).

Note 4: The intensity of greenhouse gas emissions can be calculated per unit of product/service or revenue, but at a minimum, the data should be specified in terms of revenue (in NT\$ million).

1-1-2 Greenhouse Gas Assurance Information

Describes the assurance situation for the last two fiscal years up to the date of publication of the annual report, including the scope of assurance, the assurance body, assurance standards, and the assurance opinion.

1. The Company's 2023 GHG inventory data has not undergone third-party assurance.
2. The Company will complete the GHG inventory for 2024 in March 2025. Third-party assurance is scheduled to be completed by the end of May 2025, and the full assurance results will be disclosed in the Sustainability Report.

Note 1: In accordance with the implementation timeline stipulated in Article 10, Paragraph 2 of the Regulations Governing Information to be Published in Annual Reports of Public Companies, if the Company is unable to obtain the complete assurance opinion by the time of annual report publication, it shall disclose: "Complete assurance information will be disclosed in the Sustainability Report." If the Company does not prepare a Sustainability Report, it shall state: "Complete assurance information will be disclosed on the Market Observation Post System (MOPS)," and ensure full disclosure in the following year's annual report.

Note 2: The assurance institution must comply with the regulations for sustainability report assurance institutions set by the Taiwan Stock Exchange Corporation and the Taiwan Securities and OTC Market Foundation.

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

Describes the baseline year for greenhouse gas reduction and its data, reduction targets, strategies, and specific action plans, and the progress towards achieving these reduction targets.

1. Pursuant to the "Sustainability Roadmap for TWSE/TPEX Listed Companies," the Company completed the 2024 GHG inventory in March 2025, with third-party assurance expected by the end of May 2025. Subsidiaries are aligning their GHG inventory and verification timelines with those of the Company.
2. Baseline Year and Emission Reduction Target:
The Company follows the Group's low-carbon operational management strategy and has designated 2024 as the baseline year, setting a target to reduce total greenhouse gas emissions (Scope 1 and Scope 2) by 1% annually.
3. GHG Reduction Strategies and Specific Actions:
(1) Install energy-saving building façades using glass that meets specified shading coefficients and reflectivity standards; implement shading elements such as eaves and fins, roof insulation, natural ventilation, and thermal insulation materials to reduce energy consumption.

- (2) Optimize solar energy utilization through energy-efficient building envelopes to reduce reliance on air conditioning. Natural ventilation-based air cooling systems are installed according to local climate conditions.
- (3) Air conditioning energy savings: Buildings are oriented north-south with appropriate window placement to enhance natural ventilation in summer and minimize cold drafts in winter, thereby reducing air conditioning use.
- (4) Lighting energy savings: Use high-efficiency LED fixtures and adopt a three-stage design for nighttime building illumination to minimize energy waste and reduce electricity costs for residents.
- (5) Install solar photovoltaic panels to build a low-carbon society and city image, and implement total heat exchangers in tandem with air conditioners to enhance system efficiency.
- (6) Utilize BIM and aluminum formwork construction methods to standardize construction, reduce time and costs, prevent errors, minimize material waste, and continuously promote green building products.
- (7) Office management: Implement energy-saving lighting equipment, control lighting hours, and regulate air conditioning temperatures (office temperature not to be set below 26°C) to reduce power consumption and greenhouse gas emissions, while using water-saving devices.

4. Progress Toward Reduction Targets

- (1) As the Company continues to promote office energy-saving and carbon-reduction initiatives (as detailed on page 94-95 of the annual report), the greenhouse gas emissions from the Taipei office remained under the target of 100 metric tons in both 2023 and 2024.
- (2) The Company's water usage is limited to domestic use in its office operations. Under the water conservation plan, employees are encouraged to incorporate water-saving practices into their daily routines to maximize the efficient use of available water resources. In 2024, the Taipei office recorded a total water consumption of 145 cubic meters, representing a 34.98% reduction compared to 223 cubic meters in 2023. (Please refer to pages 96-97 of the annual report)

Note 1: Must be carried out according to the schedule specified in Article 10, Paragraph 2, of the Regulations Governing Information to be Published in Annual Reports of Public Companies.

Note 2: The base year should be the year in which the inventory was completed based on the consolidated financial reporting boundary. For example, companies with capital of NT\$10 billion or more must complete the inventory for the year 2024 by 2025 in accordance with the order under Article 10, Paragraph 2. Thus, the base year is 2024. If the Company completes the consolidated inventory earlier, it may use the earlier year as the base year. The base year data may be calculated using a single year or an average of multiple years.

(VIII) Implementation of ethical corporate management and differences with Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons

Evaluation Item	Implementation Status			Differences with Ethical Corporate Management Best Practice Principles for Listed Companies and reasons
	YES	NO	Abstract Illustration	
1. Setting business integrity policies and programs				
(1) Does the company set the policy of trust management pass by the board of directors and express its commitment to the policies and practices of integrity management in its regulations and in the external documents, and do the board of directors and the management actively implement the business policies?	✓		(1) In order to establish a corporate culture of ethical management and sound development, and provide a good business operation structure, the Company has formulated the "Ethical Corporate Management Best Practice Principles" to follow and implement it in internal management and external business activities.	(1) No variances.
(2) Has the company set up a program for the prevention of dishonesty as well as analyzing and assessing the activity with high unethical risk, and include conducts specified in Article 7, paragraph 2 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies"?	✓		(2) The Company has established operational procedures such as the "Code of Ethical Conduct," "Integrity Management Code," "Whistleblower Procedure," and "Material Internal Information and Insider Trading Prevention Handling Procedures," which specifically regulate activities including the prohibition of offering or accepting improper benefits and the standards for their determination, supervision and management of donations and sponsorships,	(2) No variances.

Evaluation Item	Implementation Status			Differences with Ethical Corporate Management Best Practice Principles for Listed Companies and reasons
	YES	NO	Abstract Illustration	
(3) Has the company set up procedures, conduct guidelines and a disciplinary in the program for the prevention of dishonesty and appeals system in various programs and implemented them?	✓		<p>ownership and confidentiality commitments for intellectual property rights, and the prevention, reporting, investigation, and handling of dishonest behaviors. It also includes verification of the integrity level of business partners and the avoidance and investigation of potential conflicts of interest. These regulations encompass the preventive measures for the behaviors specified in Article 7, Paragraph 2 of the Listed Companies' Code of Integrity Management.</p> <p>(3)</p> <p>1. In accordance with the aforementioned business philosophy and policy, the Company has clearly and comprehensively stipulated in its Code the guidelines for preventing unethical conduct, disciplinary measures for violations, and a grievance mechanism, all of which are effectively implemented.</p>	(3) No variances.

Evaluation Item	Implementation Status			Differences with Ethical Corporate Management Best Practice Principles for Listed Companies and reasons
	YES	NO	Abstract Illustration	
			2. The Company reviewed and amended the Company's "Ethical Corporate Management Best Practice Principles" by referring the amendments to the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and the "Sample Template for XXX Co., Ltd. Procedures for Ethical Management and Guidelines for Conduct".	
2. Implementation of integrity management				
(1) Does the Company assess the integrity record of its business partners, and stipulate the terms of conduct on integrity in the contracts with business partners?	✓		(1) The Company conducts commercial activities on the principle of fairness and transparency. When signing a contract with others, the legal personnel reviews the terms of the contract, and the contract includes the penalty terms; if the vendor fails to perform the contract truthfully, compensation will be made pursuant to the contract.	(1) No variances.
(2) Has the Company set up a dedicated corporate integrity promotion unit under the Board of Directors which	✓		(2) 1. The Company has designated the Legal	(2) No variances.

Evaluation Item	Implementation Status			Differences with Ethical Corporate Management Best Practice Principles for Listed Companies and reasons
	YES	NO	Abstract Illustration	
regularly reports to the Board on its work (at least once a year)?			<p>Affairs Unit under the Office of the President as the responsible unit for handling revisions, implementation, interpretation, consultation, and documentation of these Principles, as well as overseeing its enforcement. The responsible unit shall report on the implementation status to the Board of Directors at least once a year.</p> <p>2. A report was submitted on December 31, 2024, to the 2nd meeting of the 1st Sustainable Development Committee and the 9th meeting of the current Board of Directors.</p> <p>3. The Company has faithfully implemented its ethical corporate management policy. For details regarding the implementation in 2024, please refer to the Company's website at https://www.runlong.com.tw > Investors > Corporate Governance Information > Implementation of Ethical Corporate Management in 2024.</p>	

Evaluation Item	Implementation Status			Differences with Ethical Corporate Management Best Practice Principles for Listed Companies and reasons
	YES	NO	Abstract Illustration	
(3) Has the company formulated policies to prevent conflicts of interest, provided appropriate channels for statements and implemented them?	✓		(3) The Company has stipulated the directors to recuse themselves from participating in discussions and voting when any proposal involves their interests and conflicts with the Company's interests; the directors, managerial officers, employees, and appointees shall not use their position in the Company and their influence to enable themselves or others to obtain improper interests.	(3) No variances.
(4) Has the Company established an effective accounting system and internal control system for the implementation of integrity management, which is checked by the internal auditing unit on a regular basis or audited by external auditors?	✓		<p>(4)</p> <p>1. The Company has established an effective accounting system and internal control system. The internal auditors schedule audit plans and perform audits based on the level of risk, and regularly report the audit status to the Board of Directors.</p> <p>2. The Company regularly engages certified public accountants to audit its financial statements and verify the effectiveness of the internal control system.</p>	(4) No variances.

Evaluation Item	Implementation Status			Differences with Ethical Corporate Management Best Practice Principles for Listed Companies and reasons
	YES	NO	Abstract Illustration	
(5) Does the company hold regular internal and external training on business integrity?	✓		<p>(5)</p> <p>1. On December 5, 2024, the Group conducted an educational session for incumbent directors (including independent directors), managers, and employees. The course covered common legal disputes in the construction industry, case studies, and gender equality topics. The purpose was to reinforce ethical business practices, enhance awareness of legal risks and responsibilities, and strengthen knowledge of gender equality laws, fostering a safe, respectful, and equitable work environment. The course lasted 180 minutes and was attended by 26 participants. The presentation materials were distributed to all directors, managers, and employees for reference.</p> <p>2. The Company's directors and managerial officers also attended the "2024 Insider Equity Trading Legal Compliance Seminar" organized by the Securities and Futures Institute on October 25 and</p>	(5) No variances

Evaluation Item	Implementation Status			Differences with Ethical Corporate Management Best Practice Principles for Listed Companies and reasons
	YES	NO	Abstract Illustration	
			<p>November 22, 2024, respectively. The course duration was 180 minutes, with 3 participants in total. The presentation materials were likewise shared with all directors, managers, and employees.</p> <p>3. For other details regarding training and continuing education programs for directors, corporate governance officers, managerial officers, and employees, please refer to pages 58–59, 65, and 162–167 of the Annual Report.</p>	
<p>3. The operation status of reporting system.</p> <p>(1) Has the company set up specific reporting and reward systems and a convenient reporting channel, and does the company assign appropriate personnel to investigate the person being reported?</p> <p>(2) Has the company set up standard investigation procedures and a related confidentiality mechanism for the matter being reported?</p> <p>(3) Does the company take measures to protect the reporter from improper treatment?</p>	<p>✓</p> <p>✓</p> <p>✓</p>		<p>The Company has formulated the “Reporting Management Procedures”, clearly defined the reporting system, and provided legitimate reporting channels; the identity of the informant and the content of the report are kept fully confidential. The procedures are disclosed on the website. No complaints were received in 2024.</p>	<p>(1) No variances.</p> <p>(2) No variances.</p> <p>(3) No variances.</p>
<p>4. Strengthening of Information Disclosure:</p> <p>Does the company disclose the</p>	✓		The Company discloses its Ethical Corporate	No variances.

Evaluation Item	Implementation Status			Differences with Ethical Corporate Management Best Practice Principles for Listed Companies and reasons
	YES	NO	Abstract Illustration	
contents of its Ethical Corporate Management Best Practice Principles and the effectiveness on its website and MOPS?			Management Best Practice Principles and their implementation status on its official website, in the annual report, and in the prospectus.	
5. If the Company has its own Ethical Corporate Management Best Practice Principles in accordance with the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies”, please describe the difference between them: The Company has established the “Corporate Governance Best Practice Principles”, and the operation is no different from the established principles.				
6. Other important information that helps to understand the Company’s ethical management operation (such as the Company’s review and revision of the Company’s integrity management code, etc.): The company adheres to the principle of good faith management and engages in all commercial activities. When signing a contract with others, its contents include compliance with the integrity management policy and the transaction relatives may terminate or cancel the terms of the contract at any time; Professional and diligent management to ensure fair, sustainable and competitive returns, to create the best interests of shareholders; to provide working conditions that guarantee the health and safety of each employee, to listen to employees and to face complaints from employees in good faith problems, encouragement and assist employees in developing relevant skills and knowledge, and avoid illegal activities, providing employees with sustainable employment opportunities. The Company values the interests of every stakeholder, to promote the sustainable development of the Company.				

Note: Regardless of whether “Yes” or “No” is checked for the operation, it should be stated in the summary description column.

(IX) Other important information that is sufficient to enhance understanding of the Company's operation of corporate governance:

Material information of the Company is immediately announced on MOPS as required by the competent authority. The Company's finance, business and corporate governance related information is also regularly or immediately updated in the "Investors" section on the Company's website.

The company regularly updates its corporate governance standards in response to legal changes and environmental shifts. These standards serve as guidelines for the conduct of directors, managers, and employees. A dedicated "Corporate Governance" section is maintained on the company website to fully disclose related management procedures. In alignment with our commitment to sustainable corporate operations, we continuously enhance our corporate governance through improvements in organizational structure, regulatory frameworks, and execution reviews.

(X) Implementation of the internal control system

1. Internal Control Statement

The Company has disclosed its Internal Control System Statement in accordance with the requirements of the competent authority. Please refer to the Market Observation Post System (MOPS): <http://mops.twse.com.tw> > Company > Corporate Governance > Company Policies/Internal Control > Internal Control Statement Announcements.

2. If the Securities and Futures Commission requires the company to commission an accountant to audit its internal control system, please disclose the accountant's audit report: None.

(XI) Important resolutions of the shareholder meeting and the Board meetings, in the latest year and as of the date of publication of the annual report

1. Key resolutions of shareholders meetings and implementation

The Company's 2024 Annual Shareholders' Meeting was held on June 13, 2024, at No. 8 Zhifu Road, Zhongshan District, Taipei City (Dazhi Denwell Hotel, Datang Zhaohe Hall), and its important resolutions and implementation status are as follows:

I. Ratification Items

(1) Proposal for the Company's 2023 business report and financial statements.

Resolution: Approved as proposed.

Voting rights present: 366,806,885

Voting Results	Percentage of voting rights of shareholders present (%)
In favor: 358,418,298 (including 41,228,464 electronic votes)	97.71%
Against: 75,999 (including 75,999 electronic votes)	0.02%
Invalid: 0	0.00%
Abstentions/No vote: 8,312,588 (including 6,781,485 electronic votes)	2.26%

Implementation status: Proceeded as the resolution.

(2) Proposal for the Company's 2023 earnings distribution.

Resolution: Approved as proposed.

Voting rights present: 366,806,885

Voting Results	Percentage of voting rights of shareholders present (%)
In favor: 358,372,288 (including 41,182,454 electronic votes)	97.70%
Against: 132,242 (including 132,242 electronic votes)	0.03%
Invalid: 0	0.00%
Abstentions/No vote: 8,302,355 (including 6,771,252 electronic votes)	2.26%

Implementation: A cash dividend of NT\$3 per share was distributed. The ex-dividend date was October 2, 2024, and the payment date was October 31, 2024.

II. Discussion Items

(1) Proposal to amend the Company's "Articles of Incorporation"

Resolution: Approved as proposed.

Voting rights present: 366,806,885

Voting Results	Percentage of voting rights of shareholders present (%)
In favor: 358,411,929 (including 41,222,095 electronic votes)	97.71%
Against: 86,051 (including 86,051 electronic votes)	0.02%
Invalid: 0	0.00%
Abstentions/No vote: 8,308,905 (including 6,777,802 electronic votes)	2.26%

Implementation situation: The proposal was proceeded as the resolution, and the disclosure was made on MOPS and the Company website.

(2) Proposal to amend the Company's "Rules of Procedure for Shareholder Meetings"

Resolution: Approved as proposed.

Voting rights present: 366,806,885

Voting Results	Percentage of voting rights of shareholders present (%)
In favor: 358,410,929 (including 41,221,095 electronic votes)	97.71%
Against: 86,051 (including 86,051 electronic votes)	0.02%
Invalid: 0	0.00%
Abstentions/No vote: 8,309,905 (including 6,778,802 electronic votes)	2.26%

Implementation situation: The proposal was proceeded as the resolution, and the disclosure was made on MOPS and the Company website.

(3) Proposal to amend the Company's "Operational Procedures for Endorsements and Guarantees"

Resolution: Approved as proposed.

Voting rights present: 366,806,885

Voting Results	Percentage of voting rights of shareholders present (%)
In favor: 335,181,287 (including 17,991,453 electronic votes)	91.37%
Against: 23,313,543 (including 23,313,543 electronic votes)	6.35%
Invalid: 0	0.00%
Abstentions/No vote: 8,312,055 (including 6,780,952 electronic votes)	2.26%

Implementation situation: The proposal was proceeded as the resolution, and the disclosure was made on MOPS and the Company website.

(4) Proposal for the Company's 2023 earnings and capital increase by way of issuance of new shares.

Resolution: Approved as proposed.

Voting rights present: 366,806,885

Voting Results	Percentage of voting rights of shareholders present (%)
In favor: 344,416,371 (including 27,226,537 electronic votes)	93.89%
Against: 14,087,767 (including 14,087,767 electronic votes)	3.84%
Invalid: 0	0.00%
Abstentions/No vote: 8,302,747 (including 6,771,644 electronic votes)	2.26%

Implementation: A stock dividend of 12 shares per 1,000 shares was distributed. The ex-rights date was October 2, 2024, and the distribution date was October 31, 2024.

III. Election Matters

(1) Proposal for the Company's re-election of directors.

Election results: The voting results are shown in the table below.

Job Title	Shareholder's Name	Elected Rights
Director	Da-Li Investment Co., Ltd Representative: Chiu, Ping-Tse	356,155,546 Rights
Director	Da-Li Investment Co., Ltd Representative: Lin, Wei-Chum	345,778,867 Rights
Director	Da-Li Investment Co., Ltd Representative: Chen, Kuo-Yen	338,489,336 Rights
Director	Da-Li Investment Co., Ltd Representative: Lu, Chia-Yin	338,476,781 Rights
Independent Director	Chen, Yung-Chang	345,833,602 Rights
Independent Director	Yen, Yun-Chi	337,271,276 Rights
Independent Director	Chou, I-Chiang	336,022,410 Rights

Execution: The case was handled according to the election results. The elected list of directors (including independent directors) was announced on the Public Information Observatory on June 13, 2024, and was approved by the Ministry of Economic Affairs for registration on July 15, 2024.

IV. Other Proposals

(1) Proposal to lift the non-competition restrictions for directors.

Resolution: Approved as proposed.

Voting rights present: 366,806,885

Voting Results	Percentage of voting rights of shareholders present (%)
In favor: 358,245,410 (including 41,055,576 electronic votes)	97.66%
Against: 149,038 (including 149,038 electronic votes)	0.04%
Invalid: 0	0.00%
Abstentions/No vote: 8,412,437 (including 6,881,334 electronic votes)	2.29%

Implementation situation: The proposal was proceeded as the resolution, and the disclosure was made on MOPS and the Company website on June 13, 2024.

2. Important resolutions of the Board of Director as of the year 2024 and the date of publication of the annual report are as follows:

Date of Meeting	Key resolution	Implementation situation
2024.02.26 (26th meeting of last term)	1. The Company plans to purchase land located in Jincheng Section, Anping District, Tainan City. 2. Proposal to sell the housing and parking space of the Company's construction projects to related parties. 3. Proposal of the Company plans to issue the 2024 1 st Secured Ordinary Corporate Bonds.	It has been reported for completion on MOPS on February 26, 2024.
2024.03.13 (27th meeting of last term)	1. Proposal for the Company's 2022 business report and financial statements. 2. Matters related to the convening of the Company's general shareholder meeting of 2024. 3. Proposal to sell the housing and parking space of the Company's construction projects to related parties. 4. Proposal of the Company plans to issue the 2024 2nd Secured Ordinary Corporate Bonds.	It has been reported for completion on MOPS on March 13, 2024.
2024.03.26 (28th meeting of last term)	1. Proposal for the Company's 2023 earnings distribution. 2. Proposal for the Company's 2023 earnings and capital increase by way of issuance of new shares.	It has been reported for completion on MOPS on March 26, 2024.
2024.05.13 (30th meeting of last term)	1. Proposal of the Company's consolidated financial statements for Q1 2024.	It has been reported for completion on MOPS on May 13, 2024.
2024.06.13 (1st meeting of the term)	1. Election of the chairman of the company.	It has been reported for completion on MOPS on June 13, 2024.
2024.07.10 (2nd meeting of the term)	1. Proposal to acquire land and building(s) located in Chenggong Section, Lingya District, Kaohsiung City. 2. Proposal to sell the housing and parking space of the Company's construction projects to related parties. 3. Proposal to appoint the members of the 6th Remuneration Committee.	It has been reported for completion on MOPS on July 10, 2024.

Date of Meeting	Key resolution	Implementation situation
2024.07.23 (3rd meeting of the term)	1. Proposal to acquire land and buildings located in Jincheng Section, Anping District, Tainan City.	Transaction amount does not meet the disclosure threshold under Article 31 of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies, therefore no reporting and announcement is necessary.
2024.08.12 (4th meeting of the term)	<ol style="list-style-type: none"> 1. Proposal of the Company's consolidated financial statements for Q2 2024. 2. Proposal to determine the ex-dividend and cash dividends distribution base dates for the 2023 surplus and capital reserve transferred to capital increase for issuing new shares (capital increase). 3. Proposal for joint development project with subsidiary Jin Jyun Construction Co., Ltd. 4. Proposal for the establishment of the Sustainable Development Committee and formulation of its organizational charter. 5. Proposal for appointment of members to the 1st Sustainable Development Committee. 6. The Company's proposal to entrust the subsidiary Jin Jyun Construction Co., Ltd. to offer the limit on guaranty amount for financing needs from financial institutions for business operations. 	It has been reported for completion on MOPS on August 12, 2024.
2024.11.06 (7th meeting of the term)	<ol style="list-style-type: none"> 1. Proposal of the Company's consolidated financial statements for Q3 2024. 2. The Company's proposal to entrust the subsidiary Jin Jyun Construction Co., Ltd. to offer the limit on guaranty within NT\$1,000,000,000 for financing needs from financial institutions for business operations. 	It has been reported for completion on MOPS on November 6, 2024.
2024.12.02 (8th meeting of the term)	1. Proposal of the Company plans to issue the 2024 3rd Secured Ordinary Corporate Bonds.	It has been reported for completion on MOPS on December 2, 2024.
2024.12.31 (9th meeting of the term)	<ol style="list-style-type: none"> 1. Proposal to re-appoint the vacancy of the members of the 6th term of the Remuneration Committee. 2. Proposal to re-appoint the vacancy of the members of the 1st Sustainable Development Committee. 3. The Company's proposal to entrust the subsidiary Jin Jyun Construction Co., Ltd. to offer the limit on guaranty amount for financing needs from financial institutions for business operations. 	It has been reported for completion on MOPS on December 31, 2024.

Date of Meeting	Key resolution	Implementation situation
2025.03.10 (11th meeting of the term)	1. Proposal for the Company's 2024 Business Report and Financial Statements. 2. Matters relating to the convening of the 2025 Annual Shareholders' Meeting. 3. Approval of construction contract signing.	It has been reported for completion on MOPS on March 10, 2024.
2025.03.26 (12th meeting of the term)	1. Proposal for the Company's 2024 earnings distribution. 2. Proposal for the Company to conduct a capital reduction payments to shareholders through cash refund 3. Additional matters relating to the convening of the 2025 Annual Shareholders' Meeting.	A material information press conference was held on March 26, 2025, and the disclosure was completed on the MOPS.

(XII) In the most recent year and up to the date of publication of the financial report, directors that had different opinions on important resolutions passed by the Board of Directors for which there are records or written statements, specify the major content: None.

4. Information on Fees Paid to Certified Public Accountants

- (I) The amount of public audit fees and non-audit public fees paid to the certified public accountants, their affiliated firms and affiliated enterprises, and the content of non-audit services:

Unit: NT\$ thousand

Accounting firm name	CPA name	CPAs' Audit Report	Audit Fee	Non-audit Fee	Total	Remarks
KPMG Taiwan	Yi-lien Han and Kuo-Yang Tseng	2024/01/01~2024/12/31	2,820	207	3,027	Non-audit Fee Service Content is as follows: 1. Financial statement verification visa stamp certification fee. 2. Fee for the review opinion on the transfer of surplus reserve to capital increase. 3. Fees associated with the issuance of corporate bonds. 4. Review fee for the employee salary checklist for non-executive full-time staff. 3.

- (II) When the Company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed: None.

- (III) When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10 percent or more, the reduction in the amount of audit fees, reduction percentage, and reasons shall be disclosed: None.

5. CPA Replacement Information

(I) Regarding the former CPAs:

Date of the replacement	Approved by the Board of Directors on March 10, 2025		
Reason for replacement and description	To accommodate the internal rotation policy of KPMG Taiwan, beginning with the first quarter of 2025, the Company’s financial statement attesting CPAs have been changed from CPAs Yi-Lien Han and Kuo-Yang Tseng to CPAs Yi-Lien Han and Emily Tsou.		
Specify whether or not it was the CPA ending the engagement or declining further engagement, or the Company terminating or discontinuing the engagement.	Counterparty	Certified Public Accountant	Consignor
	Status		
	Voluntarily terminated the engagement	Not applicable.	Not applicable.
	Appointment declined (Discontinued)	Not applicable.	Not applicable.
The Opinions other than unmodified Opinion issued in the last two years and the reasons for the said opinions	Not applicable.		
Is there any disagreement in opinion with the issuer	Yes	—	Accounting principle or practice
		—	disclosure of financial statements
		—	auditing scope or procedures
		—	Others
	None	✓	
	Explanation:		
Other Disclosure Items (Disclosure specified under Article 10, Paragraph 6, Items 1–4 through 1–7 of the Regulations Governing Information to be Published in Annual Reports of Public Companies)	None		

(II) Regarding the successor CPAs:

Name of the firm	KPMG Taiwan
CPA name	Emily Tsou
Date of Engagement	From the financial report of Q1, 2025
Prior to the Formal Engagement, Any inquiry or consultation on the accounting treatment or accounting principles for specific transactions, and the type of audit opinion that might be rendered on the financial report.	Not applicable.
Written Opinions from the Successor CPAs that are Different from the Former CPA's Opinion	Not applicable.

(III) The reply of the former CPAs regarding Article 10, Paragraph 10, Subparagraph 6 Items 1 and 2-3 of the Standards: Not applicable.

6. Where the Company's chairperson, president, or any managerial officer in charge of finance or accounting matters has in the most recent year held a position at the accounting firm of its CPAs or at an affiliated enterprise of such accounting firm, the name and position of the person and the period during which the position was held shall be disclosed: None.

7. In most recent year and as of the end of this annual report is printed out, the directors, supervisors, managerial officers and shareholders holding more than 10% of the equity transfer and equity pledge changes

(I) Changes in shareholdings of directors, managerial officers and major shareholders

The Company has fully disclosed such information on the Market Observation Post System (MOPS) in accordance with regulatory requirements. Query methods are indicated below:

(1) MOPS (<http://mops.twse.com.tw>) > Consolidated Reports > Shareholding Changes / Securities Issuance > Shareholding / Pledges / Transfers by Directors, Supervisors, and Major Shareholders > Shareholding Balances of Directors, Supervisors, Managerial Officers, and Major Shareholders

(II) Information on equity transfers

Information of pledges of equity interests by a director, managerial officer, or shareholder holding 10% of the Company's shares, where the counterparty of any such pledge of equity interests is a related party: None.

(III) Information on equity pledges

Information of pledges of equity interests by a director, managerial officer, or shareholder holding 10% of the Company's shares, where the counterparty of any such pledge of equity interests is a related party: None.

8. Shareholders who account for the top ten shareholders, and their relationships with each other

April 19, 2025; Unit: Share: %

Name (Note 1)	Personal Holding Share		Spouse & Minor Shareholding		Holding shares in the name of others		Names and relationships of the top ten shareholders who have a relationship with each other or are relatives of a spouse or a second degree kinship. (Note3)		Remark
	Shares	Holding shares ratio (Note 2)	Shares	Holding shares ratio (Note 2)	Shares	Holding shares ratio (Note 2)	Title (or Name)	Relationship	
Chin-Shi-Pan Investment Co., Ltd. Representative: Zheng Junfang	97,723,428	9.85	Note 4	Note 4	Note 4	Note 4	Zheng Xiuhui	Relative within Second Degree Kinship	
Xing Ri-sheng Investment Co., Ltd. Representative : Zheng Xiuhui	71,664,212	7.22	Note 4	Note 4	Note 4	Note 4	Zheng Junfang	Relative within Second Degree Kinship	
							Zheng Yousheng	Relative within Second Degree Kinship	
							Zheng Chunmin	Relative within Second Degree Kinship	
							Tsai ChungPing	Relative within Second Degree Kinship	
Kaung Yang Investment Co., Ltd. Representative: Zheng Chunmin	57,737,026	5.82	Note 4	Note 4	Note 4	Note 4	Zheng Xiuhui	Relative within Second Degree Kinship	
							Zheng Yousheng	Relative within Second Degree Kinship	
							Tsai ChungPing	Relative within Second Degree Kinship	
Wan Shengfa Investment Co., Ltd. Representative : Zheng Yousheng	56,920,688	5.73	Note 4	Note 4	Note 4	Note 4	Zheng Xiuhui	Relative within Second Degree Kinship	
							Zheng Chunmin	Relative within Second Degree Kinship	
							Tsai ChungPing	Relative within Second Degree Kinship	
Highwealth Construction Co., Ltd. Representative: Tsao YuanPao	52,136,233	5.25	Note 4	Note 4	Note 4	Note 4	None	None	
Feng-Rao Investment Co., Ltd. Representative : Zheng Xiuhui	49,404,040	4.98	Note 4	Note 4	Note 4	Note 4	Zheng Junfang	Relative within Second Degree Kinship	
							Zheng Yousheng	Relative within Second Degree Kinship	
							Zheng Chunmin	Relative within Second Degree Kinship	
							Tsai ChungPing	Relative within Second Degree Kinship	
Jing-Wei Investment Co., Ltd. Representative : Huang Qingshui	48,207,746	4.86	Note 4	Note 4	Note 4	Note 4	None	None	
Runying Investment Co., Ltd. Representative : Zheng Xiuhui	41,367,864	4.17	Note 4	Note 4	Note 4	Note 4	Zheng Junfang	Relative within Second Degree Kinship	
							Zheng Yousheng	Relative within Second Degree Kinship	
							Zheng Chunmin	Relative within Second Degree Kinship	
							Tsai ChungPing	Relative within Second Degree Kinship	
ChyiYuh Construction Co., Ltd. Representative: Zheng Chunmin	39,892,061	4.02	Note 4	Note 4	Note 4	Note 4	Zheng Xiuhui	Relative within Second Degree Kinship	
							Zheng Yousheng	Relative within Second Degree Kinship	
							Tsai ChungPing	Relative within Second Degree Kinship	
Da-Li Investment Co., Ltd Representative: Tsai Tsungpin	38,860,723	3.92	0	0%	0	0%	Zheng Xiuhui	Relative within Second Degree Kinship	
							Zheng Yousheng	Relative within Second Degree Kinship	
							Zheng Chunmin	Relative within Second Degree Kinship	

Note 1: All the top ten shareholders shall be listed. Those that are legal person shareholders should list the name of the legal person shareholder and the name of the representative separately.

Note 2: The calculation of the shareholding ratio refers to the calculation of the shareholding ratio in the name of oneself, the spouse, the minor child or the use of another person.

Note 3: The shareholders listed in the previous disclosure, including legal persons and natural persons, shall disclose their relationship with each other in accordance with the issuer's financial reporting standards.

Note 4: The shareholder is not an insider declared by the company, so the relevant materials of his spouse, minor children or holding shares in the name of others cannot be obtained.

9. The total number of shares and total equity stake held in any single enterprise by the Company, its directors, managerial officers, and any companies controlled either directly or indirectly by the Company, including the combined shareholding ratio:

Unit: Shares; %

Re-investment business (Note)	Investment by the Company		Directors, managerial officers and investments directly or indirectly controlling the business		Comprehensive Investment	
	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio
Jin Jyun Construction Co., Ltd.	170,000,000	100%	0	0%	170,000,000	100%

Note: The Company's investments accounted for using the equity method.

III. Capital Raising Activities

1. Capital and Shares

(I) Source of share capital

1. The types of shares issued by the Company in the most recent fiscal year and up to the date of publication of the annual report

Unit: NT\$; Shares

Month/ Year	Issue Price	Authorized Shares		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Sources of Share Capital	Non-cash Capital Increase	Others
2006/09	10	120,000,000	1,200,000,000	62,490,000	624,900,000	Surplus transferred to capital increase 24,900,000	None	Effective per Letter Jin-Guan-Zheng-Yi-Zi No. 0950129041 issued by the Financial Supervisory Commission, Executive Yuan, dated July 7, 2006
2006/09	10	120,000,000	1,200,000,000	64,980,000	649,800,000	Surplus transferred to capital increase 24,900,000	None	Effective per Letter Jin-Guan-Zheng-Yi-Zi No. 0950131709 issued by the Financial Supervisory Commission, Executive Yuan, dated August 14, 2006.
2007/09	10	120,000,000	1,200,000,000	73,102,500	731,025,000	Surplus transferred to capital increase 81,225,000	None	Effective per Letter Jin-Guan-Zheng-Yi-Zi No. 0960044644 issued by the Financial Supervisory Commission, Executive Yuan, dated August 20, 2007.
2007/09	10	120,000,000	1,200,000,000	81,225,000	812,250,000	Surplus transferred to capital increase (Private placement) 81,225,000	None	
2008/08	10	120,000,000	1,200,000,000	97,600,000	976,000,000	Surplus and employees' bonus transferred to capital increase 163,750,000	None	Effective per Letter Jin-Guan-Zheng-Yi-Zi No. 0970034696 issued by the Financial Supervisory Commission, Executive Yuan, dated July 10, 2008.
2009/08	10	120,000,000	1,200,000,000	113,216,000	1,132,160,000	Surplus transferred to capital increase 156,160,000	None	Effective per Letter Jin-Guan-Zheng-Yi-Zi No. 0980034483 issued by the Financial Supervisory Commission, Executive Yuan, dated July 10, 2009.
2010/12	10	160,000,000	1,600,000,000	135,859,200	1,358,592,000	Surplus transferred to capital increase 226,432,000	None	Effective per Letter Jin-Guan-Zheng-Yi-Zi No. 0990056467 issued by the Financial Supervisory Commission, Executive Yuan, dated October 15, 2010.
2012/01	10	250,000,000	2,500,000,000	136,484,404	1,364,844,040	Conversion of corporate bonds 6,252,040	None	Tai-Zheng-Shang-Yi-Zi No. 10100013531 by the Taiwan Stock Exchange Corporation, dated January 18, 2012.
2012/04	10	250,000,000	2,500,000,000	142,232,518	1,422,325,180	Conversion of corporate bonds 57,481,140	None	Tai-Zheng-Shang-Yi-Zi No. 10100082201 by the Taiwan Stock Exchange Corporation, dated April 18, 2012.
2012/07	10	250,000,000	2,500,000,000	143,723,712	1,437,237,120	Conversion of corporate bonds 14,911,940	None	Tai-Zheng-Shang-Yi-Zi No. 10100169681 by the Taiwan Stock Exchange Corporation, dated July 26, 2012.

Month/ Year	Issue Price	Authorized Shares		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Sources of Share Capital	Non-cash Capital Increase	Others
2012/10	10	250,000,000	2,500,000,000	144,600,643	1,446,006,430	Conversion of corporate bonds 8,769,310	None	Tai-Zheng-Shang-Yi-Zi No. 10100232901 by the Taiwan Stock Exchange Corporation, dated October 15, 2012.
2013/01	10	250,000,000	2,500,000,000	144,634,298	1,446,342,980	Conversion of corporate bonds 336,550	None	Tai-Zheng-Shang-Yi-Zi No. 10200010221 by the Taiwan Stock Exchange Corporation, dated January 17, 2013.
2013/04	10	250,000,000	2,500,000,000	144,699,139	1,446,991,390	Conversion of corporate bonds 648,410	None	Tai-Zheng-Shang-Yi-Zi No. 1020007491 by the Taiwan Stock Exchange Corporation, dated April 25, 2013.
2013/10	10	250,000,000	2,500,000,000	176,597,015	1,765,970,150	Conversion of corporate bonds 318,978,760	None	Tai-Zheng-Shang-Yi-Zi No. 1020021840 by the Taiwan Stock Exchange Corporation, dated October 22, 2013.
2014/04	10	250,000,000	2,500,000,000	177,008,875	1,770,088,750	Conversion of corporate bonds 4,118,600	None	Tai-Zheng-Shang-Yi-Zi No. 10300073421 by the Taiwan Stock Exchange Corporation, dated April 18, 2014.
2014/07	10	250,000,000	2,500,000,000	177,380,937	1,773,809,370	Conversion of corporate bonds 3,720,620	None	Tai-Zheng-Shang-Yi-Zi No. 1030014446 by the Taiwan Stock Exchange Corporation, dated July 17, 2014.
2014/10	10	250,000,000	2,500,000,000	185,008,864	1,850,088,640	Conversion of corporate bonds 76,279,270	None	Tai-Zheng-Shang-Yi-Zi No. 1030022108 by the Taiwan Stock Exchange Corporation, dated October 23, 2014.
2015/01	10	250,000,000	2,500,000,000	215,008,864	2,150,088,640	Issuance of common stock for cash 300,000,000	None	Effective per Letter Jin-Guan- Zheng-Fa-Zi No. 1030052644 issued by the Financial Supervisory Commission, Executive Yuan, dated January 8, 2015
2015/08	10	250,000,000	2,500,000,000	215,026,195	2,150,261,950	Conversion of corporate bonds 173,310	None	Tai-Zheng-Shang-Yi-Zi No. 1040016174 by the Taiwan Stock Exchange Corporation, dated August 17, 2015.
2015/10	10	250,000,000	2,500,000,000	215,850,199	2,158,501,990	Conversion of corporate bonds 8,240,040	None	Tai-Zheng-Shang-Yi-Zi No. 1040021557 by the Taiwan Stock Exchange Corporation, dated October 21, 2015.
2016/01	10	250,000,000	2,500,000,000	233,184,874	2,331,848,740	Conversion of corporate bonds 173,346,750	None	Approved by the Taiwan Stock Exchange Corporation on January 20, 2016.
2016/05	10	250,000,000	2,500,000,000	233,494,574	2,334,945,740	Conversion of corporate bonds 3,097,000	None	Approved by the Taiwan Stock Exchange Corporation on May 10, 2016.
2016/07	10	250,000,000	2,500,000,000	234,557,995	2,345,579,950	Conversion of corporate bonds 10,634,210	None	Approved by the Taiwan Stock Exchange Corporation on August 2, 2016.
2016/10	10	250,000,000	2,500,000,000	236,847,345	2,368,473,450	Conversion of corporate bonds 22,893,500	None	Approved by the Taiwan Stock Exchange Corporation on October 24, 2016.
2017/01	10	250,000,000	2,500,000,000	237,666,300	2,376,663,000	Conversion of corporate bonds 8,189,550	None	Approved by the Taiwan Stock Exchange Corporation on January 25, 2017.
2017/04	10	250,000,000	2,500,000,000	243,355,904	2,433,559,040	Conversion of corporate bonds 56,896,040	None	Approved by the Taiwan Stock Exchange Corporation on April 19, 2017.
2017/10	10	250,000,000	2,500,000,000	243,404,446	2,434,044,460	Conversion of corporate bonds 485,420	None	Approved by the Taiwan Stock Exchange Corporation on October 19, 2017.

Month/ Year	Issue Price	Authorized Shares		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Sources of Share Capital	Non-cash Capital Increase	Others
2018/04	10	250,000,000	2,500,000,000	244,472,405	2,444,724,050	Conversion of corporate bonds 10,679,590	None	Approved by the Taiwan Stock Exchange Corporation on April 13, 2018.
2018/07	10	250,000,000	2,500,000,000	244,501,531	2,445,015,310	Conversion of corporate bonds 291,260	None	Approved by the Taiwan Stock Exchange Corporation on July 27, 2018.
2019/09	10	360,000,000	3,600,000,000	308,330,531	3,083,305,310	Conversion of corporate bonds 638,290,000	None	Approved by the Taiwan Stock Exchange Corporation on September 27, 2018.
2020/10	10	500,000,000	5,000,000,000	369,996,637	3,699,966,370	Surplus transferred to capital increase 308,330,530 capital surplus transferred to capital increase 308,330,530	None	Effective on the filing to the Financial Supervisory Commission on August 3, 2020 Approved by the Taiwan Stock Exchange Corporation on October 21, 2020.
2021/10	10	500,000,000	5,000,000,000	392,196,637	3,921,966,370	Surplus transferred to capital increase 74,000,000 Capital surplus transferred to capital increase 148,000,000	None	Effective on the filing to the Financial Supervisory Commission on August 30, 2021 Approved by the Taiwan Stock Exchange Corporation on October 21, 2021.
2022/10	10	800,000,000	8,000,000,000	451,026,133	4,510,261,330	Surplus transferred to capital increase 588,294,960	None	Effective on the filing to the Financial Supervisory Commission on August 1, 2022 Approved by the Taiwan Stock Exchange Corporation on October 18, 2022.
2024/10	10	1,200,000,000	12,000,000,000	992,257,493	9,922,574,930	Surplus transferred to capital increase 5,412,313,600	None	Effective on the filing to the Financial Supervisory Commission on August 1, 2024 Approved by the Taiwan Stock Exchange Corporation on October 15, 2024.

2. Information on shelf registration: The Company has not applied to offer and issue securities by shelf registration.

3. Private placement of common shares in the most recent fiscal year and up to the date of publication of the annual report: None.

(II) Share type

April 19, 2025; Unit: Shares

Share Type	Authorized Shares			Remarks
	Outstanding Shares	Un-issued Shares	Total	
Ordinary share	992,257,493	207,742,507	1,200,000,000	Listed company stock

2. Names of major shareholders

April 19, 2025; Unit: Shares

Name	Shares	Shareholding ratio
Chin-Shi-Pan Investment Co., Ltd.	97,723,428	9.85%
Xing Ri-sheng Investment Co., Ltd.	71,664,212	7.22%
Kaung Yang Investment Co., Ltd.	57,737,026	5.82%
Wan Shengfa Investment Co., Ltd.	56,920,688	5.74%
Highwealth Construction Co., Ltd.	52,136,233	5.25%
Feng-Rao Investment Co., Ltd.	49,404,040	4.98%
Jing-Wei Investment Co., Ltd.	48,207,746	4.86%
Runying Investment Co., Ltd.	41,367,864	4.17%
ChyiYuh Construction Co., Ltd.	39,892,061	4.02%
Da-Li Investment Co., Ltd	38,860,723	3.92%

3. Dividend Policy and implementation status

(I) Dividend policy set in the Articles of Incorporation

Where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, except when the legal reserve has reached the amount of the Company's paid-in capital. Depending on the Company's operation and legal requirements, special reserve may be set aside or reversed. The Company's Board of Directors shall use any remaining profit together with any undistributed retained earnings as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for distribution of dividends and bonus to shareholders.

The Company's dividend policy shall take into the Company's financial structure, operating situation and capital budget, as well as the interests of shareholders and balance of dividends. The distributable earnings may be retained or paid in shares or cash. The amount of dividend distribution shall be maintained at between 10% and 100% of the current year's distributable earnings. The dividends paid in cash shall be less than 10% of the total dividends distributed in the year.

If the Company distributes all or part of the dividends and bonuses or statutory surplus reserves and capital reserves by means of cash disbursement, it shall authorize the Board of Directors with over two-thirds of the directors attending the meeting and conduct after approval of a majority of the directors attending the meeting, which shall be reported to the shareholders' meeting.

(II) Proposed dividend distribution by the current shareholder meeting

1. The distribution of dividends in cash from earnings for 2024 has been resolved by the Board of Directors on March 26, 2025. The cash dividend this year will be distributed of NT\$2 per share.

Item		Dividend per share (NT\$/share)
Cash dividends	Bonus share from surplus	2
	Bonus share from capital reserve	—
Issuance of bonus share	Earnings dividend	—
	Capital reserve dividend	—

(III) Significant changes to dividend policy: None.

4. Impact on the Company's operating performance and earnings per share of the bonus shares proposed at this shareholder meeting: Not applicable.
5. Remuneration of employees and directors

(I) Employees' and directors' compensation policies as stated in the Articles of Incorporation:

1. Pursuant to Article 29 of the Articles of Incorporation, if the Company records a profit in a year, it shall set aside not less than one-thousandth of the profit as remuneration to employees and not more than one-hundredth of the profit as remuneration to directors. The remuneration shall be distributed after the resolution of the Board of Directors and reported to the shareholder meeting. However, if the Company still has accumulated losses, the compensation amount shall be reserved in advance.

The employee remuneration may be determined by shares or cash and its receiving parties must include its serving employees in accordance who meet certain criteria established by the board of directors.

2. Employee Compensation Policy

- (1) The Company's employee compensation policy is based on individual work experience, job responsibilities, capabilities, and performance, as well as the Company's financial position and operational status. It is closely aligned with business performance.
- (2) The Company conducts performance evaluations twice a year, for the first and second halves of the year. Evaluations are divided into two categories, for managerial positions, four performance indicators are assessed: "target achievement and business growth" (25%), "leadership and judgment" (25%), "interpersonal relationships and respect for subordinates" (25%), and "management and professional knowledge" (25%). For general staff, three performance indicators are assessed—"work efficiency and coordination" (65%), "work skills and judgment" (25%), and "conduct and obedience" (10%):

- First-half evaluation: serves as the basis for salary adjustments and mid-year bonus issuance. Based on individual annual performance scores and ratings, the General Manager reviews the adjustment of salary grades and amounts in accordance with the “Base Salary Grade Reference Table,” which is then submitted to the Chairperson for approval.
- Second-half evaluation: Closely aligned with the Company’s overall operational performance. Taking into account each employee’s seniority and annual performance evaluation results, the Company distributes the year-end bonus for the current year and the employee remuneration for the previous year to all employees, thereby encouraging everyone to work together toward the Company’s objectives.

(II) The basis for the estimation of the amount of remuneration of employees and directors in the current period, and the accounting treatment if there is a difference between the estimated amount and the actual remuneration paid in shares or cash:

1. Estimation basis for the period: 0.72% of the net profit before tax of the period as employees’ remuneration; 0.28% as the directors’ remuneration.
2. The calculation basis for employees’ remuneration distributed in shares: No employees’ remuneration is paid in shares this period, and thus this is not applicable.
3. Accounting treatment if there is a discrepancy between the estimate and the actual amount paid: The difference will be recognized as profit or loss from changes in accounting estimates in the next fiscal year.

(III) Remuneration distribution as decided by the Board of Directors’ meeting

1. Distribution of employees and directors’ remunerations:

The Company’s 2024 remunerations for employees and directors were approved by the Board of Directors in the meeting on March 10, 2025, described as follows:

- (1) Employees’ remuneration in cash: NT\$20,000,000 (approximately 0.72%)
- (2) Directors’ remuneration in cash: NT\$8,000,000 (approximately 0.28%)

2. Discrepant amount, reasons, and treatment, in the event of a discrepancy between the 2024 estimated amount and the actual remunerations paid in shares or cash to employees and directors: No discrepancy between the 2024 estimated amount and the actual remunerations paid.
3. Employee remuneration paid in shares as a percentage of the total amount of the current net profit after tax and the total employee remuneration as reported in the consolidated or individual financial statements:

(IV) Actual distribution of employees and directors’ remuneration (including distributed cash, shares, and share prices) in the prior year, and the accounting disclosures, treatments and explanations if discrepancies exist

1. Actual distribution of employees and directors’ remuneration in the previous year

Distribution	2023			
	Distributed amount resolved by the Board of Directors	Actual distributed amount	Recognized amount	Discrepant amount
Employee cash remuneration	NT\$25,500 thousand	NT\$25,500 thousand	NT\$25,500 thousand	0
Directors' remuneration	NT\$10,000 thousand	NT\$10,000 thousand	NT\$10,000 thousand	0

2. Reason for discrepancy between the actual distributed amount and recognized amount and treatment: No discrepancy from the expense amount recognized in 2023.

6. Buyback of treasury stock of the Company: None.

7. Corporate bonds

I. Issuance Status of Corporate Bonds

1. On December 17, 2019, approved with Letter Zheng-Gui-Zhai-Zi No. 10800138421 issued by the Taipei Exchange, the 2019 third batch of domestic secured ordinary convertible corporate bonds for NT\$1.9 billion was issued.

The Company's third guaranteed ordinary corporate bonds in 2019 matured on December 24, 2024, marking five years since their issuance. Pursuant to Zheng-Gui-Zhai No. 11304007592 dated November 4, 2024, issued by the Taipei Exchange, trading of the bonds will be terminated starting from the business day following the maturity date.

2. On November 3, 2021, approved with Letter Zheng-Gui-Zhai No. 11000120671 issued by the Taipei Exchange, the 2021 first batch of domestic secured ordinary convertible corporate bonds for NT\$2 billion was issued.

3. On Mar. 30, 2022, approved with Letter Zheng-Gui-Zhai No. 11100020801 issued by the Taipei Exchange, the 2022 first batch of domestic secured ordinary convertible corporate bonds for NT\$2 billion was issued.

4. On March 27, 2024, approved with Letter Zheng-Gui-Zhai No. 11300016202 issued by the Taipei Exchange, the 2024 first batch of domestic secured ordinary convertible corporate bonds for NT\$2 billion was issued.

5. On April 30, 2024, approved with Letter Zheng-Gui-Zhai No. 11300027752 issued by the Taipei Exchange, the 2024 second batch of domestic secured ordinary corporate bonds for NT\$2 billion was issued.

6. On December 19, 2024, the TPEX approved the Company's third issuance of domestic secured ordinary corporate bonds for the year under Letter No. Zheng-Gui-Zhai-Zi No.11300115352, with a total issuance amount of NT\$1.52 billion.

7. Each of the above batches of corporate bonds was issued as follows:

Type of Corporate Bonds		2021-1 Secured Ordinary Corporate Bonds (Code: B85108)
Issuance (handling) date		November 10, 2021
Denomination		NT\$1,000,000
Place of issuance and transaction (Note)		Not applicable.
Issuing price		At face value
Total		NT\$2 billion in total
Interest rate		Coupon rate: fixed rate at 0.57% per annum
Period		5-year period, maturity date: November 10, 2026
Guarantee Organization		Taiwan Business Bank Co., Ltd.
Trustee		Land Bank of Taiwan Co., Ltd.
Underwriting institution		BankTaiwan Securities Co.,Ltd.
Certified Lawyer		Zhong-Jie Wei
Certified Public Accountant		Yi-lien Han
Reimbursement Method		The principal of the corporate bonds shall be repaid in full (bullet repayment) upon maturity five years from the issuance date.
Outstanding principal amount		NT\$2,000,000,000
Redemption and Advanced Redemption Provisions		Not applicable.
Restrictions		None
Credit rating agency, assessment date and results		Not applicable.
Other rights attached	Amount of Converted (Exchanged or Subscribed) Ordinary shares, Overseas Depository Receipts or Other Negotiable Securities	Not applicable.
	Issuance and Conversion (Exchange or Subscription) Method	Please refer to the prospectus of the 2021 1 st Secured Ordinary Corporate Bonds.
Potential impact of issuance, conversion, exchange, subscription, or issuing method and conditions on the dilution of equity and existing shareholders' rights		Please refer to the prospectus of the 2021 1 st Secured Ordinary Corporate Bonds.
Name of the Custodian Institution for Underlying Exchange		Not applicable.

Note: Filled in by overseas bond holders

Type of Corporate Bonds		2022-1 Secured Ordinary Corporate Bonds (Code: B85109)
Issuance (handling) date		Apr. 11, 2022
Denomination		NT\$1,000,000
Place of issuance and transaction (Note)		Not applicable.
Issuing price		At face value
Total		NT\$2 billion in total
Interest rate		Coupon rate: fixed rate at 0.85% per annum
Period		5-year period, maturity date: Apr. 11, 2027
Guarantee Organization		Mega International Bank Co., Ltd.
Trustee		Land Bank of Taiwan Co., Ltd.
Underwriting institution		Mega Securities Co., Ltd.
Certified Lawyer		Zhong-Jie Wei
Certified Public Accountant		Yi-lien Han
Reimbursement Method		The principal of the corporate bonds shall be repaid in full (bullet repayment) upon maturity five years from the issuance date.
Outstanding principal amount		NT\$2,000,000,000
Redemption and Advanced Redemption Provisions		Not applicable.
Restrictions		None
Credit rating agency, assessment date and results		Not applicable.
Other rights attached	Amount of Converted (Exchanged or Subscribed) Ordinary shares, Overseas Depository Receipts or Other Negotiable Securities	Not applicable.
	Issuance and Conversion (Exchange or Subscription) Method	Please refer to the prospectus of the 2022 1 st Secured Ordinary Corporate Bonds.
Potential impact of issuance, conversion, exchange, subscription, or issuing method and conditions on the dilution of equity and existing shareholders' rights		Please refer to the prospectus of the 2022 1 st Secured Ordinary Corporate Bonds.
Name of the Custodian Institution for Underlying Exchange		Not applicable.

Note: Filled in by overseas bond holders

Type of Corporate Bonds		2024-1 Secured Ordinary Corporate Bonds (Code: B85110)
Issuance (handling) date		March 28, 2024
Denomination		NT\$1,000,000
Place of issuance and transaction (Note)		Not applicable.
Issuing price		At face value
Total		NT\$2 billion in total
Interest rate		Coupon rate: fixed rate at 1.70% per annum
Period		5-year period, maturity date: March 28, 2029
Guarantee Organization		Mega International Bank Co., Ltd.
Trustee		Bank of Taiwan Co., Ltd.
Underwriting institution		Mega Securities Co.,Ltd.
Certified Lawyer		Zhong-Jie Wei
Certified Public Accountant		Yi-lien Han
Reimbursement Method		The principal of the corporate bonds shall be repaid in full (bullet repayment) upon maturity five years from the issuance date.
Outstanding principal amount		NT\$2,000,000,000
Redemption and Advanced Redemption Provisions		Not applicable.
Restrictions		None
Credit rating agency, assessment date and results		Not applicable.
Other rights attached	Amount of Converted (Exchanged or Subscribed) Ordinary shares, Overseas Depository Receipts or Other Negotiable Securities	Not applicable.
	Issuance and Conversion (Exchange or Subscription) Method	Please refer to the Prospectus for the Company's 2024-1 Secured Ordinary Corporate Bonds.
Potential impact of issuance, conversion, exchange, subscription, or issuing method and conditions on the dilution of equity and existing shareholders' rights		Please refer to the Prospectus for the Company's 2024-1 Secured Ordinary Corporate Bonds.
Name of the Custodian Institution for Underlying Exchange		Not applicable.

Note: Filled in by overseas bond holders

Type of Corporate Bonds		2024-2 Secured Ordinary Corporate Bonds (Code: B85111)
Issuance (handling) date		May 2, 2024
Denomination		NT\$1,000,000
Place of issuance and transaction (Note)		Not applicable.
Issuing price		At face value
Total		NT\$2 billion in total
Interest rate		Coupon rate: fixed rate at 1.73% per annum
Period		5-year period, maturity date: May 2, 2029
Guarantee Organization		Hua Nan Commercial Bank, Ltd.
Trustee		Land Bank of Taiwan Co., Ltd.
Underwriting institution		Hua Nan Securities Co., Ltd
Certified Lawyer		Zhong-Jie Wei
Certified Public Accountant		Yi-lien Han
Reimbursement Method		The principal of the corporate bonds shall be repaid in full (bullet repayment) upon maturity five years from the issuance date.
Outstanding principal amount		NT\$2,000,000,000
Redemption and Advanced Redemption Provisions		Not applicable.
Restrictions		None
Credit rating agency, assessment date and results		Not applicable.
Other rights attached	Amount of Converted (Exchanged or Subscribed) Ordinary shares, Overseas Depository Receipts or Other Negotiable Securities	Not applicable.
	Issuance and Conversion (Exchange or Subscription) Method	Please refer to the prospectus for the Company's second issuance of secured ordinary corporate bonds in 2024.
Potential impact of issuance, conversion, exchange, subscription, or issuing method and conditions on the dilution of equity and existing shareholders' rights		Please refer to the prospectus for the Company's second issuance of secured ordinary corporate bonds in 2024.
Name of the Custodian Institution for Underlying Exchange		Not applicable.

Note: Filled in by overseas bond holders

Type of Corporate Bonds		2024-3 Secured Ordinary Corporate Bonds (Code: B85112)
Issuance (handling) date		December 20, 2024
Denomination		NT\$1,000,000
Place of issuance and transaction (Note)		Not applicable.
Issuing price		At face value
Total		Total face value: NT\$1,520,000,000.
Interest rate		Coupon rate: fixed rate at 2.05% per annum
Period		5-year period, maturity date: December 20, 2029
Guarantee Organization		Taiwan Cooperative Bank Co., Ltd.
Trustee		Land Bank of Taiwan Co., Ltd.
Underwriting institution		Hua Nan Securities Co., Ltd
Certified Lawyer		Zhong-Jie Wei
Certified Public Accountant		Yi-lien Han
Reimbursement Method		50% of the principal will be repaid at the end of the 30th month from the issuance date; the remaining 50% will be repaid at maturity (60th month).
Outstanding principal amount		NT\$ 1,520,000,000
Redemption and Advanced Redemption Provisions		Not applicable.
Restrictions		None
Credit rating agency, assessment date and results		Not applicable.
Other rights attached	Amount of Converted (Exchanged or Subscribed) Ordinary shares, Overseas Depository Receipts or Other Negotiable Securities	Not applicable.
	Issuance and Conversion (Exchange or Subscription) Method	Please refer to the prospectus for the Company's third issuance of secured ordinary corporate bonds in 2024.
Potential impact of issuance, conversion, exchange, subscription, or issuing method and conditions on the dilution of equity and existing shareholders' rights		Please refer to the prospectus for the Company's third issuance of secured ordinary corporate bonds in 2024.
Name of the Custodian Institution for Underlying Exchange		Not applicable.

Note: Filled in by overseas bond holders

(II) Information on Corporate Bonds Maturing Within 1 Year: None.

(III) Information on convertible corporate bonds: None.

(IV) Information on exchanged corporate bonds: None.

(V) Shelf registration of corporate bonds issuance: None.

(VI) Information on corporate bonds with share options: None.

(VII) Private placement of corporate bonds during the three most recent years and up to the publication date of the annual report: None.

8. Preferred shares: None.

9. Global depository receipts: None.

10. Employee share subscription warrants: None.

11. New restricted employee shares: None.

12. Issuance of new shares in connection with mergers and acquisitions: None.

13. Financial plans and implementation

(I) Plan Overview:

For the period as of the quarter preceding the date of publication of the annual report, with respect to each uncompleted public issue or private placement of securities, and to such issues and placements that were completed in the most recent 3 years but have not yet fully yielded the planned benefits:

1. The Company issued the 2024 2nd Secured Ordinary Corporate Bonds with a total face value of NT\$2 billion, and the fundraising was completed on May 2, 2024. According to the original implementation timeline, the funds were scheduled for full deployment by the fourth quarter of 2024. As of the first quarter of 2025, the actual cumulative execution progress reached 87.04%, which is behind the planned schedule. The Company will continue executing the plan in the second quarter of 2025. There have been no changes to the plan and no material anomalies.
2. In accordance with regulatory requirements, the Company has disclosed the implementation status of the 2024 2nd Secured Ordinary Corporate Bonds on the MOPS. For further information, please visit:

MOPS (<http://mops.twse.com.tw>) > Company > Shareholding Changes / Securities Issuance > Capital Raising / Private Placement > Execution of Capital Utilization Plan.

(II) Implementation status:

The Company has also disclosed the implementation status of capital utilization plans for each corporate bond tranche on the MOPS as required by the competent authorities.

MOPS (<http://mops.twse.com.tw>) > Company > Shareholding Changes / Securities Issuance > Capital Raising / Private Placement > Execution of Capital Utilization Plan.

IV. Operational Highlights

1. Business Activities

(I) Business Activities

1. Major lines of business

(1) Lease and sale of public housing and commercial buildings commissioned by construction companies.

(2) The subsidiary Jin Jyun Construction mainly contracts construction projects.

2. Major products and the business weight

2024	Business weight (%)
Construction revenue	100
Engineering revenue	—
Total	100

3. New products or services in planned development

(1) Construction business

The Company's core values are planning capabilities, construction quality and after-sales service, and it actively promotes the brand. Its direction of project development is that of self-construction or joint construction, and it seeks to expand land development areas, accumulate land inventory, and advance into other types of real estate markets. In terms of product planning, the key appeals are the current rigid market needs for self-occupied and first time buyers, with safety, health and environmentally friendly housing demands. The Company is committed to construct sustainable and smart buildings. In terms of after-sales service, the Company continues to monitor the needs of customers and the market, actively handle customer complaints, and improve the trust of home buyers in the Company.

(2) Construction/engineering business of the subsidiary Jin Jyun Construction

Jin Jyun Construction is a comprehensive domestic construction company. Its main business is to contract construction and building projects. It is committed to providing high-quality construction services, upholding the high quality of construction projects, while continuously improving construction technologies and accumulating forward-looking construction management practices, and gradually expanding the business area in the construction industry.

(II) Industry Overview

1. Industry status and overview

(1) Construction business

Amid the global wave of sustainability, the construction industry must accelerate its digital transformation to meet the challenges of energy conservation and carbon reduction.

During the design phase, integrating Building Information Modeling (BIM) with Artificial Intelligence (AI) enables more precise simulations of building usage and maintenance scenarios. AI can leverage big data to provide insights into resource utilization, energy efficiency, carbon reduction, and waste minimization, thereby enhancing design performance. In the construction phase, AI further strengthens BIM's planning capabilities by dynamically forecasting labor, materials, and equipment needs, and optimizing resource allocation through machine learning—ultimately reducing waste and improving efficiency and intelligence in operations.

The integration of BIM technology and intelligent building enhances building maintenance and disaster prevention functions, becoming a powerful tool in achieving net-zero emissions. Through BIM, it is possible to simulate the power consumption of various systems throughout a building before construction, ensuring that design aligns with low-carbon and energy-efficient principles from the outset, driving projects toward sustainability.

(2) Construction/engineering business of the subsidiary Jin Jyun Construction

According to the Ministry of the Interior's 2024 data collection on the construction industry, which includes income and expenditure, project value, total material consumption, changes in fixed assets and inventory, 46.3% of construction-related businesses reported facing operational difficulties. The most cited challenges were excessive price fluctuations and difficulties in cost control. The areas in which the industry most hopes for government support are "labor shortages" and "raw material price stabilization".

With Taiwan set to introduce carbon fees, the 2024 rate is set at NT\$300 per tCO₂e (adjusted every two years), and by May 2026, companies will need to pay based on their 2025 greenhouse gas emissions. Suppliers of concrete, rebar, and similar materials are expected to pass these costs on to developers and contractors, further increasing construction costs.

Developers and construction firms now face two major challenges: carbon fee implementation and labor shortages. These two factors will affect their cost structures, construction progress, and overall market competitiveness.

2. Relationship among the industry's up-, mid-, and downstream

(1) Construction Industry

The construction industry combines the two sides of the manufacturing industry (house production) and the service industry (house sales and services), and is closely related to the steel industry, cement industry, sand and gravel industry, glass industry, tile industry, hardware industry, wire and cable Industry, sanitary equipment manufacturing industry and furniture industry. In addition, it activates the advertising, realtors, decoration, utilities and other related industries, which will greatly help to boost the overall economic prosperity and benefits.

There are many upstream and downstream industries involved in the construction industry, and operation processes must rely on the cooperation and support of other industries such as manufacturing and mining. However, there may currently be joint ventures, shareholding, and

investment for construction within domestic construction projects, construction companies and construction suppliers, which leads to a close cooperation among the upstream, midstream and downstream of the construction industry.

(2) Construction/engineering business of the subsidiary Jin Jyun Construction

Its main source is the contracts commissioned by construction companies. The upstream industry includes the ready-mixed concrete industry, steel materials and products industry, cement industry, mechanical and electrical equipment industry, and ceramic tile industry; the downstream industry includes realtors, the furniture industry, home appliance industry, lighting industry and insurance industry, among other things. Therefore, the prosperity of the construction industry has a great impact on the industries of related raw materials, and also affects the development of other related industries.

3. Product development trends and competition

(1) Construction business

Looking back at the 2024 real estate market, it has shifted from an era of high demand toward a stage of policy-induced adjustments. Looking ahead to 2025, the market will be influenced by political policies, economic and financial conditions, and international developments. The potential escalation of U.S.–China trade tensions 2.0, the uncertain end of the Russia–Ukraine war, and other geopolitical conflicts could lead to volatile raw material prices, impacting construction costs.

First-time homebuyer demand remains strong in 2025, and banks continue to prioritize this segment. Anti-speculation policies are intended to direct lending resources to individuals without existing property holdings. Meanwhile, demand from those looking to upgrade their homes remains robust, supporting market fundamentals. The dominant market trend continues to favor “low total price” and “small unit” homes. In response, Run Long will continue to develop well-located, affordably priced “compact homes,” “small two-bedroom units,” and “2+1 bedroom units.” Through collaboration with interior design teams to create model homes, customers can experience the layouts and customize their living spaces to meet their comfort and functional needs.

(2) Construction/engineering business of the subsidiary Jin Jyun Construction

At COP28 in 2023, the United Nations Climate Change Conference for the first time placed innovations in construction materials and building methods at the heart of its agenda, with continued tracking. As record-breaking urban heat persists, initiatives such as the “Buildings Breakthrough” and the “Cement and Concrete Breakthrough” are no longer just proposals—they are actionable mandates. Taiwan’s construction industry must embrace this transformation, advancing dual axes of digitalization and net-zero goals, and adopting low-carbon and energy-efficient methods to establish “near-zero-emission and resilient buildings” as the new norm.

The Group is committed to introducing new technologies that reform traditional construction practices. By adopting innovative construction methods, the Group aims to

comprehensively enhance construction techniques and engineering quality. This not only addresses the labor shortage in the building sector but also contributes positively to global efforts toward low-carbon sustainability.

(III) Overview of technology and research and development:

The Company and its subsidiaries have invested considerable human resources and costs over the years, and have continuously introduced new services and systems to meet consumer demands for real estate transactions. However, as the Company and its subsidiaries primarily engage in real estate development and sales, research and development investment is not applicable.

(IV) Short-term and long-term operation plans

1. Short-term operation plans

(1) Construction business: In 2024, the Company continued to sell remaining inventory while actively launching new projects. The main development projects and their sales status are as follows:

① Completed projects

Project name	Area	Product	Sale rate	Units/parking lots to be sold
Shihengbin (Xingye District)	Chungshan District, Keelung City	Residence and commercial	99%	1 units; 1 parking lots
Dream City	Chungshan District, Keelung City	Residence and commercial	98%	12 units; 12 parking lots
Bokelai Park	Banqiao, New Taipei City	Residence and commercial	98%	3 units; 3 parking lots
Kuobin Kuandi	Neihu District, Taipei City	Residence and commercial	96%	4 units; 6 parking lots
National Central City	Chungli District, Taoyuan City	Residence and commercial	98%	12 units; 16 parking lots
Taichung Dibao	Xitun District, Taichung City	Residence	80%	9 units; 23 parking lots
NTC National Trading Center	Xitun District, Taichung City	Commercial	97%	4 units; 63 parking lots
Wenhua Run Long	Lingya District, Kaohsiung City	Residence and commercial	99%	4 units; 4 parking lots
Shuhoyuan	Sanmin District, Kaohsiung City	Residence and commercial	99%	4 units; 6 parking lots

②Pre-sale projects

Project name	Area	Product	Current progress of sales
Jing'an Wenhui	Zhonghe District, New Taipei City	Residence	100%
Xinyi Fujian	Wenshan District, Taipei City	Residence	7%
Windsor Castle	Guishan District, Taoyuan City	Residence and commercial	99%
Shicheng Aiyue	Xitun District, Taichung City	Residence and commercial	99%
VVS1	Xitun District, Taichung City	Residence and commercial	97%
Contemporary Shoufu	Xitun District, Taichung City	Residence and commercial	100%
Run Long Park Hyatt	Anping District, Tainan City	Residence and commercial	98%

③Future projects

Project name (provisional)	Area	Product	Schedule of promotion
De'an Section E, F Zone	Chungshan District, Keelung City	Residence	Under planning
Dang Dai Yi Di	Xitun District, Taichung City	Residence	Under planning
Jincheng Section, Anping District, Tainan City	Anping District, Tainan City	Residence and commercial	Under planning
Guo'an Section, Annan District, Tainan City	Annan District, Tainan City	Residence and commercial	Under planning
Chenggong Section, Lingya District, Kaohsiung City	Lingya District, Kaohsiung City	Residence and commercial	Under planning

(2) Construction/engineering business of the subsidiary Jin Jyun Construction

- ①The business direction of vertical integration (civil engineering/electromechanical and construction/electromechanical).
- ②Cultivate relevant talents and improve the quality of professional human resources.
- ③Deepen the application of BIM technology and smart construction management.
- ④Reinforcing quality assurance, safety, and the advancement of construction technology.

2. Long-term operation plans

(1) Construction business

- ① Long-term business development should strengthen organizational efficiency, reduce unit costs, enhance market competitiveness, apply informatization, urban renewal plans and incentives, and flexibly use land development strategies to reduce land development costs and increase the Company's profits.
 - ② From the planning stage of each project, the Company promotes the acquisition of "Green Building," "Intelligent Building," and "Green Material" labels, incorporating low-carbon and circular building concepts through lightweight structures, low-carbon construction methods, circular materials, and construction waste management to reduce embodied carbon emissions.
 - ③ Commit to product planning for meeting the diversified needs of buyers, while maintaining a good after-sales service system, so that customers may refer new customers to improve sales performance.
- (2) Construction/engineering business of the subsidiary Jin Jyun Construction
- ① Actively enhance brand (quality) recognition.
 - ② Improve the breadth and depth of products.
 - ③ Introduce green construction practices aligned with corporate ESG goals.
 - ④ Introduce digital technology and innovation.
 - ⑤ Enhanced engineering cost management to improve gross margins in construction.

2. Market and Sales Overview

(1) Market Analysis

1. Geographic areas where the main products are sold

The Company's business is the construction and sale of real estate. The subsidiary mainly contracts construction projects from the Group's development projects. Real estate construction mainly selects areas with convenient transportation, complete living functions and with development potential.

2. Market share, analysis of future supply and demand and market growth

(1) Construction business

Domestic real estate market is widely distributed in different areas. The main promotion areas vary among companies, so do their selling prices and strategies, which are dependent upon customers' preferences. The product locations and characteristics differ. Besides, the industry competitions are mostly regional and on a case-by-case basis. Therefore, product planning and design, positioning, engineering management, quality requirements and aftersales services will become favorable indexes for customers to decide to buy. The construction proposals launched by the Company in the past years have been mainly specific to major urban areas, including Keelung City, New Taipei City, Taoyuan City, Taichung City, Tainan City and Kaohsiung City. With remarkably high sales ratio, these proposals have been

highly recognized by consumers.

Despite the adverse economic conditions and inflation impacting the real estate market with downturns and rising mortgage rates which reduce investor demand, the inherent demand for first-time buyers and owner-occupiers remains, supported by current mortgage rates which are still within an affordable range for homebuyers.

(2) Construction/engineering business of the subsidiary Jin Jyun Construction

At present, Jin Jyun Construction mainly undertakes the construction projects of affiliates for development. Jin Jyun Construction continues to improve and strengthen its project management system, including talent cultivation, and progress, quality, and contract management and maintenance, to improve the overall management efficiency of the Company to improve external competitiveness.

The Group uses innovative digital technologies to improve productivity, such as using the 3D “Building Information Modeling” (BIM), and unmanned robots to move materials (with automated warehousing and moving systems), to help construction companies solve labor shortages and improve efficiency.

In addition to excelling in construction, Jin Jyun Construction is planning self-developed projects in 2025, leveraging cost advantages due to its construction firm background, and expects future development initiatives to become a major driving force.

3. Competitive niches, long-term opportunities, threats, and countermeasures

(1) Construction projects

1. Competitive niches and favorable factors:

- (a) Rigid demand from first-time buyers and owner-occupiers remains strong.
- (b) The expansion of TSMC’s fabs is fueling a surge in demand for housing in surrounding areas.
- (c) In urban districts, old offices have been gradually eliminated. The enterprises have had greater demands for expanding and upgrading their office spaces.
- (d) Government initiatives promoting urban renewal and the Statute for Expediting Reconstruction of Urban Unsafe and Old Buildings are encouraging homeowners to participate in redevelopment projects.

2. Unfavorable factors:

- (a) The Central Bank’s tightening measures have placed limits on financing available to property developers.
- (b) Rising construction costs, coupled with the upcoming carbon fee regime, may push housing construction costs higher. Developers may struggle to pass these costs onto consumers, thereby squeezing profit margins.
- (c) Trade policies such as those from former U.S. President Trump could trigger global

inflation and interest rate hikes.

- (d) Land prices continue to soar, and the supply of large-scale state-owned land is dwindling, making land acquisition increasingly difficult and adding risk to new project launches.

3. Countermeasures:

- (a) Implement diversified financial planning to expand financing channels, strictly control the use of funds, and enhance capital allocation efficiency.
- (b) Prudently evaluate development projects with reasonable return-on-investment analyses and pricing strategies. Strengthen internal management to reduce expenditures and enforce strict quality control over subcontracted work to ensure on-time completion. Complement efforts with innovative marketing approaches to boost sales rates, shorten sales cycles, and improve capital turnover.
- (c) In light of the heightened uncertainty in Taiwan's macroeconomic outlook influenced by the policies of U.S. President Trump, the Company will continuously adjust its sales strategies in a flexible, rolling manner.
- (d) Carefully select locations that align with regional customer needs. In addition to independently developing land, the Company also engages in joint development to secure competitively located sites. It accelerates market response and performance feedback, while thoroughly analyzing land value to inform land development policy.

(2) Construction/engineering business of the subsidiary Jin Jyun Construction

1. Competitive niches and favorable factors

- (a) As customers gradually come to care more about construction quality and technology, it is positive to comprehensive construction companies which specialize in construction engineering technologies with good corporate image and various achievements.
- (b) Cooperate with the Group to develop the 3D building information modeling (BIM) system and unmanned robot material transporting (with automated warehousing and moving systems), to enhance construction value and competitiveness with all-round services.

2. Unfavorable factors

- (a) Rising raw material prices and electricity costs, compounded by the implementation of carbon fees, continue to drive up construction costs.
- (b) Labor shortages and increasing wages.

3. Countermeasures

- (a) Jin Jyun Construction maintains a robust supplier network and adopts fixed-price procurement for major materials. In cases where fixed pricing is not feasible, price

adjustment indices are negotiated with suppliers to mitigate the risks associated with price volatility.

Green construction practices are implemented by selecting energy-efficient materials, optimizing architectural design, and incorporating solar power systems, thereby reducing carbon emissions and strengthening market competitiveness.

- (b) Enhance automation in construction: Introduce new technologies and adopt automated methods such as precast construction to reduce reliance on labor and mitigate fluctuations in labor costs.

Strengthen talent development and attractiveness: Address labor shortages by improving the appeal of the construction industry to attract new talent, while providing upskilling and training for existing employees.

(II) Main products and manufacturing process

1. Major products and their main uses

- (1) Development, construction, lease and sale of public residences and commercial buildings, while centering on the domestic market, to develop and construct community-type high-end residences, villas, buildings and other products.
- (2) Construction/engineering business of the subsidiary Jin Jyun Construction
Undertake residential, commercial and office building construction projects.

2. Production process of products

- (1) Construction projects: The self-build process of residences is as follows
Land Development → Product Planning → Design and Planning → Marketing Preparation → Sales Operations → Construction Execution → Property Registration → Handover → After-Sales Service
- (2) Construction/engineering business of the subsidiary Jin Jyun Construction: Contracting for engineering:
Business Development → Cost Estimation → Bidding/Negotiation → Contract Award → Construction Budget → Construction Planning → Material and Labor Allocation → Construction Management → Completion → Post-Completion Review

(III) Supply of major source materials

1. Construction business

(1) Land

The Company has the land development department. Besides the development department actively looking for suitable lands, suitable lands may be introduced through land brokers. In addition, the Company also cooperates with landlords in the form of joint construction or participates in urban renewal development based actual needs. The supply of lands is stable.

(2) Construction projects

The Company selects robust construction companies to cooperate, and controls the construction progress and ensures the quality of construction.

(3) Materials

To reduce cost and for the construction progress, for more flexible utilization and control over outsourcing operations, material procurement takes place through in-house price comparison, combination of construction and material procurement, or joint-outsourcing. Therefore the supply of materials is stable.

2. Construction/engineering business of the subsidiary, Jin Jyun Construction

For the main bulk materials for construction projects such as steel bars, steel sheets, concrete, sand, long-term cooperation is maintained with vendors despite constant increase in prices of building materials and labor costs as well as the constructors' cost pressure. Therefore, the supply situation is still stable.

(IV) Suppliers and clients accounting for 10 percent or more of the Company's total procurement (sales) amount in either of the two most recent fiscal years, the amounts bought from (sold to) each, the percentage of total procurement (sales) accounted for by each

1. Major supplier in the the two most recent fiscal years

(Expressed in Thousands of New Taiwan Dollar)

	2023				2024				As of the end of Q1 2025 (Note 1)			
Item	Name	Amount	As a percentage of net purchases for the year (%)	Relation	Name	Amount	As a percentage of net purchases for the year (%)	Relation	Name	Amount	As a percentage to net purchases as of the previous quarter of the year (%)	Relation
1	Individual (Mr. Yuan)	2,265,650	26%	None	King's Town Construction Co., Ltd.	2,299,889	18%	None	—	—	—	—
2	—	—	—	—	Taipung Shoufu Construction Co., Ltd.	2,259,775	18%	None	—	—	—	—
	Others	6,289,366	74%	None	Others	7,987,410	64%	None	Others	—	—	—
	Net Purchase	8,555,016	100%		Net Purchase	12,547,074	100%		Net Purchase	—	—	—

Note 1: The Company's financial data for Q1 2025 has not yet been reviewed by attesting CPAs and is therefore not disclosed.

Note 2: Reason for fluctuation: Primarily due to the acquisition of construction land in 2024.

2. Major customers in the the two most recent fiscal years

(Expressed in Thousands of New Taiwan Dollar)

	2023				2024				As of the end of Q1 2025 (Note 1)			
Item	Name	Amount	Percentage (%)	Relation	Name	Amount	Percentage (%)	Relation	Name	Amount	As a percentage to net sales as of the previous quarter of the year (%)	Relation
1	—	—	—	—	—	—	—	—	—	—	—	—
	Others	30,683,941	100%		Others	8,787,971	100%		Others	—	—	—
	Net Sales	30,683,941	100%		Net Sales	8,787,971	100%		Net Sales	—	—	—

Note 1: The Company's financial data for Q1 2025 has not yet been reviewed by attesting CPAs and is therefore not disclosed.

3. Employee information in the two most recent fiscal years and up to the date of publication of the annual report

Year		2023	2024	Current year as of April 19, 2025
Number of employees	Clerks	162	156	155
	Engineers	174	202	207
	Total	336	358	362
Average age		38.81	39.32	39.04
Average years of service		4.76	4.63	4.71
Educational background distribution	Doctoral Degree	0.00	0.28	0.28
	Master degree	5.37	6.70	6.91
	College	65.47	56.70	56.90
	Senior high school	13.69	12.30	12.98
	Below senior high school	15.47	24.02	22.93

4. Environmental Protection Expenditure

- (I) Any losses suffered by the Company in the most recent fiscal year and up to publication date of the annual report due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in environmental inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions):

Our main business activities consist of the construction and sales of buildings. We outsource construction with or without materials procurement to contractors, who will be responsible for the processing and disposal of wastes. The Company assumes a supervisory role, and therefore, did not recognize any losses from environmental pollution penalties during the last year and up to the publishing date.

- (II) An estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided:

1. Responding measures expected to be taken:

The Company stipulates in its contracts that construction partners shall take whole responsibility for any pollution during construction, and the Company is responsible for monitoring. The Company assumes a supervisory role. We have the following measures in place to prevent pollution:

- ① Select the most appropriate construction methods based on the geology and the neighboring areas of the location to minimize noise and vibrations.
- ② Some works (such as continuous wall construction or concrete grouting) require continuous construction, which may cause construction during the night. In addition to maintaining good relations with neighbors, it is necessary to control the progress of the project and reduce construction during the night.
- ③ Set up protection nets around the site to prevent dust and stones from flying or falling.
- ④ Vehicles accessing the sites are required to clean their tires and body at the car-washing platform before leaving the sites; gates are designated as the security personnel's responsibility area, to enhance the supervision of vehicle cleaning when accessing the gates; strengthen water spraying to clean roads.
- ⑤ Carry out the 5S (sort, set in order, shine, standardize, and sustain) cleanup campaign at the sites to keep the surrounding environment clean.

2. Expected environmental expenditure for the next three years: None.

3. Impact after the improvement: None.

5. Labor Relations

- (I) Employee welfare measures, continuing education, training, retirement, and their implementation status; labor agreements and measures to safeguard employees' interests

1. Employee welfare measures

- (1) The Company has always emphasized employee benefits and established the Joint Employee Welfare Committee, to regularly hold birthday celebrations, medical and various other

activities. All in-service employees may participate. The source of funds is allocated from the Company's operating revenue, and the Employee Welfare Committee is responsible for management and utilization. The members of the Welfare Committee are elected by employees and are re-elected regularly to promote benefits.

- (2) Employee welfare measures of the Company includes group insurance, regular health checkups, uniforms, travel subsidies, birthday celebrations, birthday cash gifts, marriage and bereavement allowances, childbirth benefits, scholarships for employees' children, communication subsidies, club sponsorships, and holiday bonuses.

The implementation in 2024 was as follows:

Item	Implementation situation
Group insurance	Employees and their dependents are eligible to enroll in group insurance.
Regular health checkups	The Company provides employee health checkups. For those whose indicators exceeded standard values in blood sugar, lipids, or blood pressure, the Group arranges follow-up health services, with healthcare personnel providing professional guidance and advice.
Travel subsidies	A cruise trip to Penghu was organized from June 28 to 30.
Birthday celebrations	Held once every two months
Birthday cash gifts	Distributed monthly
Childbirth benefits	Claimed by three employees
Scholarships for employees' children	Available from elementary to postgraduate level; applications accepted twice a year
Communication subsidies	Provided monthly, disbursed semi-annually
Club sponsorships	Yoga Club
Holiday bonuses	Distributed during Dragon Boat Festival, Mid-Autumn Festival, and Lunar New Year

Note: In 2024, the Company and its subsidiaries allocated over NT\$7,000,000 to the Employee Welfare Fund.

- (3) Employees facing situations such as childcare needs, major illness, or significant personal events that require extended leave may apply for unpaid leave and later request reinstatement, balancing personal and family care needs.

Applications for parental leave without pay in 2024 are as follows:

Item	Male employees	Female employees	Total
Employees who applied for parental leave without pay	1	4	5
Employees who returned from parental leave without pay	1	2	3

(4) Parenting Support: Starting from January 1, 2025, the Company introduced new family-friendly benefits. Newly added benefits are detailed below:

Item	Content	As of the publication date of the annual report:
Flexible working hours for parents	Employees may apply to adjust their working hours to a fixed schedule of 8:00 a.m. to 5:00 p.m., allowing more flexibility for childcare and participation in family activities	3 applicants
Half-day paid parental adjustment leave	Employees are entitled to 0.5 days off for a child's first day of kindergarten and 0.5 days for the first day of elementary school.	2 applicants
Parenting seminars and psychological support	The Company periodically hosts parenting talks and offers free occupational health consultations to help employees navigate parenting challenges.	—

2. Continuing education training of employees

The Company's employee training is based on internal management measures, and the management department formulates the training procedures, to conduct the pre-employment and on-the-job training for employees through internal training or by external organizations, so that employees may fully leverage their talents and continue to improve their knowledge and skills, to improve working efficiency.

Continuing education training received by employees of the Company in the most recent year (2024):

Training Program	Time of training	Training fee (NT\$)	Target
IFRS Adoption Seminar (Selective Package) (Taipei Class)	12 hours	8,000	Accounting Officer Accounting staff
Corporate Sustainability Transformation under ESG Trends and Internal Audit Strategies	6 hours	3,500	Audit officer
Corporate Governance Practices and Audit Case Analysis—Board and Shareholder-Centered Approaches	6 hours	3,500	Audit officer
Overview of New Regulations on Annual Reports, Sustainability Disclosures, Financial Reporting, and Internal Control Practices	6 hours	3,500	Auditors
Case Studies on Breach of Trust and Non-Arm's Length Transactions—Auditors' Ethics and Anti-Fraud Strategies	6 hours	3,300	Auditors
Information Ethics	1 hour	0	Information Security Manager IT Staff
Advanced Network Communications Management	3 hours	0	IT Staff
Basic Computer Concepts and Hardware Maintenance	3 hours	0	IT Staff
Social Engineering Email Threat Analysis	0.5 hours	0	IT Staff
2024 Information and Communication Security for TWSE/TPEX-Listed Companies	6 hours	0	Information Security Manager IT Staff
2024 Internal Control Mechanisms for Managing Sustainability Information	3.5 hours	0	Head of Accounting and Chief Audit Officer
ACM Accounting and Bill Management System—Introductory and Advanced Online Courses 1	6.5 hours	0	3 attendees, including finance and accounting staff

Training Program	Time of training	Training fee (NT\$)	Target
ACM Accounting and Bill Management System—Introductory and Advanced Online Courses 2	4 hours	0	3 attendees, including finance and accounting staff
ACM Journal Entry Transfer Course	2.5 hours	0	3 attendees, including finance and accounting staff
Corporate Governance Scores and Tax Incentives—Collaborative ESG Strategy with Corporate Culture Professionals	2.5 hours	0	3 attendees, including the President
Seminar of Listed company's business.	3 hours	0	stock staff
Seminar on Taiwan's Adoption of International Financial Reporting Standards (IFRS) in 2024	4.5 hours	0	3 attendees, including the Head of Accounting and accounting staff
Labor Education Courses (Hazard Identification, Workplace Violence Prevention)	3 hours	0	21 employees across various departments attended
General Education – Unlocking the Code of Life for Self-Discovery	2 hours	0	7 employees across various departments attended
Labor Education Courses (Equal Employment Measures, Taipei Gender Equality Indicators)	3 hours	0	20 employees across various departments attended
Workplace Health Course (Diabetes)	2 hours	0	5 employees across various departments attended
Greenhouse Gas Inventory	1 hour	0	14 employees across various departments attended
Review and Reporting on Greenhouse Gas Topics	2 hours	0	10 employees across various departments attended

Training Program	Time of training	Training fee (NT\$)	Target
Information Security Education and Promotion Course	2 hours	0	42 employees across various departments attended
IFRS Sustainability Standards S1 and S2	2 hours	0	5 employees across various departments attended
Legal Disputes and Case Studies Common in the Construction Industry; Gender Equality Topics	3 hours	0	7 directors and 19 staff members across various departments attended
General Occupational Safety and Health Education Training (Part 1)	1 hour	0	13 employees across various departments attended
General Occupational Safety and Health Education Training (Part 2)	1 hour	0	
Construction Safety and Health Management	1 hour	0	3 employees across various departments attended
Occupational Safety and Health Work Rules and Related Safety Knowledge	1 hour	0	12 employees across various departments attended

Note: For continuing education hours and certifications obtained by directors and corporate governance officers, please refer to pages 58–59 and 65 of the annual report.

Continuing education training received by employees of the Company in the most recent year (2024):

Training Program	Time of training	Training fee (NT\$)	Target
Pre-employment training	1 hour	0	newcomers
Occupational Safety Management and Practices in the Construction Industry	3 hours	0	Staff across all construction sites in Taiwan

Training Program	Time of training	Training fee (NT\$)	Target
Handling Procedures for "Violations of the Employment Services Act", "Occupational Accidents", and "Other Major Construction Site Incidents"	1 hour	0	Engineering staff across all construction sites in Taiwan
Preparations before Usage License Filing	2 hours	0	Site supervisors and above (all construction sites in Taiwan)
Leadership Potential Training	24 hours	0	
Review of Occupational Safety Deficiencies / Case Studies on Workplace Accidents	1 hour	0	Site supervisors and above and occupational safety personnel (all construction sites in Taiwan)
Curtain Wall Engineering	2 hours	0	Site supervisors and deputy chiefs and above (all construction sites in Taiwan)
Structural Engineering (Climbing Formwork, Core Tube Systems)	1 hour	0	
Structure and Techniques of Construction Planning Documents	2 hours	0	Construction site vice supervisor (and above) personnel throughout Taiwan
Case Study Review on Water Leakage Deficiencies	2 hours	0	
Underground Engineering (Diaphragm Walls, Bored Piles, Retaining Walls)	2 hours	0	
Pre-construction Planning and Preparation	2 hours	0	
Enhancing Site Quality Control through Understanding of Seismic Label Inspection Procedures	2 hours	0	
Response Measures for Neighboring Property Damage	1 hour	0	
Engineering Budget Planning, Final Accounting, and Project Closure	1 hour	0	
Review of Standard Procedures for Internal Procurement and Cost Estimation	2 hours	0	

Training Program	Time of training	Training fee (NT\$)	Target
Occupational Safety and Health Management in Practice	1 hour	0	Construction site vice supervisor (and above) personnel throughout Taiwan
Basic Training in MEP (Mechanical, Electrical, and Plumbing)	2 hours	0	
Cross-Site Observation and Training	24 hours	0	
Temporary Construction Works	2 hours	0	Engineers and Assistant Engineers (all construction sites in Taiwan)
Practical Training in Aluminum Alloy Formwork Engineering	2 hours	0	
Inspection and Handover Process Training	1 hour	0	
Key Points in Architectural Planning and Construction Drawings	2 hours	0	
Principles for Occupational Safety Equipment Configuration (Standardized Facilities)	2 hours	0	
Standard Construction Drawings	2 hours	0	
SOP Training for Material Delivery and Acceptance Procedures	2 hours	0	
Key Considerations for Drawing Review	2 hours	0	

3. Retirement system

The Company accommodates the enforcement of the Labor Pension Act (hereinafter referred to as the “new system”). For employees who choose to use the new system, their service years after adopting the new system, and the service years of employees who are employed after the implementation of the new system, the definite contribution system will be applied. The payment of the pension is made by the Company on a monthly basis at a minimum of 6% of the monthly salary and deposited in their individual labor pension account.

4. Other important agreements

The Company has always been people-oriented, abiding by relevant labor laws and regulations, protecting the legitimate rights and interests of employees, establishing a complete management system for employee welfare, work safety and health, education and training, etc., and issuing performance bonuses, year-end bonuses and employee remuneration based on operating results each year, so the personal interests of employees and the interests of the company are combined to create a belief in co-prosperity and coexistence.

- (II) List any losses suffered by the Company in the two most recent fiscal years and up to the annual report publication date due to labor disputes (including any violations of the Labor Standards Act found in labor inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, the substance of the legal violations, and the content of the dispositions), and disclose an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided: None.

6. Information Communication Security Management

- (I) State the information security risk management structure, the information security policy, the specific management plan, and the resources invested in the security management of the information communication, etc.:

1. Information security risk management framework:

At present, the Company's information staff belong to the management department. They perform information and communication security management and carry out specific management preventive plans such as information security and crisis handling, and implementing corresponding security control measures, while continuously improving internal abnormality detection and protection methods to reduce corporate information security risks.

In accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies," the Company appointed a Chief Information Security Officer and one information security personnel on December 20, 2023. These individuals are responsible for formulating the Company's information security policies, planning information security measures, and implementing related operations.

The Company reports the "Information Security Risk Management Status" to the Board of Directors at least once a year.

2. Information Security Policy:

- (1) Compliance with laws and regulations: In conducting businesses, the Company shall observe government laws, regulations and standards regarding information and communication security and personal information protection.
- (2) Safety education: Perform regular education and training on information and communication safety. Promote policies and implementation rules on information and communication safety.
- (3) Resource planning: Establish a management mechanism for information resources. Distribute resources in a coordinated manner and utilize them effectively to solve safety problems.
- (4) Beforehand prevention: Before establishment or launch of new information systems or services, information and communication security factors shall be taken into account, to prevent circumstances which endanger security.
- (5) Security monitoring: Establish measures for monitoring and protecting information and communication security. Perform regular inspections.
- (6) Authorization management: Clearly specify the access to information systems, network services and sensitive information, to prevent unauthorized access.

- (7) Review and improvement: Define and carry out internal and external audits, to implement information and communication security management rules, and make improvements with respect to the unsettled matters.
- (8) Business continuity: Define operation maintenance plans for information and communication security, and organize practical drills, to ensure responses to emergencies when they occur.
- (9) Information security cultures: All employees shall be responsible for information and communication security. They shall understand and abide by rules on information and communication security, which shall be implemented in performing their duties.

At present, the Company has not passed international certification with respect to its information security policies and specific management proposals. According to the extent to which the information security risks identified by the Information Department of the Company are tolerated, it is still unnecessary to buy insurances against information security risks.

3. Specific management plan:

As the Company has not yet purchased cyber insurance, information and communication security risk management is currently carried out through the Company's existing information security management procedures. The relevant specific implementation measures are as follows:

(1) Information Communication Security Management:

- ①Configure an enterprise-level firewall to block illegal intrusions by hackers.
- ②Dedicated HiLink VPN connections are used between the head office and branch offices in the north, central, and south regions. These connections employ data encryption to safeguard against unauthorized interception during data transmission.
- ③Configure an electronic data control system for controlling communications of internal and external networks and monitoring network traffic. This cannot only enhance cyber security and shield access to harmful or forbidden websites and contents, but also prevents inappropriate occupation of band width, to prevent materials and viruses from spreading through transmission control.
- ④The Company is a member of the Taiwan Computer Emergency Response Team/Coordination Center (TWCERT/CC), which provides cybersecurity incident consultation and coordination services. Through this membership, the Company can effectively receive and share cybersecurity intelligence, achieving the goal of horizontal cyber defense collaboration. This collective effort helps maintain network security and enhances the overall cybersecurity protection capability.

(2) System Access Control:

- ①The use of various application systems in the company must go through the information service request application process. After approval by the authority and responsibility supervisor, an account will be created in the IT section, and each system administrator can activate the permissions according to the functions applied for before it can be used.
- ②The password setting of the account must meet the specified strength, and must be mixed with alphanumeric characters to be accepted.
- ③When colleagues go through the resignation procedures, they need to contact the information personnel of the management department to delete the accounts and

permissions of each system.

(3) Implement information security training:

- ① To enhance employees' awareness of information security risks, the Company periodically distributes emails illustrating types of social engineering attacks and conducts simulated phishing exercises at irregular intervals.
- ② On-the-job training for colleagues, special training sessions are held every quarter for colleagues who violate information security regulations.
- ③ Group Information Security Education and Promotion Course.

(4) Virus protection and management:

- ① Endpoint protection software is installed on the server and colleagues' computer equipment, and the virus pattern is automatically updated to ensure that the latest viruses can be blocked.
- ② The Company's email servers are equipped with spam filtering mechanisms to block viruses and spam emails from reaching users' PCs.

(5) Ensure system availability:

- ① Construct a hardware virtualization system to increase system availability and fault tolerance.
- ② Establishing a backup management system, regularly conducting offline backups to keep a copy of the data from Monday to Friday in the server room, and performing off-site backups to store a copy of daily backup data in an off-site location (Taichung branch server room) for mutual support.
- ③ Disaster recovery drills are carried out on a regular basis, and after the restoration reference point is selected, the backup file is restored to the system host.

(6) Security management of computer equipment:

- ① The company's computer host, various application servers, etc. are all set up in a dedicated computer room. The computer room is locked at any time to strictly control the entry and exit of personnel, and records are kept for inspection.
- ② There are independent air conditioners and uninterruptible power supply systems in the information room to keep the computer equipment running at a suitable temperature, and the operation of the computer application system will not be interrupted when the power is cut off.
- ③ To build a device management system, only mobile devices and USB devices certified by the company can be connected to the company's intranet and access data.

4. Information and Communication Security Risk Management Implementation Status in 2024:

(1) Internal Audit

From February 15 to 27, 2024, the Internal Audit Unit conducted an audit of the "Division of Functions and Responsibilities of the Information Processing Department" and the "Controls for Information and Communication Security Management Operations." No abnormalities or

deficiencies were found.

(2) Mail threat statistics

Currently, the Company has installed a spam control mechanism to filter and intercept malicious or advertisement mail.

(3) Anti-virus interception

Anti-virus software is installed on the Company's computers to prevent viruses from getting into computers and spreading.

(4) Information security incidents in the year

Time	Information security incident	Treatment
2024/06	Updated the Microsoft operating system	From June 1 to December 31, 2024, newly installed computers were upgraded to Windows 11 Version 23H2.
2024/11	Updated the version of the anti-virus software to	Updated the version to 11.1.2039.2
In June and December 2024,	Changes in login passwords of personal computers	Password length of more than six characters, with a combination of uppercase or lowercase letters in English and figures

(5) Invest resources for information and communication security management

①the Company engaged a professional cybersecurity firm to assist with firewall rule backup and management consultation, antivirus and backup system license and management consultation, as well as providing advanced integrated endpoint protection services. Annual service fees amounted to NT\$115,500.

②In November 2024, the Group renewed its enterprise firewall subscription with CheckPoint QUANTUM (NT\$80,000) to enhance internal and external network defense. This system offers multiple security modules and sandbox simulations, providing more advanced and secure protection compared to the previous equipment.

③The Chief Information Security Officer participated in the Taipei City Government Department of Information Technology's "Information Ethics" 1-hour online course on July 18, 2024.

④On July 31, 2024, the Chief Information Security Officer obtained the iPAS – (Basic) Information Security Engineer certificate issued by the Ministry of Economic Affairs.

⑤From December 5 to December 24, 2024, both the Information Security Officer and the Information Security Personnel completed the 6-hour online training course titled "2024

Information and Communication Security Program for TWSE/TPEx-Listed Companies.”

⑥The Information Security Personnel participated in the Taipei City Government Department of Information Technology’s “Information Ethics” 1-hour online course on June 26, 2024.

⑦The Information Security Personnel participated in the Taipei City Government Department of Information Technology’s “Advanced Network Communication Management” 3-hour online course on July 18, 2024.

⑧The Information Security Personnel participated in the Taipei City Government Department of Information Technology’s “Computer Basics and Hardware Maintenance” 3-hour online course on July 18, 2024.

⑨The Information Security Personnel participated in the Taipei City Government Department of Information Technology’s “Email-Based Social Engineering Analysis” 0.5-hour online course on July 18, 2024.

(6) Group Information Security Education and Promotion Course:

The Group conducted an information security awareness training session for employees on October 17, 2024, with a total course duration of 2 hours minutes. A total of 42 participants from the Company and its subsidiaries attended. The course content was also made available via a YouTube live stream link to allow those who were unable to attend due to work commitments to view it at their convenience.

(7) Participation in Group Information Security Campaign: Social engineering email drill, which shared the latest attack techniques and corresponding defense strategies.

In June 2024, the group conducted an unannounced email social engineering attack drill. The results demonstrated improved security awareness among employees, although a few mistakenly clicked on the simulated phishing emails. Following the drill, on August 1, 2024, the group disseminated a short educational video and defensive instructions via email, urging employees to heighten security awareness, not to open suspicious emails, and avoid clicking on any attached links or files to protect against social engineering email attacks.

5. Effect of damage to information systems upon the company's business affairs, as well as response measures being or to be taken:

The Group’s current information system architecture is supported by high-stability servers on the hardware side. On the software side, regular image backups of the information systems, software, and configuration settings are performed, along with comprehensive data backup mechanisms to minimize service downtime.

With uninterrupted information services and information safety, the information unit under the management department regularly sends back-up data for storage in other places and there are regular drills for post-disaster recovery measures, to prevent the interruption of information services and shorten the recovery time from natural disasters or human accidents.

In order to get the information system smoothly back on track and reduce losses after the damage has occurred, in addition to regular drills for post-disaster recovery measures, the Company shall

continue to plan, design, and improve the resource efficiency of software and hardware equipment, and to construct a network protection mechanism with a high-security level to reduce the risks of system damage.

Recent cybersecurity threat analyses indicate that the primary source of threats stems from external hacker attacks, followed by internal negligence or lack of cybersecurity awareness among employees. Most incidents originate from users unknowingly executing malicious software. As such, effective cybersecurity defense requires company-wide consensus and full participation. Only by cultivating risk awareness and cybersecurity habits as part of employees' daily routines and corporate culture can the Company genuinely enhance its cyber defense capabilities.

- (II) List the losses, possible impacts, and countermeasures of major information security incidents in the most recent year and up to the date of publication of the annual report. If it is impossible to estimate reasonably, the facts that cannot be reasonably estimated shall be stated:

In 2024 and up to the date of publication of this annual report, the Company did not suffer any material losses as a result of information and communication security incidents.

7. Important Contracts

April 19, 2025

Type	Counterparty	Start and end date of contract	Content	Restrictive Provisions
Construction contract	Taisei Corporation	Contract Date Feb. 21, 2019 ~ Warranty expires	Construction Contract (Shihengbin – Xingye District)	None
	Taisei Corporation	Contract Date Feb. 21, 2019 ~ Warranty expires	Construction Contract (Dream City)	None
	Chiyiyuh Construction	Contract Date Aug. 23, 2019 ~ Warranty expires	Construction Contract (Juke Run Long)	None
	Taisei Corporation	Contract Date Apr. 26, 2021 ~ Warranty expires	Construction Contract (Xinyi Fujian)	None
Joint construction contract	Chuangding Construction Co., Ltd.	Contract Date Dec. 3, 2015 ~ Joint construction and house handover completed	Contract for Property in Yuantong Section, Zhonghe District, New Taipei City (Jing'an Wenhui)	None
	Highwealth Construction	Contract Date Aug. 13, 2019 ~ Joint construction and house handover completed	Contract for Property in Hui'an Section, Xitun District, Taichung City (Shicheng Aiyue)	None
	Mr. Liu and two other people	Contract Date June 30, 2023 ~ Joint construction and house handover completed	Contract for Property in Wenshang Section, Xitun District, Taichung City (Contemporary Shoufu)	None
Joint investment	Hai Ju Construction	Contract signing on April 19, 2013 ~ Completion and conclusion of the project	Dean Section, Chungshan District, Keelung City.	None

Note 1: Only includes construction contracts with value above NT\$ 300 million (before taxes).

Note 2: Only includes joint construction contracts with a deposit(check) of at least NT\$ 30 million.

V. Review and Analysis of Financial Position, Financial Performance, and Risk Matters

1. Financial Position

(Expressed in Thousands of New Taiwan Dollar)

Item \ Year	2023	2024	Differences	
			Amount	%
Current assets	40,001,737	46,792,370	6,790,633	16.98
Property, plant and equipment	229,634	228,246	(1,388)	(0.60)
Intangible assets	16,934	15,410	(1,524)	(9.00)
Other assets	2,290,455	4,477,235	2,186,780	95.47
Total assets	42,538,760	51,513,261	8,974,501	21.10
Current liabilities	24,715,390	27,053,173	2,337,783	9.46
Non-current liabilities	4,312,747	9,920,164	5,607,417	130.02
Non-current liabilities	29,028,137	36,973,337	7,945,200	27.37
Interests attributable to parent company owner	13,510,623	14,539,924	1,029,301	7.62
Share capital	4,510,261	9,922,575	5,412,314	120.00
Capital surplus	23,854	24,737	883	3.70
Retained earnings	8,790,821	4,283,399	(4,507,422)	(51.27)
Other interests	185,687	309,213	123,526	66.52
Treasury stock	0	0	0	0
Previous equity under joint control	0	0	0	0
Non controlling interests	0	0	0	0
Total equity	13,510,623	14,539,924	1,029,301	7.62

- (I) Main reasons for significant changes in assets, liabilities and equity in the two most recent years and their impacts:
1. Other assets: The increase was primarily due to an increase in restricted deposits resulting from liabilities secured by pledged deposits at the end of the period.
 2. Assets: The increase was mainly attributable to the purchase of construction land.
 3. Non-current liabilities: The increase was due to the issuance of corporate bonds in 2024.
 4. Liabilities: The increase was primarily due to a rise in short-term borrowings.
 5. Equity: The increase was mainly attributable to the distribution of stock dividends.
 6. Retained earnings: The change was due to the distribution of 2023 earnings.
 7. Other rights and interests: due to the decrease in the unrealized appraisal benefits of equity instrument investments measured at fair value.
- (II) Future responding plans shall be specified if the impacts are material: The aforesaid changes do not impact the Company's finance materially.

2. Financial Performance

(I) Comparative analysis table of financial performance

(Expressed in Thousands of New Taiwan Dollar)

Item \ Year	2023	2024	Differences	
			Amount	%
Operating revenue	30,683,941	8,787,971	(21,895,970)	(71.36)
Gross profit from operations	11,281,096	3,967,948	(7,313,148)	(64.83)
Operating income	9,477,253	2,886,128	(6,591,125)	(69.55)
Non-operating income and expenses	(117,412)	(133,061)	(15,649)	13.33
Income from continuing operations before income tax	9,359,841	2,753,067	(6,606,774)	(70.59)
Net income of continuing business units	7,701,546	2,257,970	(5,443,576)	(70.68)
Income of suspended business unit	0	0	0	0
Net income	7,701,546	2,257,970	(5,443,576)	(70.68)
Other comprehensive profits and losses (Net value after tax)	55,113	123,526	68,413	124.13
Total comprehensive income	7,756,659	2,381,496	(5,375,163)	(69.30)
Net income attributable to stockholders of the parent	7,701,546	2,257,970	(5,443,576)	(70.68)
Net profit attributable to the previous equity under joint control	0	0	0	0
Net income attributable to non-controlling interests	Not applicable.	Not applicable.	Not applicable.	Not applicable.
Total comprehensive income attributable to owners of the parent	7,756,659	2,381,496	(5,375,163)	(69.30)
Total comprehensive income attributable to the previous equity under joint control	0	0	0	0
Total comprehensive income attributable to non-controlling interests	Not applicable.	Not applicable.	Not applicable.	Not applicable.
Earnings per share(NT\$)	7.76	2.28	(5.48)	(70.62)
<p>Main reasons for any material changes in operating revenues, operating income, or income before tax in the two most recent fiscal years:</p> <ol style="list-style-type: none"> 1. Operating revenue: The decline was attributable to the completion and recognition of only one construction project in 2024. 2. Operating gross profit: Please refer to (2) analysis of changes in operating gross profit. 3. Operating profit (loss): The decline was attributable to the completion and recognition of only one construction project in 2024, resulting in lower revenue. 4. Profit before tax: The decline was attributable to the completion and recognition of only one construction project in 2024, resulting in lower revenue. 5. Net profit for the period: The decline was due to the completion and recognition of only one construction project in 2024, resulting in lower revenue. 6. Other comprehensive gains and losses for the current period: due to the unrealized appraisal benefits of equity instrument investments measured at fair value through other comprehensive gains and losses recognized in 2024. 7. Earnings per share: The decline was due to the completion and recognition of only one construction project in 2024, resulting in lower revenue. 				

(II) Analysis of changes in operating gross profit

(Expressed in Thousands of New Taiwan Dollar)

Item	Changes between two consecutive period	Reason of difference
Gross profit from operations	(7,313,148)	The significant drop in operating revenue led to a corresponding decrease in gross profit.

(III) Sales forecast and the basis, and possible impact on the Company's future financial status and the contingency plan

1. Construction business

In 2025, the Company will continue to sell remaining inventory while focusing new launches on first-time homebuyers and those seeking to upgrade. Projects currently hot-selling include Taipei's "Urban Forest." Upcoming project launches include Taichung's "Dang Dai Yi Di," Tainan's "Anping Jincheng" and "Annan Guo'an," and Kaohsiung's "Lingya Chenggong."

The Company will continue acquiring construction land for future development and sales purposes.

2. Construction/engineering business of the subsidiary, Jin Jyun Construction

Jin Jyun Construction mainly contracts development projects from affiliates, and secures the construction quality, progress, and safety through standardized construction management, to establish the Group's reputation of high quality.

Jin Jyun Construction should operate with greater prudence and stability to ensure that the projected profitability of ongoing construction projects is realized and that sufficient cash flow is maintained. The Company should also seek to secure more diversified financing channels and low-interest funding sources to enhance operational flexibility. Enhancing the execution of construction budgets and project plans, tightly controlling construction costs, and continuing to promote educational training policies to actively cultivate professional talents, strengthen the company's overall strength and ongoing momentum, further enhance the management of safety, health, and environmental protection, and establish a healthier and more harmonious working environment.

3. Cash Flow

(I) Cash flow analysis in the most recent year

Item \ Year	2023	2024	% of increase (decrease)
Cash flow ratio	75.35%	-	-
Cash flow adequacy ratio	70.91%	-	-
Cash reinvestment ratio	117.21%	-	-
Reasons for increase/decrease proportion analysis: In 2024, there was a net cash outflow from operating activities.			

(II) Analysis of cash flow in the coming year

(Expressed in Thousands of New Taiwan Dollar)

Beginning cash balance (A)	Estimated net cash flow from operating activities for the full year (B)	Estimated cash outflow for the full year (C)	Projected cash surplus (deficit): A + B - C	Remedies for cash deficits	
				Investment plan	Financial plans
6,477,170	(6,527,163)	(1,301,630)	1,251,637	—	—

1. Analysis of cash flow changes for the year:

The projected net cash outflow is primarily due to anticipated expenditures on construction payments and land acquisitions over the coming year.

2. Remedies for illiquidity: There will be no shortage or deficit of cash in the next year.

4. Impact of major capital expenditure on the financial status in the most recent year

(I) Utilization of major capital expenditures and source of funds: None.

(II) Expected effects: None.

5. Reinvestments in the most recent year

(I) Re-investment policy in the most recent year, the main reason for its profit or loss, the improvement plan and investment plan in the next year:

(Expressed in Thousands of New Taiwan Dollar)

Investor	Investee	Investment gains/losses recognized in 2024	Re-investment policy	Main reason of profit or loss	Improvement plans
The Company	Chin Chun Construction	(11,299)	The Company's reinvestment policy currently focuses on the upstream and downstream construction related industries, seeking to increase reinvestment income	The Company recognized investment losses for 2024, primarily due to unrealized gross profit. The investee company maintained a stable gross profit margin and did not incur losses during the year.	The Company remains focused on prudent management of its core business and actively pursues new projects to enhance profitability.

(II) Investment plan in the next year: Based on future operational needs, prudently evaluate relevant industries with stable profitability as investment targets.

6. Risks in the most recent fiscal year and up to the date of publication of the annual report

(I) The impact of interest and exchange rate changes and inflation on the Company's profit and loss and future countermeasures

1. The Company and its subsidiaries maintain short- and long-term borrowings under floating interest rates. Consequently, fluctuations in market interest rates may lead to changes in the effective interest rates of such borrowings, resulting in volatility in future cash flows. Assuming all other variables remain constant, a 0.5% increase or decrease in the market interest rate would cause interest expenses to increase by NT\$88,601 thousand and NT\$46,970 thousand in 2024 and 2023, respectively. After accounting for interest capitalization, net income would decrease or increase by NT\$21,996 thousand and NT\$14,814 thousand, respectively.
2. The main operating income and expenditures and capital expenditures of the Company and its subsidiaries are mostly denominated in New Taiwan dollar, so exchange rate changes have no significant impact on the Company's profit and loss.
3. The Company and its subsidiaries continue to monitor changes in prices and raw material prices, maintain good interaction with customers and suppliers, and adopt appropriate procurement strategies to reduce inflation risks.

- (II) Policies of engagement in high-risk and highly leveraged investments, loans to others, endorsements and guarantees and derivative trading, main reasons for profit or loss and future countermeasures

The Company and its subsidiaries focus on their major businesses and have not conducted high-risk and highly leveraged investments in the most recent year.

The Company and its subsidiaries provides necessary endorsements and guarantees to subsidiaries/parent company when required by the business.

The Company and its subsidiaries do not conduct derivative trading.

The Company has the “Operational Procedures for Loaning of Funds to Others”, the “Operational Procedures for Endorsement and Guarantee”, and the “Handling Procedures of Acquiring or Disposing Assets” for compliance. The subsidiaries are supervised and required to establish related operational procedures and observe such procedures.

- (III) Future R&D projects and estimated R&D expenses:

The Company and its subsidiaries, due to the nature of their industry, do not apply to R&D investments.

- (IV) The impact of important domestic and overseas policy and regulation changes on the financial status of the Company and countermeasures

1. The following newly issued, amended, and revised standards and interpretations have been approved by the Financial Supervisory Commission and are applicable starting in 2024:

- Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"
- Amendments to IAS 1 "Non-Current Liabilities with Covenants"
- Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"
- Amendments to IFRS 16 "Lease Liabilities in a Sale and Leaseback Transaction"

The consolidated company has assessed that the application of the aforesaid amendments will not create material changes in the consolidated financial statements.

2. On July 6, 2023, the Executive Yuan approved the “Housing Tax Differential Rates 2.0 Plan” (commonly known as the “Vacancy Tax 2.0”), which will come into effect in May 2025. The longer a property remains unsold, the higher the applicable tax rate, ranging from 2% to 4.8%.

The future trajectory of the real estate market will continue to be influenced by various factors, including interest rate movements, government anti-speculation measures, and macroeconomic conditions. If the central bank raises interest rates further, home-buying demand may weaken, placing greater pressure on market supply. Conversely, a rate cut could stimulate demand and help ease the supply-demand imbalance. Changes in policies such as the integrated housing and land tax and the vacancy tax will also have significant impacts on the market.

- (V) The impact of technological and industrial changes on the financial status of the Company and countermeasures:

1. The Company continuously monitors technological changes and developments in the industry and keeps abreast of market trends and peer information. Facing a variety of information

security attacks, it adopts a defense-in-depth architecture, differentiating multiple security zones, each equipped with firewalls, and setting up Intrusion Prevention Systems (IPS), Web Application Firewalls (WAF), and other cybersecurity devices to defend against hacker attacks. Additionally, core information system backup drills and company-wide social engineering drills are conducted to ensure the security of information infrastructure and network cybersecurity protection, safeguarding sensitive company data and personal information.

2. In 2024, the Company has not discovered any major internet attacks and events, negative influences that have harmed or may harm the Company's business and operation, and not been involved in any law cases or monitoring investigation.

(VI) The impact of corporate image changes on the Company's crisis management and countermeasures

The Company and its subsidiaries insist on the operating principles of steadiness, pragmatism, innovation and evolution, and have a good corporate image. So many outstanding talents are attracted to serve the Company and build the strength of the management team. The Company also regularly provides feedback on the operating results to investors. There is nothing jeopardizing the corporate image, nor are there risks of corporate crises.

(VII) Expected benefits and possible risks of mergers and acquisitions and countermeasures

The Company and its subsidiaries have not had mergers and acquisitions during the most recent year and up to the date of publication of the annual report.

(VIII) Expected benefits and possible risks of plant expansion, and countermeasures

The Company and its subsidiaries have not had plant expansions during the most recent year and up to the date of publication of the annual report.

(IX) The impact of concentration of purchases or sales and countermeasures

1. Construction business

Real estate sales business is for general customers, so there is no concentration of sales. The purchases are mainly the amounts of purchases from outsourcing to well-known level A construction companies, and the number of purchase transactions is small with significant payable amounts, so there will likely not be a concentration of purchases.

2. Construction/engineering business of the subsidiary Chin Chun Construction:

The company's main business involves engineering contracting. Its procurement (including material purchases and subcontracting) and sales (primarily to its listed parent company) do not present any significant concentration risk.

(X) The impact of mass share transfers or changes of directors, supervisors or shareholders holding more than 10% of the Company's shares, the associated risks and countermeasures

During the most recent year and up to the date of publication of the annual report, there were no mass share transfers or changes of directors or shareholders holding more than 10% of the Company's shares.

(XI) The impact of changes of management on the Company, the risks and countermeasures

During the most recent year and up to the date of publication of the annual report, there were no changes of management in the Company or its subsidiaries.

(XII) Lawsuits and non-contentious cases

1. Material litigation, non-litigation or administrative litigation with its judgment already made or pending in the most recent year and up to the date of the publication of the annual report, the result of which may have a significant impact on the shareholders' equity or the price of the Company's shares: None.
2. Material litigation, non-litigation or administrative litigation with its judgment already made or pending in the most recent years and up to the date of the publication of the annual report related to the Company's directors, president, actual person in charge, shareholders holding more than 10% of the Company's shares or affiliates, the result of which may have a material impact on the shareholders' equity or the price of the Company's shares:

Former Chairperson Tsai ChungPing was sued for fraud by a purchaser of the "Kuobin Dayuan" residential construction project. On February 26, 2025, the Taipei District Court ruled in the first instance that Tsai ChungPing be sentenced to a term of imprisonment and ordered the confiscation of NT\$308,980 thousand obtained by the Company. To protect the Company's legitimate rights and interests, an appeal has been filed in accordance with legal procedures.

(XIII) Other important risks and countermeasures: None

7. Other important matters: None

VI. Special Disclosures

1. Information on Affiliates

The Company has fully disclosed information regarding related party enterprises on the Market Observation Post System (MOPS) in accordance with the regulations of the competent authority. Query methods are indicated below:

The information includes: organizational chart of related enterprises, basic information of related enterprises, information on identical shareholders deemed to have control or subordinate relationships, industries covered by the overall operations of the related enterprises, information on directors, supervisors, and presidents of each related enterprise, operational overviews of each related enterprise, summaries of relationships between parent and subsidiary companies, intercompany transactions, endorsements and guarantees, and other matters that may materially affect financial or business performance.

1. MOPS (<http://mops.twse.com.tw>) > Company > Electronic Books > Affiliated Enterprises – Three Financial Statements Section
 2. Company website: <https://www.smct.com.tw> > Investors > Financial Reports > 2024 Consolidated Business Report of Related Party Enterprises.
 3. Company website: <https://www.smct.com.tw> > Investors > Financial Reports > 2024 Related Party Report.
 4. The companies that should be included in the preparation of the consolidated financial statements of related enterprises in accordance with the "Standards for the Preparation of Consolidated Business Reports, Consolidated Financial Statements and Related Reports of Related Enterprises" for the fiscal year 2014 (from January 1, 2014 to December 31, 2014) are the same as the companies that should be included in the preparation of the parent-subsidiary consolidated financial statements in accordance with International Financial Reporting Standard No. 10. The relevant information that should be disclosed in the consolidated financial statements of related enterprises has been disclosed in the aforementioned parent-subsidiary consolidated financial statements. Therefore, the consolidated financial statements of related enterprises are no longer prepared separately.
2. Private securities in the most recent year and up to the date of publication of the annual report: None.
3. Other Necessary Supplementary Notes: None.
4. Occurrence of any of the situations listed in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act which might materially affect shareholders' equity or the price of the Company's securities during the most recent fiscal year and up to the date of publication of the annual report: None.

RUN LONG CONSTRUCTION CO., LTD.



潤隆建設股份有限公司

Chairperson: Chiu, Ping-Tse



This annual report is prepared in accordance with the Chinese version and is for reference only. In the event of any discrepancy between the English version and the Chinese version, the Chinese version shall prevail.