

股票代號：1103



嘉新企業團
CHIA HSIN CEMENT GROUP

CHIA HSIN CEMENT CORPORATION 2025 ANNUAL REPORT



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Cover Design Concept

The cover design centers on Chia Hsin Cement's headquarters building as its primary visual focus, integrating hand-drawn elements with watercolor shading to symbolize the Company's enduring legacy and deep-rooted presence along Zhongshan North Road for over seven decades. The architectural imagery reflects the headquarters' achievements in 2025, including dual green building certifications and recognition for near-zero carbon building design.

The heart-shaped motif on the back cover echoes the "HEART" installation art at the hotel entrance, collectively highlighting two key landmark locations in Taiwan and Okinawa. The composition further incorporates warm family imagery and human-centered line art, underscoring the Company's recognized performance in talent sustainability and the creation of a friendly workplace under the Social (S) dimension of ESG.

Rendered in a warm and vibrant color palette, the overall design seamlessly balances the rational foundations of architecture with a humanistic sensibility. It conveys Chia Hsin Cement's core values of a "people-oriented" philosophy and "sustainable governance," reinforcing the Company's long-term commitment to collaborating with society to build a high-quality and sustainable way of life.

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1 ► Letter to Shareholders

Dear Shareholders,

Looking back on 2025, the global political and economic environment remained unsettled. Inflationary pressures, a prolonged high interest rate environment, geopolitical tensions, and volatility in energy prices continued to interact, resulting in heightened uncertainty in market demand. For enterprises, this was a period that called for prudent management and pragmatic planning.

Amid these challenges, CHC Group remained steadfast in its long-held commitment to stable and sound management. We focused on strengthening management fundamentals and reinforcing operational resilience. In addition to enhancing operational efficiency and tightening risk management, we consistently pinpoint low-carbon sustainability as a core pillar of our long-term competitiveness. During the year, while each business unit steadily advanced its operational objectives, we also initiated a new phase of group-wide digital transformation planning. These efforts were aimed at improving decision-making accuracy and enhancing the Group's overall resilience in the face of an increasingly complex external environment.

Looking ahead to 2026, external uncertainties are expected to remain significant. With the formal implementation of Taiwan's carbon fee mechanism, the cement industry value chain and related cost structures will face new challenges, while market competition is likely to intensify further. For CHC Group, our priority is not to anticipate short-term fluctuations, but to ensure that the organization is equipped with long-term adaptability and sustainable growth momentum. To this end, we have defined our development strategy around four key pillars— “low-carbon transformation, data-driven management, quality enhancement, and organizational resilience.” Through the steady execution of major projects and capital expenditure plans, we will continue to translate this strategic vision into tangible progress across our operations.

Operational Performance in 2025

1. Consolidated Revenue: NT\$3.02 billion, up 1% from NT\$2.99 billion in 2024.
2. Net Income: NT\$0.57 billion. Net profit attributable to owners of the parent company: NT\$0.56 billion.
3. Basic Earnings Per Share (after tax): NT\$0.84 per share.

Key Business Segments

1. Cement: In 2025, total cement sales in Taiwan reached 390,000 metric tons.
2. Assets management: The primary revenue source was Chia Hsin Building, achieving an overall occupancy rate of 99%.
3. Warehousing and Storage: Taipei Port handled a total of 1.04 million metric tons of coal and 5.57 million metric tons of sand and other bulk cargo.
4. Hospitality: Revenue primarily came from Hotel Collective in Okinawa and Jaho Life Plus+ Management Corporation. In 2025, total hospitality revenue amounted to approximately NT\$800 million.

Budget Execution

Unit: NTD thousands

Item	2025 Actual Figure	2025 Budget (Note)	Achievement Rate
Operating Revenue	3,015,357	3,034,419	99%
Operating Costs	(2,527,950)	(2,574,784)	98%
Gross Profit	487,407	459,635	106%
Operating Expenses	(567,600)	(530,792)	107%
Gain (Loss) From Operations	(80,193)	(71,157)	113%
Non-Operating Income and Expenses	639,569	518,304	123%
Profit (Loss) Before Income Tax	559,376	447,147	125%
Income Tax Benefit or (Expense)	7,520	(45,021)	-17%
Net Profit (Loss) for the Year	566,896	402,126	141%
Net Income (Loss) Attributable to Owners of the Company	556,262	375,727	148%

Note: The budget is for internal use only. Financial forecast is not disclosed.

Profitability Analysis (Note)

Item	2025	2024
Return on Assets	2.23%	1.43%
Return on Equity	2.81%	1.53%
Profit before Income Tax over Paid-In Capital	7.08%	4.88%
Net Profit Margin	18.80%	11.30%
Earnings per Share (after Tax)(NTD)	0.84	0.48

Note: The above calculations are based on consolidated financial statements prepared under IFRS.

Research and Development Status

Our cement business operates primarily under a distributor-based model. In this context, our efforts are not directed toward product innovation alone, but rather toward the continuous enhancement of channel management and operational efficiency. This approach allows us to maintain stability and responsiveness in a competitive and evolving market environment.

For the Group's other businesses—including warehousing and storage, asset management, hospitality services, and healthcare—the value of development lies in the ongoing refinement of management systems and operating processes, reflecting the distinct characteristics of each industry. Rather than pursuing scale for its own sake, we focus on building sound operational frameworks that support sustainable growth over the long term.

Across all levels of the organization, we remain attentive to changes in the external environment and conduct ongoing, dynamic reviews of key business challenges. Through systematic management practices, data-driven decision-making, and continuous process optimization, CHC Group steadily enhances its overall operating efficiency and strengthens organizational resilience, laying a solid foundation for future development.

Future Development Strategy

In response to the global net-zero decarbonization trend and the formal implementation of Taiwan's carbon fee mechanism, CHC Group has positioned “low-carbon sustainability” as a key driver for strengthening its operational fundamentals, progressively shifting from passive regulatory compliance toward proactive integration into corporate strategy. All subsidiaries continue to enhance their carbon inventory and emissions management frameworks, while establishing a digital foundation for transparent energy consumption and emissions data. These efforts are intended to enable more precise formulation and effective execution of future carbon reduction strategies.

With respect to low-carbon transformation, the cement, as well as, the warehousing and storage businesses, have prioritized the replacement of high energy-consuming equipment and the enhancement of operational efficiency. The asset management business has systematically incorporated energy-efficient equipment and energy management systems into renovation projects to reduce energy consumption and enhance long-term asset value. Meanwhile, the hospitality services and healthcare businesses have continued to advance initiatives such as energy conservation, water conservation, plastic reduction, and sustainable procurement, responding proactively to the growing market preference for sustainable service models.

In terms of digital transformation, CHC Group has formally launched a group-wide digital transformation program centered on SAP, comprehensively advancing cloud-based operations. The objective is to establish a unified management language and data architecture, enhance process efficiency and cross-border management transparency across the Group, and eliminate information gaps arising from manual intervention, thereby ensuring the timeliness and accuracy of operational data.

In addition, CHC Group remains committed to strengthening organizational resilience and corporate governance, encompassing talent development, process institutionalization, and the further enhancement of risk management mechanisms. As system transformation progresses, management processes will become increasingly standardized and transparent, reinforcing the integration of financial, procurement, inventory, and operational information, and comprehensively enhancing the Group's cross-regional management capabilities.

2026 Business Outlook

In 2026, the operating focus of CHC Group will center on the four strategic pillars of “low-carbon transformation, data-driven management, quality enhancement, and organizational resilience.” Capital expenditures will be guided by the principles of “safety assurance, equipment replacement, energy efficiency, and service upgrades,” under which major projects across all business segments will be advanced in a prudent and disciplined manner.

At the operational level, the Group will address challenges associated with rising costs, customer mix optimization, and market structure shifts by strengthening the competitiveness of each business segment through equipment optimization and lean management.

1. Cement and Warehousing and Storage Businesses

Amid intensifying regional competition, changes in cargo mix, and persistent policy uncertainties, the cement business will adopt a differentiated positioning as a “low-carbon cement transshipment hub,” while continuing to advance automation upgrades to maintain shipment efficiency and operational stability. The warehousing and storage business will pursue diversification of cargo types to mitigate the operational impact of concentration risks associated with reliance on a single cargo category.

2. Assets management Business

With the objective of enhancing asset value and tenant experience, CHC Group will continue to advance the comprehensive renovation program for the Chia Hsin Building, including façade refurbishment, equipment upgrades, and the introduction of energy management systems, thereby reducing operational energy consumption. In parallel, for assets such as the Gangshan Plant, the Group will target long-term tenants from the technology and logistics sectors to improve asset utilization and enhance the stability of long-term returns.

3. Hospitality Business

In the tourism and hospitality sector, aligned with Japan's tourism development trend toward higher value-added offerings, quality enhancement, and regional dispersion, Okinawa continues to demonstrate solid growth potential. Hotel Collective will capitalize on this momentum by enhancing locally rooted cultural experiences, introducing brand-exclusive programs, and comprehensively upgrading service standardization, with the aim of increasing revenue per available room and overall average guest spending. In parallel, the group will invest in software system upgrades and the migration to cloud-based operations to further improve management precision and strengthen cross-entity system integration capabilities.

In the healthcare sector, amid declining birth rates and the growing trend toward refined and premium childcare, demand for high-quality postpartum care services has remained resilient. CHC Group will continue to optimize room configurations and facilities at our Dunhua Center, while prudently evaluating the feasibility of expanding into infant care services, early childhood education, and the development of new facilities. Through these initiatives, we aim to progressively build a comprehensive maternal and infant care service ecosystem that supports sustainable long-term growth.

In summary, CHC Group will continue to strengthen its overall competitiveness through the steady advancement of its core strategies and the disciplined execution of key projects. By further enhancing its resilience amid a dynamic operating environment, the Group remains committed to delivering long-term, stable corporate value for all shareholders.

We appreciate the unwavering support of our shareholders as we continue this journey of growth and innovation.



Jason K. L. Chang
Chairman

2 Corporate Governance

2.1 Directors and Management Team

2.1.1 Board of Directors

1. Board of Directors Profile

Insiders' shareholdings information as of 12/31/2025

Title (Note1)	Nationality or Place of Registration	Name	Gender Age (Note2)	Date Elected or Inaugurated	Term (Years)	Date First Elected (Note3)	Shareholding When Elected		Current Shareholding		Current Shareholding of Spouse & Minor Children		Shareholding by Nominee Arrangement	Experience & Education (Note 4)	Current Positions within the Group and/or Other Companies (IR : Institutional Representative)	Executives, Directors, or Supervisors Who are Spouses or within Two Degrees of Kinship			Other Remarks (Note 5)
							Shares	%	Shares	%	Shares	%				Shares	%	Title	
Chairman	ROC	Jason K. L. Chang	M 51-60	05/16/2025	3	05/31/2001	5,217,563	0.66%	5,217,563	0.66%	4,566,540	0.58%	4,088,700	0.52%	Master of Science in Technology Management, Massachusetts Institute of Technology (MIT) • Chairman, Taiwan Cement Manufacturers' Association • Director, Taiwan Cement Corp. (IR) • Chairman, Tong Yang Chia Hsin Int'l Corp. • Director, Chia Pei Int'l Corp. (IR) • Director, Chia Hsin Property Management & Development Corp. (IR) • Chairman, YJ Int'l Corp. (IR) • Chairman, Chia Sheng Construction Corp. (IR) • Chairman, BlueSky Corporation (IR) • Chairman, Chia Hsin Green Energy Corp. (IR) (Note 6) • Director, Chia Hsin Business Consulting (Shanghai) Co., Ltd. (IR) • Director, Shanghai Jia Huan Concrete Co., Ltd. (IR) • Director, Shanghai Chia Hsin Ganghui Co., Ltd. (IR) • Director, Chia Hsin Pacific Ltd. • Director, Effervesce Investment Pte. Ltd. • Director, Sparksvie Pte.Ltd • Director, Tong Yang Chia Hsin Marine Corp. (IR) (also President) • Chairman, Chia Hsin Foundation • Vice Chairman, EPOCH Foundation	Director	Alec Jun-Ci Chang	father-son relationship	-
Director	ROC	Tong Yang Chia Hsin International Corp.		05/16/2025	3	05/31/2001	129,917,726	16.44%	129,917,726	16.44%	0	0.00	0	0.00	-	-	-	-	-
IR of Tong Yang Chia Hsin Int'l Corp.	USA	Pan Howard Wei Hao	M 51-60	05/16/2025	3	06/19/2013	0	0.00	0	0.00	0	0.00	0	0.00	Master of EE and MBA, Massachusetts Institute of Technology • Chairman, Cheng Yeh Chemical Works Ltd. • Director, Hao An Enterprise Co., Ltd. (IR) • Director, Micro Tech Enterprise Co., Ltd. • Director, Shimen Green Energy Co., Ltd. • Director, Chia Hsin Property Management & Development Corporation (IR) • Director, Chia Sheng Construction Corporation (IR) • Director, BlueSky Corporation (IR) • Director, Chia Hsin Pacific Ltd. • Director, Effervesce Investment Pte. Ltd. • Director, Sparksvie Pte. Ltd. • Director, CFA Society of Taiwan • Vice Chairman, Chia Hsin Foundation	-	-	-	-

Title (Note1)	Nationality or Place of Registration	Name	Gender Age (Note2)	Date Elected or Inaugurated	Term (Years)	Date First Elected (Note3)	Shareholding When Elected		Current Shareholding		Current Shareholding of Spouse & Minor Children				Shareholding by Nominee Arrangement		Experience & Education (Note 4)	Current Positions within the Group and/or Other Companies (IR : Institutional Representative)	Executives, Directors, or Supervisors Who are Spouses or within Two Degrees of Kinship			Other Remarks (Note 5)
							Shares	%	Shares	%	Shares	%			Shares	%			Title	Name	Relation	
IR of Tong Yang Chia Hsin Int'l Corp.	ROC	Alec Jun-Ci Chang	M 21-30	05/16/2025	3	07/09/2024	0	0.00	35,700	0.00	0	0.00			0	0.00	Bachelor of Hotel Management, New York University, USA	<ul style="list-style-type: none"> Special Assistant to the Chairman, Chia Hsin Cement Corp. Director, Tong Yang Chia Hsin International Corp. (IR) Chairman, Cih Hong Co., Ltd. Supervisor, Chia Min Co., Ltd. 	Chairman	Jason K. L. Chang	father-son relationship	-
Director	ROC	Chen-Ching Chen	M 31-40	05/16/2025	3	06/18/2024	2,401,772	0.30	2,401,772	0.30	0	0.00			0	0.00	MBA, Stern School of Business of New York University	<ul style="list-style-type: none"> Director, Chia Hsin Property Management & Development Corporation (IR) Director, Chien Kuo Construction Co., Ltd. Chairman, Chien Kuo Building Co., Ltd. (IR) Chairman, Chien Bang Real Estate Development Co., Ltd. (IR) Director, CKTech Engineering Co., Ltd. (IR) Director, Golden Canyon Venture Capital Investment Co., Ltd. (IR) Director, CK Asia (Shanghai) Information Technology Co., Ltd. Director, Silver Shadow Holding Limited Director, Golden Canyon Limited Director, CK Asia Co., Ltd. Supervisor, Ten-Cheng International Co., Ltd. 	-	-	-	-
Independent Director	ROC	Pao-Chu Lin	F 61-70	05/16/2025	3	06/14/2022	0	0.00	0	0.00	0	0.00			0	0.00	MBA, National Taiwan University	<ul style="list-style-type: none"> Independent Director, APCB Inc. Director, Fu-Shih Charity Foundation, Taipei Director, Zhen Xiang Education Foundation 	-	-	-	-
Independent Director	ROC	Kevin Kuo-I Chen	M 61-70	05/16/2025	3	06/14/2022	0	0.00	0	0.00	0	0.00			0	0.00	Master of Law New York University	<ul style="list-style-type: none"> Vice President and Adjunct Professor, National Taiwan Sport University Adjunct Professor, University of Taipei Consultant, Chinese Taipei Olympic Committee Executive Board Member and Chairman, Finance Committee, Olympic Council of Asia Chairman, Taiwan Sports and Entertainment Law Association 	-	-	-	-
Independent Director	ROC	Mei-Ling Chang	F 61-70	05/16/2025	3	03/04/2021	0	0.00	0	0.00	0	0.00			0	0.00	LL.M, University of Washington	<ul style="list-style-type: none"> Independent Director, VisEra Technologies Company Limited 	-	-	-	-

Title (Note1)	Nationality or Place of Registration	Name	Gender Age (Note2)	Date Elected or Inaugurated	Term (Years)	Date First Elected (Note3)	Shareholding When Elected		Current Shareholding		Current Shareholding of Spouse & Minor Children		Shareholding by Nominee Arrangement	Experience & Education (Note 4)	Current Positions within the Group and/or Other Companies (IR : Institutional Representative)	Executives, Directors, or Supervisors Who are Spouses or within Two Degrees of Kinship			Other Re-remarks (Note 5)	
							Shares	%	Shares	%	Shares	%				Shares	%	Title		Name
The term of office of the Director was from June 14, 2022, to May 16, 2025. The Director vacated the office upon the re-election at the Shareholders' Meeting on May 16, 2025.																				
Director	ROC	Chi-Te Chen	M 61-70	06/14/2022	3	04/27/1988	692,955	0.09%	706,814	0.09%	0	0.00	0	0.00	MBA, University of California, Santa Clara	<ul style="list-style-type: none"> • Vice Chairman, Chien Kuo Construction Co., Ltd. • Chairman, Golden Canyon Venture Capital Investment Co., Ltd. • Chairman, Golden Canyon II Venture Capital Investment Co., Ltd. • Director, CKTech Engineering Co., Ltd. • Director, Silver Shadow Holding Limited • Director, Golden Canyon Limited • Director, Chien Kuo Asia Co., Ltd. • Director, China Real Estate Management Co., Ltd • Chairman, Chien Hwei Investment Co. Ltd. • Chairman, Rock Publishing International • Chairman, Ten-Cheng International Co., Ltd. • Chairman, Chien Hwei Cultural & Educational Foundation • Chairman, Chien Kuo Foundation for Arts And Culture 	-	-	-	Vacated upon re-election
Independent Director	ROC	Robert K. Su	M 61-70	06/14/2022	3	06/27/2016	0	0.00	0	0.00	0	0.00	0	0.00	Ph. D., Accounting Louisiana State University	<ul style="list-style-type: none"> • Independent Director, DBS Bank (Taiwan) Ltd. 	-	-	-	Vacated upon re-election

Note 1: The corporate shareholder should separately disclose its name and the name of its representative. If the representative is acting on behalf of a corporate shareholder, the name of the corporate shareholder must also be specified. The required information should be provided in Table 1 below.

Note 2: Please specify the actual age, which may be presented in ranges, such as 41–50 years or 51–60 years.

Note 3: Please specify the date of first appointment as a director or supervisor of the company. If there was any interruption in service, a note should be provided for clarification.

Note 4: Relevant experience related to the current position should be specified. If the individual has previously worked at a CPA firm responsible for audit certification or at a related enterprise during the specified period, their job title and responsibilities should be detailed.

Note 5: If the chairman of the board and the general manager (or an equivalent senior executive) are the same person, spouses, or first-degree relatives, an explanation should be provided regarding the reason, reasonableness, necessity, and corresponding measures taken (e.g., increasing the number of independent directors and ensuring that the majority of directors do not concurrently serve as employees or executives).

Note 6: Chia Hsin Green Energy Corporation passed a resolution at its Board of Directors meeting on December 10, 2025 to conduct the re-election of directors and supervisors. The related registration of corporate changes is currently under application with the competent authority.

Table 1: Major Shareholders of Institutional Shareholders

Data as of December 31, 2025

Institutional Shareholder (Note 1)	Major Shareholders (Note 2)
Tong Yang Chia Hsin International Corporation	Chia Hsin Cement Corporation (87.18%) Chia Hsin Construction & Development Corporation (10.41%) Chia Min Corporation (0.52%) Sung Ju Investment Corporation (0.42%) Victor Chu (0.25%) Yung-Ping Chang (0.22%) Chung-Lien Chung (0.19%) International Chia Hsin Corporation (0.16%) Nelson An-Ping Chang (0.12%) Robert C.K. Wang (0.11%)

- Note 1: If directors or supervisors represent institutional shareholders, the name of the juridical shareholder shall be listed.
 Note 2: The name of the major shareholder of the institutional shareholder (whose shareholding ratio ranks in the top ten) and their shareholding ratio shall be listed. If its major shareholder is a corporation, please also fill in Table 2.
 Note 3: If the corporate shareholder is not a company entity, the disclosed shareholder names and shareholding ratios should refer to the investors or donors and their respective investment or donation ratios. If a donor is deceased, it should be noted as "deceased."
 Note 4: The above information is provided by institutional shareholders; the Company is only responsible for disclosing the information.

Table 2: Major Shareholders of Institutional Shareholders in Table 1

As of the ex-dividend date: July 31, 2025

Name of Institutional Shareholders (Note 1)	Major Shareholders (Note 2)
Chia Hsin Cement Corporation	Tong Yang Chia Hsin International Corporation (16.44%) Sung Ju Investment Corporation (8.88%) Yung-Ping Chang (5.39%) Taiwan Cement Corporation (3.54%) Ta-Ho Marinetime Corporation (3.33%) Nutri Vita Inc. (2.23%) Chia Hsin Foundation (1.92%) International Chia Hsin Corporation (1.89%) Chia Hsin R.M.C. Corporation (1.70%) Chien Kuo Construction Co., Ltd. (1.57%)

- Note 1: If the major shareholder in the table above is a institutional shareholder, the name of the institutional shareholder shall be listed.
 Note 2: The name of the major shareholder of the institutional shareholder (whose shareholding ratio ranks in the top ten) and their shareholding ratio shall be listed.
 Note 3: If the corporate shareholder is not a company entity, the disclosed shareholder names and shareholding ratios should refer to the investors or donors and their respective investment or donation ratios. If a donor is deceased, it should be noted as "deceased."
 Note 4: The above information is provided by institutional shareholders; the Company is only responsible for disclosing the information.

2. Director Profile
(1) Directors' Professional Qualifications and Independent Directors' Independence Status

Condition Name (Note 1)	Professional qualifications and work experience (Note 1)	Independence Status (Note 2)	Number of Other Public Companies Concurrently Serving as an Independent Director
Jason K. L. Chang	1. Chairman of the Company, Convener of the Sustainable Development Committee, Member of the Nomination Committee, and Convener of the Risk Management Committee. 2. Other positions include Director of Taiwan Cement Corp., Director of Chia Hsin Property Management & Development Corp., Chairman of YJ Int'l Corp, and more. 3. Extensive cross-industry leadership experience in cement, construction, hospitality, and more.	Has a second-degree kinship relationship with Director Alec Jun-Ci Chang.	0
Pan Howard Wei Hao	1. Director of the Company and Member of the Sustainable Development Committee. 2. Other positions include Chairman of Cheng Yeh Chemical Works Ltd., Director of Chia Hsin Property Management & Development Corporation, and Director of Chia Sheng Construction Corporation, and more. 3. Extensive cross-industry leadership experience in construction, Healthcare, and more.	No spouse or relatives within the second degree of kinship currently on the Board.	0
Alec Jun-Ci Chang	1. Director of the Company. 2. Also serves as Special Assistant to the Chairman of Chia Hsin Cement Corp. and Director of Tong Yang Chia Hsin International Corp. 3. Has experience in the cement industry, asset management, and hospitality services.	Has a second-degree kinship relationship with Director Jason K. L. Chang.	0
Chen-Ching Chen	1. Director of the Company. 2. Other positions include Director of Chien Kuo Construction Co., Ltd., Chairman of Chien Kuo Building Co., Ltd., and Chairman of Chien Bang Real Estate Development Co., Ltd., and more. 3. Extensive cross-industry business experience in engineering construction, property development, and related sectors.	No spouse or relatives within the second degree of kinship currently on the Board.	0

Condition Name (Note 1)	Professional qualifications and work experience (Note 1)	Independence Status (Note 2)	Number of Other Public Companies Concurrently Serving as an Independent Director
Pao-Chu Lin	<ol style="list-style-type: none"> Independent Director of the Company, Convener of the Audit Committee, Convener of the Remuneration Committee, Convener of the Nomination Committee, Member of the Sustainable Development Committee, and Member of the Risk Management Committee. Other positions include Independent Director of APCB Inc., Director of Fu-Shih Charity Foundation, Taipei, and Director of Zhen Xiang Education Foundation, among others. Former positions include Certified Public Accountant at KPMG Taiwan and Advisor to the Chairman/CEO Office. Extensive practical experience in auditing, risk management, internal auditing, and compliance. 	<ol style="list-style-type: none"> Meets the criteria of Independent Director. Fully complied with Independence status: <ol style="list-style-type: none"> The individual, his/her spouse, or relatives within the second degree of kinship does not hold position as director, supervisor, or employee of the Company or its affiliates. The individual, his/her spouse, or relatives within the second degree of kinship does not own any shares of the Company. During the two years before appointment and throughout the tenure, there was no involvement in any of the situations defined in Article 3, Paragraph 1 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. 	1
Kevin Kuo-I Chen	<ol style="list-style-type: none"> Independent Director of the Company, Member of the Audit Committee, Member of the Remuneration Committee, Member of the Sustainable Development Committee, Member of the Nomination Committee, and Member of the Risk Management Committee. Other positions include Vice President of National Taiwan Sport University and Consultant to the Chinese Taipei Olympic Committee, and more. Extensive practical experience in legal affairs, business management, and international affairs. 	<ol style="list-style-type: none"> Meets the criteria of Independent Director. Fully complied with Independence status: <ol style="list-style-type: none"> The individual, his/her spouse, or relatives within the second degree of kinship does not hold position as director, supervisor, or employee of the Company or its affiliates. The individual, his/her spouse, or relatives within the second degree of kinship does not own any shares of the Company. During the two years before appointment and throughout the tenure, there was no involvement in any of the situations defined in Article 3, Paragraph 1 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. 	0

Condition Name (Note 1)	Professional qualifications and work experience (Note 1)	Independence Status (Note 2)	Number of Other Public Companies Concurrently Serving as an Independent Director
Mei-Ling Chang	<ol style="list-style-type: none"> Independent Director of the Company and Member of the Audit Committee. Other positions include Independent Director of VisEra Technologies Company Limited, among others. Former positions include Division Director at MediaTek Inc. and Vice President at Standard Chartered Bank. Extensive practical experience in legal affairs, financial services, and securities markets. 	<ol style="list-style-type: none"> Meets the criteria of Independent Director. Fully complied with Independence status: <ol style="list-style-type: none"> The individual, his/her spouse, or relatives within the second degree of kinship does not hold position as director, supervisor, or employee of the Company or its affiliates. The individual, his/her spouse, or relatives within the second degree of kinship does not own any shares of the Company. During the two years before appointment and throughout the tenure, there was no involvement in any of the situations defined in Article 3, Paragraph 1 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. 	1

Note 1: The Directors of the Company have not been involved in any of the circumstances described in Article 30 of the Company Act.

Note 2: The Directors listed in this table are current directors of the Company.

(2) Board Diversity and Independence

Board Diversity Policy

The objectives of diversifying the backgrounds of Board members, regarding professional knowledge, expertise, industry experience, and enhancement of female participation in decision-making, are as follows:

- Members of the Board shall include at least one member with professional qualifications in accounting or law, respectively.
- Promotes achieving a one-third representation of either gender among board directors.
- Members of the Board shall have at least two in each of the following fields of expertise but not limited to financial accounting, legal affairs, investment and mergers and acquisitions, risk management, operational management, hospitality, information technology, sustainable development, and global market perspective, etc.

Board Diversity Policy Implementation

The Company's Board of Directors consists of seven directors (including three independent directors), appointed from the list of director nominees according to Article 192-1 of the Company Law by the Annual General Meeting. The Board of Directors convenes at least once every quarter, but may also be convened at any time in case of emergency.

The Company's Board of Directors currently comprises five male directors and two female directors. In terms of age distribution, five directors are aged over 51, one director is between 31 and 40 years old, and one director is under 30. In terms of educational background, six directors hold master's degrees and one holds a bachelor's degree. The Board members possess diverse backgrounds and professional experience, and such diversity enhances the effectiveness of the Board's decision-making process.

1. Chairman, Jason K.L. Chang: Extensive leadership experience in cement, construction, and hospitality industries, and comprehensive administrative experience in all aspects of the business of the group.
2. Director, Pan Howard Wei Hao: Extensive leadership experience across industries, including construction and healthcare.
3. Director, Alec Jun-Ci Chang: Serves as Special Assistant to the Chairman of the Company, with experience in the cement industry, asset management, and hospitality services, as well as administrative expertise in corporate group operations.
4. Director, Chen-Ching Chen: Extensive cross-industry business experience in engineering construction and property development.
5. Independent Director, Pao-Chu Lin: Former practicing accountant with extensive practical experience in auditing, risk management, internal auditing, and compliance.
6. Independent Director, Kevin Kuo-I Chen: Extensive practical experience in legal affairs, business management, international affairs, and sports administration.
7. Independent Director, Mei-Ling Chang: Extensive practical business experience in legal affairs and financial and securities markets.

As a collective, the seven directors hold extensive experience in cross-industries including business, cement, construction, hospitality, finance, auditing, risk management, law, and information technology. The Board, as a whole, possess the necessary knowledge, expertise, and competence to fulfill their respective duties. With ample experience in management and operational decision-making, the Chairman possesses the ability to lead the Company and obtain the largest interest for its shareholders.

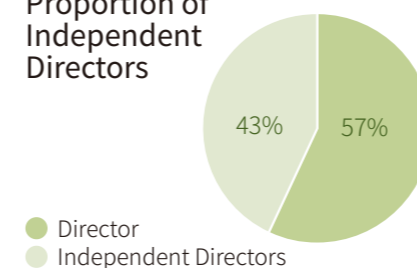
In recent years, the Company has continued its transformation from a cement-focused enterprise into a diversified CHC Group with emerging businesses in hospitality and healthcare. During the earlier stage, when operations remained primarily centered on the cement business, it was relatively difficult to identify director candidates with the specific professional expertise required for the industry due to its characteristics. Nevertheless, in alignment with the global trend toward board diversity and relevant regulatory requirements, the Company proactively increased the number of female directors by one seat in the board elections held in 2022 and 2025, respectively.

Currently, the Company has two female directors. Although the proportion has not yet reached one-third of the Board seats, the Company will continue to uphold the principle of board diversity by actively identifying and cultivate suitable director nominees, with the aim of further increasing the representation of female directors on the Board.

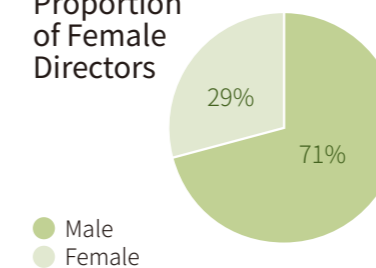
Board Diversity

Title	Name	Nationality	Gender	Education	Age			Seniority	Diversified Ability							
					21-40	51-60	61-70		Accounting, Finance, and Legal Affairs	Risk Management	Business Operations	Global Market	Investment and M&A	Hospitality	Information Technology	Environmental Sustainability and Social Engagement
Chairman	Jason K. L. Chang	ROC	M	Master		✓		25 years	✓	✓	✓	✓	✓	✓	✓	✓
Director	Pan Howard Wei Hao	USA	M	Master		✓		13 years	✓	✓	✓	✓	✓		✓	✓
	Alec Jun-Ci Chang	ROC	M	Bachelor	✓			1.5 years			✓	✓		✓		✓
	Chen-Ching Chen	ROC	M	Master	✓			0.5 years	✓	✓	✓	✓				✓
Independent Director	Pao-Chu Lin	ROC	F	Master			✓	4 years	✓	✓	✓	✓	✓			✓
	Kevin Kuo-I Chen	ROC	M	Master			✓	4 years	✓	✓	✓	✓				✓
	Mei-Ling Chang	ROC	F	Master			✓	0.5 years	✓	✓	✓	✓	✓			✓

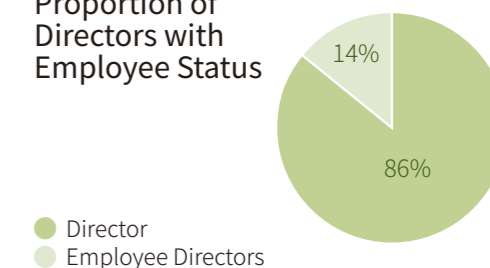
Proportion of Independent Directors



Proportion of Female Directors



Proportion of Directors with Employee Status



Independence Status

1. The Company's Board includes three Independent Directors, approximately 43% of the total board composition.
2. The Company's Chairman and CEO, or any position of equal status, are not of the same individual and not a spouse or relative within the first degree of kinship to each other.
3. Board members are elected through nomination and all directors, including Independent Directors, have not been involved in any of the situations defined in Article 26-3 of the Securities and Exchange Act, as of the time of appointment.
4. Chairman Jason K.L. Chang and Director Alec Jun-Ci Chang have a second-degree kinship relationship.

2.1.2 Management Team

▼ Profile on President, Vice President, Director, and Department Heads

Title (Note 1)	Nationality	Name	Gender	Elective Date	Current Shareholdings (Note 4)		Current Shareholdings of Spouse & Minor Children		Shareholdings by Nominee Arrangement		Experience & Education (Note 2)	Other position (IR : Institutional Representative)	Managers Who are Spouses or Within Two Degree of Kinship			Re- marks (Note3)
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
President, CEO, Chief Sustainability Officer	ROC	Elizabeth Wang	F	07/13/2022 07/11/2019 12/14/2021	465,391	0.06	0	0.00	0	0.00	MBA Waseda University	<ul style="list-style-type: none"> • Director, Taiwan Cement Corp. (IR) • Independent Director, Nuvoton Technology Corp. • Director, Tong Yang Chia Hsin Int'l Corp. (IR) • Director, Chia Pei Int'l Corp. (IR) • Supervisor, Chia Hsin Property Management & Development Corp. (IR) • Chairman, Jaho Life Plus+ Management Corporation (IR) • Director, YJ Int'l Corp. (IR) • Supervisor, Chia Sheng Construction Corp. (IR) • Supervisor, BlueSky Corporation (IR) • Chairman, Chia Hsin Green Energy Corp. (IR) (Note 4) • Director, Chia Hsin Business Consulting (Shanghai) Co., Ltd. (IR) • Director, Shanghai Chia Hsin Ganghui Co., Ltd. (IR) • Director, Shanghai Chia Peng Healthcare Management Consulting Co., Ltd. (IR) • Director, Chiapeng Gemcare Maternity (Yangzhou) Co., Ltd. (IR) • Director, Chia Hsin Pacific Ltd. • Director, Effervesce Investment Pte. Ltd. • Director, Sparksvie Pte. Ltd. • Director, Tong Yang Chia Hsin Marine Corp. (IR) • Director, LDC ROME HOTELS S.R.L • Executive Officer, CHC Ryukyu Development GK • Representative Director, CHC Ryukyu COLLECTIVE KK • Vice Chairperson, Taiwan Women on Boards Association • Director, Taipei American School 	-	-	-	-
Vice President	ROC	Wen-Wan Chen	F	06/06/2022	48,000	0.01	0	0.00	0	0.00	Master of Communication, Washington State University	None	-	-	-	-
Director, Financial Officer	ROC	Jane Y. C. Chou	F	07/05/2013	189,691	0.02	0	0.00	0	0.00	Dept. of Industrial Management, National Taiwan University of Science & Technology	<ul style="list-style-type: none"> • Supervisor, Chia Pei Int'l Corp. (IR) • Supervisor, Jaho Life Plus+ Management Corporation (IR) • Supervisor, YJ Int'l Corp. (IR) • Supervisor, Chia Hsin Green Energy Corporation (IR) (Note 4) • Representative Director, CHC Ryukyu COLLECTIVE KK 	-	-	-	-
Director	ROC	Hua-Chou Huang	M	04/18/2023	171,000	0.02	0	0.00	0	0.00	School of Management, National Taiwan University	<ul style="list-style-type: none"> • Director, Tong Yang Chia Hsin Int'l Corp. (IR) • Supervisor, Chia Pei Int'l Corp. (IR) • Chairman, Shanghai Chia Hsin Ganghui Co., Ltd. (IR) • Chairman, Chia Hsin Business Consulting (Shanghai) Co., Ltd. (IR) • Chairman, Shanghai Jia Huan Concrete Co., Ltd. (IR) • Chairman, Jiangsu Jiaguo Construction Material & Storage Co., Ltd. (IR) • Supervisor, Shanghai Chia Peng Healthcare Management Consulting Co., Ltd. (IR) • Supervisor, Chia Peng Gemcare Maternity (Yangzhou) Co., Ltd. (IR) 	-	-	-	-

Title (Note 1)	Nationality	Name	Gender	Elective Date	Current Shareholdings (Note 4)		Current Shareholdings of Spouse & Minor Children		Shareholdings by Nominee Arrangement		Experience & Education (Note 2)	Other position (IR : Institutional Representative)	Managers Who are Spouses or Within Two Degree of Kinship			Re- marks (Note3)
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Director, Corporate Governance Officer	ROC	Hsiao-Yun Yu	F	04/18/2023	120,768	0.02	0	0.00	0	0.00	Dept. of Economics, Tamkang University	None	-	-	-	-
Director	ROC	Puo-Chien Lin	M	04/18/2023	133,540	0.02	3,060	0.00	0	0.00	MBA, Suffolk University	<ul style="list-style-type: none"> • Director, YJ Int'l Corp. (IR) • Director, Chia Hsin Green Energy Corp. (IR) (Note 4) • Executive Officer, CHC Ryukyu Development GK (IR) • Representative Director, CHC Ryukyu COLLECTIVE KK • Director, Smart Ageing Tech Co., Ltd. (IR) • Director, B Current Impact Investment (IR) 	-	-	-	-
Manager, Accounting Officer	ROC	Mars Feng	M	07/11/2019	82,880	0.01	2,040	0.00	0	0.00	Dept. of Accounting, Tamkang University	None	-	-	-	-

Note 1: Information about President, Vice President, Director, Managers, Department Heads, or any other equivalent positions within the Company shall be disclosed, regardless of job title.

Note 2: Regarding past experiences, if any of the current and past positions involve positions in the auditing CPA firm or its affiliates, additional details of the individual's title and responsibilities shall be provided.

Note 3: If the President or person of equivalent duties (top manager), and the Chairman happen to be the same person, spouse, or first kinship relatives, the reason, rationality, necessity and corresponding measures (e.g., increasing num-

ber of independent directors, having more than half of directors who are not part-time employees or managers of the Company, etc) shall be provided.

Note 4: Chia Hsin Green Energy Corporation passed a resolution at its Board of Directors meeting on December 10, 2025 to conduct the re-election of directors and supervisors. The related registration of corporate changes is currently under application with the competent authority.

2.2 Remuneration of Directors, President, and Vice President

2.2.1 Remuneration of Directors and Independent Directors

▼ Remuneration of Directors and Independent Directors

Unit: NTD thousands

Title	Name	Remuneration									Total Remuneration of item A, B, C, and D and Ratio to Net Income (%)		Relevant Remuneration Received by Directors who are also Employees								Total Remuneration of item A, B, C, D, E, F, and G and Ratio to Net Income (%)		Remuneration from Non-Consolidated Affiliates or from the Parent Company						
		Base Compensation (A)		Severance/Pension (B)		Directors Compensation (C)		Executive Expenses (D)		Salary, Bonuses, and Allowances (E)			Severance / Pension		Salary, Bonuses, and Allowances (E)														
		The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	Cash	Stock	Cash	Stock	The Company		All Companies in the Financial Report					
Director	Chairman	Jason K. L. Chang	15,988	16,876	0	0	3,050	3,450	1,053	1,093	20,091	21,419	3.61%	3.85%	0	0	0	0	0	0	0	0	0	0	20,091	21,419	3.61%	3.85%	0
	Director	Chi-Te Chen (Note 2)	3,943	3,943	0	0	526	526	24	40	4,493	4,509	0.81%	0.81%	0	0	0	0	0	0	0	0	0	0	4,493	4,509	0.81%	0.81%	0
	Director	Pan Howard Wei Hao (Note 1)	1,148	1,148	0	0	0	0	72	112	1,220	1,260	0.22%	0.23%	0	1,200	0	0	0	0	0	0	0	0	1,220	2,460	0.22%	0.44%	0
	Director	Alec Jun-Ci Chang (Note 1)	1,105	1,549	0	0	0	0	64	64	1,169	1,613	0.21%	0.29%	558	658	0	0	45	0	45	0	0	0	1,772	2,316	0.32%	0.42%	0
	Director	Chen-Ching Chen (Note 3)	722	722	0	0	897	897	40	64	1,659	1,683	0.30%	0.30%	0	0	0	0	0	0	0	0	0	0	1,659	1,683	0.30%	0.30%	0
Independent Director	Independent Director	Robert K. Su (Note 2)	450	450	0	0	0	0	32	32	482	482	0.09%	0.09%	0	0	0	0	0	0	0	0	0	0	482	482	0.09%	0.09%	0
	Independent Director	Pao-Chu Lin	1,350	1,350	0	0	0	0	72	72	1,422	1,422	0.26%	0.26%	0	0	0	0	0	0	0	0	0	0	1,422	1,422	0.26%	0.26%	0
	Independent Director	Kevin Kuo-I Chen	1,350	1,350	0	0	0	0	72	72	1,422	1,422	0.26%	0.26%	0	0	0	0	0	0	0	0	0	0	1,422	1,422	0.26%	0.26%	0
	Independent Director	Mei-Ling Chang (Note 3)	900	900	0	0	0	0	40	40	940	940	0.17%	0.17%	0	0	0	0	0	0	0	0	0	0	940	940	0.17%	0.17%	0

1. The Company's Director remuneration policy, standard, criteria, and structure in relation to job responsibilities, risk, time invested, and remuneration offered as stated below:

- (1) The Company's Chairman and Director remuneration are decided in accordance with Company's Articles of Association.
- (2) The Company's Articles of Association stipulate that the provision of annual profits as director remuneration shall not exceed 3%.
- (3) The recipient of director remuneration shall follow Company's regulation regarding distribution and payment of director remuneration.

(4) The Board of Directors is authorized to pay a fixed monthly compensation to Independent Directors based on the level of participation and contribution and referenced to industry average. They are also entitled to receive travel allowances based on the number of meetings attended. Additional year-end bonuses are given according to responsibilities and individual performance.

2. In addition to information listed in the table above, the remuneration received by the directors of the company in the most recent fiscal year for services provided (such as serving as consultant for parent company/all companies within the financial report/invested enterprises, not as an employee) is: None.

Note 1: Institutional Person Representative of Tong Yang Chia Hsin International Corporation.

Note 2: Retired from office following the re-election on May 16, 2025.

Note 3: New elected on May 16, 2025.

2.2.2 Remuneration of President and Vice President

▼ Remuneration of President and Vice President

Unit: NTD thousands

Title	Name	Base Compensation (A)		Severance/Pension(B)			Bonuses and Special Disbursement (C)		Employee Compensation (D)				Total Remuneration of item A, B, C, D and Ratio to Net Income (%)		Remuneration from Non-Consolidated Affiliates or from the Parent Company
		The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report		The Company	All Companies in the Financial Report	Companies in the consolidate financial statements				The Company	Companies in the consolidate financial statements	
									The Company		Companies in the consolidate financial statements				
Cash	Stock	Cash	Stock												
President, CEO, Chief Sustainability Officer	Elizabeth Wang	7,322	7,322	0	0	9,574	10,050	1,170	0	1,170	0	18,066 3.25%	18,542 3.33%	-	
Vice President	Wen-Wan Chen														

▼ Range of Remuneration

Range of President and Vice President Remuneration	President and Vice President	
	The Company	All Companies included in Financial Report (E)
Lower than NT\$1,000,000		
NT\$1,000,000 (including) ~ NT\$2,000,000 (not including)		
NT\$2,000,000 (including) ~ NT\$3,500,000 (not including)		
NT\$3,500,000 (including) ~ NT\$5,000,000 (not including)		
NT\$5,000,000 (including) ~ NT\$10,000,000 (not including)	Wen-Wan Chen	Wen-Wan Chen
NT\$10,000,000 (including) ~ NT\$15,000,000 (not including)	Elizabeth Wang	Elizabeth Wang
NT\$15,000,000 (including) ~ NT\$30,000,000 (not including)		
NT\$30,000,000 (including) ~ NT\$50,000,000 (not including)		
NT\$50,000,000 (including) ~ NT\$100,000,000 (not including)		
Greater than or Equal to NT\$100,000,000		
Total	2	2

▼ Managers Assigned to Distribute Employee Compensation and the Distribution Status:

12/31/2025 Unit: NTD thousands

	Title	Name	Stock	Cash	Total	Ratio to Net Income (%)
Manager	President, CEO, Chief Sustainability Officer	Elizabeth Wang				
	Vice President	Wen-Wan Chen				
	Director, Financial Officer	Jane Y.C Chou				
	Manager, Accounting Officer	Mars Feng	0	2,257	2,257	0.41%
	Director, Corporate Governance Officer	Hsiao-Yun Yu				
	Director	Hua-Chou Huang				
	Director	Puo-Chien Lin				

2.2.3 Does the circumstances in Sub-item “a” or in Sub-item “e” of Item 2 subparagraph 2 Paragraph 1 Article 10 of the Regulations apply to CHC? If so, CHC shall disclose the individual remuneration paid to each of its top five management personnel:

No such circumstances.

2.2.4 Comparative Analysis of Remuneration Paid to Directors, President, and Vice President for the Past Two Fiscal Years as a percentage of Net Income in the Single and Consolidated Financial Statements, Including Details on Remuneration Policies, Procedures, and its Link to Operational Performance and Future Risks

1. Analysis of the Company's recent two fiscal years of Director, President, and Vice President Remuneration ratio to net income

Year	Director, President, and Vice President Total Remuneration (in thousands)		Ratio to Net Income (Note 1)	
	The Company	All Companies included in Financial Report	The Company	All Companies included in Financial Report
2024	46,659	51,056	14.60%	15.98%
2025	51,567	55,195	9.27%	9.92%

Note 1: Net profit refers to the net profit of the Company's individual financial statements, prepared in accordance with International Financial Reporting Standards, for the most recent fiscal year.

2. Remuneration Policies and Standards

- Pursuant to Paragraph 1 of Article 26 of the Company's Articles of Incorporation, if the Company records a profit for the year, it shall allocate 0.01% to 3% of such profit as employees' compensation and not more than 3% as directors' remuneration. However, if the Company has accumulated losses, an amount shall first be reserved to offset such losses before the aforementioned compensation is allocated. Of the employees' compensation mentioned above, not less than 10% shall be allocated to frontline employees.
- The remuneration of the Company's directors is determined in accordance with the Company's Articles of Incorporation and is linked to performance. Such performance is evaluated pursuant to the Company's Board Performance Evaluation Policy. The evaluation criteria for directors cover at least six aspects, including "achievement of the Company's goals and missions," "understanding of directors' responsibilities," "participation in the Company's operations," "internal communication and relationship management," "professional competence and continuing education of directors," and "internal control." The proposed allocation amount shall be reviewed by the Remuneration Committee, submitted to the Board of Directors for resolution, and reported to the Shareholders' Meeting.
- To actively fulfill its commitment to corporate sustainability, the CHC Group closely integrates the annual objectives of senior management with ESG performance targets to ensure that the management team continuously enhances performance in environmental protection, social responsibility, and corporate governance, thereby promoting the Company's long-term development.

In 2025, the Company continued to align with its overall sustainability development

blueprint by integrating the short-, medium-, and long-term development strategies and key sustainability indicators established by each task force. These elements serve as the basis for reviewing and setting the annual objectives of senior executives and the management team, ensuring the effective implementation of ESG policies and the realization of their substantive impact.

In accordance with the "Regulations Governing Remuneration Management for Directors and Managers," the variable bonuses of senior executives are directly linked to ESG performance. The level of achievement of ESG targets serves as a key factor in determining remuneration. Bonuses for managers and employees' compensation are comprehensively evaluated based on factors including individual contribution, job performance, achievement of annual operational targets, and the implementation of sustainability development objectives. The Chairman proposes the allocation details and total amount, which are reviewed and approved by the Remuneration Committee and subsequently submitted to the Board of Directors for approval.

- Director remuneration approved by the Board of Directors shall be allocated only to those holding directorship on the day of remuneration distribution. However, for Directors who were not re-elected due to re-election, remuneration may still be distributed in proportion to their tenure.
- Distribution of remuneration is based on the Company's overall operational and profit status, which is positively correlated with operational performance, and is carried out in accordance with legal requirements and Company regulations, in the hopes of minimizing the possibility and impact of future risks while achieving a balance between sustainable operations and risk management.

2.3 Corporate Governance Implementation

2.3.1 Board of Directors Meeting

A total of 9 Board of Directors meetings took place during January 1, 2025, to December 31, 2025, attendance of Directors are as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate in Person (%) (B/A) (Note 2)	Additional Notes
Chairman	Jason K.L. Chang	9	0	100%	
Director	Tong Yang Chia Hsin Int'l Corp. Representative: Pan Howard Wei Hao	9	0	100%	
Director	Tong Yang Chia Hsin Int'l Corp. Representative: Alec Jun-Ci Chang	8	1	88.88%	
Director	Chen-Ching Chen	5	0	100%	Elected on 2025/05/16
Independent Director	Pao-Chu Lin	9	0	100%	

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate in Person (%) (B/A) (Note 2)	Additional Notes
Independent Director	Kevin Kuo-I Chen	9	0	100%	
Independent Director	Mei-Ling Chang	5	0	100%	Elected on 2025/05/16
Director	Chi-Te Chen	3	1	75%	Vacated upon re-election on 2025/05/16
Independent Director	Robert K. Su	4	0	100%	Vacated upon re-election on 2025/05/16

Other matters to be recorded:

- When one of the following situations occurs in regarding operations of the Board, the date and term of the Board meeting, content of proposals, opinions of all Independent Directors, and the Company's actions in response to the respective opinions shall be stated:
 - Matters included in Article 14-3 of the Securities and Exchange Act: Since the Company has already established an Audit Committee, the regulations from Article 14-3 are not applicable. For detailed explanations on matters listed in Article 14-5 of the Securities and Exchange Act, please refer to 2.3.2 Audit Committee Meeting Status in this annual report.
 - In addition to the matters mentioned above, any other resolutions on which an independent director had an objection or reservation: None
- The execution status of Directors recused from resolutions due to conflict of interest shall include the names of the Directors, content of motion, reasons for recusal, and their participation in the voting process:

Date of Board Meeting	Name of Director	Content of Motion	Reason for Recusal	Participation in Voting Process
02 / 25 / 2025 466 th	Jason K.L. Chang Chi-Te Chen Pan Howard Wei Hao Alec Jun-Ci Chang	To discuss the distribution of Directors' remuneration for 2024	In accordance with Article 206 of the Company Act, Chairman Jason K. L. Chang, Director Chi-Te Chen, Director Pan Howard Wei Hao, and Director Alec Jun-Ci Chang recused themselves from the discussion due to their personal interests in this matter. Independent Director Robert K. Su was designated by the Chairman to serve as the acting chairman.	The motion was approved by the 5th Term, 9th Meeting of the Remuneration Committee and was submitted to the Board of Directors for deliberation. Chairman Jason K. L. Chang, Director Chi-Te Chen, Director Pan Howard Wei Hao, and Director Alec Jun-Ci Chang recused themselves from the discussion and voting due to their personal interests in this matter; the motion was passed with no objection from the remaining attending directors after consultation by the acting chairman.
06 / 04 / 2025 471 th	Jason K.L. Chang Pan Howard Wei Hao Chen-Ching Chen	To discuss the appointment of Directors and Supervisor to the subsidiary, Chia Hsin Property Management & Development Corporation	In accordance with Article 206 of the Company Act, Chairman Jason K. L. Chang, Director Pan Howard Wei Hao, and Director Chen-Ching Chen recused themselves from the discussion due to their personal interests in this matter; Independent Director Pao-Chu Lin served as the acting chairman as designated by the Chairman.	The motion was approved by the 5th Term, 1st Meeting of the Audit Committee and was submitted to the Board of Directors for deliberation. Chairman Jason K. L. Chang, Director Pan Howard Wei Hao, and Director Chen-Ching Chen recused themselves from the discussion and voting of the resolution due to their personal interests in this matter; the motion was passed with no objection from the other attending directors after consultation by the acting chairman.

Date of Board Meeting	Name of Director	Content of Motion	Reason for Recusal	Participation in Voting Process
06 / 04 / 2025 471 th	Jason K.L. Chang Pan Howard Wei Hao Alec Jun-Ci Chang Chen-Ching Chen Mei-Ling Chang	To discuss the remuneration and attendance fees for the newly elected Directors of the current term (excluding Independent Directors concurrently serving as members of the Remuneration Committee)	In accordance with Article 206 of the Company Act, Chairman Jason K. L. Chang, Director Pan Howard Wei Hao, Director Alec Jun-Ci Chang, Director Chen-Ching Chen, and Independent Director Mei-Ling Chang recused themselves from the discussion due to their personal interests in this matter; Independent Director Pao-Chu Lin served as the acting chairman as designated by the Chairman.	The motion was approved by the 6th Term, 1st Meeting of the Remuneration Committee and was submitted to the Board of Directors for deliberation. Chairman Jason K. L. Chang, Director Pan Howard Wei Hao, Director Alec Jun-Ci Chang, Director Chen-Ching Chen, and Independent Director Mei-Ling Chang recused themselves from the discussion and voting of the resolution due to their personal interests in this matter; the motion was passed with no objection from the other attending directors after consultation by the acting chairman.
	Pao-Chu Lin Kevin Kuo-I Chen	To discuss the remuneration and attendance fees for members of the Remuneration Committee for the current term	In accordance with Article 206 of the Company Act, Independent Director Pao-Chu Lin and Independent Director Kevin Kuo-I Chen recused themselves from the discussion due to their personal interests in this matter.	The motion was submitted to the Board of Directors without substantive review as resolved by the 6th Term, 1st Meeting of the Remuneration Committee. Independent Director Pao-Chu Lin and Independent Director Kevin Kuo-I Chen recused themselves from the discussion and voting of the resolution due to their personal interests in this matter; the motion was passed with no objection from the other attending directors after consultation by the chairman.
12 / 11 / 2025 474 th	Jason K.L. Chang	To discuss the year-end bonus amounts for the Chairman and managers for 2025	In accordance with Article 206 of the Company Act, Chairman Jason K. L. Chang recused himself from the discussion due to his personal interest in this matter; Independent Director Pao-Chu Lin served as the acting chairman as designated by the Chairman.	The motion was approved by the 6th Term, 3rd Meeting of the Remuneration Committee and was submitted to the Board of Directors for deliberation. Chairman Jason K. L. Chang recused himself from the discussion and voting of the resolution due to his personal interest in this matter; the motion was passed with no objection from the other attending directors after consultation by the acting chairman.
	Jason K.L. Chang Pan Howard Wei Hao Alec Jun-Ci Chang Chen-Ching Chen Mei-Ling Chang	To discuss the Lunar New Year remuneration for Directors (excluding those concurrently serving as members of the Remuneration Committee) for 2025	In accordance with Article 206 of the Company Act, Chairman Jason K. L. Chang, Director Pan Howard Wei Hao, Director Alec Jun-Ci Chang, Director Chen-Ching Chen, and Independent Director Mei-Ling Chang recused themselves from the discussion due to their personal interests in this matter; Independent Director Pao-Chu Lin served as the acting chairman.	The motion was approved by the 6th Term, 3rd Meeting of the Remuneration Committee and was submitted to the Board of Directors for deliberation. Chairman Jason K. L. Chang, Director Pan Howard Wei Hao, Director Alec Jun-Ci Chang, Director Chen-Ching Chen, and Independent Director Mei-Ling Chang recused themselves from the discussion and voting of the resolution due to their personal interests in this matter; the motion was passed with no objection from the other attending directors after consultation by the acting chairman.

Date of Board Meeting	Name of Director	Content of Motion	Reason for Recusal	Participation in Voting Process
12 / 11 / 2025	Pao-Chu Lin Kevin Kuo-I Chen	To discuss the Lunar New Year remuneration for members of the Remuneration Committee for 2025	In accordance with Article 206 of the Company Act, Independent Director Pao-Chu Lin and Independent Director Kevin Kuo-I Chen recused themselves from the discussion due to their personal interests in this matter.	The motion was submitted to the Board of Directors without substantive review as resolved by the 6th Term, 3rd Meeting of the Remuneration Committee. Independent Director Pao-Chu Lin and Independent Director Kevin Kuo-I Chen recused themselves from the discussion and voting of the resolution due to their personal interests in this matter; the motion was passed with no objection from the other attending directors after consultation by the chairman.

3. The information regarding self-assessment (or peer evaluation) of the Board of Directors includes the cycle and period, scope, method, and content of the assessment:

(1) External Evaluation: The external performance evaluation of the Board of Directors for 2024 was conducted by the Taiwan Institute for Ethical Management, which has completed the Board performance evaluation report. The evaluation results were presented at the 466th meeting of the Board of Directors held on February 25, 2025, and have been disclosed on the Company's website.

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Contents of Evaluation
Every three years	01/01/2024 to 12/31/2024	Board of Directors	At the end of 2024, the Company engaged the Taiwan Institute for Ethical Management, an independent external professional organization, to conduct the performance evaluation of the Board of Directors. The Taiwan Institute for Ethical Management is an independent and professional institution specializing in corporate governance system assessments and board effectiveness (performance) evaluations. The institution and its evaluators maintain independence from the Company and have no business dealings with the Company. The evaluation was conducted through interviews with all individual directors, a 100% questionnaire survey, and a review of the Company's internal policies and relevant documentation. A performance evaluation report was subsequently issued based on the evaluation results.	In addition to referencing the template provided by the competent authorities, the Company also referred to the research on board effectiveness published by The Institute of Internal Auditors Research Foundation. Corporate social responsibility aspects were incorporated into the evaluation criteria, and the assessment was conducted based on the following four dimensions: A. Professional Functions of the Board of Directors (Board composition and structure; election and continuing education of directors) Evaluation indicators: including the diversity of the Board's composition, the status of directors' continuing education, and the utilization of external resources. B. Effectiveness of Board Decision-Making (Level of participation in the Company's operations; enhancement of the quality of Board decisions) Evaluation indicators: including directors' attendance and participation in meetings, directors' understanding of the Company's operations, directors' oversight of the Company's risk management, and the adequacy of information supporting Board decisions. C. The Board's Emphasis on and Oversight of Internal Control Evaluation indicators: including the formulation and implementation of the employee code of conduct, supervision of internal audit and control mechanisms, the effectiveness of communication and whistleblowing channels, and the disclosure and recusal of conflicts of interest.

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Contents of Evaluation
Every three years	01/01/2024 to 12/31/2024	Board of Directors		D. The Board's Attitude Toward Sustainable Development Evaluation indicators: including the disclosure of ESG information, planning for talent development and succession planning, and initiatives related to sustainable operations.

(2) Internal Evaluation: The internal performance evaluation of the Board of Directors for 2025 is scheduled to be presented at a meeting of the Board of Directors in the first quarter of 2026. Evaluation reports for the other years have been disclosed on the Company's website.

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Contents of Evaluation
Annually	01/01/2025 to 12/31/2025	Board of Directors, functional committees (including the Audit Committee, Remuneration Committee, Sustainable Development Committee, Nomination Committee, and Risk Management Committee), and their individual members	Self-assessment from the Board of Directors, functional committees (including the Audit Committee, Remuneration Committee, Sustainable Development Committee, Nomination Committee, and Risk Management Committee), and their individual members	With reference to the sample published by authorities, the assessments of the Company are as follows: A. Board Performance Assessment a-1 Participation in Company operations a-2 Quality of decisions a-3 Structure and organization a-4 Election and continuing education a-5 Internal control B. Individual Director Performance Assessment b-1 Alignment of the goals and targets of the Company b-2 Understanding of director duties b-3 Participation in Company operations b-4 Management of internal communication and relationships. b-5 Director professional qualifications and continuing education b-6 Internal control C. Functional Committee Performance c-1 Participation in Company operations c-2 Understanding of functional committee duties c-3 Quality of decision c-4 Structure and election c-5 Internal control D. Functional Committee Individual Member Performance d-1 Function of functional committee d-2 Understand of functional committee member duties d-3 Participation in functional committee operations d-4 Management of internal relationships and communication

4. Assessment of the goals to enhance functions of the Board of Directors (e.g., establishing the Audit Committee, improving information transparency) and status of implementation:

(1) The Company has continued to advance the goal of enhancing female participation in decision-making. Following the re-election at the Shareholders' Meeting held on May 16, 2025, two female directors now serve on the Board of Directors. The Board members possess the professional knowledge, expertise, and industry experience required for their respective positions. Through the composition of a diverse Board of Directors, the decision-making process of the Board is further optimized. In response to the rapidly changing external environment, the Company organized a series of continuing education courses for directors during 2025. The courses covered topics such as global economic and geopolitical risk management, intellectual property compliance related to artificial intelligence, applications and risks of generative AI, and governance for sustainable transformation, with the aim of continuously strengthening the Board's overall professional competence. For details regarding the training undertaken by directors and independent directors in 2025, please refer to the table below.

- (2) In 2025, the Company held a total of 9 Board meetings, with an average attendance rate of 96.82% for all Directors. Information regarding significant agenda items and Director attendance was announced on the Market Observation Post System in accordance with regulations to ensure real-time and transparent information dissemination. Motions and resolutions all had undergone thorough discussion conducted by Directors before making a decision, especially paying attention to issues in relation to risk management of all kinds, further showcasing smooth overall operation process.
- (3) The Company established the Remuneration Committee in 2011 (please refer to Section 2.3.4 of this annual report), the Audit Committee in 2013 (please refer to Section 2.3.2 of this annual report), the Sustainable Development Committee in 2021 (please refer to Section 2.3.8 of this annual report), and the Nomination Committee (please refer to Section 2.3.4 of this annual report) and the Risk Management Committee (please refer to Section 2.3.8 of this annual report) in December 2024 to enhance the accountability and effectiveness of the Board of Directors.

Directors and Independent Directors Training in 2025

Name of Director	Course Title	Organizer	Date of Training	Hours	Total Hour
Jason K.L. Chang	Monitoring and Addressing Global Economic and Geopolitical Risks	Taiwan Institute of Directors	04/09/2025	3	12
	IP Compliance Governance and Emerging Challenges in the Age of AI	Taiwan Institute of Directors	06/11/2025	3	
	Opportunities and Challenges Brought by Generative AI to Enterprises	Taiwan Institute of Directors	08/20/2025	3	
	Dual Transformation for Strengthening Organizational Resilience: AI Governance and Sustainability Governance	Taiwan Institute of Directors	09/24/2025	3	
Pan Howard Wei Hao	Benchmark Practices in the Era of Co-Governance	Taiwan Institute of Directors	06/04/2025	3	6
	Opportunities and Challenges Brought by Generative AI to Enterprises	Taiwan Institute of Directors	08/20/2025	3	
Alec Jun-Ci Chang	Monitoring and Addressing Global Economic and Geopolitical Risks	Taiwan Institute of Directors	04/09/2025	3	6
	IP Compliance Governance and Emerging Challenges in the Age of AI	Taiwan Institute of Directors	06/11/2025	3	
Chen-Ching Chen	Dual Transformation for Strengthening Organizational Resilience: AI Governance and Sustainability Governance	Taiwan Institute of Directors	09/24/2025	3	6
	Corporate Governance Officer and Board Evaluation Development	Taiwan Corporate Governance Association	11/07/2025	3	
Pao-Chu Lin	Monitoring and Addressing Global Economic and Geopolitical Risks	Taiwan Institute of Directors	04/09/2025	3	21
	Advancing Corporate Governance: Building a New Competitive Landscape for Talent	Taiwan Institute of Directors	04/11/2025	3	
	2025 Cathay Sustainable Finance and Climate Change Summit	Taiwan Stock Exchange	07/09/2025	6	

Name of Director	Course Title	Organizer	Date of Training	Hours	Total Hour
Pao-Chu Lin	[IFRS Updates] Implications of IFRS 18 and Amendments to IFRS 9	Taiwan Institute of Directors	07/10/2025	3	21
	IFRS 18 “Presentation and Disclosure in Financial Statements” : Analysis and Practical Challenges	Taiwan Institute of Directors	08/08/2025	3	
	Opportunities and Challenges Brought by Generative AI to Enterprises	Taiwan Institute of Directors	08/20/2025	3	
Kevin Kuo-I Chen	Monitoring and Addressing Global Economic and Geopolitical Risks	Taiwan Institute of Directors	04/09/2025	3	12
	IP Compliance Governance and Emerging Challenges in the Age of AI	Taiwan Institute of Directors	06/11/2025	3	
	Opportunities and Challenges Brought by Generative AI to Enterprises	Taiwan Institute of Directors	08/20/2025	3	
	Dual Transformation for Strengthening Organizational Resilience: AI Governance and Sustainability Governance	Taiwan Institute of Directors	09/24/2025	3	
Mei-Ling Chang	New Perspectives on the Semiconductor Industry Revolution Behind Artificial Intelligence	Taiwan Corporate Governance Association	05/22/2025	3	12
	IP Compliance Governance and Emerging Challenges in the Age of AI	Taiwan Institute of Directors	06/11/2025	3	
	Insights into Criminal Industry Chains and Fraud Prevention Guidelines	Chinese National Association of Industry and Commerce	09/22/2025	3	
	Outlook for Domestic, Global, and Cross-Strait Economic Conditions in 2026	Chung-Hua Institution for Economic Research	10/22/2025	3	

2.3.2 Audit Committee Meeting

1. Annual Key Duties of the Audit Committee

For the professional qualifications and experiences of the three members of the Audit Committee, please refer to Section 2.1.1 in this annual report.

The Audit Committee aims to assist the Board of Directors in overseeing the quality and integrity of the Company's accounting, auditing, financial reporting processes, and finance controls.

Key objectives supervised by the Audit Committee are as follows:

Review Financial reports; auditing and accounting policies and procedure; internal control systems and related policies and procedures; significant asset or derivative transactions; significant loans, endorsements, or guarantees; raise or issuance of securities; related party transactions and potential conflicts of interest involving managers and directors; company

risk management; assessing effectiveness of internal control systems; qualifications, independence, and performance evaluation of CPAs; appointment, dismissal, or compensation of CPAs; appointment or dismissal of financial, accounting, or internal audit executives; other significant matters as required by the Company or regulatory authorities.

According to regulations, the members of the Audit Committee shall consist of all Independent Directors. The composition of the Company's Audit Committee complies with the aforementioned legal requirements.

The Company's Audit Committee fully understands its responsibility to necessary audits and investigations in accordance with the organizational charter. The Committee shall maintain direct channels of communication with the Company's internal auditors, CPAs, and all employees. In addition, the Committee has the authority to hire and oversee lawyers, accountants, or other consultants to assist in fulfilling auditing duties.

For further details on the organizational regulations of the Audit Committee, please refer to the Company's official website.

2. Audit Committee Meeting Results

A total of 8 Audit Committee meetings (A) (Note 3) were held in the latest fiscal year, including 4 meetings of the previous term and 4 meetings of the current term. The attendance of Audit Committee members is as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate in Person (%) (B/A)	Additional Notes
Independent Director (Convener)	Pao-Chu Lin	8	0	100%	Re-elected on 2025/05/16
Independent Director	Kevin Kuo-I Chen	8	0	100%	Re-elected on 2025/05/16
Independent Director	Mei-Ling Chang	4	0	100%	Elected on 2025/05/16
Independent Director	Robert K. Su	4	0	100%	Vacated upon re-election on 2025/05/16

Other matters to be recorded:

(1) When one of the following situations occurs regarding operations of the Audit Committee, the date and term of the Audit Committee meeting, content of motion, opinions of all members of the respective committee, and the Company's actions in response to the respective opinions shall be listed.

A. Items listed in Article 14-5 of the Securities and Exchange Act:

Meeting Date (Session)	Content of Motion	Items Listed in Article 14-5 of the Securities and Exchange Act	Result of Audit Committee Meetings and The Company's Actions in Response to the Opinions of Members of Audit Committee
02/25/2025 18 th Meeting of the 4 th Term	<ol style="list-style-type: none"> The 2024 internal control statement. The draft of 2024 business report and financial statements. The continuing appointment of the current CPAs and the service fee. The supplementary agreement to the warehousing service engagement contract with Taiwan Cement Corporation. The agreement with the subsidiary, Tong Yang Chia Hsin International Corporation, regarding the additional installation of shipping equipment and the related collection and payment arrangement. The Signing Operation and Leasing Agreement for the land and cement storage facilities behind Wharf 33 West at Keelung Port with Port of Keelung, Taiwan International Ports Corporation. 	✓	All members who attended the meeting agreed to pass the motion and submitted to the Board of Directors in which all attended directors approved without objection.
03/27/2025 19 th Meeting of the 4 th Term	<ol style="list-style-type: none"> The amendment to the Company's Articles of Incorporation. Company's distribution of profits for the fiscal year of 2024. 	✓	
04/10/2025 20 th Meeting of the 4 th Term	The share repurchase proposal for transfer to employees.	✓	
05/08/2025 21 st Meeting of the 4 th Term	<ol style="list-style-type: none"> Review the Company's consolidated financial report for the Q1 of 2025. The amendment to the Company's Guidelines for the First Share Repurchase and Transfer to Employees in 2025. 	✓	
06/04/2025 1 st Meeting of the 5 th Term	<ol style="list-style-type: none"> The appointment of Mr. Jason K. L. Chang, Mr. Pan Howard Wei Hao and Mr. Chen-Ching Chen as directors of the Company's subsidiary Chia Hsin Property Management & Development Corp. The appointments of key personnel, including Finance Officer, Accounting Officer and Internal Audit Officer. 	✓	Regarding the 2nd proposal, after discussion by the Audit Committee, it was resolved that the convener of the Audit Committee, Independent Director Pao-Chu Lin, would represent the Audit Committee as the Company's signing representative. The remaining proposals were unanimously approved by all attending committee members and submitted to the BOD, where they were passed without objection by all attending directors.
08/11/2025 2 nd Meeting of the 5 th Term	<ol style="list-style-type: none"> Review the Company's consolidated financial report for the Q2 of 2025. The execution of a Rights and Obligations Transfer Agreement under the "Lease and Operation Contract for the Land Behind Berth No. 33 at Keelung Port and Related Cement Storage Facilities," jointly signed with Keelung Port Branch of Taiwan International Ports Corporation and Tong Yang Chia Hsin International Corporation. Providing an endorsement and guarantee for the subsidiary, Tong Yang Chia Hsin International Corporation. Agreement for the purchase and sale of cement silos and ancillary facilities at Berth No. 33 West, Keelung Port, signed with subsidiary, Tong Yang Chia Hsin International Corporation. Supplementary agreement to the warehouse storage entrustment contract at Keelung Port signed with subsidiary Tong Yang Chia Hsin International Corporation. 	✓	

Meeting Date (Session)	Content of Motion	Items Listed in Article 14-5 of the Securities and Exchange Act	Result of Audit Committee Meetings and The Company's Actions in Response to the Opinions of Members of Audit Committee
11/07/2025 3 rd Meeting of the 5 th Term	1. Review the Company's consolidated financial report for the Q3 of 2025. 2. The endorsement of the loan taken out from Taishin International Bank Tokyo Branch for the Company's two subsidiaries CHC Ryukyu COLLECTIVE KK and CHC Ryukyu Development GK in Japan.	✓	All members who attended the meeting agreed to pass the motion and submitted to the Board of Directors in which all attended directors approved without objection.
12/11/2025 4 th Meeting of the 5 th Term	1. To renew the storage and warehousing entrustment contracts for Keelung Port and Taichung Port with the Company's subsidiary, Tong Yang Chia Hsin International Corporation. 2. To renew the business commission contract with the Company's subsidiary, Tong Yang Chia Hsin International Corporation. 3. To renew the Equipment Usage Agreement for 2026 at Taipei Port's Bulk & General Cargo Terminal 1 with the Company's subsidiary, Chia Pei International Corporation. 4. To renew the Storage and Transportation Agreement with the Company's subsidiary, Chia Pei International Corporation. 5. The amendment made in approval authority in Job Delegation Management Procedure. 6. Approved the 2026 audit plan of the Company. 7. The endorsement guarantee of a bank loan from CTBC Bank Tokyo Branch to the Company's two subsidiaries in Japan, CHC Ryukyu COLLECTIVE KK and CHC Ryukyu Development GK, as well as derivative financial products facilities with CTBC Dunbei Branch. 8. Approved the 2026 budget.	✓	

B. Other decisions that have not been approved by the Audit Committee but have been agreed upon by two-thirds or more of all Directors shall include details such as the date and session of the meeting, content of motion, the decision of the Audit Committee, and the Company's response:
None

- (2) Regarding the execution of status of Independent Directors recused from the meeting, the name of the Independent Director, content of motion, reason of recusal, and participation in voting process shall be listed: none.
- (3) Regarding communication between Independent Directors and the internal audit manager and auditors (such as matters discussed, methods, and results related to the Company's finances and business conditions): Internal audit manager and auditors regularly communicate with the Independent Directors regarding the Company's finances, operations, and internal control status, or provide relevant written reports.

A. Independent Directors and auditors hold meetings at least 3~4 times a year. The auditors report to the Independent Directors on the Company's financial status, financial situation and overall operations of subsidiaries in Taiwan and abroad, discussions on key audit matters for the year, and the status of internal control audits. Both parties also thoroughly discuss matters regarding the impact on accounting and finances caused by amendments on entries and regulations. The communication between Independent Directors and CPAs is healthy and effective.

B. The Audit Office compiles monthly audit reports and tracking reports, which are submitted to each Independent Director for review and approval. If Independent Directors have any questions or suggestions upon reviewing the audit reports, they communicate directly with the Audit Office as needed, while maintaining a good working relationship.

C. Communications between Independent Directors and the audit division officer for 2025 are listed as follow:

Meeting Date	Main Communication	Result
02/25/2025 (BOD & Audit committee meeting)	1. Execution report and communications regarding the audit for October, November and December, 2024. 2. The 2024 internal control statement.	1. Noted. 2. After discussion, the statement was proposed to the BOD for resolution.
03/27/2025 (Individual symposium)	Discussion and communication between audit officer and independent directors.	Follow independent directors' advice.
03/27/2025 (BOD)	Execution report and communications regarding the audit for January, 2025.	Noted.
05/08/2025 (BOD)	Execution report and communications regarding the audit for February, 2025.	Noted.
06/04/2025 (BOD)	Execution report and communications regarding the audit for March, 2025.	Noted.
08/11/2025 (BOD & Audit committee meeting)	Execution report and communications regarding the audit for April and May, 2025.	1. Noted. 2. After discussion, the statement was proposed to the BOD for resolution.
11/07/2025 (BOD & Audit committee meeting)	Execution report and communications regarding the audit for June, July and August, 2025.	1. Noted. 2. After discussion, the statement was proposed to the BOD for resolution.
12/11/2025 (BOD & Audit committee meeting)	1. Approved the 2026 Audit Plan. 2. Amendment to the company's approval authority table of regulations governing duty delegation. 3. Execution report and communications regarding the audit for September, 2025.	1. Noted. 2. After discussion, the statement was proposed

The three Independent Directors of the Company have frequently provided suggestions during Audit Committee or Board meetings, but they have not expressed opposition or reservation. Any specific instructions or handling of situations have been explained in the table above.

(4) Communications between Independent Directors and CPAs for 2025 are listed as follows:

Meeting Date	Main Communication	Result
02/25/2025 (Individual symposium)	1. The independent directors and the CPAs held a discussion to understand the CPA's communication with the Company's management and the audited departments.	Well communicated.
02/25/2025 (BOD & Audit committee meeting)	1. The CPAs explained the contents of the 2024 consolidated financial report and explanation of key audit matters and types of audit opinion issued. 2. The CPAs explained and communicated the questions raised by the participants.	Noted and proposed to BOD for resolution.

Meeting Date	Main Communication	Result
08/11/2025 (BOD & Audit committee meeting)	1. The CPAs explained the contents of the review of the consolidated financial report for the 2nd quarter of 2025. 2. The CPAs explained and communicated the questions raised by the participants.	Noted and proposed to BOD for resolution.
12/11/2025 (BOD)	1. The CPAs evaluated and explained the possible "Key Audit Matters" for the Company's financial report for 2025. 2. The CPAs explained and communicated the questions raised by the participants.	Well communicated.

Note 1: Date of resignation for Independent Directors who resigned before the end of the fiscal shall be listed. while the attendance rate in person (%) shall be calculated based on the number of Audit Committee meetings held during their tenure and their attendance rate in person. (There were no such occurrences in the current fiscal year)

Note 2: If there were changes in Independent Directors before the end of the fiscal year, both the outgoing and incoming Independent Directors shall be listed, and in the remarks column, it shall be noted whether the Independent Director is outgoing, incoming, or re-elected, along with the date of the change. The attendance rate in person (%) shall be calculated based on the number of Audit Committee meetings held during their tenure and their actual attendance in person.

Note 3: Number of meetings are ones that took place during the most recent fiscal year up to the publication of this annual report: 8 meetings in 2025 (as of December 31, 2025).

2.3.3 Corporate Governance Implementation and Deviations from the "Corporate Governance Best Practice Principles" of the TWSE/TPEX Listed Companies

▼ Corporate governance implementation and deviation from practice principles regarding TWSE/TPEX listed companies as required by Taiwan Stock Exchange

Evaluation item	Implementation Status (Note)			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
1. Has the Company established and disclosed its Corporate Governance Best Practice Principles based on the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies?	✓		The Company's Corporate Governance Practice Principles was established in reference to the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" by the Taiwan Stock Exchange and first approved by the Board of Directors at the Board meeting held on March 25, 2015. Recently, on November 7, 2024, amendments on partial articles were approved by the Board. The information was disclosed on the Market Observation Post System (herein referred to as MOPS) and also available to investors on the Company's official website. The Company's corporate governance regulation is established in compliance with the legal regulations and Articles of Association. At the same time, it protects investors' rights, strengthens the supervision of the Board of Directors, utilizes the functional committees, respects conflicts of interests, and enhances information transparency.	None
2. Shareholding Structure and Shareholders' Rights				
(1) Does the Company have Internal Operation Procedures for handling shareholders' suggestions, concerns, disputes and litigation matters. If yes, have these procedures been implemented accordingly?	✓		(1) The Company's Corporate Governance Practice Principles specifies internal control procedures for handling shareholders' suggestions, concerns, and disputes and establishes a spokesperson and deputy spokesperson system for investor relations, which is fully supported by the Board secretariat. Capital Securities Corporation also assists the Company in handling shareholders' suggestions, concerns, disputes, and litigation matters. During Shareholders' meetings, participating shareholders are all given appropriate time to speak and discuss motions. The Company accepts any undisputed and feasible suggestions and makes improvements accordingly. However, suggestions with disputes are to be resolved by voting in accordance with the rules and procedure of shareholders' meetings.	None

Evaluation item	Implementation Status (Note)			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
(2) Does the Company know the identity of its major shareholders and the parties with ultimate control of the major shareholders?	✓		(2) The Board Secretariat and Capital Securities Corporation are always monitoring shareholding status regarding the Directors, managers, and major shareholders holding more than 10% of the shares.	None
(3) Has the Company built and implemented a risk management system and a firewall between the Company and its affiliates?	✓		(3) The assets, financial affairs, and accounting operations of affiliated companies are managed independently. The Company has established a Subsidiary Supervision Task Force, composed of designated department heads or their appointed representatives, to regularly monitor the operating activities of subsidiaries and potential risks. In addition, transactions between the Company and its subsidiaries are conducted in accordance with the Company's established "Procedures for Acquisition or Disposal of Assets," "Operating Procedures for Loaning of Funds and Endorsements/Guarantees," and "Regulations Governing Financial and Business Transactions Between Related Parties." Appropriate risk control and firewall mechanisms have been established between the Company and its subsidiaries to prevent risks to the Company arising from any irregularities in the subsidiaries' operations.	None
(4) Has the Company established internal rules prohibiting insider trading of securities based on undisclosed information?	✓		(4) To safeguard shareholders' rights and ensure equitable treatment of shareholders, the Company revised the Corporate Governance Best Practice Principles, as approved by the Board of Directors. The revised provisions stipulate that directors shall not trade the Company's shares or other equity-type securities during the closed period, defined as the thirty days prior to the announcement of the annual financial report and the fifteen days prior to the announcement of each quarterly financial report. To further enhance the timeliness, accuracy, and completeness of material information disclosure, the Company also amended the Procedures for Handling Material Inside Information and Prevention of Insider Trading, which were approved by the 449th meeting of the Board of Directors on December 14, 2022. The procedures clearly stipulate that insiders, quasi-insiders, and recipients of inside information shall not trade securities using undisclosed information. The Secretariat of the Board of Directors has been designated as the responsible unit for overseeing the implementation of these procedures.	None

Evaluation item	Implementation Status (Note)			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			<p>In addition, the Company provides periodic guidance to current insiders regarding the reporting requirements for changes in insider shareholdings prior to and after transactions at least once each quarter. Educational materials regarding the procedures and relevant regulations are also disseminated electronically on a monthly basis. In 2025, a total of 15 educational sessions were conducted.</p> <p>To further strengthen awareness of insider trading prevention regulations among employees and management across the Group, the Company organized two Insider Trading Prevention Awareness Courses for new employees of the Group on April 30 and October 16, 2025. In addition, during October and November 2025, the Company conducted both in-person and online employee training programs on ethical management. For the management-level sessions, professional instructors from Sheng Lun Law Offices were invited to provide lectures on key provisions of the Code of Ethical Conduct, covering topics including insider trading, acceptance of improper benefits, disclosure of confidential company information, favoritism toward specific vendors, and neglect of duties, as well as labor relations management topics such as workplace bullying, unlawful infringement, and improper management practices.</p> <p>For employee-level sessions, internal instructors provided training on the fundamental concepts of ethical management, types of violations of ethical conduct, management of confidential information, and prevention of insider trading. A total of 196 employees across the Group participated in these training programs. The annual training participation rate of all employees in Taiwan reached 100% (including new employees). Relevant presentation materials and video recordings were also made available to employees for future reference.</p>	
3. Composition and responsibilities of the board of directors				
(1) Have a diversity policy and specific management objectives been adopted for the board and have they been fully implemented?	✓		(1) The structure of the Company's Board of Directors is determined based on the operational mode and development requirements of the Company, while the number of Directors is decided in accordance with the Company's Articles of Association and practical operational needs; Board members are selected with a focus on diversity and competence regarding the knowledge, skills, and diverse backgrounds required for their roles. This includes Director and Independent Directors who are serving as executives with extensive business experience from various industries and professors with specialized expertise in their respective field of study. In order to reach the ideal goals of corporate governance, the Board of Directors shall be equipped the following abilities:	None

Evaluation item	Implementation Status (Note)			Deviations from the Corporate Governance Best Practice Principles for TWSE/ TPEX Listed Companies and the reasons
	Yes	No	Summary description	
(2) Has the Company voluntarily established other functional committees in addition to the remuneration committee and the audit committee?	✓		A. Accounting, Finance, and Legal Affairs B. Risk Management C. Business Operations D. Global Market E. Investment and M&A F. Hospitality G. Information Technology H. Sustainability Development For the implementation of core competencies in board diversity by individual directors, please refer to the Board Diversity Table in section 2.1.1 "Board of Directors" of this annual report.	None
(3) Has the Company established rules and methodology for evaluating the performance of its Board of Directors, implemented the performance evaluations on an annual basis, and submitted the results of performance evaluations to the board of directors and used them as reference in determining salary/ compensation for individual	✓		(2) In addition to establishing the Remuneration Committee and the Audit Committee in accordance with applicable regulations, the Company established the Sustainable Development Committee to actively promote and strengthen its sustainable development strategies and to address key issues of concern to stakeholders. The establishment of the Sustainable Development Committee was approved by the 441st meeting of the Board of Directors on December 14, 2021. Furthermore, to enhance the functions and operations of the Board of Directors, the Company established the Nomination Committee and the Risk Management Committee, as approved by the 465th meeting of the Board of Directors on December 12, 2024 . For details regarding the composition, responsibilities, and operations of these committees, please refer to "2.3.4 Remuneration Committee and Nomination Committee – Composition, Responsibilities and Operations" and "2.3.8 Other Important Information Helpful to Understanding the Operation of Corporate Governance" in this annual report. (3) The Company adopted the Regulations for Performance Evaluation of the Board of Directors, as approved by the Board of Directors on May 9, 2019, and conducts performance evaluations on an annual basis. The performance evaluation of directors for 2024 was reported to the Board of Directors on February 25, 2025, and the overall results were better than those of the previous year. The Board Performance Evaluation Regulation includes five aspects, as stated below: A. Participation in business operations B. Improvement of Board decision quality C. Structure and organization of the Board of Directors D. Director elections and continuing improvements E. Internal Control Results of the 2024 performance evaluation of the Board are as follows: (a). The self-assessment results of the performance of the Board of Directors and its functional committees, with ratings of "excellent" or above, were nearly 100%.	None

Evaluation item	Implementation Status (Note)			Deviations from the Corporate Governance Best Practice Principles for TWSE/ TPEX Listed Companies and the reasons
	Yes	No	Summary description	
directors and their nomination and additio			(b). The performance evaluation results of the Board of Directors and its functional committees in 2024 indicate that, with the establishment of a remuneration system linking sustainability with performance, the overall performance of the Board and its committees improved compared with the previous year. For details regarding the Board performance evaluation methods, procedure, and results, please refer to the Company's official website and MOPS.	
(4) Does the Company regularly evaluate its external auditors' independence?	✓		(4) Every year, the Company's Audit Committee evaluates the independence and suitability of the external auditors. In addition to requiring the auditors to provide a "Statement of Independence" and "Audit Quality Indicators (AQIs)," the evaluation is conducted based on the key independence assessment criteria outlined in Section 2.4 "Auditor Fee Information" and the 13 AQI indicators. After confirming that the auditors have no financial interests or business relationships with the Company other than audit and tax service fees, and that their family members do not violate independence requirements, and with reference to the AQI indicators, it has been confirmed that both the auditors and the accounting firm demonstrate audit experience, personnel stability, and engagement quality control review performance above the industry average. In addition, over the past three years, the accounting firm has continued to implement digital audit tools to enhance audit quality. The most recent evaluation results were reviewed and approved by the Audit Committee on February 25, 2025, and subsequently submitted to and approved by the Board of Directors on the same date.	None
4. Does the TWSE/ TPEX listed company have in place an adequate number of qualified corporate governance officers and has it appointed a chief corporate governance officer with responsibility corporate governance practices (including but not limited to providing information necessary for	✓		On July 11, 2019, the Board of Directors appointed President Elizabeth Wang as the Corporate Governance Officer. On April 18, 2023, at the 452th Board meeting, Director Hsiao-Yun Yu was appointed as the Corporate Governance Officer to continue overseeing corporate governance operations. Director Hsiao-Yun Yu has extensive experience in handling stock affairs for publicly traded companies and has served as the head of the Board Secretariat for over three years. Responsibilities of the Corporate Governance Officer are as follows (minimum requirement): 1. Handle all matters relating to Board of Directors' meetings and shareholders' meetings in compliance with regulations. 2. Prepare minutes of Board of Director meetings and the general shareholders' meetings.	None

Evaluation item	Implementation Status (Note)			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons																					
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directors and supervisors to perform their duties, aiding directors and supervisors in complying with laws and regulations, organizing board meetings and annual general meetings of shareholders as required by law, and compiling minutes of board meetings and annual general meetings)?	✓		3.Assist in onboarding and continuing education of the Directors and supervisors. 4.Provide all information required for performance of duties requested by Directors and supervisors.5.Assist Directors and supervisors regarding compliance. 6.To report the compliance result of the qualification, nomination, election, and headship of the independent directors for relevant regulations. 7.To handle the relevant matter for the change of directors. 8.Other matters specified by the Articles of Association.	None																					
			<table border="1"> <thead> <tr> <th>Items</th> <th>Time or Period</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>Corporate Governance Evaluation Results</td> <td>2024~2025</td> <td>The result of the 11th (2024) annual corporate governance evaluation results were announced on May 07, 2025; the Company showed a result of 6 - 20% (the second level) for 4 consecutive years, which is the same as last year.</td> </tr> <tr> <td>Performance Evaluation of the Board of Directors Meeting</td> <td>02/25/2025</td> <td>The 2024 performance evaluation (self-assessment) of the Board of Directors and functional committees, together with the external board performance evaluation conducted by the Taiwan Institute for Ethical Management, resulted as "excellent," and was reported at the 466th meeting of the Board of Directors.</td> </tr> <tr> <td>The General Shareholders' Meeting</td> <td>05/16/2025</td> <td>Pre-registration procedures for the shareholders' meeting date were handled, and matters including the election of Directors (including candidate nomination) and changes in registration were processed.</td> </tr> <tr> <td>Directors' Liability Insurance</td> <td>08/11/2025</td> <td>Purchased Directors' liability insurance in compliance with regulations and reported at the 472th Board meeting.</td> </tr> <tr> <td>Continuing education of the directors</td> <td>Annual and irregularly</td> <td>In 2025, Taiwan Institute of Directors arranged Director training courses and periodic updates on other relevant courses from various institutions were forwarded to Directors for their reference.</td> </tr> <tr> <td>Other important matters</td> <td colspan="2">Announcement on the latest laws and regulations or referral of information on policy advocacy for the Directors' reference.</td> </tr> </tbody> </table>	Items	Time or Period	Description	Corporate Governance Evaluation Results	2024~2025	The result of the 11th (2024) annual corporate governance evaluation results were announced on May 07, 2025; the Company showed a result of 6 - 20% (the second level) for 4 consecutive years, which is the same as last year.	Performance Evaluation of the Board of Directors Meeting	02/25/2025	The 2024 performance evaluation (self-assessment) of the Board of Directors and functional committees, together with the external board performance evaluation conducted by the Taiwan Institute for Ethical Management, resulted as "excellent," and was reported at the 466th meeting of the Board of Directors.	The General Shareholders' Meeting	05/16/2025	Pre-registration procedures for the shareholders' meeting date were handled, and matters including the election of Directors (including candidate nomination) and changes in registration were processed.	Directors' Liability Insurance	08/11/2025	Purchased Directors' liability insurance in compliance with regulations and reported at the 472th Board meeting.	Continuing education of the directors	Annual and irregularly	In 2025, Taiwan Institute of Directors arranged Director training courses and periodic updates on other relevant courses from various institutions were forwarded to Directors for their reference.	Other important matters	Announcement on the latest laws and regulations or referral of information on policy advocacy for the Directors' reference.		
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			The Continuing Education Summary of Chief Corporate Governance Officer Hsiao-Yun Yu, for 2025 is as follows: <table border="1"> <thead> <tr> <th>Organizer</th> <th>Time</th> <th>Course</th> <th>Hours</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Taiwan Institute of Directors</td> <td>04/09/2025</td> <td>Monitoring and Addressing Global Economic and Geopolitical Risks</td> <td>3</td> </tr> <tr> <td>06/11/2025</td> <td>IP Compliance Governance and Emerging Challenges in the Age of AI</td> <td>3</td> </tr> <tr> <td rowspan="2">Taiwan Institute of Directors</td> <td>08/20/2025</td> <td>Opportunities and Challenges Brought by Generative AI to Enterprises</td> <td>3</td> </tr> <tr> <td>09/24/2025</td> <td>Dual Transformation for Strengthening Organizational Resilience: AI Governance and Sustainability Governance</td> <td>3</td> </tr> <tr> <td>Securities and Futures Institute</td> <td>10/03/2025</td> <td>2025 Insider Trading Prevention Awareness Seminar</td> <td>3</td> </tr> </tbody> </table> To enhance the quality of corporate governance, the Company's Corporate Governance Officers participated and passed the Basic Competency Test for Corporate Governance Personnel organized by the Securities & Futures Institute.	Organizer	Time	Course	Hours	Taiwan Institute of Directors	04/09/2025	Monitoring and Addressing Global Economic and Geopolitical Risks	3	06/11/2025	IP Compliance Governance and Emerging Challenges in the Age of AI	3	Taiwan Institute of Directors	08/20/2025	Opportunities and Challenges Brought by Generative AI to Enterprises	3	09/24/2025	Dual Transformation for Strengthening Organizational Resilience: AI Governance and Sustainability Governance	3	Securities and Futures Institute	10/03/2025	2025 Insider Trading Prevention Awareness Seminar	3	None
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5. Has the Company established channels for communicating with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) and created a stakeholders section on its company website? Does the Company appropriately respond to stakeholders' questions and concerns on important corporate social responsibility issues?	✓		The Company's official website has an ESG /Sustainable Development Stakeholders page, which is handled by a designated individual to provide investors, as well as other stakeholders, the communication channel to reflect related issues and maintain their rights and interest. The URL is as follows: https://www.chcgroup.com.tw/en/esg-en/	None																						

Evaluation item	Implementation Status (Note)		Deviations from the Corporate Governance Best Practice Principles for TWSE/ TPEX Listed Companies and the reasons	
	Yes	No		Summary description
6. Has the Company appointed a professional shareholder services agent to handle matters related to its shareholder meetings?	✓		The Company has appointed Capital Securities Corporation as the share agent to handle the affairs of the shareholders' meetings.	None
7. Information Disclosure				
(1) Has the Company established a corporate website to disclose information regarding its financials, business, and corporate governance status?	✓		(1) The Company's finances, operations, and corporate governance status are disclosed on both the official websites of Taiwan Stock Exchange and the Company. The URL is as follows: www.chcgroup.com.tw	None
(2) Does the Company use other information disclosure channels (e.g., maintaining an English-language website, Note: Regardless of whether "Yes" or "No" is ticked regarding the implementation status, an explanation should still be provided in the explanation column for each item. designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors conference etc.)?	✓		(2) The Company website is offered in both Chinese and English. A designated individual is responsible for handling information collection and disclosure, while implementing a spokesperson system. Corporate briefing sessions and their included materials are posted on MOPS and on the Company's website.	None

Evaluation item	Implementation Status (Note)		Deviations from the Corporate Governance Best Practice Principles for TWSE/ TPEX Listed Companies and the reasons	
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(3) Does the company publish and report its annual financial report within two months after the end of the fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating statements for each month before the specified deadlines?	✓		(3) a. With the enhancement and adjustment of workforce quality, the Company is now capable of independently preparing financial reports within two months after the end of the fiscal year. This year, the previous year's financial report was announced and filed by the end of February 2025. b. The Company has announced and filed the first, second and third quarter financial reports before the deadline; monthly revenue reports are submitted as early as possible and before the deadline as well.	None
8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' continuing education, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing liability insurance for directors and supervisors)?	✓		(1) Regarding employee rights and wellness, the Company compiled a comprehensive employee handbook, ethics regulation and employee benefits, and implemented environmental protection in accordance with regulations. (2) The Company has always respected and protected its stakeholders' interests, including its suppliers, investors and or other interested parties. (3) The Company's rules of procedure are transparent, in compliance with regulations and allows for shareholder participation. (4) Training of Director and Independent Directors: In addition to self-generated educational improvements taken by Directors and Independent Directors, the Company actively arranges courses offered by Taiwan Corporate Governance Association, Securities & Futures Institute, China National Association of Industry and Commerce, and Taiwan Institute of Directors. The courses topics such as IFRS, corporate governance, risk management, and more. Training records of Directors and Independent Directors have been published on MOPS in accordance with regulations. (5) Implementation of risk management policies and risk measurement standards: 1. The Company first established its Risk Management Policy to continue improving, building, and implementing more comprehensive risk management standards. At the Board of Directors meeting held on December 12, 2024, both the amendments to the Policy and the resolution to establish a Risk Management Committee were approved, thereby further strengthening the oversight of risk management operational mechanisms and enhancing the overall risk management function. 2. In accordance with risk management standard procedures, the Company references external expert reports and ESG databases to better identify	None

Evaluation item	Implementation Status (Note)		Deviations from the Corporate Governance Best Practice Principles for TWSE/ TPEX Listed Companies and the reasons
	Yes	No	
		<p>significant risks. After conducting risk assessments, the Company then formulates relevant response measures and monitoring indicators, while regularly tracking the results of risk management.</p> <p>3. The Company has already presented its 2026 risk assessment report to the Risk Management Committee and the Board of Directors on December 11, 2025. The URL is as follows: https://www.chcgroup.com.tw/en/%e9%a2%a8%e9%9a%aa%e7%ae%a1%e7%90%86-en/?lang=en</p> <p>(6) Liability insurance coverage for Directors and Independent Directors: The Company has purchased liability insurance for Directors and Independent Directors effective since June, 2012. During their term of office, liabilities of Directors shall be insured within the scope of their duties.</p> <p>(7) Succession planning for members of the Board of Directors and key management personnel, which operates as follows:</p> <p>A. Selection of Board Members The Company manages its operations from the perspectives of corporate governance and corporate succession. The Remuneration Committee was established in December 2011, the Audit Committee in June 2013, the Sustainable Development Committee in December 2021, and the Nomination Committee and Risk Management Committee in December 2024, progressively advancing the optimization of the effectiveness of the Board of Directors. In addition to possessing professional backgrounds and expertise, members of the Board of Directors are also expected to have expertise in corporate planning and business operations. To continuously enhance the professionalism of the Board, the Company selects training courses covering areas beyond the individual directors' professional expertise, including finance, risk management, business operations, commerce, legal affairs, accounting, corporate social responsibility, internal control systems, and financial reporting related to the Company's industry. Each director is required to complete at least six hours of continuing education annually to ensure that Board members maintain sufficient industry knowledge and remain informed of emerging developments. The succession plan for the Chairman continues the Group's past practice of cultivating key talents. Potential successors are assigned critical responsibilities, participate in major projects, and receive overseas experience (such as participating in important projects like the construction of cement plants). Following the re-election of the Board of Directors in June 2013, Chairman Jason K.L. Chang took over the baton and has served in this capacity since then.</p>	

Evaluation item	Implementation Status (Note)		Deviations from the Corporate Governance Best Practice Principles for TWSE/ TPEX Listed Companies and the reasons
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		<p>B. Key Management Levels The Company also plans to expand senior managers' participation in the operations of various business units within the Group through job rotation and expatriation. These initiatives aim to develop their capabilities in strategic formulation and macro-level vision, while enabling them to become familiar with the operation of the Board of Directors. During the Group's transformation period, executives and reserve talents at various levels have also been assigned to participate in overseas new business development projects to cultivate cross-disciplinary capabilities. As a result, the Group successfully established its first proprietary hotel brand, Hotel Collective, in Japan by the end of 2019, and has cultivated many outstanding mid-level and senior management talents. The Company attaches great importance to management succession planning, the content of which integrates key position identification, Individual Development Plans (IDP), and management training systems to build a systematic management talent cultivation and succession mechanism. Meanwhile, based on the nature of the positions and organizational needs, different succession preparation timelines are categorized to serve as reference for management talent cultivation and development. In terms of cultivation methods, in addition to existing cross-unit rotations, project task assignments, and management competency training, the Company also strengthens key management competencies such as strategic thinking, organizational communication, team leadership, and talent cultivation through practice-oriented management exchanges and experience sharing. The relevant cultivation methods emphasize practical application and experience transfer, assisting management personnel in continuously refining their management capabilities through actual work. Furthermore, the People and Culture Division designs tiered management training programs according to the competency requirements of different management levels. The training topics include supervisory roles and responsibilities, goal and performance management, team communication, and talent development. These programs support both potential and current managers in their professional growth, ensuring stable organizational operations and the sustainable development of management talent.</p> <p>(8) Intellectual Property Management Plan In the past few years, CHC Group has been expanding and deepening into global markets. In addition to being devoted to brand management, CHC also aims to strengthen the supervision of its subsidiaries, continuously elevating employees' understanding of intellectual property protection. Furthermore, CHC</p>	

Evaluation item	Implementation Status (Note)		Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons									
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			<p>has instituted the Intellectual Property Management Guidelines by linking innovation with operation to improve the efficiency and effectiveness of intellectual property management.</p> <p>A. Trademark Management The Trademark Management Regulations are formulated in accordance with the Intellectual Property Management Guidelines. Annual reviewing and auditing of CHC's brand and trademark registry by management. Establishing guidelines for the brand and trademark maintenance to broaden brand visibility. Moreover, promote corporate identity strategies of CHC Group for continuous improvement by coordinating with its subsidiaries.</p> <p>B. Protection of Trade Secrets CHC Group acknowledges that any breach or violation of trade secret will cause irrevocable damage. We value the protection of trade secret and take reasonable measures to maintain its secrecy. Not-disclosure agreements are included in employment contracts. Hence, all employees are responsible to comply with confidentiality obligations during the period of employment and after termination. Such employees shall be fully responsible for any breach or violation of the confidentiality obligations.</p> <p>C. Protection of Trade Secrets CHC Group is greatly aware of copyrights and other intellectual property rights. All copyrights or other intellectual property rights of work created or developed within the workplace by employees shall be enjoyed by CHC Group; in the event of a third-party collaboration, we stand to confirm that legal rights are complied with all laws and regulations without any infringement.</p> <p>D. Operation of the Intellectual Property Management CHC updates to the Board of Directors the status of the intellectual property management scheme on a yearly basis. The latest report date is November 7, 2025. CHC Group has been actively promoting intellectual property management, and the main implementation of this plan is as follows: (a) Update intellectual property management policy and goal regularly to support overseas development and operation target. (b) The trademark application process and management system will continue to be refined in 2025. Until December 31, 2025, CHC Group owns 83 trademarks in major countries (Taiwan, Japan, China, etc.). (c) Optimize the trade secret management system to strengthen the CHC Group's trade secret protection awareness</p>									
9. Please describe improvements that have already been made based on the Corporate Governance Evaluation results released for the most recent fiscal year by the Corporate Governance Center, Taiwan Stock Exchange, and specify the priority enhancement objectives and measures planned for any matters still awaiting improvement. (If the Company was not included among the companies evaluated for the given recent year, this item does not need to be completed.)			<p>Improvements Made in the 11th Corporate Governance Evaluation System Indicators:</p> <table border="1"> <thead> <tr> <th>No.</th> <th>Items of Corporate Governance Evaluation</th> <th>Implementation and Improvement</th> </tr> </thead> <tbody> <tr> <td>4.22</td> <td>Did the company invest resources to support domestic cultural development, and disclose the methods and results of that support on the company's website or in its annual report or sustainability report?</td> <td>In 2025, the Company's actual investment in supporting domestic cultural development did not meet the Corporate Governance Evaluation criteria. Nevertheless, the Company will continue to allocate resources to support domestic cultural development, and the related outcomes will be disclosed in the Sustainability Report.</td> </tr> <tr> <td>4.24</td> <td>Has the Company's Sustainability Report been submitted to and approved by the Board of Directors?</td> <td>The Company is capable of completing the preparation of the Sustainability Report in advance before the end of June each year and plans to submit the Sustainability Report to the Board of Directors for review starting in 2026.</td> </tr> </tbody> </table>	No.	Items of Corporate Governance Evaluation	Implementation and Improvement	4.22	Did the company invest resources to support domestic cultural development, and disclose the methods and results of that support on the company's website or in its annual report or sustainability report?	In 2025, the Company's actual investment in supporting domestic cultural development did not meet the Corporate Governance Evaluation criteria. Nevertheless, the Company will continue to allocate resources to support domestic cultural development, and the related outcomes will be disclosed in the Sustainability Report.	4.24	Has the Company's Sustainability Report been submitted to and approved by the Board of Directors?	The Company is capable of completing the preparation of the Sustainability Report in advance before the end of June each year and plans to submit the Sustainability Report to the Board of Directors for review starting in 2026.
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Evaluation item	Implementation Status (Note)		Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons									
	Yes	No		Summary description								
			<p>Improvements Made in the 11th Corporate Governance Evaluation System Indicators:</p> <table border="1"> <thead> <tr> <th>No.</th> <th>Items of Corporate Governance Evaluation</th> <th>Implementation and Improvement</th> </tr> </thead> <tbody> <tr> <td>4.22</td> <td>Did the company invest resources to support domestic cultural development, and disclose the methods and results of that support on the company's website or in its annual report or sustainability report?</td> <td>In 2025, the Company's actual investment in supporting domestic cultural development did not meet the Corporate Governance Evaluation criteria. Nevertheless, the Company will continue to allocate resources to support domestic cultural development, and the related outcomes will be disclosed in the Sustainability Report.</td> </tr> <tr> <td>4.24</td> <td>Has the Company's Sustainability Report been submitted to and approved by the Board of Directors?</td> <td>The Company is capable of completing the preparation of the Sustainability Report in advance before the end of June each year and plans to submit the Sustainability Report to the Board of Directors for review starting in 2026.</td> </tr> </tbody> </table>	No.	Items of Corporate Governance Evaluation	Implementation and Improvement	4.22	Did the company invest resources to support domestic cultural development, and disclose the methods and results of that support on the company's website or in its annual report or sustainability report?	In 2025, the Company's actual investment in supporting domestic cultural development did not meet the Corporate Governance Evaluation criteria. Nevertheless, the Company will continue to allocate resources to support domestic cultural development, and the related outcomes will be disclosed in the Sustainability Report.	4.24	Has the Company's Sustainability Report been submitted to and approved by the Board of Directors?	The Company is capable of completing the preparation of the Sustainability Report in advance before the end of June each year and plans to submit the Sustainability Report to the Board of Directors for review starting in 2026.
No.	Items of Corporate Governance Evaluation	Implementation and Improvement										
4.22	Did the company invest resources to support domestic cultural development, and disclose the methods and results of that support on the company's website or in its annual report or sustainability report?	In 2025, the Company's actual investment in supporting domestic cultural development did not meet the Corporate Governance Evaluation criteria. Nevertheless, the Company will continue to allocate resources to support domestic cultural development, and the related outcomes will be disclosed in the Sustainability Report.										
4.24	Has the Company's Sustainability Report been submitted to and approved by the Board of Directors?	The Company is capable of completing the preparation of the Sustainability Report in advance before the end of June each year and plans to submit the Sustainability Report to the Board of Directors for review starting in 2026.										

Note: An abstract description on the operational status shall be stated in the columns, regardless of whether "Yes" or "No" is selected.

2.3.4 Establishment, Responsibilities, and Status of the Remuneration Committee and Nomination Committee

1. Information regarding members of the Remuneration Committee

Title	Criteria Name	Professional Qualification Experiences	Independence Status (Note 1)	Number of members who are concurrently members of the compensation and remuneration committees of other public offering companies
Convener (Independent Director)	Pao-Chu Lin	For the professional qualifications, experience, and independence of the Company's Independent Directors, please refer to "2.1.1 Professional Qualifications of Directors and Disclosure of Independence of Independent Directors" in the annual report.		1
Member	Chi-Lin Wea	1. Serving as a member of the Remuneration Committee of the Company. 2. Other positions include Chairman of IBF Financial Holdings Co., Ltd., Independent Director of Inventec Corporation, Independent Director of Formosa Plastics Corporation, and more.	1. Meets the independence requirements for a member of the Remuneration Committee. 2. Independence status: (1) The individual, his/her spouse, or relatives within the second degree of kinship do not hold positions as directors, supervisors, or employees of the Company or its affiliates. (2) The individual, his/her spouse, or relatives within the second degree of kinship do not own any shares of the Company.	2

Title	Name	Criteria	Professional Qualification Experiences	Independence Status (Note 1)	Number of members who are concurrently members of the compensation and remuneration committees of other public offering companies
Member	Chi-Lin Wea	3. Extensive experience in business, legal affairs, finances, accounting, and more; graduated with a PhD from the Department of Economics, University of Paris, France.	(3) During the two years before appointment and throughout the tenure, the individual has not been involved in any of the situations defined 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.	2	
Member (Independent Director)	Kevin Kuo-I Chen	For the professional qualifications, experience, and independence of the Company's Independent Directors, please refer to "2.1.1 Professional Qualifications of Directors and Disclosure of Independence of Independent Directors" in this annual report.		0	

Responsibilities of the Remuneration Committee

The responsibilities of the Remuneration Committee are to assess the remuneration policies and regulations of the Directors and managers of the Company from a professional and objective manner, and make recommendations to the Board of Directors for reference in their decision-making.

Authorities of the Remuneration Committee

The Remuneration Committee shall, with the due care of a good administrator, faithfully perform the following duties and submit its recommendations to the Board of Directors for discussion:

- Establish and regularly review the policies, systems, standards, and structures of the performance evaluation and remuneration for the Company's Directors, Independent Directors, and managers.
- Regularly assess and determine the remuneration of the Company's Directors, Independent Directors, and managers.

2. Remuneration Committee Operation Status

- (1) The Company's Remuneration Committee consists of 3 members.
- (2) Term of office of the current members: From May 16, 2025 to May 15, 2028, in 2025, the Remuneration Committee held 4 meetings (A), the qualifications and attendance of the members are as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate in Person (%) (B / A) (Note)	Remarks
Convener (Independent Director)	Pao-Chu Lin	4	0	100%	Re-elected on 2025/05/16
Member	Chi-Lin Wea	4	0	100%	Re-elected on 2025/05/16
Member (Independent Director)	Kevin Kuo-I Chen	3	0	100%	Newly elected on 2025/05/16
Convener (Independent Director)	Robert K. Su	1	0	100%	Term expired on 2025/05/16

Other matters to be recorded:

1. If the Board of Directors does not adopt or modifies a recommendation presented by the Remuneration Committee, it shall specify the date of the meeting, session, content of the motion, resolution by the Board of Directors, and the Company's response to the Remuneration Committee's opinion (e.g., the remuneration passed by the Board of Directors exceeds the recommendation of the Remuneration Committee, the circumstances and cause for the difference shall be specified): None.
2. If resolutions of the Remuneration Committee were objected to by members or reservations were expressed with written records or declarations, the date of the meeting, session, content of the motion, all members' opinions and the response to the respective opinions shall be listed: None.
3. Motions discussed and resolutions reached of the Remuneration Committee, as well as the Company's response to the members' opinions, are as follows:

Remuneration Meeting	Members Attended	Content of Motion	Avoidance of Motion in Conflict of Interest	Discussion & Resolution Status
02/18/2025 9 th Meeting of The 5 th Term	Robert K. Su Chi-Lin Wea Pao-Chu Lin	Proposal for the distribution of Directors and employee compensation for 2024.	—	Unanimously resolved and proposed to the Board of Directors for deliberation.
		Distribution of Directors' remuneration for 2024.	—	Unanimously resolved and proposed to the Board of Directors for deliberation.
		Distribution of employee remuneration for managers for 2024.	—	Unanimously resolved and proposed to the Board of Directors for deliberation.
06/03/2025 1 st Meeting of The 6 th Term 06/03/2025	Pao-Chu Lin Chi-Lin Wea Kevin Kuo-I Chen	Proposal for the Remuneration and Attendance Fees of Newly Appointed Directors.	—	Unanimously resolved and proposed to the Board of Directors for deliberation.
		Proposal for the Remuneration and Attendance Fees of the Members of the Current Remuneration Committee.	No discussion based on avoidance of interest.	All members attended in person but recused themselves from the discussion and voting and the matter directly submitted to the Board of Directors for deliberation.
		1st Meeting of The 6th Term	—	Unanimously resolved and proposed to the Board of Directors for deliberation.

Remuneration Meeting	Members Attended	Content of Motion	Avoidance of Motion in Conflict of Interest	Discussion & Resolution Status
08/05/2025 2 nd Meeting of The 6 th Term	Pao-Chu Lin Chi-Lin Wea Kevin Kuo-I Chen	Review of the Remuneration for Directors and Supervisors Appointed to Affiliated Companies and External Invested Companies for Fiscal Year 2024.	—	Unanimously resolved and proposed to the Board of Directors for deliberation.
12/05/2025 3 rd Meeting of The 6 th Term	Pao-Chu Lin Chi-Lin Wea Kevin Kuo-I Chen	Amount of Year-End Bonus for the Board Chairman and Managerial Officers for 2025.	—	Unanimously resolved and proposed to the Board of Directors for deliberation.
		Additional Lunar New Year payments for Directors for 2025.	—	Unanimously resolved and proposed to the Board of Directors for deliberation.
		Additional Lunar New Year payments for Remuneration Committee Members for 2025.	No discussion based on avoidance of interest.	All members attended in person but recused themselves from the discussion and voting and the matter directly submitted to the Board of Directors for deliberation.

Note:(1) If any member of the Remuneration Committee resigned before the end of the fiscal year, the date of resignation shall be noted in the remarks column. Attendance rate in person (%) shall be calculated based on the number of meetings of the Remuneration Committee the member attended divided by the total number of meetings during his/her term of office.

(2) If there was re-election for members of the Remuneration Committee before the end of the fiscal year, the names of both the former and current members shall be listed and specify whether the members are former, new, or re-elected, as well as the date of the election shall be disclosed. Attendance rate(%) in person shall be calculated based on the number of meetings of the Remuneration Committee the member attended in person divided by the total number of meetings during his/her term of office.

3. Information regarding members of the Nomination Committee

To strengthen the functions of the Board of Directors and enhance the management mechanism, the Company approved the establishment of the Nomination Committee at the 465th meeting of the Board of Directors on December 12, 2024. The Committee shall consist of at least three directors appointed by the Board of Directors, with a majority of its members being Independent Directors.

Responsibilities of the Nomination Committee

To enhance the functionality of the Company's Board of Directors and strengthen the management mechanisms for director candidates and succession planning.

Authorities of the Nomination Committee

- Establish criteria for the professional knowledge, skills, experience, gender diversity, and independence required for board members, and use these standards to identify, review, and nominate director candidates.
- Develop and enhance the organizational structure of the Board of Directors and its committees, conduct performance evaluations of the Board, its committees, and individual directors, and assess the independence of independent directors.
- Formulate and periodically review the Board succession plan.

4. Professional Qualifications and Experience of Nomination Committee Members and Operational Status

The 1 st Nominating Committee						
Term of Office	Committee member term of office is from December 12, 2024 to May 15, 2025.					
Meeting Information	A total of one meeting (A) was held from December 12, 2024 to May 15, 2025.					
Title	Name	Professional Qualification Experiences	Attendance in person (B)	Attendance by proxy	Rate of attendance in person (%) (B/A) (Note)	Remarks
Convener (Independent Director)	Pao-Chu Lin	Members of the Nomination Committee are all Directors and Independent Directors of the Company. For their professional qualifications and experience, please refer to "2.1.1 Professional Qualifications of Directors and Disclosure of Independence of Independent Directors" in this annual report.	1	0	100%	
member (Chairman)	Jason K.L. Chang		1	0	100%	
member (Independent Director)	Kevin Kuo-I Chen		1	0	100%	

Other matters to be recorded :

Motions discussed and resolution reached of the Nominating Committee, as well as the Company's response to the members' opinions, are as follows:

Session/ Meeting Date	Agenda	Resolution Result	Handling of Committee Opinions
02/18/2025 1 st Meeting of the 1 st Term	Nominate and confirm the list of candidates for the Company's next-term directors (including independent directors) and review the qualifications of the independent director candidates.	To ensure compliance with more rigorous corporate governance standards, upon the Chairperson's recommendation and with the consent of the attending members, the voting procedure for this matter shall address each nominee individually, requiring recusal from discussion and resolution on matters pertaining to their own nomination. Following separate voting on each nominee, all nominees were approved without objection by the attending members.	Submitted for review at the 466th meeting of the Board of Directors on February 25, 2025.
	The Company's 2024 Board Performance Evaluation Report and the Results of the External Performance Assessment.	Unanimously approved with the consent of all attending committee members as solicited by the Chairperson.	Submitted as a report to the 466th meeting of the Board of Directors on February 25, 2025.

The 2 nd Nominating Committee						
Term of Office	Committee member term of office is from May 16, 2025 to May 15, 2028.					
Meeting Information	No meetings (A) have been convened from May 16 to December 31, 2025.					
Title	Name	Professional Qualification Experiences	Attendance in person (B)	Attendance by proxy	Rate of attendance in person (%) (B/A) (Note)	Remarks
Convener (Independent Director)	Pao-Chu Lin	Members of the Nomination Committee are all Directors and Independent Directors of the Company. For their professional qualifications and experience, please refer to "2.1.1 Professional Qualifications of Directors and Disclosure of Independence of Independent Directors" in this annual report.	-	-	-	Re-elected on 2025/05/16
member (Chairman)	Jason K.L. Chang		-	-	-	Re-elected on 2025/05/16
member (Independent Director)	Kevin Kuo-I Chen		-	-	-	Re-elected on 2025/05/16

Other matters to be recorded : None.

Note:

- (1) If any member of the Nomination Committee left before the end of the fiscal year, the date of resignation shall be noted in the remarks column. Attendance rate in person (%) shall be calculated based on the number of meetings the member attended divided by the total number of meetings during his/her term of office.
- (2) If there was re-election for members of the Nomination Committee before the end of the fiscal year, the names of both the former and current members shall be listed and specify whether the members are former, new, or re-elected, as well as the date of the election shall be disclosed. Attendance rate in person (%) shall be calculated based on the number of meetings the member attended in person divided by the total number of meetings during his/her term of office.

2.3.5 Sustainable Development Implementation Status and Deviations from the "Sustainable Development Best Practice Principles" of the TWSE/TPEX Listed Companies

Item	Implementation Status (Note 1)		Summary description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No		
1. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board?	✓		<p>1. To align with international trends and sustainability development needs, as well as to address key issues of concern to stakeholders, the Company established the Sustainable Development Committee at its 441st Board of Directors meeting on December 14, 2021. The committee is responsible for formulating the corporate group's sustainability roadmap. Additionally, the Company has established the Sustainable Development Office, which is dedicated to executing and promoting sustainability initiatives. Based on operational needs, the office has formed task forces focusing on environmental management, social commitment, corporate governance (including risk management), information disclosure, and stakeholder communication. The Company has launched various sustainability projects, including greenhouse gas inventory assessments and the implementation of the ISO 50001: 2018 energy management system. The progress and outcomes of these initiatives are regularly reported to the Board of Directors and the Sustainable Development Committee.</p> <p>2. For information on the composition of the Sustainable Development Committee, including the members' professional capabilities, diversity, and operational details, please refer to Section 2.3.8 in this annual report.</p> <p>3. Responsibilities of the Sustainable Development Committee include:</p> <ol style="list-style-type: none"> (1) Since 2021, the Sustainable Development Office has reported quarterly on the progress and planning of the Group's greenhouse gas inventory. Starting from 2022, greenhouse gas inventory data for the entire corporate group has been completed. (2) In response to greenhouse gas management needs, the Company evaluated and introduced a greenhouse gas inventory management system. The system was demonstrated at the Board of Directors meeting in December 2024. (3) In 2024, the Group published its first self-prepared and third-party verified Climate-related Financial Disclosure Report. (4) In 2024, the Group obtained Science Based Targets initiative (SBTi) validation for its science-based decarbonization targets. The Company established a decarbonization roadmap and set carbon reduction targets, using 2022 as the base year and committing to reduce carbon emissions by 42% by 2030. (5) Reviewed the projects and budget of the Sustainable Development Office. 	None

Item	Implementation Status (Note 1)		Summary description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No		
2. Does the company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies? (Note 2)	✓		1. The Company first established the Risk Management Policy on December 15, 2020. In 2023, the Policy was revised with reference to the 'Risk Management Best Practice Principles for TWSE/TPEX Listed Companies.' At the Board of Directors meeting held on December 12, 2024, a resolution was passed to establish a Risk Management Committee to oversee the operational mechanisms related to risk management, thereby further strengthening the corporate governance of risk management. 2. In accordance with the risk management framework, the Company references external expert reports and the ESG database to identify key risks. It conducts risk assessments, formulates response measures, and establishes monitoring indicators. The 2026 Risk Assessment Report was presented to the Risk Management Committee and the Board of Directors on December 11, 2025. 3. The Company follows the GRI Standards and industry development trends, adopting the double materiality principle to conduct cross-assessments of sustainability issues that have significant impacts on the Company's development, performance, and risks. This process identifies sustainability topics that key stakeholders consider to have substantial economic, social, and environmental impacts. For more details, please refer to the "Material Sustainability Topics" section of the Company's Sustainability Report. Additionally, considering the significant risks posed by climate change, the Company aligns with international frameworks such as the United Nations Sustainable Development Goals (UN SDGs) and the Task Force on Climate-related Financial Disclosures (TCFD). The Company discloses related risk management and opportunities in the "Climate Risk Management Framework and Mechanism" and "Strategy, Risk, and Opportunity Identification Results" sections of the Sustainability Report.	None
3. Environmental Issues (1) Has the Company set an environmental management system designed to industry characteristics?	✓		Environmental Management System The Company implements environmental management through ISO international standards, including greenhouse gas (GHG) inventory assessments and an energy management system. Since 2023, the Company has successfully obtained third-party verification of ISO 14064-1 GHG inventory for all corporate group locations for three consecutive years. Additionally, the corporate group has obtained the following third-party certifications: <ul style="list-style-type: none"> • ISO 50001 Energy Management System (Valid: November 07, 2024 – November 07, 2027) • ISO 14001 Environmental Management System (Valid: November 19, 2024 – November 19, 2027) 	None

Item	Implementation Status (Note 1)		Summary description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No		
(2) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?	✓		The certifications and related sustainability information are publicly disclosed in the Sustainability Report and on the Company's website: http://www.chcgroup.com.tw . For its investment businesses, the Company has established industry-specific environmental management systems based on their respective sector characteristics: <ul style="list-style-type: none"> • Postpartum care centers adhere to the international WELL Building Standard, receiving the highest-level Platinum certification in 2020. • Hotel Collective in Okinawa follows LEED Green Building Standards, obtaining LEED certification in 2021. • Chia Hsin Building follows the Existing Building Green Building Certification and Building Energy Efficiency Rating System, obtaining Diamond-level certification, First-Class Plus (1 Plus) Energy Efficiency certification, and the Carbon Building Design Award in 2025. 1. The Company is committed to enhancing energy efficiency. Since 2021, the ISO 50001: 2018 Energy Management System has been implemented at the headquarters building, along with the establishment of an Energy and Environmental Policy. This policy supports the use of environmentally friendly and energy-efficient products, promotes rational energy distribution, drives diverse energy-saving initiatives, improves energy efficiency, strengthens employee awareness of energy conservation, and ensures sustainable operations. In 2023, the system was expanded to five additional operational sites. From 2021 to 2024, the Company successfully obtained third-party certification each year. For more details, please refer to the Sustainability Report and the Company website: http://www.chcgroup.com.tw . In addition to internal energy-saving initiatives, the Company regularly implements energy conservation and equipment replacement plans as part of its annual energy efficiency improvement efforts. 2. The Company values resource efficiency. In its hospitality services, including restaurants operated by the corporate group, the Company eliminates the use of disposable tableware and avoids ingredients sourced from protected plant and animal species. 3. Overseas hotel development projects incorporate LEED Green Building standards, implementing energy-saving and water conservation measures to minimize environmental impact.	None
(3) Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them?	✓		The Board of Directors serves as the highest governing body for climate-related issues within the corporate group. To strengthen oversight, the Board has established the Sustainable Development Committee, which is responsible for reviewing climate change strategies and targets, monitoring implementation progress, and reporting to the Board of Directors at least annually. CHC group has completed the identification and assessment of climate change risks and opportunities,	None

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons				
	Yes	No	Summary description					
(4) Did the company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?	✓		developed a climate change matrix, and formulated corresponding response strategies. For more details, please refer to the Climate Change Risks and Opportunities section or the Task Force on Climate-related Financial Disclosures (TCFD) Report available in the ESG section of the Company's website.	None				
			For more details, please refer to the "Environmental Management" section of the Company's 2024 Sustainability Report or the "Other Climate-Related Indicators" section of the 2024 Task Force on Climate-related Financial Disclosures (TCFD) Report.					
			Environmental Indicators		2023	2024	Remarks	
			Energy (Electricity Use)		Total Consumption (MWh)	12,053	12,321	
					Total Consumption (GJ)	43,391.74	44,356.31	
					Consumption per Capita (GJ/person)	103.3137	104.6139	
					Intensity per Revenue (kWh/NT\$1,000)	4.1398	4.1272	
					Intensity per Revenue (GJ/NTD millions)	14.9031	14.8580	
					Renewable Energy Consumption	-	-	No renewable energy is in use.
					Data Coverage Rate (%)	100%	100%	
			Water		Total Water Consumption (m ³)	172,835	164,232	
					Data Coverage Rate (%)	100%	100%	
			Waste		Total Waste (metric tons)	378	414	Annual waste data includes that of CHC Building tenants.
Recyclable Waste (metric tons)	82.04	73.4		In 2024, Hotel Collective achieved a waste recycling rate of 30.4%.				
Data Coverage Rate (%)	100%	100%						
Total Employees (persons)	420	424						
Total revenue (NTD millions)	2,912	2,985						

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			For details on the Environmental and Energy Management Policy, please refer to the latest Sustainability Report under the Environmental section or visit the corporate group's website at ESG - Environmental Sustainability (https://www.chcgroup.com.tw).	
4. Social issues				
(1) Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?	✓		<p>CHC Group is committed to safeguarding the fundamental human rights of its employees. The Group recognizes and supports internationally recognized human rights standards, including the United Nations Global Compact, the Universal Declaration of Human Rights, and the International Labour Organization Declaration on Fundamental Principles and Rights at Work. The Group also complies with labor regulations and gender equality laws in the jurisdictions where it operates. Based on these principles, the Group has established a Human Rights Policy focusing on promoting workplace diversity and inclusion, ensuring equal employment opportunities, maintaining open communication channels, providing a safe and healthy working environment, protecting personal data, and regularly reviewing and evaluating human rights-related systems and practices.</p> <p>The Human Rights Policy was formally signed and implemented by the Chairman in January 2020. To ensure effective implementation, responsible units, including the People and Culture Division and the supply chain management team, conduct human rights due diligence to systematically identify potential human rights risks arising from the Company's operations, suppliers, and new business relationships. Once risk assessment results are confirmed, CHC Group promptly formulates appropriate risk mitigation measures and regularly reviews their effectiveness. Implementation is further monitored through internal audits and employee feedback mechanisms to ensure the effective execution of the policy. Through concrete actions, CHC Group is committed to preventing human trafficking, forced labor, child labor, and discrimination, while upholding the rights to freedom of association, collective bargaining, and equal pay for equal work. Information regarding the Human Rights Policy, the human rights due diligence process, assessment results, and mitigation measures is fully disclosed on the Company's official website: https://www.chcgroup.com.tw/%E4%BA%BA%E6%AC%8A%E6%94%BF%E7%AD%96%E8%88%87%E5%85%AC%E5%B9%B3%E5%B0%8D%E5%BE%85/</p> <p>In 2025, the Company did not experience any incidents involving human rights violations or discrimination.</p>	None

Item	Implementation Status (Note 1)		Summary description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No		
(2) Has the Company established and implemented reasonable employee welfare measures (include salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?	✓		<p>Employee Welfare Measures</p> <p>A. Working Hours, Leave, and Flexible Work Arrangements Employees' working hours and leave policies are stipulated in the Company's Work Rules and comply with relevant regulations, including the Labor Standards Act, the Regulations of Leave-Taking of Workers, and the Act of Gender Equality in Employment. Since 2023, the Company has introduced several flexible practices exceeding statutory requirements, including flexible working hours, remote workdays, paid family care leave, paid sick leave, and flexible early leave on the afternoon preceding five major traditional holidays, supporting employees in achieving better work-life balance.</p> <p>B. Employee Stock Ownership Trust Plan To encourage employees to share in the Company's operating results and cultivate long-term savings habits, the Company launched an Employee Stock Ownership Trust Plan in February 2024. Participation is voluntary. Employees may contribute a fixed monthly amount through a trust account, and the Company provides a 100% matching contribution to assist employees in accumulating assets for retirement. As of December 2025, the employee participation rate reached 91.43%.</p> <p>C. Insurance, Health, and Employee Welfare The Company provides employees with group insurance coverage, health examinations exceeding statutory requirements, and complimentary influenza vaccinations. Childcare subsidies are also provided to employees with children under the age of 12 to reduce family care burdens. In addition, the Company regularly allocates funds to the Employee Welfare Committee, which organizes various welfare activities covering food, clothing, housing, transportation, education, and recreation.</p> <p>D. Employee Retirement System The Company administers retirement plans in accordance with applicable regulations.</p> <p>(a) Old Pension System For employees subject to the old pension system, retirement reserves are allocated in accordance with legal requirements and actuarial evaluations and deposited in a pension account at the Bank of Taiwan. In 2025, the Company contributed 5% of the total monthly salaries of employees under the old system, with annual contributions totaling NTD 810,502, which adequately covers retirement obligations.</p> <p>(b) New Pension System For employees subject to the new pension system, the Company contributes 6% of employees' monthly salaries to individual pension accounts maintained by the Bureau of Labor Insurance.</p> <p>(c) Postponed Retirement Arrangement In accordance with amendments to the Labor Standards Act, employees aged 65 or above may continue</p>	None

Item	Implementation Status (Note 1)		Summary description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No		
			<p>employment through mutual agreement with the Company. One employee remained employed under this arrangement in 2025 and was still in service as of the publication date of this Annual Report.</p> <p>E. Pregnancy Support Program When an employee or the employee's spouse becomes pregnant, the Company provides a NTD 5,000 gift package and access to healthcare resources within CHC Group, including prenatal courses and accommodation discounts at Gemcare Maternity Center, as well as central kitchen nutrition packages. Upon the birth of a child, the Company also provides a NTD 10,000 childbirth allowance to support employees and their families.</p> <p>F. Employee Assistance Program (EAP) The Company provides an Employee Assistance Program (EAP) offering 24-hour communication channels and professional counseling services through third-party providers to assist employees in addressing work-related, family, or personal issues. The program emphasizes personal privacy protection to ensure employees can use the services with confidence.</p> <p>Workplace Diversity, Inclusion, and Compensation System The Company does not discriminate based on gender (including sexual orientation), race, class, age, marital status, language, ideology, religion, political affiliation, place of origin, birthplace, appearance, facial features, or physical and mental disabilities. Equal pay for equal work and fair promotion opportunities are provided. The Company has established the "Employee Compensation Management Guidelines." Salary determination for new hires follows the "Job Grade, Framework" and the "Salary Range by Job Grade," with reference to comprehensive compensation market surveys to ensure competitive remuneration and to attract and retain talent. The Company has also established policies including the Year-End Bonus Distribution Guidelines, Employee Compensation Allocation Policy, Promotion Procedures, and Performance Management Guidelines. Employee bonuses and compensation are determined based on operating performance, employee competencies, performance evaluation results, and individual development plans, and performance results are also linked to promotion eligibility. To further enhance compensation for frontline employees and share operating results with employees, the Company amended its Articles of Incorporation in 2025. When the Company records profits for the year, 0.01% to 3% of profits shall be allocated as employee compensation, of which no less than 10% shall be allocated to frontline employees. In 2025, the Board of Directors</p>	

Item	Implementation Status (Note 1)		Deviations from the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies and the Reasons
	Yes	No	
(3) Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?	✓	<p>approved the allocation of 2.71% of 2024 profits as employee compensation. The distribution of employee compensation derived from 2025 profits will be determined by the Board of Directors in 2026 before being distributed.</p> <p>The Company complies with relevant occupational safety and health regulations and adopts hazard prevention and accident prevention as its core principles, with the objective of achieving a zero-accident workplace and creating a healthy and safe working environment.</p> <p>In 2025, the Company recorded zero occupational accidents. All machinery and equipment are inspected in accordance with applicable regulations to ensure operational safety.</p> <p>In 2025, the Company established the Written Statement on the Prevention of Workplace Violence, in accordance with the Fourth Edition of the "Guidelines for the Prevention of Unlawful Infringement in the Performance of Duties" issued by the Ministry of Labor. The statement was signed by the Chairman and announced through the Company's internal electronic bulletin board.</p> <p>During 2025, the Company carried out office renovation works. All employee workstations were upgraded with height-adjustable desks and ergonomic office chairs with sliding seats, and a dedicated employee lounge area was established. The office is currently applying for LEED and WELL certifications. The Company provides employee health examinations exceeding statutory requirements each year. Occupational health nurses conduct on-site health assessments and classify employees' health conditions. Based on the classification results, monthly health consultations are arranged to provide health guidance, analysis, and follow-up. The Company also organizes professional occupational physician seminars and provides free influenza vaccinations annually.</p> <p>The Company has established an Employee Fitness Center equipped with various exercise facilities. Automated External Defibrillators (AEDs) and blood pressure monitors are also installed on-site. The Company regularly organizes CPR and AED emergency training and fire safety drills for all employees, and periodically arranges health seminars and occupational safety promotion activities to help employees maintain physical and mental well-being.</p> <p>Certification Status</p> <p>The Company has obtained the following recognitions:</p> <ul style="list-style-type: none"> • Safe Workplace Certification • Health Start Mark • Health Promotion Mark • Sports Enterprise Certification 	None

Item	Implementation Status (Note 1)		Deviations from the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies and the Reasons
	Yes	No	
(4) Has the Company established effective career development training programs for employees?	✓	<p>For fire safety management, the Company conducts training in accordance with regulatory requirements twice each year, including fire safety knowledge instruction and simulated evacuation drills. Review meetings are conducted after each training session to improve and strengthen emergency response procedures.</p> <p>In 2025, no fire incidents occurred at the Company.</p> <p>Talent Development and Training</p> <p>The Company promotes employee training and talent development through structured training programs and departmental development plans.</p> <p>Each year in the fourth quarter, the Company implements departmental talent development plans, covering competency standards development, talent analysis, and talent cultivation. Departments review whether employees' competencies align with short-, medium-, and long-term operational objectives and formulate development plans based on key work priorities and project requirements. The main measures include:</p> <ul style="list-style-type: none"> • Arranging internal and external training programs. • Assigning departmental mentors to provide guidance for specific tasks and professional development. <p>In addition, the Company maintains regular training programs, including:</p> <ul style="list-style-type: none"> • New Employee Training: Assisting new employees in understanding the organization and job responsibilities. • Mandatory Training for All Employees: Strengthening core knowledge and professional capabilities. • Management Training: Enhancing leadership and management capabilities to support organizational development. <p>Based on annual employee training needs surveys, the Company organizes internal training programs on office skills and project-related courses to meet diverse learning needs. Training courses attended by directors are also open to employees as elective programs to promote continuous learning and foster a learning-oriented organization.</p> <p>Competency Model Implementation</p> <p>The Company completed the establishment of a competency model framework in 2023 and continued to promote the implementation and application of the framework in 2024. The competency model covers core competencies, professional competencies, and managerial competencies, and has been integrated into recruitment processes and performance evaluation systems to strengthen employee performance and career development.</p> <p>The Company promotes six core competencies, including integrity, initiative, responsibility, adaptability, innovation,</p>	None

Item	Implementation Status (Note 1)		Summary description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No		
			<p>and teamwork, and implements related training programs as described below</p> <p>Integrity To implement the Company's ethical management policy and prevent misconduct, the Company has established relevant policies and conducts employee training on ethical management. In 2025, ethical management training was conducted through management and employee sessions, together with online learning courses:</p> <ul style="list-style-type: none"> Management Session: Held on October 17, 2025, delivered by external legal professionals from Sheng Lun Law Firm, covering key provisions of ethical corporate management. Total training time: 3 hours. Employee Session: Conducted on November 14, 2025, delivered by internal instructors, covering ethical management concepts, misconduct cases, confidential information management, and insider trading prevention. Total training time: 1.5 hours. <p>A total of 196 employees across CHC Group participated. The training coverage rate for employees in Taiwan reached 100% during the year. The Company will continue to promote ethical management training across the Group.</p> <p>Teamwork The Company utilizes an online learning platform to provide training courses aimed at strengthening teamwork and creating a psychologically safe working environment. In 2025, 63 employees completed the courses, with a voluntary participation rate of 63%, reflecting positive learning engagement. Through the implementation of the competency model, the Company has enhanced the effectiveness of human resource management and strengthened employees' professional development capabilities.</p> <p>Management Competency Enhancement The Company conducts management competency training through both online learning and in-person programs. Online courses are designed based on the management competency framework and cover topics such as goal and performance management, effective delegation, cross-team collaboration, strategic thinking, and organizational culture development. The total learning duration exceeded 1,400 minutes, with 24 managers participating. In-person training focuses on practical management scenarios through lectures, case exercises, and follow-up training mechanisms. Training topics include communication management, situational leadership, and key leadership capabilities. Each participant completed more than 20 hours</p>	

Item	Implementation Status (Note 1)		Summary description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No		
(5) Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?	✓		<p>of in-person and follow-up training during the year, with 37 managers participating. Through continuous management training programs, the Company enhances managerial communication and decision-making capabilities, strengthens cross-departmental collaboration, and supports long-term talent development and organizational stability.</p> <p>The Company complies with relevant laws and regulations to ensure consumer rights and establishes a customer service mailbox and a dedicated customer service line, which are both clearly displayed on the Company's website. The corporate group has always been incorporating environmental sustainability-related international quality certification standards into new business projects. Hotel Collective in Okinawa has received its LEED green building certification and fully equipped to thoroughly manage water, energy, and waste recycling; Gemcare Maternity Center in Taiwan, on the other hand, followed the WELL Building Standard specification, by monitoring ten objectives including air, water, nourishment, light, movement, thermal comfort, sound, materials, mind, and community during the design process and create the most suitable living environment that is healthy for humans. In addition, the maternity center has received the WELL Platinum certification in September 2020 and its equipped central kitchen has passed HACCP and ISO22000 certifications after the construction completed in 2019.</p>	None
(6) Has the company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?	✓		<p>Supplier Management Policy In recent years, the Company has actively promoted business transformation toward hospitality and healthcare service sectors. As the cement business currently operates under a distribution model without manufacturing operations, supplier management is conducted based on operational needs rather than a manufacturing-based approach. The Company established a Supplier Management Policy in 2020, which has been implemented across CHC Group subsidiaries. The policy emphasizes green procurement principles, including energy conservation, environmental protection, and environmental sustainability. Suppliers are required to respect human rights and labor rights, including the prohibition of child labor. The Company also places importance on ethical business conduct and corporate social responsibility commitments. Suppliers are required to sign the Integrity Commitment Letter and the Corporate Social Responsibility Commitment Letter.</p>	None

Item	Implementation Status (Note 1)		Summary description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No		
(6)			The corporate group is committed to youth development. For five consecutive years, the Company was invited to participate in the 2025 Sustainability Hackathon jointly organized by seven universities, including Feng Chia University, Asia University China Medical College, and more. The Company provided prepositions to students to brainstorm and come up with their own business proposals, and sponsored NT\$40,000 as competition prize, further strengthening the interaction with students.	
(7)			The new corporate website emphasizes transparent corporate governance, information disclosure, and stakeholder communication.	
(8)			The Company proactively responded to regulatory requirements by completing the CHC Group's greenhouse gas inventory (ISO 14064-1) and third-party verification in 2023, three years ahead of the regulatory timeline. The inventory scope covers all domestic and overseas locations across the CHC Group, representing 100% of the consolidated financial reporting boundary.	
(9)			In November 2023, CHC Group submitted its science-based targets, setting 2022 as the base year and committing to reduce absolute greenhouse gas emissions (Scope 1 and Scope 2) by 42% by 2030. The Group also committed to begin measuring and reducing other indirect greenhouse gas emissions (Scope 3), joining more than 7,000 leading companies worldwide in supporting the global 1.5° C climate target. In January 2024, the Group's near-term greenhouse gas reduction target was officially validated by the Science Based Targets initiative (SBTi), a globally recognized authority on climate action, demonstrating the Group's commitment to addressing climate change and protecting natural resources.	
(10)			Key sustainability achievements in 2025: <ol style="list-style-type: none"> Awarded the Family-Friendly Employer Award by the Taipei City Government. Awarded the Diamond-Level Green Building Certification and 1 Plus-Level Certification by the Ministry of the Interior. Awarded the HR Asia Best Companies to Work for in Asia recognition. Joined and advocated for "TALENT, in Taiwan – Taiwan Talent Sustainability Action Alliance" for the third consecutive year. Ranked 7th in the SME Category of the CommonWealth Sustainability Citizen Award, marking the fourth consecutive year of recognition. Awarded the TCSA Sustainability Report Platinum Award (Category II) for the third consecutive year. Published the Group's Task Force on Climate-related Financial Disclosures (TCFD) Report, independently verified by a third party. 	

Note 1: If "Yes" is answered for implementation status, the important policies, strategies, measures, and implementation situation shall be described specifically; if "No" is answered implementation status, deviations, reasons, future policies, strategies, and measures to be adopted shall be described in the Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons column.

Note 2: The principle of materiality refers to those who have a significant impact on the Company's investors and other stakeholders in relation to environmental, social and corporate governance issues.

Note 3: For disclosure methods, please refer to the Best Practice Reference Examples on the official website of the Corporate Governance Center of the Taiwan Stock Exchange.

2.3.6 Task Force on Climate-related Financial Disclosures (TCFD)

1. Climate-related information and implementation

Item	Implementation
1. Describe the Board of Directors' and management's oversight and governance of climate-related risks and opportunities.	1. The highest governing body for climate-related issues within CHC group is the Board of Directors, which has established the Sustainable Development Committee. This committee is responsible for reviewing the Company's climate change strategies and targets, overseeing implementation progress, and reporting relevant updates to the Board of Directors at least annually. Additionally, the committee has established the Sustainable Development Office, which is dedicated to planning and promoting sustainability initiatives. The Chief Sustainability Officer (CSO) oversees the Sustainable Development Office, which is structured into task forces focusing on environmental management, corporate commitment, corporate governance (including risk management), information disclosure, stakeholder communication, and social impact. The Sustainable Development Office holds regular meetings to ensure the implementation and monitoring of the corporate group's sustainability goals and progress. To enhance climate change response efforts, the Environmental Management and Information Disclosure Task Force has incorporated carbon reduction targets and climate-related issues into individual Key Performance Indicators (KPIs) as part of their 2025 Personal Annual Performance Development Plans.
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	2. CHC group has completed the identification of climate change-related risks and opportunities, including physical risks, transition risks, and climate-related opportunities. Based on the degree of impact on the Company's operations and the timeframe of influence (short-term, mid-term, long-term), a Climate Change Risk and Opportunity Matrix has been developed. Response plans and strategies have been formulated for different risks and opportunities. For more details, please refer to the Company's 2024 Task Force on Climate-related Financial Disclosures (TCFD) Report.
3. Describe the financial impact of extreme weather events and transformative actions	3. CHC group has assessed the financial impacts of physical and transition risks related to climate change on the Company's operations, assets, and finances. Additionally, climate risk scenario analysis has been conducted for specific physical and transition risks to evaluate their potential financial impact. For more details, please refer to the Company's 2024 Task Force on Climate-related Financial Disclosures (TCFD) Report.
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system	4. CHC group has integrated the climate change risk identification process and response strategies into its overall corporate risk management framework. After identifying material climate-related risks and opportunities, the Risk Management Task Force incorporates significant physical and transition risks into the overall risk profile and reports the findings to the Risk Management Committee and the Board of Directors.
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	5. CHC group, following the framework of the Task Force on Climate-related Financial Disclosures (TCFD) Report, has conducted climate risk scenario analysis for specific physical and transition risks to assess their financial impacts. Based on the analysis results, the Company has formulated and implemented appropriate adaptation policies to mitigate risks, enhance climate resilience, and strengthen climate adaptation capabilities. For more details, please refer to the Company's 2024 Task Force on Climate-related Financial Disclosures (TCFD) Report.

Item	Implementation
	<p>1.SSP5-8.5 (4.0° C Temperature Increase) Scenario Assumption: The increased frequency of extreme weather events (e.g., typhoons, floods, and heavy rainfall) may reduce customers' willingness to stay. Booking cancellations could lead to lower occupancy rates, resulting in an estimated revenue reduction of approximately NTD 3.55 million in 2025, accounting for about 0.48% of the projected 2025 revenue of the Hospitality business. To mitigate these risks, CHC Group has established emergency response procedures for natural disasters such as typhoons and tsunamis, including typhoon safety protection measures that are regularly reviewed and updated. The Group also conducts fire drills, emergency evacuation exercises, and CPR training to strengthen employee preparedness. In addition, the Group monitors weather data, including wind speed, rainfall, and water levels, to enable timely response and risk management.</p> <p>2.SSP1-2.6 (1.5° C Temperature Increase) Scenario Assumption: In response to national net-zero emissions targets and government carbon management regulations, potential carbon fee requirements were assessed under different International Energy Agency (IEA) scenarios. Under the IEA Stated Policies Scenario, the estimated carbon fee in 2030 is expected to increase by approximately NTD 270,000 to NTD 3.72 million, representing about 0.002% to 0.027% of the projected revenue of the relevant business segments. Under the IEA NDC Scenario, the estimated carbon fee in 2030 is expected to increase by approximately NTD 720,000 to NTD 9.65 million, representing about 0.005% to 0.069% of the projected revenue of the Cement and Warehousing and Storage businesses. To address these potential impacts, CHC Group has installed solar photovoltaic systems, with estimated annual power generation expected to exceed 2 million kWh starting in 2026. In addition, the Group is promoting the shipment and distribution of low-carbon cement products to support carbon reduction initiatives.</p>
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks	<p>6. In response to climate-related transition risks, CHC Group has developed a transition plan that includes a commitment to reducing Scope 1 and Scope 2 greenhouse gas (GHG) emissions. Using 2022 as the baseline year, the Group has set a short-term target of achieving a 42% absolute reduction by 2030. The planned strategies include enhancing energy efficiency by optimizing energy-consuming equipment, strengthening fugitive emission and fuel management, and minimizing carbon emissions from operational activities. The Group has also planned to install solar photovoltaic systems on leased factory rooftops. Once completed and operational, the generated electricity will be supplied to affiliated enterprises. In addition, CHC Group will continue to invest in renewable energy facilities to increase the proportion of renewable energy usage. The Group will also actively explore net-zero emission technologies and participate in carbon reduction projects to offset unavoidable emissions, demonstrating its commitment to supporting the transition toward low-carbon energy.</p>
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	<p>7. The Company has not yet adopted an internal carbon pricing mechanism and will continue to monitor and assess relevant carbon pricing regulations and frameworks, both domestically and internationally, for future implementation.</p>

Item	Implementation
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	<p>8. In 2025, the corporate group completed greenhouse gas (GHG) inventories for all subsidiaries included in the consolidated financial statements, achieving 100% coverage and obtaining third-party verification (see Appendix 1-1). The Company continues to implement energy and environmental management systems at various locations to monitor electricity consumption and improve energy efficiency by upgrading equipment. The short-term target is to achieve a 42% reduction in Scope 1 and Scope 2 carbon emissions by 2030. Additionally, the Company plans to install solar panels, with an estimated annual power generation of approximately 2 million kWh starting in 2026. For details on the carbon reduction roadmap, strategies, and initiatives, please refer to the Company's 2024 Task Force on Climate-related Financial Disclosures (TCFD) Report.</p>
9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below)	<p>9. For details on CHG inventory verification and accreditation, please refer to following Table 1-1.</p>

1-1 Recent Two-Year GHG Inventory Verification and Accreditation

GHG Inventory Information

Company Information	Capital over NT\$ 10 billion, steel manufacturing, cement manufacturing
GHG inventory data coverage	Chia Hsin Cement Group (Scope of Consolidated Financial Statements)

Scope	Category	Item	2023	2024
Scope 1	Category 1	Emissions(tCO ₂ e)	972.7627	952.4150
		Per Capita Emissions (tCO ₂ e / person)	2.32	2.25
		Emissions per unit of revenue (tCO ₂ e / NTD millions)	0.33	0.32
Scope 2	Category 2	ECarbon emissions (tCO ₂ e)	7,015.3239	6,824.9074
		Per capita emissions (tCO ₂ e/person)	16.70	16.10
		Emissions per unit of revenue (tCO ₂ e / NTD millions)	2.41	2.29
Scope 3	Category 3	Carbon emissions (tCO ₂ e)	369.1500	373.4576
		Emissions per unit of revenue (tCO ₂ e / NTD millions)	0.13	0.13
	Category 4	Carbon emissions (tCO ₂ e)	1,506.9443	1,613.9833
Emissions per unit of revenue (tCO ₂ e / NTD millions)		0.52	0.54	
Category 5	Carbon emissions (tCO ₂ e)	620.0883	569.7083	
	Emissions per unit of revenue (tCO ₂ e / NTD millions)	0.21	0.19	

Scope	Category	Item	2023	2024
Scope 3	Category 6	Carbon emissions (tCO ₂ e)	-	-
		Emissions per unit of revenue (tCO ₂ e / NTD millions)	-	-
Total Scope 1 and Scope 2 emissions		Emissions (tCO ₂ e)	7,988.0866	7,777.3224
Total Employees (persons)			420	424
Total revenue (NTD millions)			2,912	2,985

Note 1: Scope 3 Category 6 was identified as non-material after assessment; therefore, no relevant data is disclosed.

▼ GHG Inventory Verification and Accreditation

Year	Accreditation Institution	Accreditation Description
2025	The British Standards Institution (BSI)	(1) Principle of verification: ISO 14064-1:2018 (2) Verification range: Chia Hsin Cement Group (3) Level of Assurance: For the 2025 external assurance engagement, Categories 1–2 were verified at a reasonable assurance level, while Categories 3–6 were verified at a limited assurance level. (4) Materiality information: Materiality threshold is 5%
2024	The British Standards Institution (BSI)	(1) Principle of verification: ISO 14064-1:2018 (2) Verification range: Chia Hsin Cement Group (3) Level of Assurance: external verification assurance level is set as reasonable in 2024 (4) Materiality information: Materiality threshold is 5%

Note 1: The complete 2024 verification and accreditation information is disclosed in the Sustainability Report.

1-2 GHG Reduction Targets, Strategies, and Specific Action Plans

In January 2024, the Company received approval from the Science Based Targets initiative (SBTi) for its carbon reduction targets, using 2022 as the baseline year. The short-term goal is to achieve a 42% absolute reduction in Scope 1 and Scope 2 emissions by 2030.

For details on reduction targets, strategies, and specific action plans, please refer to the climate-related information implementation table above. Moving forward, the Company will continue to evaluate, plan, and track the implementation and progress of these initiatives.

With the support of consultants, the Company has developed a carbon reduction roadmap. For further details on the carbon reduction pathway, strategies, and actions, please refer to the 2024 Task Force on Climate-related Financial Disclosures (TCFD) Report.

The British Standards Institution (BSI) Greenhouse Gas Emission Verification Opinion Statement



Opinion Statement

Greenhouse Gas Emissions Verification Opinion Statement

This is to verify that: Chia Hsin Cement Corporation and its subsidiaries
No. 96, Sec.2, Zhongshan N. Rd.
Zhongshan Dist.
Taipei City
104418
Taiwan

嘉新水泥股份有限公司暨子公司
臺灣
台北市
中山區
中山北路二段 96 號
104418

Holds Statement No: GHGEV 815603

Verification opinion statement

As a result of carrying out verification and validation procedures in accordance with ISO 14064-3:2019, it is the statement for mixed engagement including reasonable assurance for verification activity as well as validation and agreed-upon procedures (AUP) contains the following:

- The Greenhouse Gas Emissions with Chia Hsin Cement Corporation and its subsidiaries for the period from 2024-01-01 to 2024-12-31 was verified.
- The verified organization-level greenhouse gas emissions include direct greenhouse gas emissions 952.4150 tonnes of CO₂ equivalent and indirect greenhouse gas emissions from imported energy 6,824.9074 tonnes of CO₂ equivalent.
- Chia Hsin Cement Corporation and its subsidiaries has defined and explained its own process and pre-determined criteria for significance of indirect Greenhouse Gas Emissions and quantify and report these identified significant emissions accordingly.

For and on behalf of BSI:

Managing Director BSI Taiwan, Peter Pu

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Verification activities are performed based on reasonable level of assurance.

- The data and information of greenhouse gas emissions are based on historical in nature, and no material misstatements for the period from 2024-01-01 to 2024-12-31 Greenhouse Gas Emissions calculation were revealed.
- Data quality was considered acceptable in meeting the principles as set out in ISO 14064-1:2018.
- The emission factor for electricity of year 2024 is 0.474 kgCO₂e per kWh.

EMISSIONS		Notes	tonnes CO ₂ e
Category 1: Direct GHG emissions and removals			952.4150
1.1	Stationary combustion		445.6367
1.2	Mobile combustion		73.4400
1.3	Industrial processes (anthropogenic systems)		0.2369
1.4	Fugitive (anthropogenic systems)		433.1014
1.5	Land use, land use change and forestry		0.0000
Direct emissions in tonnes of CO ₂ e from biomass			0.0000
Category 2: Indirect GHG emissions from imported energy			6,824.9074
2.1	Indirect emissions from imported electricity	location-based approach	6,824.9074
2.2	Indirect emissions from imported energy (steam, heating, cooling and compressed air)		0.0000

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Agreed-upon procedures (AUP)

- AUP are specific types of verification activities, BSI have performed the evidence-gathering procedures for the period from 2024-01-01 to 2024-12-31.
- BSI do not express any assurance on the GHG emissions, removals and storage in listed below.

EMISSIONS		Notes	AUP Item(s)	tonnes CO ₂ e
Category 3: Indirect GHG emissions from transportation				373.4576
3.3	Emissions from Employee commuting	Distance-based method: Use questionnaires and the total number of employees to estimate total emissions	The total number of people surveyed: 438 Motorcycle: 296,675 pkm Electric motorcycle: 24,205 pkm Bus: 141,725 pkm MRT: 323,000 pkm Car: 381,650 pkm Railway: 22,025 pkm High speed rail: 11,050 pkm	270.8141
3.5	Emissions from Business travels	Fuel-based method: private car used for business Distance-based method: taxi, airplane, Taiwan High Speed Rail and travel in Japan (bus, shinkansen, railway and metro)	Gasoline: 21,835.3350 litre Diesel: 534.2720 litre Taxi: 30,915.3110 pkm Airplane: 329,509 pkm High Speed Rail: 2,139.45 kg CO ₂ e Travel in Japan (bus, shinkansen, railway and metro): 6,714.57 pkm	102.6435

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Category 4: indirect GHG emissions from products used by organization			1,613.9833
4.1	Emissions from Purchased goods	Average-data method: Calculated using water bill and allocation results	Upstream emissions of purchased tap water 115,861 cubic metre 56.5445
4.1	Emissions from Purchased goods	Average-data method	Upstream emissions of purchased electricity and energy Electricity: 12,321,207.9478 kWh Liquefied petroleum gas: 604.4850 kilograms Natural gas: 205,674 cubic metre Gasoline: 20,999.0670 litre Diesel: 9,831.9226 litre Heavy oil: 177.97 litre 1,384.9515
4.3	Emissions from the disposal of solid and liquid waste	Average-data method: Estimating total waste weight by using waste disposal contract and per capita waste generation data	Solid waste only household garbage: 414,479 kg 172.4873
Category 5: indirect GHG emissions associated with the use of products from the organization			569.7083
5.2	Emissions from downstream leased assets	Direct and indirect emissions from imported energy of 8 locations of downstream leased assets	Electricity: 406,388.0515 kWh Refrigerant: 18,5412 tonne CO ₂ e 209.0220
5.4	Emissions from investments	Direct and indirect emissions from imported energy of 2 sites of Gemcare Maternity Center	Electricity: 721,668.2713 kWh Diesel: 27.2550 Litre Refrigerant: 6.6218 tonne CO ₂ e 360.6863

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Holds Statement No: GHGEV 815603

The direct GHG emissions and removals(cat.1) and indirect GHG emissions from imported energy (cat.2) were verified in selected branches and representative offices, including but not limited to the following:

Location	Verification Information
Chia Hsin Cement Corporation and its subsidiaries No. 96, Sec.2, Zhongshan N. Rd. Zhongshan Dist. Taipei City 104418 Taiwan 嘉新水泥股份有限公司暨子公司 臺灣 台北市 中山區 中山北路二段 96 號 104418	The verified organization-level greenhouse gas emissions include direct greenhouse gas emissions 952.4150 tonnes of CO ₂ equivalent and indirect greenhouse gas emissions from imported energy 6,824.9074 tonnes of CO ₂ equivalent. The organization boundary of greenhouse gas inventory of Chia Hsin Cement Corporation and its subsidiaries includes 28 sites including Chia Hsin Cement Corporation, YJ International Corporation, Chia Hsin Property Management & Development Corporation, Jaho Life Plus+ Management Corp., Ltd., Tong Yang Chia Hsin International Corporation, Chia Pei International Corporation, Bluesky Co., Ltd., Chia Sheng Construction Corp, Chuang Neng Technology Co., Ltd., Chia Hsin Green Electricity Corporation, Chia Hsin Business Consulting (Shanghai) Co., Ltd., Shanghai Jia Huan Concrete Co., Ltd., Shanghai Chia Hsin Gang Hui Co., Ltd., Shanghai Chia Peng Healthcare Management Consulting Co., Ltd, Jiapeng Gemcare Maternity (Yangzhou) Co., Ltd, Jiangsu Jiaguo Construction Material & Storage Co., Ltd., Jiangsu Jiaguo Construction Material & Storage Co., Ltd. Changshu Branch, CHC Ryukyu COLLECTIVE KK and CHC Ryukyu Development GK. 嘉新水泥股份有限公司暨子公司溫室氣體盤查組織邊界包括嘉新水泥股份有限公司、雲嘉國際股份有限公司、嘉新資產管理開發股份有限公司、嘉和健康生活股份有限公司、嘉新國際股份有限公司、嘉北國際股份有限公司、藍鈞股份有限公司、嘉昇建設股份有限公司、創能科技股份有限公司、嘉新綠能電力股份有限公司、嘉新企業管理諮詢(上海)有限公司、上海嘉環混凝土有限公司、上海嘉新港輝有限公司、上海嘉彭健康管理諮詢有限公司、嘉彭母嬰護理(揚州)有限公司、江蘇嘉國建材加工倉儲有限公司、江蘇嘉國建材加工倉儲有限公司常熟分公司、嘉新琉球 COLLECTIVE 株式會社及嘉新琉球開發合同會社等 28 個據點。

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Opinion Statement



Greenhouse Gas Emissions Verification Opinion Statement

This is to verify that: Chia Hsin Cement Corporation and its subsidiaries
No.96, Sec. 2, Zhongshan N. Rd.
Zhongshan Dist.
Taipei City 104418
Taiwan

嘉新水泥股份有限公司暨子公司
臺灣
台北市
中山區
中山北路二段 96 號
104418

Holds Statement No: GHGEV 804525

Verification opinion statement

As a result of carrying out verification and validation procedures in accordance with ISO 14064-3:2019, it is the statement for mixed engagement including reasonable assurance for verification activity, validation and agreed-upon procedures (AUP) contains the following:

- The Greenhouse Gas Emissions with Chia Hsin Cement Corporation and its subsidiaries for the period from 2023-01-01 to 2023-12-31 was verified and validated.
- The verified organization-level greenhouse gas emissions include direct greenhouse gas emissions 972.7627 tonnes of CO₂ equivalent and indirect greenhouse gas emissions from imported energy 7,015.3239 tonnes of CO₂ equivalent.
- Chia Hsin Cement Corporation and its subsidiaries has defined and explained its own process and pre-determined criteria for significance of indirect Greenhouse Gas Emissions and quantify and report these identified significant emissions accordingly.

For and on behalf of BSI:

Managing Director BSI Taiwan, Peter Pu

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Verification activities are performed based on reasonable level of assurance.

- The data and information of greenhouse gas emissions are based on historical in nature, and no material misstatements for the period from 2023-01-01 to 2023-12-31 Greenhouse Gas Emissions calculation were revealed.
- Data quality was considered acceptable in meeting the principles as set out in ISO 14064-1:2018.
- The emission factor for electricity for the year 2023 is not published by Taiwan government so far, the emission factor used for electricity is 0.495 kilograms of Carbon Dioxide equivalent per kWh instead which may potentially result in different Greenhouse Gas Emission estimates.

EMISSIONS		Notes	tonnes CO ₂ e
Category 1: Direct GHG emissions and removals			972.7627
1.1	Stationary combustion		459.0451
1.2	Mobile combustion		80.5456
1.3	Industrial processes (anthropogenic systems)		0.3520
1.4	Fugitive (anthropogenic systems)		432.8200
1.5	Land use, land use change and forestry		0.0000
Direct emissions in tonnes of CO ₂ e from biomass			0.0000
Category 2: Indirect GHG emissions from imported energy			7,015.3239
2.1	Indirect emissions from imported electricity	location-based approach	7,015.3239
2.2	Indirect emissions from imported energy (steam, heating, cooling and compressed air)		0.0000

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Agreed-upon procedures (AUP)

- AUP are specific types of verification activities, BSI have performed the evidence-gathering procedures for the period from 2023-01-01 to 2023-12-31.
- BSI do not express any assurance on the GHG emissions, removals and storage in listed below.

EMISSIONS	Notes	AUP Item(s)	tonnes CO ₂ e
Category 3: Indirect GHG emissions from transportation			369.1500
3.3	Emissions from Employee commuting Distance-based method: Use questionnaires and the total number of employees to estimate total emissions	The total number of people surveyed: 400 Motorcycle: 435,240 pkm Electric motorcycle: 65,422 pkm Bus: 328,054 pkm MRT: 23,312 rides Car: 837,546 pkm Railway: 36,555 pkm High speed rail: 19,989 pkm	242.1086
3.5	Emissions from Business travels Fuel-based method: private car used for business Distance-based method: taxi, airplane, Taiwan High Speed Rail and travel in Japan (bus, shinkansen, railway and metro)	Gasoline: 28,932.2969 litre Diesel: 1,152.8600 litre Taxi: 22,017.7073 pkm Airplane: 442,669 pkm High Speed Rail: 77,032,188 pkm Travel in Japan (bus, shinkansen, railway and metro): 6,475.56 pkm	127.0414
Category 4: indirect GHG emissions from products used by organization			1,506.9443
4.1	Emissions from Purchased goods Average-data method: Calculated using water bill and allocation results	Upstream emissions of purchased tap water 172,835 cubic metre	55.0018
4.1	Emissions from Purchased goods Average-data method	Upstream emissions of purchased electricity and energy Electricity: 12,053,272.1040 kWh Liquefied petroleum gas: 803.5560 litre Natural gas: 211,859 cubic metre Gasoline: 22,666.6111 litre Diesel: 10,728.8096 litre Heavy oil: 136.9 litre	1,298.0634
4.3	Emissions from the disposal of solid and liquid waste Average-data method: Estimating total waste weight by using waste disposal contract and per capita waste generation data	Solid waste only household garbage: 377,834 kg	153.8791
Category 5: indirect GHG emissions associated with the use of products from the organization			620.0883
5.2	Emissions from downstream leased assets Direct and indirect emissions from imported energy of 8 locations of downstream leased assets	Electricity: 367,619.8381 kWh Refrigerant: R410a 2.926 kg	199.6251
5.4	Emissions from investments Direct and indirect emissions from imported energy of 2 sites of Gemcare Maternity Center	Electricity: 811,819.5487 kWh Diesel: 27.2550 Litre Refrigerant: R410a 8.038 kg	420.4632

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Location	Verification Information
Chia Hsin Cement Corporation and its subsidiaries No.96, Sec. 2, Zhongshan N. Rd. Zhongshan Dist. Taipei City 104418 Taiwan 嘉新水泥股份有限公司暨子公司 臺灣 台北市 中山區 中山北路二段 96 號 104418	The Greenhouse Gas Emissions with Chia Hsin Cement Corporation and its subsidiaries for the period from 2023-01-01 to 2023-12-31 was verified, including direct greenhouse gas emissions 972.7627 tonnes of CO ₂ equivalent and indirect greenhouse gas emissions from imported energy 7,015.3239 tonnes of CO ₂ equivalent. The organization boundary of greenhouse gas inventory of Chia Hsin Cement Corporation and its subsidiaries includes 29 sites including Chia Hsin Cement Corporation, YJ International Corporation, Chia Hsin Property Management & Development Corporation, Jaho Life Plus+ Management Corp., Ltd., Tong Yang Chia Hsin International Corporation, Bluesky Co., Ltd., Chia Sheng Construction Corp, Chuang Neng Technology Co., Ltd., Chia Hsin Green Electricity Corporation, Chia Hsin Business Consulting (Shanghai) Co., Ltd., Shanghai Jia Huan Concrete Co., Ltd., Shanghai Chia Hsin Gang Hui Co., Ltd., Shanghai Chia Peng Healthcare Management Consulting Co., Ltd, Jiapeng Gemcare Maternity (Yangzhou) Co., Ltd, Jiangsu Jiaguo Construction Material & Storage Co., Ltd., Jiangsu Jiaguo Construction Material & Storage Co., Ltd. Changshu Branch, Jiangsu Chia Hsin Real Estate Co., Ltd., CHC Ryukyu COLLECTIVE KK and CHC Ryukyu Development GK. 嘉新水泥股份有限公司暨子公司溫室氣體盤查組織邊界包括嘉新水泥股份有限公司、雲嘉國際股份有限公司、嘉新資產管理開發股份有限公司、嘉和健康生活股份有限公司、嘉新國際股份有限公司、嘉北國際股份有限公司、藍鈞股份有限公司、嘉昇建設股份有限公司、創能科技股份有限公司、嘉新綠能電力股份有限公司、嘉新企業管理諮詢(上海)有限公司、上海嘉環混凝土有限公司、上海嘉新港輝有限公司、上海嘉彭健康管理諮詢有限公司、嘉彭母嬰護理(揚州)有限公司、江蘇嘉國建材加工倉儲有限公司、江蘇嘉國建材加工倉儲有限公司常熟分公司、江蘇嘉新置業有限公司、嘉新琉球 COLLECTIVE 株式會社及嘉新琉球開發合同會社等 29 個據點。

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2.3.7 Code of Ethical Corporate Management and Deviations from the "Ethical Corporate Management Best Practice Principles" of the TWSE/TPEX Listed Companies

Evaluation Item	Implementation Status (Note)		Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	
1. Establishment of ethical management policies and programs (1) Does the Company have a Board-approved ethical corporate management policy and stated in its regulations and external correspondence the ethical corporate management policy and practices, as well as the active commitment of the Board of Directors and management towards enforcement of such policy?	✓		None
(2) Does the Company establish a mechanism to assess the risk of unethical conduct, and perform regular analysis and assessment of business activities with a higher risk of unethical conduct within its scope of business? Does the Company implement programs cover at least the matters described in Paragraph 2, Article 7 of the "Ethical Corporate Management Best Practice Principles" for TWSE/GTSM Listed Companies?	✓		None

Evaluation Item	Implementation Status (Note)		Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	
(3) Does the Company provide clearly the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the Company enforce the programs above effectively and perform regular reviews and amendments?	✓		None
2. Fulfilling ethical corporate management policies (1) Does the Company evaluate business partners' ethical records and include ethics-related clauses in business contracts?	✓		None
(2) Does the Company have a dedicated unit for ethical corporate management on a full-time basis under the Board of Directors which reports the ethical corporate management policy and programs against unethical conduct regularly (at least once a year) to the Board of Directors while overseeing such operations?	✓		None
(3) Does the Company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implemented it?	✓		None

Evaluation Item	Implementation Status (Note)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons						
	Yes	No	Summary description							
(4) Does the Company have effective accounting and Internal Control systems to in place to implement ethical corporate management? Does the internal audit unit follow the result of unethical conduct risk assessments and devise audit plan to audit the system accordingly to prevent unethical conduct, or hire outside accountants to perform the audits?	✓		(4) To ensure the implementation of ethical management, the Company has established effective accounting and Internal Control systems, as well as various management measures. The Audit Office formulates and executes annual internal audit work based on risk assessment results, and regularly reviews the effectiveness of Internal Control Systems and makes necessary adjustments.	None						
(5) Does the Company regularly hold internal and external educational trainings on ethical corporate management?	✓		(5) Promotions on Ethical Corporate Management related educational trainings in 2025 are as follows: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="background-color: #4F81BD; color: white; padding: 5px;">Ethical Corporate Management Training Courses Offered to Employees</td> <td style="padding: 5px;">In 2025, integrity and ethical corporate management training programs were conducted through both management and employee sessions, together with online learning courses. The management session was held on October 17, 2025, with a training duration of 3 hours, and the employee session was held on November 14, 2025, with a training duration of 1.5 hours. The training coverage rate for all employees of CHC Group in Taiwan reached 100% during the year.</td> </tr> <tr> <td style="background-color: #4F81BD; color: white; padding: 5px;">Supplier Ethical Management Course</td> <td style="padding: 5px;">In 2025, the Company invited suppliers and business partners to participate in a supplier education course on Ethical Corporate Management. A total of 28 suppliers attended, with 52 participants in total. The duration of the course was 1 hour.</td> </tr> <tr> <td style="background-color: #4F81BD; color: white; padding: 5px;">New Employee Education, Training, and Advocacy</td> <td style="padding: 5px;"> A. Prevention of Insider Trading Awareness Course: Participants were newly hired employees of CHC Group. On April 30, 12 people attended; and on October 16, 10 people attended, totaling 22 participants. The participation rate of newly hired employees reached 100%. B. Newly Hired Employee Participation in the Annual Ethical Corporate Management Employee Training Course: Newly hired employees were arranged to participate in the CHC Group Annual Ethical Corporate Management Employee Training Course. The number of participants is included in the total participants of the annual Ethical Corporate Management Employee Training Course. </td> </tr> </table>	Ethical Corporate Management Training Courses Offered to Employees	In 2025, integrity and ethical corporate management training programs were conducted through both management and employee sessions, together with online learning courses. The management session was held on October 17, 2025, with a training duration of 3 hours, and the employee session was held on November 14, 2025, with a training duration of 1.5 hours. The training coverage rate for all employees of CHC Group in Taiwan reached 100% during the year.	Supplier Ethical Management Course	In 2025, the Company invited suppliers and business partners to participate in a supplier education course on Ethical Corporate Management. A total of 28 suppliers attended, with 52 participants in total. The duration of the course was 1 hour.	New Employee Education, Training, and Advocacy	A. Prevention of Insider Trading Awareness Course: Participants were newly hired employees of CHC Group. On April 30, 12 people attended; and on October 16, 10 people attended, totaling 22 participants. The participation rate of newly hired employees reached 100%. B. Newly Hired Employee Participation in the Annual Ethical Corporate Management Employee Training Course: Newly hired employees were arranged to participate in the CHC Group Annual Ethical Corporate Management Employee Training Course. The number of participants is included in the total participants of the annual Ethical Corporate Management Employee Training Course.	None
Ethical Corporate Management Training Courses Offered to Employees	In 2025, integrity and ethical corporate management training programs were conducted through both management and employee sessions, together with online learning courses. The management session was held on October 17, 2025, with a training duration of 3 hours, and the employee session was held on November 14, 2025, with a training duration of 1.5 hours. The training coverage rate for all employees of CHC Group in Taiwan reached 100% during the year.									
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New Employee Education, Training, and Advocacy	A. Prevention of Insider Trading Awareness Course: Participants were newly hired employees of CHC Group. On April 30, 12 people attended; and on October 16, 10 people attended, totaling 22 participants. The participation rate of newly hired employees reached 100%. B. Newly Hired Employee Participation in the Annual Ethical Corporate Management Employee Training Course: Newly hired employees were arranged to participate in the CHC Group Annual Ethical Corporate Management Employee Training Course. The number of participants is included in the total participants of the annual Ethical Corporate Management Employee Training Course.									

Evaluation Item	Implementation Status (Note)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
3. Operation of reporting channel				
(1) Does the Company establish both a reporting/incentive system and reporting hotline? Can the accused be reached by an appropriate designated person for follow-up?	✓		(1) "Internal Procedures for Reporting Illegal, Unethical and Dishonest Acts" was approved by the 426th Board meeting held on November 13, 2019. Whistleblower reports on unethical and dishonest behavior can be made via three methods respectively: by a direct complaint hotline (02)25512317, by regular mail, and by email chcgroup.audit@gmail.com. The reported incidents in violation with the Ethical Corporate Management are handled by the Chief Auditor and further processed in accordance with the Company's internal reporting system. Individuals who provide concrete evidence leading to substantiated investigations or offer assistance in conducting investigations may be eligible for whistleblower rewards upon approval.	None
(2) Does the Company have in place standard operating procedures for investigating accusation cases, as well as follow-up actions and relevant post-investigation confidentiality measures?	✓		(2) The Audit Division is in charge of all whistleblower reports within the Company and shall conduct investigations based on the information obtained. The complexity and relevance of each case determine whether or not a special investigation team shall be formed. Results of the investigation are then reported to the Chairman in a convened meeting. In cases involving Directors or senior managers, the matter is reported to the convener of the Audit Committee. The acceptance, investigation process, and results of the whistleblower reports are kept in a highly confidential manner and stored for a period of five years. In 2025, no reports of internal or external violations were received.	None
(3) Does the Company provide proper whistleblower protection?	✓		(3) The personal information provided by both the whistleblower and the accused party is treated with the utmost confidentiality by the Company to protect their personal data, content of the report, and privacy of the related party. In addition to strictly safeguarding the identity of the whistleblower, the Company ensures that they will not face any reprisals for their report.	None
4. Strengthening information disclosure				
Does the Company disclose its ethical corporate management policies and results of its implementation on the Company's website and MOPS?	✓		The Company's Code of "Ethical Conduct" and "Ethical Corporate Management Best Practice Principles" are disclosed on the Company's website and its internal bulletin board for employees to follow accordingly, and also on MOPS.	None
5. If the Company has established the ethical corporate management policies based on the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, please describe any discrepancies between the policies and their implementation: No discrepancies found.				

Evaluation Item	Implementation Status (Note)		Summary description	Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No		
6. Other important information to facilitate a better understanding of the Company's ethical corporate management practices: (e.g., review and amendment of the policies): The Company's Board of Directors approved revised versions of the "Ethical Corporate Management Best Practice Principles" and the "Code of Ethical Conduct" on November 11, 2020. On the same day, the Board also approved its newly established "Ethical Corporate Management Operating Procedures and Behavioral Guidelines, making the practical aspects more specific and clear. The Company complies with the Company Law, the Securities and Exchange Act, relevant regulations for listed companies, relevant laws and regulations for listed companies and other relevant laws and regulations on business practices which collectively for the basis of our implementation of ethical corporate management. For details, please refer to the "Ethical Corporate Management" section in the Company's Sustainability Report.				

Note: Provide an appropriate explanation regardless whether yes or no is selected.

2.3.8 Additional Information on Corporate Governance Practices

1. Information regarding members of the Sustainable Development Committee

On December 13, 2019, the Company established its corporate governance organization structure (including risk management, etc.) at the 427th Board meeting. In addition to actively promoting corporate governance and fulfilling corporate social responsibilities, the Committee periodically reported implementation results to the Board.

In respect of international development trends, the Company established the Sustainable Development Committee at the 441st Board meeting on December 14, 2021 to continue the operations and all functions of the corporate governance organization. Furthermore, related planning (e.g., environmental management, climate actions) was included in accordance with aspects of sustainable development.

To assist the Board in fulfilling sustainable management and to actively implement sustainable development related affairs, responsibilities of the Sustainable Development Committee shall include the following items:

- (1) Integrate business culture of the corporate group and future critical sustainable development issues; establish vision, mission, and development policies.
- (2) Review and discuss the implementation status and effectiveness of sustainable development initiatives.
- (3) Pay attention to issues concerned by the interested parties and supervise the communication plan.
- (4) Other assigned issues decided by the Board.

The term of the current Sustainable Development Committee is from June 14, 2022, to June 13, 2025. In 2024, the Committee convened 2 times (A). The professional qualifications and experience of the committee members, their attendance records, and the discussion topics are as follows

Professional Qualifications and Experience of the Sustainable Development Committee Members and Operational Status

The 2 nd Sustainable Development Committee						
Term of Office	Committee member term of office is from June 14, 2022 to June 13, 2025.					
Meeting Information	A total of one meeting (A) was held from January 1, 2025 to May 15, 2025.					
Title	Name	Professional Qualification Experiences	Attendance in person (B)	Attendance by proxy	Rate of attendance in person (%) (B/A) (Note)	Remarks
Convener (Director)	Jason K.L. Chang	Members of the Sustainable Development Committee are all Directors and Independent Directors of the Company. For their professional qualifications and experience, please refer to "2.1.1 Professional Qualifications of Directors and Disclosure of Independence of Independent Directors" in this annual report.	1	0	100%	
Member (Director)	Pan Howard Wei Hao		1	0	100%	
Member (Independent Director)	Robert K. Su		1	0	100%	
Member (Independent Director)	Kevin Kuo-I Chen		1	0	100%	

Other matters to be recorded :

Motions discussed and resolution reached of the Nominating Committee, as well as the Company's response to the members' opinions, are as follows:

Session/ Meeting Date	Agenda	Resolution Result	Handling of Committee Opinions
2025/05/08 7 th Meeting of the 2 nd Term	1. Decisions and implementation status of the 6th Meeting of the 2nd Term Sustainable Development Committee. 2. Results of the CHC Group's Greenhouse gas inventory. 3. Green Building Certification for CHC Building. 4. Short, Mid, and long-term strategies of each task team under the Sustainable Development Office.	1. 2024 Sustainable Development Report of the Company. 2. Revision of the CHC Group's Sustainable Development Blueprint.	2025/05/08 the 469 th Board Meeting

The 3 rd Sustainable Development Committee						
Term of Office	Committee member term of office is from May 16, 2025 to May 15, 2028.					
Meeting Information	A total of one meeting (A) was held from May 16, 2025 to December 31, 2025.					
Title	Name	Professional Qualification Experiences	Attendance in person (B)	Attendance by proxy	Rate of attendance in person (%) (B/A) (Note)	Remarks
Convener (Director)	Jason K.L. Chang	Members of the Sustainable Development Committee are all Directors and Independent Directors of the Company.	1	0	100%	

The 3 rd Sustainable Development Committee						
Term of Office	Committee member term of office is from May 16, 2025 to May 15, 2028.					
Meeting Information	A total of one meeting (A) was held from May 16, 2025 to December 31, 2025.					
Title	Name	Professional Qualification Experiences	Attendance in person (B)	Attendance by proxy	Rate of attendance in person (%) (B/A) (Note)	Re-remarks
Member (Director)	Pan Howard Wei Hao	For their professional qualifications and experience, please refer to "2.1.1 Professional Qualifications of Directors and Disclosure of Independence of Independent Directors" in this annual report.	1	0	100%	
Member (Independent Director)	Pao-Chu Lin		1	0	100%	
Member (Independent Director)	Kevin Kuo-I Chen		1	0	100%	

Other matters to be recorded :

Motions discussed and resolution reached of the Nominating Committee, as well as the Company's response to the members' opinions, are as follows:

Session/ Meeting Date	Agenda	Resolution Result	Handling of Committee Opinions
2025/11/07 1 st Meeting of the 3 rd Term	1. Decisions and implementation status of the 7th Meeting of the 2nd Term Sustainable Development Committee. 2. Global Key Sustainability Trends. 3. 2025 Sustainability Achievements of Chia Hsin Group. 4. 2025–2026 Sustainability Task Force Work Plan. 5. Progress Report on IFRS S1 / S2. 6. Current Status of ISO and Sustainable Building Implementation & Environmental Indicator Targets. 7. Current Carbon Emissions and Analysis. 8. 2026 Budget for the Sustainability Task Force.	1. Approved the amendment made in "Ecological Environment and Energy Policy" of CHC Group's. 2. Approved the amendment made in "Sustainable Development Practice Guidelines"	2025/11/07 the 473 rd Board Meeting

Note: For the full attendance records and discussion topics of the current Sustainability Committee, please visit the Company's website under ESG > Corporate Governance > Committees > Sustainable Development Committee (<https://www.chcgroup.com.tw/%e5%a7%94%e5%93%a1%e6%9c%83-2/>).

2. Information regarding members of the Risk Management Committee

The Company established the Risk Management Committee upon approval by the Board of Directors at the 465th Board Meeting held on December 12, 2024. The Committee consists of at least three Directors nominated by the Board of Directors, with more than half of the members being Independent Directors.

Responsibilities of the Risk Management Committee

The responsibilities of the Risk Management Committee are to establish a comprehensive risk management system for the company, oversee the operation of related risk management mechanisms, enhance risk management functions, and assist the Board of Directors in fulfilling its risk management duties.

Authorities of the Risk Management Committee

The Risk Management Committee is responsible for reviewing and overseeing the formulation and implementation of risk management policies:

1. Reviewing risk management policies, procedures, and frameworks, and periodically assessing their applicability and effectiveness;
2. Approving risk appetite (risk tolerance) to guide resource allocation;
3. Ensuring that the risk management mechanism effectively addresses the risks faced by the company and is integrated into daily operational processes;
4. Approving the prioritization and grading of risk controls;
5. Reviewing the implementation of risk management, providing necessary improvement recommendations, and reporting to the Board of Directors periodically (at least once a year);
6. Executing the risk management decisions of the Board of Directors.

Professional Qualifications and Experience of the Risk Management Committee Members and Operational Status

The 1 st Risk Management Committee						
Term of Office	Committee member term of office is from December 12, 2024 to May 15, 2025.					
Meeting Information	A total of one meeting (A) was held from December 12, 2024 to May 15, 2025.					
Title	Name	Professional Qualification Experiences	Attendance in person (B)	Attendance by proxy	Rate of attendance in person (%) (B/A) (Note)	Remarks
Convener (Director)	Jason K.L. Chang	Members of the Risk Management Committee are all Directors and Independent Directors of the Company. For their professional qualifications and experience, please refer to "2.1.1 Professional Qualifications of Directors and Disclosure of Independence of Independent Directors" in this annual report.	1	0	100%	
Member (Independent Director)	Pao-Chu Lin		1	0	100%	
Member (Independent Director)	Kevin Kuo-I Chen		1	0	100%	
Member (Independent Director)	Robert K. Su		1	0	100%	Vacated upon re-election on 2025/05/16

Other matters to be recorded :

Motions discussed and resolution reached of the Risk Management Committee, as well as the Company's response to the members' opinions, are as follows:

Session/ Meeting Date	Agenda	Resolution Result	Handling of Committee Opinions
2025/03/27 1 st Meeting of the 1 st Term	Chia Hsin Group Risk Management Yearly Report of 2024	NA	2025/03/27 the 467 th Board Meeting

The 2 nd Risk Management Committee						
Term of Office	Committee member term of office is from May 16, 2025 to May 15, 2028.					
Meeting Information	A total of one meeting (A) was held from May 16, 2025 to December 31, 2025.					
Title	Name	Professional Qualification Experiences	Attendance in person (B)	Attendance by proxy	Rate of attendance in person (%) (B/A) (Note)	Remarks
Convener (Director)	Jason K.L. Chang	Members of the Risk Management Committee are all Directors and Independent Directors of the Company. For their professional qualifications and experience, please refer to "2.1.1 Professional Qualifications of Directors and Disclosure of Independence of Independent Directors" in this annual report.	1	0	100%	Re-elected on 2025/05/16
Member (Independent Director)	Pao-Chu Lin		1	0	100%	Re-elected on 2025/05/16
Member (Independent Director)	Kevin Kuo-I Chen		1	0	100%	Re-elected on 2025/05/16

Other matters to be recorded :
 Motions discussed and resolution reached of the Risk Management Committee, as well as the Company's response to the members' opinions, are as follows:

Session/ Meeting Date	Agenda	Resolution Result	Handling of Committee Opinions
2025/12/11 1 st Meeting of the 2 nd Term	Chia Hsin Group Risk Management Yearly Report of 2026	NA	2025/12/11 the 474 th Board Meeting

3. The Company continues to stay focused on Corporate Governance related issues and trends.

Relevant personnel are encouraged to participate in various corporate governance courses or seminars, such as practical workshops for Directors and supervisors, IFRS seminars or courses, and the setting and operation of the Remuneration Committee. Furthermore, the Company also is also a member of the Internal Audit Association of the Republic of China, the Accounting Research and Development Foundation, the Information Managers Association, the Public Issuing Company Stock Association, and appointed relevant individuals to attend regular members meetings and seminar to discuss topics such as fraud and corporate governance, cyber security, and accounting manager education, further improving the Company's corporate governance to reduce the occurrence of risks.

Managers who attended corporate governance related courses and trainings are as follows:

Title	Name	Content of Course	Date Attended	Hours
President, CEO, Chief Sustainability Officer	Elizabeth Wang	Sustainability and ESG Governance Trends	2025/01/06	3
		Prevention of Workplace Discrimination, Harassment, and Bullying	2025/03/07	1.5
		Corporate Governance: Supply Chain Carbon Risk and Case Studies	2025/03/10	2
		Common Wealth 2025 Sustainability Workshop	2025/03/13	6
		Understanding Carbon Credits and How Carbon Trading Platforms Work	2025/03/18	1
		Monitoring and Addressing Global Economic and Geopolitical Risks	2025/04/09	3
		Management Training: Situational Leadership	2025/04/24~2025/07/24	7
		IP Compliance Governance and Emerging Challenges in the Age of AI	2025/06/11	3
		Corporate Governance: Introduction to Natural Carbon Sinks	2025/06/23	2
		Opportunities and Challenges Brought by Generative AI to Enterprises	2025/08/20	3
		"Strength and Flexibility for a Greater Future" Forum	2025/08/27	6
		Team Building: Eye of the Amazon	2025/09/05	4
		Story-Powered Leadership online training	2025/09/09	2
		Management Training: Key Leadership	2025/09/19~2025/11/19	7
		Story-Powered Leadership online training	2025/09/23	2
		Story-Powered Leadership online training	2025/09/30	2
		Taiwan Week Opening Ceremony and Opening Forum	2025/10/15	2
		Annual Ethical Corporate Management Training – Management Level: Labor Relations Management and Ethical Corporate Management	2025/10/17	3
Post-Quantum Cryptography	2025/12/08	1.5		
Vice President	Wen-Wan Chen	Monitoring and Addressing Global Economic and Geopolitical Risks	2025/04/09	3
		CHRO CLUB	2025/04/22	3
		Management Training: Situational Leadership	2025/04/24~2025/07/24	10
		Ministry of Labor EAP – DEI Talent Sustainability: Strategies for Inclusive EAP Support	2025/05/16	3

Title	Name	Content of Course	Date Attended	Hours
Vice President	Wen-Wan Chen	Labor Bureau EAP – Managing Workplace Psychosomatic and Depression Issues: Emotional Well-being and Employee Mental Health Promotion	2025/06/19	3
		Ministry of Labor EAP – Workplace Crisis Prevention and Management	2025/07/16	3
		Opportunities and Challenges Brought by Generative AI to Enterprises	2025/08/20	3
		Legal Guide to Corporate Recruitment and Hiring	2025/08/21	1.5
		Team Building: Eye of the Amazon	2025/09/05	4
		Management Training: Key Leadership	2025/09/19~2025/11/19	10
		Dual Transformation for Strengthening Organizational Resilience: AI Governance and Sustainability Governance	2025/09/24	3
		Annual Ethical Corporate Management Training – Management Level: Labor Relations Management and Ethical Corporate Management	2025/10/17	3
		Communication Management: Persuasive Leadership for Managers	2025/01/07	6
Director	Hua-Chou Huang	Understanding Carbon Credits and How Carbon Trading Platforms Work	2025/03/18	1
		Monitoring and Addressing Global Economic and Geopolitical Risks	2025/04/09	3
		Management Training: Situational Leadership	2025/04/24~2025/07/24	7
		IP Compliance Governance and Emerging Challenges in the Age of AI	2025/06/11	3
		Opportunities and Challenges Brought by Generative AI to Enterprises	2025/08/20	3
		Team Building: Eye of the Amazon	2025/09/05	4
		Dual Transformation for Strengthening Organizational Resilience: AI Governance and Sustainability Governance	2025/09/24	3
		Annual Ethical Corporate Management Training – Management Level: Labor Relations Management and Ethical Corporate Management	2025/10/17	3
		A Practical Guide to the Labor Incident Act for Preventing Labor Disputes	2025/11/18	1.5

Title	Name	Content of Course	Date Attended	Hours
Director, Corporate Governance Officer	Hsiao-Yun Yu	Communication Management: Persuasive Leadership for Managers	2025/01/07	3
		Monitoring and Addressing Global Economic and Geopolitical Risks	2025/04/09	3
		IP Compliance Governance and Emerging Challenges in the Age of AI	2025/06/11	3
		Opportunities and Challenges Brought by Generative AI to Enterprises	2025/08/20	3
		Team Building: Eye of the Amazon	2025/09/05	4
		Dual Transformation for Strengthening Organizational Resilience: AI Governance and Sustainability Governance	2025/09/24	3
		2025 Insider Trading Prevention Awareness Seminar	2025/10/03	3
		Annual Ethical Corporate Management Training – Management Level: Labor Relations Management and Ethical Corporate Management	2025/10/17	3
		Director	Puo-Chien Lin	Communication Management: Persuasive Leadership for Managers
Monitoring and Addressing Global Economic and Geopolitical Risks	2025/04/09			3
Management Training: Situational Leadership	2025/04/24~2025/07/24			10
IP Compliance Governance and Emerging Challenges in the Age of AI	2025/06/11			3
Team Building: Eye of the Amazon	2025/09/05			4
Management Training: Key Leadership	2025/09/19~2025/11/19			7
Annual Ethical Corporate Management Training – Management Level: Labor Relations Management and Ethical Corporate Management	2025/10/17			3
Director, Financial Officer	Jane Y. C. Chou	Communication Management: Persuasive Leadership for Managers	2025/01/07	6
		2025 Deloitte Future Talk: Connecting Innovation, Driving the Future Summit	2025/02/13	4
		Deloitte Annual M&A Forum: Driving Deep Transformation through Deals and Creating New Dimensions of Value	2025/03/11	3.5
		Monitoring and Addressing Global Economic and Geopolitical Risks	2025/04/09	3
		Ministry of Labor EAP – Building Trust-Based Collaborative Teams: Management and Coordination with Employee Assistance Service Providers	2025/04/25	3

Title	Name	Content of Course	Date Attended	Hours
Director, Financial Officer	Jane Y. C. Chou	SAP NOW AI Tour – Business AI: Powering the Future	2025/05/07	7.5
		Directors' Lecture – Benchmark Learning: From Challenges to Opportunities: AI Unlocking Data Value and Creating New Business Models	2025/05/21	3.5
		IP Compliance Governance and Emerging Challenges in the Age of AI	2025/06/11	3
		Labor Bureau EAP – Managing Workplace Psychosomatic and Depression Issues: Emotional Well-being and Employee Mental Health Promotion	2025/06/19	3
		Ministry of Labor EAP – Workplace Crisis Prevention and Management	2025/07/16	3
		Opportunities and Challenges Brought by Generative AI to Enterprises	2025/08/20	3
		Legal Guide to Corporate Recruitment and Hiring	2025/08/21	1.5
		Team Building: Eye of the Amazon	2025/09/05	4
		Dual Transformation for Strengthening Organizational Resilience: AI Governance and Sustainability Governance	2025/09/24	3
		2025 Private Equity Forum	2025/10/15	3
		Annual Ethical Corporate Management Training – Management Level: Labor Relations Management and Ethical Corporate Management	2025/10/17	3
		AI-Driven Finance × Compliance and Sustainability: Strengthening Corporate Risk Defense	2025/11/14	3.2
		A Practical Guide to the Labor Incident Act for Preventing Labor Disputes	2025/11/18	1.5
		Deloitte Seminar: Accommodation and Hotel Investment in Tokyo, Japan	2025/12/12	3.5
Manager, Accounting Officer	Mars Feng	Communication Management: Persuasive Leadership for Managers	2025/01/07	6
		Understanding Carbon Credits and How Carbon Trading Platforms Work	2025/03/18	1
		Monitoring and Addressing Global Economic and Geopolitical Risks	2025/04/09	3
		Opportunities and Challenges Brought by Generative AI to Enterprises	2025/08/20	3
		Team Building: Eye of the Amazon	2025/09/05	4
		CDP Questionnaire Analysis Course Aligned with IFRS S2	2025/09/08	6

Title	Name	Content of Course	Date Attended	Hours
Manager, Accounting Officer	Mars Feng	Dual Transformation for Strengthening Organizational Resilience: AI Governance and Sustainability Governance	2025/09/24	3
		Linking Sustainability and Financial Information: Best Practices for Implementing IFRS Sustainability Disclosure Standards	2025/09/30	3
		Annual Ethical Corporate Management Training – Management Level: Labor Relations Management and Ethical Corporate Management	2025/10/17	3

2.3.9 Internal Control System Execution Status

1. Statement of Internal Control System :

Please refer to the Chinese version of Market Observation Post System (MOPS). The access path is as follows:

Market Observation Post System (MOPS) > Individual Company > Corporate Governance > Company Regulations/Internal Control > Internal Control Statement Announcement
(<https://mops.twse.com.tw/mops/#/web/t06sg20>)

2. CPA's audit report if the Company engaged CPA to audit its internal control system: None.

2.3.10 Major Resolutions of Shareholders' Meeting and Board Meetings in the Past Fiscal Year and up to the Publication Date of this Annual Report

1. Major Resolutions of Shareholders' Meeting

Date	Major Resolution	Execution Status	
2025/05/16 Shareholders' Meeting (hybrid shareholders' meeting)	1. Approved 2024 Business Report through voting.	Announcement was made on the same date and in accordance with resolution of the shareholders' meeting.	
	2. Approved the distribution of 2024 profits, with NT\$434,636,102 set aside as shareholder dividends (cash dividend of NT\$0.55 per share) through voting. The distribution will prioritize the allocation from the net profit of 2024.	2024 earnings distribution was completed in accordance with the result of the shareholders' meeting; the Board meeting established 2025/07/31 as the record ex-dividend date and completed the distribution on 2025/08/21.	
	3. Approved amendments to the Articles of Incorporation through voting.	Announcement was made on the same date and in accordance with resolution of the shareholders' meeting.	
	4. Approved the election of Directors (seven seats, including three Independent Directors) through voting. The elected candidates and their voting rights are as follows:	The resolutions were publicly announced on the same day in accordance with the meeting outcomes. On May 22, 2025, the newly elected directors completed the acknowledgment of appointment documents and declarations (including the Declaration of Independent Director at the Time of Election), which were duly submitted to the Taiwan Stock Exchange Corporation. Subsequently, the change registration was completed with the Department of Commerce, Ministry of Economic Affairs on June 20, 2025.	
	5. Approved the removal of non-compete restrictions for the newly elected Directors through voting.	Announcement was made on the same date and in accordance with resolution of the shareholders' meeting.	

2. A total of 9 Board meetings were held for the fiscal year of 2025 as of December 31, 2025, resolutions of each meeting are as follows:

Meeting	Date	Major Resolutions
466	2025/02/25	<ol style="list-style-type: none"> 1. Approved the Signing Operation and Leasing Agreement for the land and cement storage facilities behind Wharf 33 West at Keelung Port with Port of Keelung, Taiwan International Ports Corporation. 2. Approved the proposal for the distribution of Directors' and employees' remuneration for 2024. 3. Approved the allocation amount for Directors' remuneration for 2024. 4. Approved the allocation amount for executives' remuneration for 2024. 5. Approved the 2024 Internal Control System Statement. 6. Approved the drafting of the Company's 2024 operational report and financial statements, and submit it to the 2025 Annual General Shareholders' Meeting for approval. 7. Approved CPA appointment and audit fees. 8. Approved the supplementary agreement to the warehousing service engagement contract with Taiwan Cement Corporation. 9. Approved the agreement with the subsidiary, Tong Yang Chia Hsin International Corporation, regarding the additional installation of shipping equipment and the related collection and payment arrangement. 10. Approved the proposal to set the number of board seats for the next term at seven, including three independent directors. 11. Approved the elections of board directors. 12. Approved releasing Directors from Non-competition Restrictions. 13. Approved the convening of the 2025 shareholders' meeting. 14. Approved to accept nominations of board director and related procedures. 15. Approved to accept proposals for shareholders' meeting and related procedures.
467	2025/03/27	<ol style="list-style-type: none"> 1. Approved the amendment to the Company's Employee Remuneration Allocation Policy. 2. Approved the amendment to the Company's Articles of Incorporation and resolved to submit the proposal to the 2025 Annual General Shareholders' Meeting for discussion. 3. Approved the amendment to the Company's Board Performance Evaluation Policy. 4. Approved the amendment to the Company's Board Diversity Policy 5. Approved the proposal for the distribution of the Company's earnings for the year 2024, and resolved to submit it to the 2025 Annual General Shareholders' Meeting for approval. 6. Approved the adjustment to the agenda of the 2025 Annual General Shareholders' Meeting.
468	2025/04/10	<ol style="list-style-type: none"> 1. Approved the share repurchase proposal for transfer to employees.
469	2025/05/08	<ol style="list-style-type: none"> 1. Approved the Company's 2025 first quarter financial report. 2. Approved the amendment to the Company's Guidelines for the First Share Repurchase and Transfer to Employees in 2025. 3. Approved the adjustment to the CHC Group's Sustainability Development Blueprint.
470	2025/05/16	<ol style="list-style-type: none"> 1. In accordance with Article 15 of the Company's Articles of Incorporation, each director has one vote to for the election of the position of Chairman; it was passed by all directors who participated in the Board Meeting that Mr. Jason K. L. Chang as the Chairman of the Board. 2. Approved the appointment of Independent Director Pao-Chu Lin, Independent Director Kevin Kuo-I Chen, and Mr. Chi-Lin Wea as 3 members of the Remuneration Committee. 3. Approved the appointment of Director Jason K. L. Chang, Director Pan Howard Wei Hao, Independent Director Pao-Chu Lin, and Independent Director Kevin Kuo-I Chen, as 4 members of the Sustainable Development Committee.

Meeting	Date	Major Resolutions
470	2025/05/16	<ol style="list-style-type: none"> 4. Approved the appointment of Director Jason K. L. Chang, Independent Director Pao-Chu Lin, and Independent Director Kevin Kuo-I Chen, as 3 members of the Nominating Committee. 5. Approved the appointment of Director Jason K. L. Chang, Independent Director Pao-Chu Lin, and Independent Director Kevin Kuo-I Chen, as 3 members of the Risk Management Committee.
471	2025/06/04	<ol style="list-style-type: none"> 1. Approved the appointment of Mr. Jason K. L. Chang, Mr. Pan Howard Wei Hao, Mr. Chen-Ching Chen and Mr. Shih-Chu Chi as 4 directors of the Company's subsidiary Chia Hsin Property Management & Development Corp; and Ms. Elizabeth Wang as Supervisor. 2. Approved the remuneration and attendance fee of the new board directors (not including the independent directors who are concurrently members of the Remuneration Committee). 3. Approved the proposed remuneration and attendance fee of members of the Remuneration Committee (including the independent directors who are concurrently members of the Remuneration Committee). 4. Confirmed the appointment of Ms. Elizabeth Wang as the Company's President. 5. Confirmed the appointment of Ms. Elizabeth Wang as Chief Executive Officer (CEO) of the Company's Headquarters Office. 6. Confirmed the appointment of Ms. Wen-Wan Chen as Vice President of the Company's People and Culture Division. 7. Confirmed the appointments of key personnel, including Finance Officer, Accounting Officer, Internal Audit Officer, Corporate Governance Officer, Information Security Officer, Chief Sustainability Officer, and other managerial positions. 8. Approved the remuneration of managers including the President, CEO and Vice President. 9. Approved releasing the managers from the Non-Competition Restrictions.
472	2025/08/11	<ol style="list-style-type: none"> 1. Approval of the execution of a Rights and Obligations Transfer Agreement under the "Lease and Operation Contract for the Land Behind Berth No. 33 at Keelung Port and Related Cement Storage Facilities," jointly signed with Keelung Port Branch of Taiwan International Ports Corporation and Tong Yang Chia Hsin International Corporation. 2. Approval of providing an endorsement and guarantee for the subsidiary, Tong Yang Chia Hsin International Corporation. 3. Approval of entering into a Sales and Purchase Agreement for the cement storage silos and ancillary facilities at Berth No. 33, Keelung Port, with the subsidiary, Tong Yang Chia Hsin International Corporation. 4. Approval of entering into Supplementary Agreement (I) to the Keelung Port Warehousing Service Contract with the subsidiary, Tong Yang Chia Hsin International Corporation. 5. Approved the performance evaluation of Directors and supervisors appointed to affiliated business and responsible for external investment enterprises, based on the Company's Appointment of Juridical Directors and Supervisors and Bonuses Management Guidelines, for the purpose of determining bonus amounts for the fiscal year of 2024. 6. Approved the Company's 2025 second quarter financial report. 7. Approval of a borrowing facility arrangement with Bank SinoPac.
473	2025/11/07	<ol style="list-style-type: none"> 1. Approved the Company's 2025 third quarter financial report. 2. Approved endorsement guarantees of a bank loan from Taishin International Bank Tokyo Branch to the Company's two subsidiaries in Japan, CHC Ryukyu COLLECTIVE KK and CHC Ryukyu Development GK. 3. Approval of the amendment to the corporate CHC group's "Ecological Environment and Energy Policy." 4. Approval of the amendment to the Company's "Sustainable Development Practices Guidelines."

Meeting	Date	Major Resolutions
474	2025/12/11	<ol style="list-style-type: none"> 1. Approved the renewal of the storage and warehousing entrustment contracts for Keelung Port and Taichung Port with the Company's subsidiary, Tong Yang Chia Hsin International Corporation. 2. Approved the renewal of the business commission contract with the Company's subsidiary, Tong Yang Chia Hsin International Corporation. 3. Approved the renewal of the Equipment Usage Agreement for 2026 at Taipei Port's Bulk & General Cargo Terminal 1 with the Company's subsidiary, Chia Pei International Corporation. 4. Approved the renewal of the Storage and Transportation Agreement with the Company's subsidiary, Chia Pei International Corporation. 5. Approved the amount of year-end bonuses for the Chairman and executives for 2025. 6. Approved the 2025 Lunar New Year compensation for Directors (excluding those concurrently serving as members of the Remuneration Committee). 7. Approved the proposal for Lunar New Year compensation for members of the Remuneration Committee in 2025. 8. Approved the amendment to the Company's Employee Remuneration Allocation Policy. 9. Approved the amendment made in approval authority in Job Delegation Management Procedure. 10. Approved the 2026 audit plan of the Company. 11. Approved the endorsement guarantee of a bank loan for development GK, as well as derivative financial products facilities with CTBC Dunbei Branch. 12. Approved the continuation of credit lines signed with financial institutions. 13. Approved the 2026 budget.

2.3.11 Major Issues of Record or Written Statements Made by Any Director or Supervisor Dissenting to Important Resolutions Passed by the Board of Directors in the Past Fiscal Year and up to the Publication Date of this Annual Report: None.

2.4 Information Regarding the Company's Certified Public Accountant Audit Fee

1. If the non-audit fees paid to the CPA, CPA's firm, and its affiliated enterprises amount to more than one-fourth of the audit fees, the amount of audit and non-audit

▼ Information of Audit Fee

Unit: NTD thousands

Accounting Firm	Name of CPA	Period Covered by Audit	Audit Fee	Non-Audit Fee (Note 1)	Subtotal	Remarks
Deloitte Taiwan	Chiang-Hsun Chen	2025	7,460	310	7,770	
	Sheng-Tai Liang					

Note 1 : Mainly for transfer pricing of 310.

2. If the audit fee of the year is less than that of the previous year after changing account firm, the before and the previous and after audit fee amounts and reasons for the change shall be disclosed: None.

3. If the audit fee decreases by more than 10% compared to that of the previous year, the amount, percentage, and reasons for the decrease in the audit fee shall be disclosed: None.

4. CPA independence evaluation:

The company's Audit Committee regularly evaluates the independence of the external auditor based on the following factors and reports the assessment results to the Board of Directors:

- (1) The auditor's independence statement.
- (2) Audit services provided by the auditor require prior review by the Audit Committee.
- (3) Annual compilation of the assessment on the auditor's independence through a questionnaire on independence and suitability (Note).

Note: Important criteria regarding external auditor's independence:

Items	Content	Qualified or Not	
		Qualified	Not
1	The appointed accountant must recuse from accepting tasks if there is a direct or significant indirect conflict of interest that may affect their impartiality and independence.	✓	
2	The appointed accountant providing audit, review, verification, or special examination of financial statements and issuing an opinion report shall maintain both substantive and formal independence. Therefore, members of the audit service team and related entities of the accounting firm must maintain independence from the audited client.	✓	
3	Whether or not the appointed accountant holds independence with an honest and objective perspective.	✓	
4	Whether or not the appointed accountant's independence is affected by factors such as self-interest, self-assessment, advocacy, familiarity, and coercion.		✓
5	None of the following circumstances apply:		
	1. Disciplinary action by the competent authority or sanctions under Article 37 of the Securities and Exchange Act.	✓	
	2. Continuous seven-year tenure as the Company's accountant or any circumstances detrimental to independence.	✓	
	3. Using authority to conduct unfair competition.	✓	

2.5 Replacement of Certified Public Accountant: None.

2.6 Company's Chairman, President, and Managers in Charge of Finance and Accounting Operations Holding Any Positions within Company's Independent Audit Firm or Its Affiliates in the Past Year: None.

2.7 Changes in Trade and Pledge of Shareholding of Directors, Management, and Shareholders with 10% Shareholdings or More

1. Changes in Share Transfers and Share Pledges of Directors, Management, and Major Shareholders

(1) Share Transfers

Please refer to the Chinese version of Market Observation Post System (MOPS). The access path is as follows: Market Observation Post System > Single Company > Changes in Shareholding / Securities Issuance > Inquiry of Share Transfer Information > Post-Event Filing Form for Changes in Shareholdings of Insiders (https://mops.twse.com.tw/mops/#/web/query6_1)

(2) Changes in Share Pledge Status

Please refer to the Chinese version of Market Observation Post System (MOPS). The access path is as follows: Market Observation Post System > Single Company > Changes in Shareholding / Securities Issuance > Pledge and Release of Pledged Shares by Insiders > Announcement of Pledge and Release of Pledged Shares by Insiders (https://mopsov.twse.com.tw/mops/web/STAMAK03_1)

2. Shares Trading with Related Parties: None.

3. Shares Pledge with Related Parties: None.

2.8 Relationship between CHC Group's Top 10 Shareholders

▼ Relationship among the Company's Top Ten Shareholders

As of the ex-dividend date: July 31, 2025

Name (Note 1)	Personal Shareholding		Spouse's & Minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship between the Company's Top Ten Shareholders, or Spouses or Relatives within Two Degrees of Kinship (Note 3)		Remarks
	Shares	(%)	Shares	(%)	Shares	(%)	Name	Relationship	
Tong Yang Chia Hsin Int'l Corp.	129,917,726	16.44	0	0	0	0	Int'l Chia Hsin Corp.	Supervisor	-
Tong Yang Chia Hsin Int'l Corp. Representative: Jason K.L. Chang	5,217,563	0.66	4,566,540	0.58	1,055,700	0.13	Yung-Ping Chang Taiwan Cement Corp.	Father & Son Director (IR)	-
Sung Ju Investment Corp.	70,155,843	8.88	0	0	0	0	None	None	-
Sung Ju Investment Corp. Representative: Yung-Ping Chang	42,583,141	5.39	6,933,493	0.88	0	0	Nelson An-Ping Chang Hsien-Ping Chang Chang Koo, Huai-Ju Jason K.L. Chang Int'l Chia Hsin Corp.	2nd degree kinship 2nd degree kinship 2nd degree kinship Father & Son Director	-

Name (Note 1)	Personal Shareholding		Spouse's & Minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship between the Company's Top Ten Shareholders, or Spouses or Relatives within Two Degrees of Kinship (Note 3)		Re- marks
	Shares	(%)	Shares	(%)	Shares	(%)	Name	Relationship	
Yung-Ping Chang	42,583,141	5.40	6,933,493	0.88	0	0	Same as above	Same as above	
Taiwan Cement Corp.	27,967,804	3.54	0	0	0	0	Ta-Ho Marinetime Corp.	Parent/Subsidiary	-
Taiwan Cement Corp. Representative: Nelson An-Ping Chang	6,860,015	0.87	246,077	0.03	0	0	Yung-Ping Chang Hsien-Ping Chang Chang Koo, Huai-Ju Ta-Ho Marinetime Corp. Chia Hsin R.M.C. Corp.	2nd degree kinship 2nd degree kinship Spouse Director(IR) Director	-
Ta-Ho Marinetime Corp.	26,276,513	3.33	0	0	0	0	Taiwan Cement Corp.	Parent/Subsidiary	-
Ta-Ho Marinetime Corp. Representative: Li-Wen Tsai	0	0	0	0	0	0	None	None	-
Nutri Vita Inc.	17,612,153	2.23	0	0	0	0	None	None	-
Nutri Vita Inc. Representative: Hsien-Ping Chang	1,020	0	0	0	0	0	Yung-Ping Chang Nelson An-Ping Chang Chang Koo, Huai-Ju Tong Yang Chia Hsin Int'l Corp. Int'l Chia Hsin Corp. Chia Hsin R.M.C. Corp.	2nd degree kinship 2nd degree kinship 2nd degree kinship Supervisor Supervisor Supervisor	-
Chia Hsin Foundation	15,139,756	1.92	0	0	0	0	None	None	-
Chia Hsin Foundation Representative: Jason K.L. Chang	5,217,563	0.66	4,566,540	0.58	1,055,700	0.13	Yung-Ping Chang Taiwan Cement Corp.	Father & Son Director (IR)	-
Int'l Chia Hsin Corp.	14,933,245	1.89	0	0	0	0	Tong Yang Chia Hsin Int'l Corp.	Director	-
Int'l Chia Hsin Corp. Representative: Shiao-Lin Chen	0	0	0	0	0	0	Tong Yang Chia Hsin Int'l Corp.	Supervisor (IR)	-
Chia Hsin R. M. C. Corp.	13,414,135	1.70	0	0	0	0	Taiwan Cement Corp.	Director	-
Chia Hsin R. M. C. Corp. Representative: Chang Koo, Huai-Ju	246,077	0.03	6,860,015	0.87	0	0	Yung-Ping Chang Hsien-Ping Chang Nelson An-Ping Chang	2nd degree kinship 2nd degree kinship Spouse	-
Chien Kuo Construction Co., LTD.	12,386,836	1.57	0	0	0	0	None	None	-

Name (Note 1)	Personal Shareholding		Spouse's & Minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship between the Company's Top Ten Shareholders, or Spouses or Relatives within Two Degrees of Kinship (Note 3)		Re- marks
	Shares	(%)	Shares	(%)	Shares	(%)	Name	Relationship	
Chien Kuo Construction Co., LTD. Representative: Chang-Shiou WU	0	0	0	0	0	0	None	None	-

Note 1: All top ten shareholders shall be listed: juridical shareholders shall list their name and representatives separately.

Note 2: The calculation of shareholding ratio includes calculating the shareholding percentage separately under one's own name, spouse, minor, or by nominee arrangement.

Note 3: If the disclosed shareholders listed above include juridical and natural persons, the relationships between them shall be disclosed in accordance with the standards for issuer's financial reports.

2.9 Shareholding Information of the Company, Directors, Managers, in Directly and Indirectly Controlled Entities

▼ Comprehensive Shareholding Information

Unit : Share ; %

Affiliated Companies (Note 1)	Company Investment		Direct or Indirect Investment by Directors, Supervisors, and Managers		Comprehensive Investment	
	Shares	%	Shares	%	Shares	%
Tong Yang Chia Hsin International Corp.	257,073,050	87.18	462,490	0.16	257,535,540	87.34
Chia Hsin Pacific Ltd.	19,186,070	74.16	6,257,179	24.18	25,443,249	98.34
Chia Hsin Property Management & Development Corp.	100,000,000	100.00	0	0	100,000,000	100.00
Chia Pei International Corp.	19,560,000	100.00	0	0	19,560,000	100.00
BlueSky Corporation	8,300,000	100.00	0	0	8,300,000	100.00
YJ International Corp.	293,700,000	100.00	0	0	293,700,000	100.00
Jaho Life Plus+ Management Corporation	45,000,000	100.00	0	0	45,000,000	100.00
Chia Hsin Green Energy Corp.	10,500,000	100.00	0	0	10,500,000	100.00
Chia Hsin Construction & Development Corp.	31,458,920	46.18	284,421	0.42	31,743,341	46.60
LDC ROME HOTELS S.R.L.	(Note 2)	40.00	0	0	0	40.00
L'Hotel De Chine Corporation	67,998,915	23.10	0	0	67,998,915	23.10

Note 1: The affiliated companies stated are long-term investments accounted for using equity method as of 31 December 2025 by the Company.

Note 2: The investment amount listed is € 23,271,000.

3 Capital and Shares

3.1 Capital and Shares

3.1.1 Source of Capital

▼ Source of Capital

Date	Issue Price Per Share	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount NTD	Shares	Amount NTD	Source of Capital NTD	Capital Increased by Assets Other Than Cash	Other
2007/12/31	10	779,639,050	7,796,390,500	673,687,050	6,736,870,500			
2008/02/04	10	779,639,050	7,796,390,500	671,888,050	6,718,880,500	a	17,990,000	
2008/08/29	10	779,639,050	7,796,390,500	739,076,855	7,390,768,550	b	671,888,050	
2008/12/02	10	779,639,050	7,796,390,500	725,830,855	7,258,308,550	c	132,460,000	
2009/03/18	10	779,639,050	7,796,390,500	717,877,855	7,178,778,550	d	79,530,000	
2010/08/18	10	779,639,050	7,796,390,500	732,235,412	7,322,354,120	e	143,575,570	
2011/08/04	10	779,639,050	7,796,390,500	754,202,474	7,542,024,740	f	219,670,620	
2012/08/19	10	1,500,000,000	15,000,000,000	776,828,548	7,768,285,480	g	226,260,740	
2016/01/18	10	1,500,000,000	15,000,000,000	774,780,548	7,747,805,480	h	20,480,000	
2023/08/23	10	1,500,000,000	15,000,000,000	790,247,459	7,902,474,590	i	154,669,110	

Note: Source of capital are as follows,

- Share repurchase and cancellation of NTD 17,990,000
- Capital increase from retained earnings of NTD 671,888,050
- Share repurchase and cancellation of NTD 132,460,000
- Share repurchase and cancellation of NTD 79,530,000
- Capital increase from retained earnings of NTD 143,575,570
- Capital increase from retained earnings of NTD 219,670,620
- Capital increase from retained earnings of NTD 226,260,740
- Share repurchase and cancellation of NTD 20,480,000
- Capital increase from retained earnings of NTD 154,669,110

Share Type	Authorized Capital			Remarks
	Outstanding Shares (Note)	Unissued Shares	Total Shares	
Common Share	790,247,459	709,752,541	1,500,000,000	Listed Shares

Note: Treasury stocks are included. Please refer to Section 3.1.6 in this annual report for details.

▼ Summary of Self Registration Information

Securities Type	Preparing to Issue Amount		Issued Amount		Purpose and Effect for Issued Shares	Issue Period for Unissued Shares	Remarks
	Total Shares	Authorized Amount (NTD)	Shares	Price (NTD)			
Not Applicable							

3.1.2 Major Shareholders

▼ List of Major Shareholders

As of the ex-dividend date: July 31, 2025

Name of Shareholders	Shareholding	
	Shares	In Percentage
Tong Yang Chia Hsin Int'l Corp.	129,917,726	16.44%
Sung Ju Investment Corp.	70,155,843	8.88%
Yung-Ping Chang	42,583,141	5.39%
Taiwan Cement Corp.	27,967,804	3.54%
Ta-Ho Marinetime Corp.	26,276,513	3.33%
Nutri Vita Inc.	17,612,153	2.23%
Chia Hsin Foundation	15,139,756	1.92%
Int'l Chia Hsin Corp.	14,933,245	1.89%
Chia Hsin R. M. C. Corp.	13,414,135	1.70%
Chien Kuo Construction Co., LTD.	12,386,836	1.57%

3.1.3 Company's Dividend Policy and Implementation

1. Dividend Policy

The Company adopts a residual dividend policy, which allows for the retention of earnings in accordance with considerations of future capital expenditure spendings and financial needs. After retaining an appropriate amount, any remaining earnings may be distributed to shareholders as dividends and at least 50% shall be distributed as dividends to shareholders.

Regarding the distribution of dividends, the Company shall allocate at least 10% of the total dividend distribution in cash, while the remainder may be distributed as stock dividends.

However, if it is necessary to change the dividend policies mentioned above, due to requirements by government agencies or the Taiwan Stock Exchange, changes in domestic or international political and economic situations, major capital expenditures by the Company, inability to obtain sufficient funds from external sources to support financial needs, or any other factor that is beyond the Company's control, the Chairman is thereby authorized to propose revisions to the policy based on the circumstances and shall submit the decision the Board of Director for discussion and approval.

2. Implementation Status

As of the publication date of this annual report, the Company's Board of Board of Director has not yet reached a decision regarding the 2025 earnings distribution.

3.1.4 Impact of Proposed Stock Dividend on the Company's Operating Performance and EPS: Not applicable.

3.1.5 Compensation to Employees, Directors, and Supervisors

1. Percentage or range of compensation for employees and directors specified in the Company's Articles of Incorporation:

In accordance with the Company's Articles of Incorporation, should there be profit in the fiscal year, the Company is required to allocate between 0.01% to 3% of the profit as employee compensation, and up to 3% as Director remuneration. However, when there are accumulated losses, the Company shall retain the amount for loss recovery before allocating the compensation mentioned before. All arrangements are subject to approval by the Board of Directors and submitted to the shareholders' meeting.

2. Basis for estimating compensation for employees and directors of the period, for calculating number of shares for stock-based employee compensation, and for accounting treatment for any differences between actual and estimated amount are as follows: It will be processed according to accounting estimations and recorded in the following fiscal year.

3. Approval of distribution of compensation by the Board of Directors:

(1) Employee and Director compensation distributed in cash or stocks. Any difference between the estimated expenses recorded and the actual amount distributed shall be disclosed, along with the reasons and responsive measures taken:

The Company has calculated and allocated directors' remuneration in accordance with relevant regulations, taking into consideration overall operating results and the performance evaluation of the Board of Directors. This approach reflects a positive correlation between remuneration and the Company's operational performance.

To support overall business development and boost employee morale, the Company distributed an average of 2.5 months' year-end bonuses to employees at the end of 2025 as an early incentive.

As of the publication date of this annual report, the amounts for 2025 employee compensation and directors' remuneration have not yet been approved by the Board of Directors.

(2) The ratio of employee remuneration distributed in the form of stock to the net profit for the period and the total employee remuneration for the period are as follows:

This is not applicable, as the Company did not distribute any employee compensation in the form of stocks this year.

4. The actual distribution of employee, Director, and supervisor remuneration for the previous fiscal year (including the number of shares distributed, amount, price per share) and any differences between the distribution and recognition of employee, Director, and supervisor remuneration, reasons of difference, and responsive measures taken shall be disclosed:

Remuneration for employees and Directors for the fiscal year of 2024

Unit: NTD thousands

Type of Remuneration	Board Resolution (02/25/2025)	Actual Payment
Employee Compensation (in cash)	8,520	8,520
Director Compensation (in cash)	8,520	8,520

3.1.6 Buyback of Treasury Stock

1. Buyback of Treasury Stock (already completed)

As of 12/31/2025

Buyback Issue	the 10th
Buyback Purpose	Transfer to employees
Buyback Timeframe	04/14/2025 – 06/10/2025
Price Range	NT\$11 to NT\$16
Type and Number of Buyback Shares	1,574,000 shares of common stock
Value of Buyback Shares	NT\$23,349,373
Number of Shares Repurchased to the Total Shares to Be Repurchased (%)	44.97%
Shares Cancelled or Transferred	0 shares of common stock
Accumulated Number of Buyback Shares Held by the Company	1,574,000 shares of common stock
Accumulated Number of Buyback Shares to the Total Outstanding Shares Issued by the Company (%)	0.20%

2. Buyback of Treasury Stock (still in progress): None.

3.2 Issuance of Corporate Bonds: None.

3.3 Issuance of Preferred Shares: None.

3.4 Issuance of Global Depositary Shares: None.

3.5 Issuance of Employee Stock Options: None.

3.6 Status of Employee Restricted Shares: None.

3.7 Status of New Share Issuance in Connection with Mergers, Acquisitions: None.

3.8 Funding Plans and Implementation: None.

4 ▶ Operational Highlights

4.1 Business Activities

4.1.1 Business Scope

Sector	Proportion of Operations
Cement	41%
Warehousing and Storage	21%
Assets management	10%
Hospitality	28%

4.1.2 Industry Overview

1. Cement Sector

Current Status and Future Development

The Company's cement sales in Taiwan are primarily concentrated in the central and northern regions. The domestic market is characterized as a mature industry with stable demand. According to statistics published by the Taiwan Cement Manufacturers' Association for 2025, domestic cement production totaled 9,976,745 metric tons, representing a year-on-year increase of 1.02%. Annual cement consumption reached 13,877,147 metric tons, reflecting annual growth of 3.56%, with average per capita consumption of 596 kilograms. In 2025, the Company's total cement sales in Taiwan amounted to 388,046 metric tons.

Taiwan's carbon fee was formally implemented this year. At the same time, concerns regarding cement imports and dumping practices have resurfaced. Following the Ministry of Finance's imposition of anti-dumping duties ranging from 13.59% to 23.2% on cement imported from Vietnam beginning in July 2025, imports of Vietnamese cement declined by approximately 40% in the third quarter compared with the second quarter. However, importers subsequently shifted to sourcing low-priced clinker from Indonesia and low-priced cement from Japan, and the issue of dumping has not been effectively addressed.

To safeguard the trade rights and interests of domestic cement producers, the Taiwan Cement Manufacturers' Association has formally submitted a new anti-dumping investigation application to the government. The objective is to uphold environmental protection policies while also ensuring the sustainable development of the industry and fostering a fair and competitive market environment.

In addition, the continued impact of the Central Bank's credit control policies and the implementation of new regulations on construction waste transportation have contributed to fluctuations in cement demand, reflecting broader changes in the overall industry environment.

Unit: metric tons

Year \ Item	Domestic Cement Production	Domestic Cement Consumption (Sum of Domestic and Imported Cement Sales)
2024	9,876,231	13,400,388
2025	9,976,745	13,877,147
Difference	100,514	476,759

Source: Taiwan Cement Manufacturers' Association

Industry Supply Chain Relationships

The cement industry is closely interconnected with upstream, midstream, and downstream sectors, including cement producers, shipping and logistics providers, cement warehousing, land transportation, ready-mix concrete, cement product manufacturing, and the construction industry. These industries collectively support the stability of the cement supply chain and contribute to overall economic activity.

Product Development Trends and Competition

Among cement products, Type I Portland Cement remains the most widely used cement type in the domestic market. In recent years, however, demand for Type II Portland Cement in public infrastructure projects has shown a notable upward trend. Although the Company currently engages solely in the trading of Type I Portland Cement, the commonality of storage and transportation facilities enables the Company to expand into the trading of Type II Portland Cement at any time in response to customer demand or changes in market conditions.

With the growing global emphasis on environmental protection, related policy initiatives have increased demand for low-carbon building materials. In addition to traditional Portland cement, low-carbon cement products such as Portland-Limestone Cement have attracted increasing market attention. The Company is equipped with the necessary warehousing, dispatch, and service capabilities for low-carbon cement products and is well positioned to capitalize on emerging trends in low-carbon cement development.

2. Warehousing and Storage Sector

Current Status and Future Development

The Company's warehousing and storage division primarily provides cargo handling services for bulk industrial raw materials. Port cargo throughput is influenced by domestic economic conditions.

In 2025, the total volume of bulk and general cargo handled at Taipei Port amounted to 19,169,596 metric tons, representing a year-on-year increase of 27.05%.

▼ Handling Volume at Each Port

Unit: metric tons

Year	Port	Taipei Port
2024		15,087,358
2025		19,169,596
Difference (%)		27.05%

Source: Official website of Taipei Port Business Center

Industry Supply Chain Relationships

Cement is a critical raw material for construction activities. Each stage of its supply chain relies heavily on warehousing and transportation services, which therefore play a pivotal role within the cement industry value chain.

Industries associated with warehousing and transportation primarily include transportation operators, warehousing and storage providers, cargo handling and stevedoring operators, material handling services, packaging services, distribution processing services, logistics and delivery providers, and information platform service providers.

Product Development Trends and Competition

Port cargo handling volumes are highly correlated with domestic economic activity and are driven by demand in the surrounding markets. In Northern Taiwan, major infrastructure projects and urban redevelopment initiatives are key drivers of port handling demand. Logistics costs on the demand side also play a significant role in port selection, leading customers to favor ports closer to key markets or, in the case of largescale enterprises, to develop private wharf facilities. However, with growing environmental awareness, operators with port operating rights that can provide low-emission solutions will retain a competitive edge in the market.

3. Assets Management Sector

Current Status and Future Development

Driven by sustained momentum in the technology sector, upgrading demand in Taipei's Grade A office market continued to strengthen. However, after several years of rental growth, market rents have gradually entered a plateau phase with moderate increases. Overall, the Grade A office leasing market has maintained solid activity, with total transaction volume exceeding 50,000 ping for two consecutive years in 2024 and 2025.

In 2025, total transaction area in the core business districts reached approximately 43,800 ping, marking a seven-year high and reflecting continued demand for corporate relocation and office upgrading.

On the supply side, approximately 34,000 ping of new Grade A office space was added in the core business districts in 2025. Of this amount, nearly 19,000 ping had been absorbed through leasing or owner-occupation, representing an absorption rate of approximately 55%.

In terms of rental performance, the annual growth rate of average Grade A office rents in

Taipei continued to moderate in 2025. Average monthly rent in the core business districts was approximately NT\$3,258 per ping, representing a year-on-year increase of approximately 1.7%. Regarding vacancy rates, the core business districts had historically maintained vacancy levels below 3%. Since 2024, vacancy rates rose above 5% due to the release of new supply. With continued supply increases in 2025, the overall vacancy rate further climbed to 6.9%.

Total land transaction value in Taiwan in 2025 amounted to approximately NT\$133.7 billion, representing a year-on-year decrease of 37%. Among these transactions, industrial real estate exceeded NT\$100 billion and accounted for more than half of total transaction value, primarily driven by owner-occupied demand. This trend indicates that, supported by the AI and semiconductor industry value chain, profitable enterprises continue to expand production capacity, providing medium- to long-term support for the overall real estate market.

Industry Supply Chain Relationships

The real estate asset management sector is closely linked to various industries across the supply chain. Upstream industries primarily include real estate developers and real estate investment firms, which initiate projects and provide capital for development. Midstream industries consist of construction, engineering consultancy, building materials, and interior design, which contribute to the development and enhancement of properties. Downstream industries encompass property management, real estate brokerage, and support services, ensuring that properties are efficiently maintained, leased, and sold.

The real estate leasing sector can be categorized into residential and non-residential segments. The residential segment includes apartment buildings, serviced residences, hotel-style apartments, and senior housing, catering to different demographic needs. The non-residential segment comprises offices, retail spaces, hotels, factories, and medical facilities, each serving distinct commercial and industrial purposes. Every property type is linked to its own specific upstream, midstream, and downstream industries, forming a dynamic and interconnected market ecosystem driven by its intended use and demand.

Product Development Trends and Competition

The real estate market has been affected by credit controls, housing policies, and market supply and demand. In 2025, the total number of building ownership transfers across Taiwan's six special municipalities reached 204,596 units, representing a year-on-year decrease of 24.5% and marking the lowest level in the past eight years. Transaction volumes declined across all major metropolitan areas, with Taipei City down 22.7%, New Taipei City down 25.7%, Taoyuan City down 18%, Taichung City down 22.7%, Tainan City down 28.8%, and Kaohsiung City down 31%.

Amid continued tightening of mortgage lending by banks and the Central Bank's credit control measures, market sentiment cooled significantly. In addition, U.S. tariff policies under the Trump administration placed further pressure on the external economic environment, affecting domestic demand and homebuying sentiment. As a result, Taiwan's overall real estate market remained in an adjustment phase in 2025.

4. Hospitality Sector

Current Status and Future Development

Hospitality

The Company's strategic investment portfolio in the hospitality industry spans multiple countries, including Europe, Okinawa in Japan, and Taiwan. Through diversified geographic deployment, the Company effectively mitigates regional risks while capturing growth opportunities across different markets.

In 2025, Europe's tourism industry remained robust. During the first three quarters, both international visitor arrivals and overnight stays reached historical highs, representing an increase of approximately 4% compared with the same period of the previous year. In Italy, during the peak summer travel season, visitor arrivals and overnight stays recorded year-on-year growth of 0.2% and 4%, respectively, demonstrating the resilience of travel demand.

According to Japan's Minister of Land, Infrastructure, Transport and Tourism, the number of inbound foreign visitors to Japan in 2025 is estimated to reach 42.7 million, setting another historical record. The continued weakness of the Japanese yen further attracted international travelers, supporting stable growth in Japan's tourism and hospitality markets.

In Taiwan, international visitor arrivals reached approximately 8.57 million in 2025, representing a year-on-year increase of 9%, reflecting a recovery momentum in Taiwan's tourism sector supported by policy initiatives.

The Company will continue to closely monitor market developments across regions and adjust its strategies with flexibility, leveraging the ongoing tourism recovery to further expand the growth potential of its health-oriented hospitality business.

Healthcare

Many countries around the world are facing the structural challenge of declining birth rates, and Taiwan is no exception. Amid economic pressures, elevated housing prices, and the rising costs of education and childcare—together with growing concerns regarding the risks associated with marriage and childbearing—fertility intentions have continued to decline.

In 2025, the total number of births in Taiwan decreased by approximately 20% compared with 2024, representing a reduction of approximately 27,000 newborns and marking the largest annual decline in the past decade. In terms of crude birth rate, Tainan City recorded the lowest rate among the six special municipalities at 3.7‰, followed by New Taipei City at 3.76‰. By contrast, Taoyuan City ranked highest at 5.32‰, with Taipei City the second highest at 5.19‰. In recent years, there have also been reports of postpartum care centers ceasing operations, indicating that the postpartum care industry remains in a phase of structural adjustment. Nevertheless, despite the continued decline in national birth numbers, consumer emphasis on the quality of maternal and infant postpartum care—as well as the enhancement of relevant regulations and supervisory standards—continues to intensify.

After years of market consolidation, restructuring, and professionalization, the industry has gradually developed operating models with defined entry barriers. As such, it retains niche market potential and room for development, and demonstrates the capacity to deepen service value and serve as a structural solution within a low-fertility environment.

Industry Supply Chain Relationships

The hospitality services sector provides accommodation and care services. In terms of the overall industry correlation, the Company is positioned in the midstream segment. Relevant up-stream, middle, and downstream sectors include online travel agencies, traditional travel agencies, specialized medical institutions for women and infants, retail businesses for maternity and baby products, educational centers, and health consulting services. Meanwhile, food and beverage services procure fresh food, beverages, and general supplies from upstream suppliers.

Product Development Trends and Competition

Following the pandemic, new trends have emerged in the hospitality and healthcare sectors. Consumers are placing greater emphasis on personalized and unique experiences, health and wellness, environmental sustainability, and digital experiences. As a result, competition among high-end operators in terms of quality and value-added services has intensified, leading to a growing market polarization between high-end and low-end segments.

4.1.3 Technology and Research & Development

While the Company does not engage in independent technological research and development, it actively integrates proven technologies into its services and healthcare systems as part of its strategic investment approach. These technologies are carefully evaluated and implemented in phases to ensure efficiency and effectiveness. Additionally, the Company maintains close collaboration with industry partners and actively participates in government policies and industry initiatives, leveraging these engagements to enhance service performance and strengthen market competitiveness.

4.1.4 Long-Term and Short-Term Development Plans

Short-Term Development Plans

(1) Cement Sector

The Company collaborates with upstream suppliers, in advancing the transition toward low-carbon cement, and continues to strengthen the promotion and sales of low-carbon cement products.

(2) Warehousing and storage Sector

The Company will upgrade equipment and optimize warehousing management to enhance operational efficiency and safety, while maintaining existing customer relationships and continuing to expand new business opportunities.

(3) Assets Management Sector

CHC Group continues to advance the renovation project of the Chia Hsin Building, reinforcing its benchmark status as a Diamond-level Green Building. The project has delivered significant improvements in energy efficiency, workplace comfort, and overall building image. These enhancements strengthen CHC Group's brand value, attract sustainability-focused tenants and talent, and further enhance market competitiveness.

(4) Hospitality Sector

- A. Through property upgrades, room-type adjustments, and market segmentation strategies, CHC Group will enhance the accommodation experience and revenue structure, increase occupancy rates and average room rates, and ensure stable cash flow through effective cost control.
- B. By integrating brand marketing and cross-industry collaboration resources, and through brand integration and project-based customer acquisition, CHC Group will expand its customer base and enhance brand visibility.

2. Long-Term Development Plans

(1) Cement Sector

- A. CHC Group maintains a close cooperative relationship with Taiwan Cement Corporation and, through strategic shareholdings, indirectly participates in international cement market opportunities, thereby enhancing asset value.
- B. CHC Group actively participates in the development of a circular economy within the cement industry and supports the efficient and scalable advancement of sustainability initiatives. These initiatives encompass renewable energy, battery technology, energy storage, and waste treatment. Through such engagement, CHC Group supports Taiwan Cement Corporation in advancing forward-looking green and sustainable strategies.
- C. To align with global environmental trends, the Company will deepen its research on green and low-carbon building materials, analyze market dynamics, and explore innovative materials and applications. This will provide competitive and sustainable solutions for the future construction market while unlocking new growth opportunities.
- D. In alignment with low-carbon cement supply chain trends, CHC Group has implemented energy management systems and carbon inventory mechanisms, while concurrently advancing equipment replacement and strengthening operations and maintenance. These initiatives ensure the stable operation of storage facilities and enhance operational resilience in response to market and environmental changes.

(2) Warehousing and storage Sector

- A. By expanding cargo categories and optimizing the customer portfolio, CHC Group ensures a stable supply of diversified cargo types, including sand and gravel, slag, and bulk and general cargo. These initiatives effectively mitigate fluctuations arising from seasonal demand variations, thereby supporting stable and predictable profitability.

- B. CHC Group actively strengthens policy communication with government authorities to minimize the operational impact of regulatory changes and to seek appropriate support and assistance, thereby facilitating the stable development of its businesses.

(3) Assets Management Sector

To achieve the objectives of maximizing asset utilization and driving sustainable growth in rental revenue, CHC Group will continue to plan and develop its existing assets and pursue development-oriented leasing projects.

(4) Hospitality Sector

A. Hospitality

- (a) To strengthen the value and market recognition of the proprietary brand, Hotel Collective.
- (b) With brand marketing as its core focus, CHC Group will expand content marketing initiatives, strengthen collaborations with key opinion leaders (KOLs), and enhance cross-industry customer referral effectiveness, thereby building a stable customer base and increasing repeat stay rates.

B. Healthcare

- (a) To expand into new markets, integrate services across upstream and downstream industry segments, develop innovative healthcare service models, and enhance brand awareness.
- (b) To optimize service teams, strengthen professional capabilities, and cultivate talent to support the sustainable development of the healthcare business.
- (c) To integrate the business model with social welfare initiatives and educational outreach efforts, thereby promoting and disseminating health-oriented values.
- (d) To continue evaluating potential opportunities in overseas markets.

4.2 Market, Production, and Sales Overview

4.2.1 Market Analysis

1. Cement Sector

Sales Regions, Market Share, Future Supply and Demand, and Growth Prospects of

Main Products

Taiwan's cement industry has demonstrated solid resilience. Despite structural pressures arising from policy developments, underlying market demand remains stable, supporting the industry's long-term operating momentum.

In 2025, domestic cement consumption reached 13,877,147 metric tons, representing a year-on-year increase of 3.56% compared with 2024. However, the continued influx of low-priced imported cement has exerted pressure on the local market, with imports accounting for nearly 30% of total sales volume.

As international environmental policies impose increasingly stringent requirements on low-carbon building materials, the promotion of low-carbon cement products has become a key competitive direction in the evolving market landscape. CHC Group's cement storage and transportation facilities at Keelung Port and Taichung Port provide strong support for its market deployment. These strategically positioned facilities enable CHC Group to respond promptly to shifting demand conditions and further enhance overall market competitiveness.

Competitive Niche

(1) Pioneering the Low-Carbon Cement Market

Actively driving the sales of low-carbon cement products to align with the green building materials trend, positioning the company as a leader in product transformation.

(2) Strategic Advantage in Storage and Transportation

The cement silos at Keelung Port and Taichung Port are strategically located in close proximity to key markets, covering the major economic corridor along Taiwan's western region and providing efficient and reliable supply services.

(3) Brand Trust and Market Foundation

With a strong operational history and well-established sales channels, the company has built a solid and loyal customer base.

Favorable Factors for Industry Development

(1) Advancement of Environmental Policies

The increasing global demand for low-carbon building materials presents an opportunity for the cement industry to transition towards sustainable products.

Unfavorable Factors for Industry Development and Countermeasures

(1) Challenge of Low-Cost Imported Cement

Low-price cement imports exert pressure on the local market.

Counter Measures: Advocate for the government to impose anti-dumping tariffs on cement imports while increasing the market share of low-carbon cement to enhance competitive advantage.

(2) Regulatory and Environmental Cost Pressures

The introduction of carbon fees has increased operating costs for domestic cement manufacturers.

Counter Measures: In addition to partially passing costs on to downstream customers, the company will offset carbon fees through the purchase of green energy certificates, reinforcing its green image and enhancing product value.

(3) Aging Equipment and Safety Risks

Some equipment at the Keelung and Taichung storage facilities is aging, leading to reduced efficiency and potential safety hazards.

Counter Measures: Allocate budget for comprehensive upgrades and maintenance, including the refurbishment of the Keelung storage facility's ladder platforms and the improvement of Taichung's loading and unloading systems.

2. Warehousing and Storage Sector

Sales Regions, Market Share, Future Supply and Demand, and Growth Prospects of

Main Products

Taipei Port's Bulk & General Cargo Terminal 1 primarily serves distributors and end users of sand, gravel, coal, and other bulk and general cargo in northern Taiwan. In 2025, the Company handled approximately 6,614,345 metric tons of bulk and general cargo at Terminal 1, accounting for 34.5% of the related cargo throughput at Taipei Port.

With the global energy transition, the Taiwanese government has been actively increasing the share of natural gas and renewable energy in the national energy mix, leading to a gradual decline in coal demand and exerting pressure on coal imports and related handling operations. However, demand for sand, gravel, and other bulk cargo remains stable, supported by ongoing infrastructure and land reclamation projects, which provide short-term stability for the handling of these materials.

Despite policy-driven uncertainties affecting the industry landscape, Taipei Port remains resilient, leveraging its strategic location, environmental facilities, and high-efficiency cargo handling capabilities to adapt to market fluctuations. However, as coal demand continues to decline, the company anticipates increasing operational challenges. In response, the company will maintain flexible operational strategies, actively engage with government agencies to ensure business stability amid policy shifts, and explore new market opportunities to drive long-term sustainable growth.

Competitive Niche

(1) High Entry Barrier Advantage in Port Operations

As a regulated industry requiring special permits, port operations have high entry barriers, making it difficult for new competitors to enter the market.

(2) Enhanced Cargo Handling and Environmental Capabilities

Taipei Port's Bulk & General Cargo Terminal 1 is equipped with environmental protection facilities and high-efficiency cargo handling systems, catering to diverse cargo needs. This strengthens operational efficiency and supports the company's structural transformation.

Favorable Factors for Industry Development

(1) Growing Demand for Aggregates

Infrastructure and land reclamation projects have driven an increase in aggregate imports, fueling the growth of cargo handling operations.

(2) Diversification of Bulk Cargo Business

Demand for other bulk cargo categories continues to rise steadily, providing stable market support.

(3) Heightened Environmental Standards

Traditional ports like Keelung face constraints in land availability and facilities, making it difficult to meet new environmental regulations. As a result, more cargo handling operations may shift to Taipei Port in the future.

Unfavorable Factors for Industry Development and Countermeasures

(1) Declining Coal Demand

In line with the government's 2050 net-zero emissions policy, coal consumption is gradually decreasing, impacting cargo handling volumes.

Counter Measures: Actively expand operations in aggregates, slag, and other bulk cargo to ensure stable growth in cargo handling services.

(2) Market Structure Transformation

Changes in the energy landscape present challenges to the traditional coal industry.

Counter Measures: Enhance cargo handling efficiency and diversify cargo types to adapt to the evolving logistics landscape and strengthen market competitiveness. Additionally, the company will maintain close communication with government authorities to minimize the operational impact of policy changes and explore opportunities to create greater value amid industry transformation.

3. Assets Management Sector

Sales Regions, Market Share, Future Supply and Demand, and Growth Prospects of Main Products

The asset management division focuses primarily on asset leasing, management, and development. Following the easing of restrictions on Taiwanese enterprises returning to invest in Taiwan, the commercial and industrial real estate markets experienced a new wave of capital inflows, creating favorable conditions for the Company's business development.

In 2025, the Company's asset management division recorded revenue of NT\$310,937 thousand, representing an increase of 3.07% compared with NT\$301,662 thousand in 2024.

The Chia Hsin Building achieved an average occupancy rate of 99.76% for the year, with rental revenue increasing by 3%. The average occupancy rate of the Gangshan Plant for the year was 66.55%, with rental income decreasing slightly by 2.07%, primarily due to lease expirations, while the Company is actively engaging with potential tenants. Other rental income increased by 3.24% compared to the previous year.

Competitive Niche

Diverse Portfolio of Premium Properties

(1) Chia Hsin Building: Strategically located in the heart of Zhongshan North Road, Taipei, offers an exceptional location advantage. It is just a three-minute walk from two MRT stations and in close proximity to Taipei Main Station, seamlessly connecting to the high-speed rail (HSR), Taiwan Railways (TRA), and MRT networks. This well-connected transportation hub makes it a top choice for corporate offices. The building is surrounded by a well-established commercial ecosystem, featuring renowned hotels, banks, post offices, and a wide range of business services, providing tenants with a convenient and dynamic work environment. The flexible interior design and customizable floor plans accommodate businesses of various sizes, while ample parking facilities enhance tenant convenience. Committed to continuous infrastructure enhancement, Chia Hsin Building has recently undergone multiple upgrades and renovations, including elevator modernization and common area enhancements, further elevating the property's value and management efficiency.

(2) Gangshan Plant: Located in Kaohsiung, this facility benefits from Kaohsiung City's "S Corridor" industrial development initiative and the opening of the Gang-shan Second Interchange, making it a key location for emerging industries and an attractive option for high-quality tenants.

Favorable Factors for Industry Development

(1) Investment Momentum in the Technology Sector

Benefiting from profit growth in the global technology industry, Taiwan's semiconductor cluster advantage has attracted foreign enterprises to establish operations in Taiwan, there by supporting steady demand for office properties in northern Taiwan. Meanwhile, industrial land in southern Taiwan has been supported by the expansion of technology manufacturing and logistics activities.

(2) Rising Regional Demand

The supply of comparable office spaces with competitive rental rates remains limited, positioning Chia Hsin Building as a highly attractive option in the market. Its prime location, well-developed surrounding amenities, and flexible space configurations provide a distinct competitive edge. Additionally, with stable property management services and a premium office environment, Chia Hsin Building continues to attract corporate tenants, ensuring steady leasing demand and enhancing asset value.

(3) Infrastructure Development

Kaohsiung City's "S Corridor" industrial initiative and the completion of the Gangshan

Second Interchange are drawing businesses to lease space at the Gangshan Facility, further strengthening its market potential.

Unfavorable Factors for Industry Development and Countermeasures

(1) High Interest Rates and Policy Restrictions

The central bank's strict regulations on construction financing and the implementation of the Housing Tax 2.0 policy have placed pressure on land transactions and investment momentum.

Counter Measures: Focus on enhancing the value of existing assets through interior, exterior, and facility upgrades to maintain competitiveness.

(2) Economic Uncertainty

Global economic volatility may dampen investor confidence.

Counter Measures: Strengthen lease management, actively attract high-quality tenants, and secure long-term lease agreements to mitigate short-term market fluctuations.

4. Hospitality Sector

The hospitality sector mainly has two product lines, hotel and healthcare, which are detailed separately as follows.

Hotel

Sales Regions, Market Share, Future Supply and Demand, and Growth Prospects of Main Products

Against the backdrop of Japan's "Regional Revitalization 2.0" initiative and policies aimed at alleviating tourism overconcentration, regions such as Okinawa are well positioned to capture the diversion of high-end travelers and longer-stay demand from Tokyo and Osaka. At the same time, the Japanese government has set a target of attracting 60 million foreign visitors by 2030, and the continued implementation of inbound tourism policies is expected to generate spillover effects benefiting regional tourism markets.

In 2025, visitor arrivals to Okinawa reached 10.75 million, setting a historical high. The Japanese government continues to increase investment in transportation networks, secondary regional transit systems, and digital tourism information platforms, enhancing accessibility and international visibility for regional hospitality markets.

As demand continues to rise, competition among high-end hotels has intensified. Travelers increasingly seek premium service quality and enhanced value-added offerings, resulting in a gradual polarization of the market toward high-end and low-end segments. This structural differentiation provides high-end hotels with opportunities to focus on refined services and differentiated guest experiences, attract high-spending customer segments, enhance brand value, and strengthen revenue-generating capacity, while mitigating competitive pressure from mid- to lower-tier markets.

Hotel Collective, with 260 guest rooms, accounts for approximately 3.72% of the total supply of urban hotels in Okinawa and maintains a solid position within the high-end hotel market in Naha City. In 2025, Hotel Collective recorded annual revenue of JPY 3.53 billion, with occupancy rates consistently maintained above 80% throughout the year. Revenue per available room (RevPAR) improved compared with the previous year and surpassed that of major competitors. Looking ahead, Hotel Collective will continue to enhance service quality and increase product value-added offerings to further consolidate its market position and progress toward becoming a market-leading brand.

Competitive Niche

A. Prime Location

Ideally situated in the heart of Kokusai Street, offering a premium location that makes it the top choice for travelers.

B. State-of-the-Art Facilities

The banquet hall is equipped with a large LED screen, providing industry-leading meeting and event spaces.

C. Spacious Design

Guest rooms and bathrooms are twice the size of those in a typical Japanese urban hotel, ensuring a comfortable and expansive stay.

D. International Hospitality

A multinational staff caters to the diverse needs of international travelers, enhancing the guest experience.

E. LEED Certification (Leadership in Energy and Environmental Design)

The hotel meets high sustainability standards in energy efficiency, water conservation, indoor air quality, and material selection, effectively reducing operational costs while providing a healthier and more comfortable stay for guests.

Favorable Factors for Industry Development

A. Increased Flight Capacity

The opening of Naha Airport's second runway has expanded flight capacity, making travel more convenient for both domestic and international visitors.

B. Stable Growth in Domestic Tourism

Okinawa's position as a top travel destination continues to strengthen amid steady growth in domestic tourism demand.

C. Rising Luxury Travel Market

Consumers are increasingly seeking high-value experiences, driving demand in the premium travel segment.

D. Growing Focus on Sustainable Travel

As environmental awareness rises, travelers are prioritizing sustainable tourism. Hotels with LEED certification, known for their energy efficiency and eco-friendly design, have become the preferred choice for responsible travelers, further enhancing market competitiveness and brand value.

Unfavorable Factors for Industry Development and Countermeasures

A. Intensifying Competition in the Luxury Market

The increasing number of entrants in the high-end hospitality sector has raised service standards, making continuous improvement essential.

Counter Measures: Enhance product value propositions and implement targeted marketing strategies aimed at high-end clientele, leveraging differentiation to attract the desired market segment. Additionally, strengthen employee training programs to elevate service quality, ensuring an exceptional guest experience and reinforcing competitive positioning.

B. Workforce Challenges

High employee turnover and labor shortages pose operational difficulties.

Counter Measures: Leverage cross-border corporate resources to optimize talent sharing, improve recruitment efficiency, and implement internal training and retention programs to reduce staff turnover.

C. Rising Operating Costs

Increasing energy and procurement expenses are putting pressure on profitability.

Counter Measures: Implement strict cost control measures and energy-saving initiatives, adopt diversified procurement strategies, and strengthen supplier management mechanisms to enhance procurement stability and operational efficiency.

Healthcare

Sales Regions, Market Share, Future Supply and Demand, and Growth Prospects of

Main Products

Gemcare is committed to providing attentive and comprehensive care for mothers and newborns, serving as a trusted partner for families entering a new stage of life. Although barriers to entry in the postpartum care market are relatively moderate, evolving customer expectations and heightened emphasis on service quality have led to ongoing market consolidation.

Postpartum care institutions are gradually transforming from traditional confinement centers into integrated “full-cycle maternal health management platforms,” incorporating professional services in obstetrics and gynecology, nutrition, and psychological support, and becoming an integral component of the broader health and wellness industry. Their role has expanded beyond short-term recuperation to encompass prenatal care, postpartum recovery,

and family health management, functioning as comprehensive service hubs. Increasing consumer awareness of health and quality of life has further driven demand for high-quality postpartum care services, creating favorable development conditions for Gemcare Dunhua Center.

Despite the continued decline in Taiwan's overall birth population, increased policy support, shifting childcare values, and the “fewer births, higher investment per child” trend continue to underpin demand for premium postpartum care services. As a result, the maternal and infant care market is undergoing a structural shift characterized by declining volume but stable value, and in some cases rising unit pricing. High-quality, professionalized, and full-cycle maternal and infant health services continue to offer growth potential.

While the overall policy environment remains supportive, competition within the industry continues to intensify. Sustained efforts to deepen brand professionalism and service differentiation will be essential to maintaining market competitiveness.

Competitive Niche

A. Brand Recognition

With nearly ten years of dedication, Gemcare has successfully differentiated itself from other institutions, establishing strong brand awareness and market trust.

B. Endorsement from External Professionals

The company has attracted like-minded experts who share its vision, working together to develop comprehensive postpartum care solutions.

C. Market Expansion

To build upon the established premium service positioning, the company will evaluate opportunities for service extension, industry integration, and expansion of service locations, progressively broaden service scope and brand influence, and further consolidate a leading position in the postpartum care market.

D. Corporate Culture and Core Values

“Rooted in warmth and compassion, driven by an unwavering commitment to professional excellence”—defines Gemcare's competitive edge and fuels its team's motivation.

Favorable Factors for Industry Development

A. Declining birth rates have heightened the importance of maternal and infant healthcare, while supportive government policies provide a solid foundation for market expansion.

B. Shifting market demand and strong consumer trust in the brand have enabled the company to move away from price-driven competition.

C. Strong brand positioning has earned recognition from industry stakeholders, facilitating strategic collaborations and unlocking expansion opportunities.

D. The rising focus on overall health and preventive care is accelerating the diversification of health-related business models.

Unfavorable Factors for Industry Development

A. Challenges of Nursing Workforce Shortages

The ongoing shortage of nursing professionals in Taiwan continues to pose challenges for industry operations and growth. With limited nursing staff, maintaining high consumer expectations, strong satisfaction rates, and premium pricing has become a key operational challenge that must be addressed.

Counter measures:

- (a) Collaborate with nursing schools to establish a talent pipeline while implementing comprehensive training programs to ensure continuous skill development and professional growth.
- (b) Leverage a multidisciplinary workforce by optimizing specialized roles, enhancing care service efficiency, and managing operational costs effectively.
- (c) Optimize system configuration and implement technology-enabled tools to enhance overall operational efficiency.

4.2.2 Important Applications and Production Processes of Main Products

1. Important Applications of Main Products

(1) Cement Sector

The cement sold by the Company is all Type I Portland Cement. This type of cement has a wide range of applications, including the construction of bridges, highways, drainage facilities, dams, levees, dock equipment, military facilities, as well as the construction of houses and buildings in civil engineering projects, and also surface finishing of structures.

(2) Warehousing and Storage Sector

The loading, unloading, and storage services facilitate the circulation of goods, allowing the physical products involved in transactions to be transferred through intermediate stations to reach the designated locations of purchasers.

(3) Assets management Sector

The Company's real estate sector currently focuses primarily on leasing, offering products such as land or buildings for tenants to establish factories or offices.

(4) Hospitality Sector

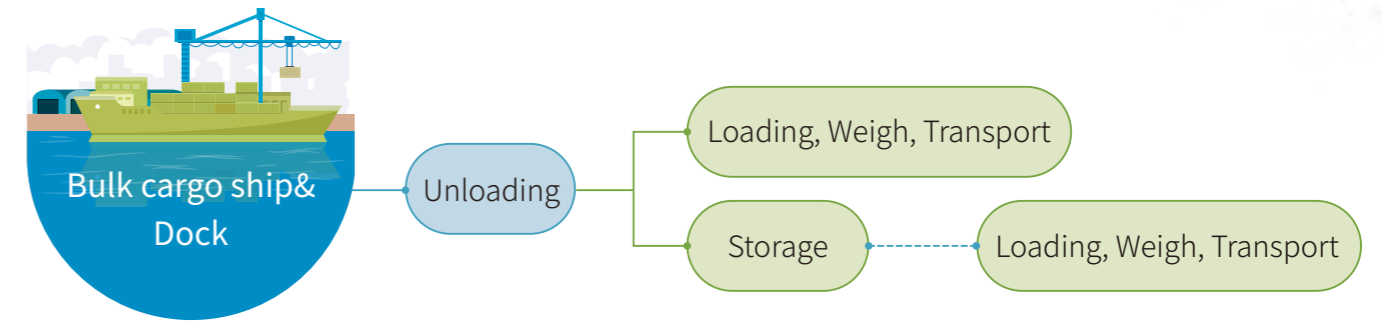
In the hospitality sector, the Company mainly operates guest rooms, dining facilities, and health care services, aiming to leave customers with wonderful and lasting memories through their stay.

2. Process of Main Product Production

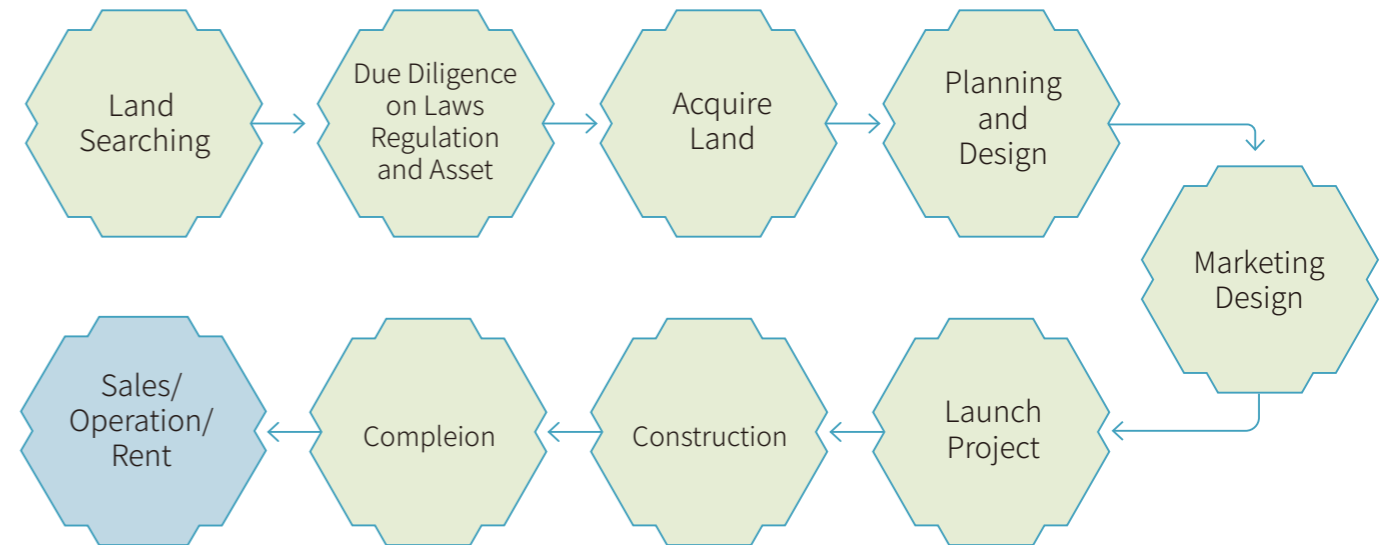
(1) Cement Sector

Our company operates as a distributor in Taiwan, mainly procuring cement domestically and internationally and transporting it by ship to large cement silos at Port of Keelung and Port of Taichung (with capacities of 38,000 metric tons and 45,000 metric tons, respectively). The cement is then sold to customers in bulk or bagged form.

(2) Warehousing and Storage Sector



(3) Assets management Sector



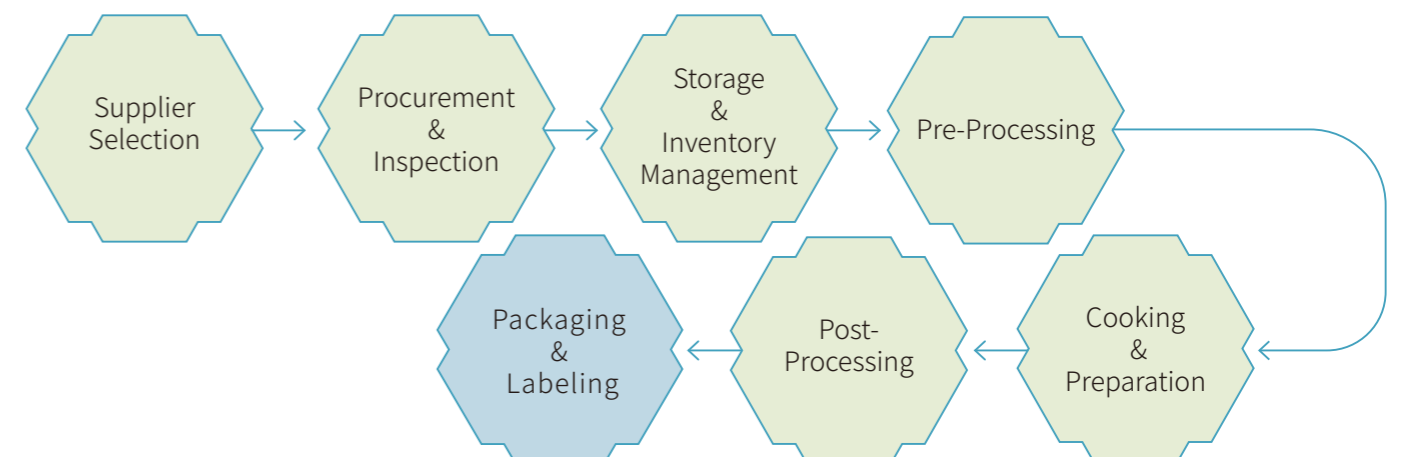
(4) Hospitality Sector

A. Accommodation

Upon receiving reservations through the official website, individual bookings, brick-and-mortar travel agencies, online travel agencies, and corporate clients, the Company procures necessary in-room amenities from suppliers to ensure that guests enjoy a comfortable stay experience.

B. Food and Beverage (F&B)

Production Process is as follows:



4.2.3 Supply of Key Raw Materials

1. Cement Sector

According to statistics published by the Taiwan Cement Manufacturers' Association for 2025, domestic cement production totaled 9,976,745 metric tons, representing a year-on-year increase of 1.02%. Total annual cement consumption reached 13,877,147 metric tons, reflecting annual growth of 3.56%. Overall supply and demand remained in balance.

The primary suppliers of cement sold by the Company are Taiwan Cement Corporation and Asia Cement Corporation.

2. Warehousing and Storage Sector

Mainly focuses on the warehousing and storage services; therefore, there is no concern regarding raw material supply.

3. Assets Management Sector

The real estate and asset management sector primarily oversees assets such as the Taipei Chia Hsin Building, buildings on Bo'ai Road in Taipei, land in Zhonghe District, in New Taipei City, land in Mount Dagang in Kaohsiung; properties also include both old and new factories in Gangshan, and land on Kuojian Road in Kaohsiung. All managed assets are currently owned by the CHC Group.

4. Hospitality Sector

(1) Accommodation

Hotel Collective offers 260 guest rooms; Gemcare Maternity Center offers 24 rooms.

(2) Food and Beverage (F&B)

At Hotel Collective in Japan, locally sourced ingredients are widely incorporated in restaurant operations, with seasonal ingredients updated periodically. This approach not only provides guests with a refreshed dining experience but also maintains flexibility in raw material sourcing.

With respect to central kitchen operations, in addition to working with conventional upstream food suppliers, CHC Group promotes organic practices and regional revitalization by sourcing organic ingredients and conducting corporate procurement in collaboration with small-scale farmers supported by CHC Group.

4.2.4 List of Major Suppliers and Customers in the Past Two Years

1. Major Suppliers in the Past Two Years

Unit: NTD thousands

Item	2025				2024			
	Company Name	Amount	As % of Total Net Purchase	Relation with the Company	Company Name	Amount	As % of Total Net Purchase	Relation with the Company
1	Taiwan Cement Corp.	516,689	45%	The Company is a Director of Taiwan Cement Corp.	Taiwan Cement Corp.	573,750	44%	The Company is a Director of Taiwan Cement Corp.
2	Asia Cement Corp.	501,600	44%	None	Asia Cement Corp.	583,550	45%	None
3	Others	132,472	11%		Others	136,492	11%	
	Total Net Purchase	1,150,761	100%		Total Net Purchase	1,293,792	100%	

Note 1: List the names of suppliers whose total purchases in the past two years account for more than 10%, along with their purchase amounts and proportions. However, if contracts prohibit the disclosure of supplier names or if the trading partner is an individual and not a related party, then they may be represented by a code.

2. Major Customers in the Past Two Years

Unit: NTD thousands

Item	2025				2024			
	Company Name	Amount	As % of Total Net Revenue	Relation with the Company	Company Name	Amount	As % of Total Net Revenue	Relation with the Company
1	Lian Hsin Construction Material LTD.	266,843	9%	None	Lian Hsin Construction Material LTD.	368,367	12%	None
2	Others	2,748,514	91%		Others	2,616,990	88%	
	Total Net Revenue	3,015,357	100%		Total Net Revenue	2,985,357	100%	

Note 1: List the names of customers whose total revenue in the past two years account for more than 10%, along with their revenue amounts and proportions. However, if contracts prohibit the disclosure of customer names or if the trading partner is an individual and not a related party, then they may be represented by a code.

4.3 Profile of Employees in the Past Two Years and up to the Publication Date of this Annual Report

▼ Number of Employees, Average Length of Service, Average Age, and Educational Distribution Ratio in the Past Two Fiscal Years and up to the Publication Date of this Annual Report

1. The Company

Year		2024	2025	Current Fiscal Year and up until 12/31/2025
Number of Employees	Regular Employees	85	87	87
	Contracted Employees	0	0	0
	Total	85	87	87
Average age		44.55	44.09	44.09
Average Length of Service (Years)		10.58	9.99	9.99
Education Distribution Ratio	Ph.D.	0.00%	0.00%	0.00%
	Masters	24.71%	28.73%	28.73%
	Bachelor's Degree	69.41%	65.52%	65.52%
	Senior High School	5.88%	5.75%	5.75%
	Below Senior High School	0.00%	0.00%	0.00%

2. All Companies Included in the Consolidated Financial Statements

Year		2024	2025	Current Fiscal Year and up until 12/31/2025
Number of Employees	Regular Employees	395	397	397
	Contracted Employees	29	29	29
	Total	424	426	426
Average age		43.10	42.92	42.92
Average Length of Service (Years)		6.53	6.74	6.74
Education Distribution Ratio	Ph.D.	0.00%	0.00%	0.00%
	Masters	10.38%	7.75%	7.75%
	Bachelor's Degree	65.33%	65.96%	65.96%
	Senior High School	18.87%	20.42%	20.42%
	Below Senior High School	5.42%	5.87%	5.87%

4.4 Environmental Protection Expenditures

- Losses or penalties caused by environmental pollution in the past year and up to the publication date of this annual report: None.
- Specific Measures:
CHC group will continue to invest in or improve pollution control equipment and energy saving technologies. Specific measures taken in the past two years are as follows:

Unit: NTD thousands

Company/Unit	2025	2024	Remarks
Tong Yang Chia Hsin Int'l Corp	43,171	513	At the Taichung Port Storage and Transportation Center, the screw conveyor system in the inbound handling system was upgraded to a pneumatic conveying system. In addition, the motors of the lifting equipment were replaced with high-efficiency motors. These equipment upgrades were implemented to improve energy efficiency and reduce electricity consumption. At the Keelung Port Storage and Transportation Center, new dispatch equipment for low-carbon cement was installed to expand the storage and transshipment capacity for Portland-Limestone Cement. By strengthening the sales of low-carbon cement, CHC Group contributes to domestic carbon reduction efforts.
Chia Pei Int'l Corp.	3,483	4,892	At the Taipei Port's Bulk & General Cargo Terminal 1, plant-area lighting fixtures were replaced in phases with LED lighting. Air compressor equipment was upgraded to energy-efficient, high-performance models. In addition, water trucks were procured and sprinkler facilities were improved to comply with regulatory requirements and mitigate fugitive dust emissions.
Chia Hsin Property Management & Development Corp.	4,400	2,200	Considering equipment service life and energy-saving and carbon reduction benefits, all six elevators in both the front and rear buildings of the Chia Hsin Building were fully replaced and upgraded, with a total project cost of NT\$17.22 million.
Chia Hsin Property Management & Development Corp.	4,350	-	The project involved upgrading the airconditioning system and implementing an energy management system. Based on third-party measurement and verification, the project is expected to achieve annual electricity savings of approximately 382,000 kWh, reduce carbon emissions by approximately 188.9 metric tons, and attain an energy-saving rate of 50.89%. The project has successfully secured a subsidy of approximately NT\$4.53 million under the Ministry of Economic Affairs' energy-saving program.
Chia Hsin Cement Corporation / Chia Hsin Property Management & Development Corp.	78,561	630	The Company is implementing interior office space improvement works at the Chia Hsin Building headquarters with the objective of achieving LEED Green Building and WELL Building certifications. The total contract amount is NT\$90.09 million. The project currently meets the requirements for LEED Silver certification and has been submitted for review, while the application for WELL Gold certification is also in progress.

3. Significant Environmental Capital Expenditures for the Next Three Years:

- To accommodate the development of the resort hotel project in Toyosaki, Okinawa, the Company will adopt high-standard specifications required by InterContinental Hotels Group (IHG) for international-class hotels, focusing on energy efficiency, water conservation, and electricity savings. Significant funds are expected to be invested in environmental protection measures over the next few years. The overall cost estimate will be determined once the final construction design is confirmed.

- (2) The replacement project of the main chilled-water system at the rear building of the Chia Hsin Building is expected to save 100,000 kWh annually, with an estimated total cost of NT\$4.5 million.
 - (3) A solar photovoltaic power generation system is planned for construction in Gangshan, Kaohsiung, with an estimated total cost of NT\$60 million.
 - (4) Future upgrades to the exterior windows of the Chia Hsin Building will replace the current double-pane clear glass windows with single-pane Low-E laminated glass windows. This type of glass offers high light transmittance, strong thermal insulation, and low emissivity, allowing natural light to enter while blocking excessive heat from outside. The upgrade is expected to enhance energy efficiency, indoor comfort, and natural lighting, with an estimated cost of NT\$60 million.
4. Implementation of the Restriction of Hazardous Substances Directive (RoHS) by the European Union and Avoidance Measures taken to Protect Investor Rights: This directive does not apply to the financial operations of the Company.

4.5 Labor Relations

Major Labor-Management Agreements and Implementation Status

1. Labor-Management Meetings

Labor-management meetings are conducted periodically, and their major functions are as follows:

- (1) Coordinate labor-management relations and promote collaboration.
- (2) Communicate about working conditions.
- (3) Plan employee welfare.
- (4) Improve work efficiency.

In each meeting, both parties engage in effective communication and coordination, resulting in constructive outcome.

2. Meetings of the Employee Welfare Committee

Employee Welfare Committee meetings are conducted periodically, and their missions are as follows:

- (1) Review, promote, and supervise matters regarding employee welfare.
- (2) Plan, safeguard, and utilize employee welfare funds.
- (3) Allocate, audit, and report the income and expenditure of the Employee Welfare Committee.
- (4) Other related employee welfare matters.

3. Supervisory Committee for Employee Retirement Reserve Fund

The Supervisory Committee for Employee Retirement Reserve Fund holds meetings on an ad hoc basis to fulfill the following missions:

- (1) Review the allocation of the retirement reserve fund.
- (2) Examine the amount of retirement reserve fund allocations.
- (3) Examine matters regarding collections and deposits of the retirement reserve fund.
- (4) Examine payments made from the retirement reserve fund.
- (5) Supervise other retirement preparation fund related matters.

4. Implementation of Employee Welfare and Retirement Preparation Program

In addition to the statutory retirement pension system, labor insurance, and health insurance, the Company also offers group insurance for employees. Furthermore, the Company conducts annual health checks for employees, which exceed legal requirements, and provides free flu vaccines. Special health check-ups are also offered to employees working at the ports operated by Chia-Pei International Corporation and Tong Yang Chia Hsin International Corporation. Meanwhile, the Employee Welfare Committee provides various benefits including holiday, birthday, and elder care gifts, marriage and funeral subsidies, hospitalization condolences, retirement benefits, employee and children scholarships, employee and spouse childbirth gifts, and subsidies for childcare expenses. Additionally, flexible working hours, no clock-in required for make-up days, birthday leave, new employee leave, volunteer leave, paid family care leave and sick leave are implemented. The Company also provides additional leave for prenatal check-ups, spousal prenatal check-up leave, paternity leave, bereavement leave, and remote work days, all of which exceed legal requirements. Employees are also allowed flexible early leave on the afternoon of the workday prior to five major holidays. The Company organizes various employee welfare activities periodically to promote work-life balance. In February 2024, the Company launched an employee stock ownership trust program. Through a trust account, employees may contribute a fixed amount from their monthly salary, which is matched 100% by the Company. This initiative encourages employees to share in the Company's operational success and facilitates long-term savings for retirement planning.

5. Implementation of Employee Training

The Company regularly promotes a departmental talent development plan in the fourth quarter of each year, which encompasses talent standards establishment, talent analysis, and talent cultivation. Each department evaluates whether the competencies of its personnel align with short-, medium-, and long-term objectives. Based on key tasks and project needs, training plans are developed, including:

- Arranging internal and external training courses.
- Assigning departmental partners to provide dedicated job coaching.
- Rotating employees to different positions within the department to enhance diverse experiences and skillsets.
- Additionally, the Company has regular training programs, including:
- Onboarding training for new employees: To help new hires quickly integrate into the organization and grasp key aspects of their roles.

- Mandatory courses for all employees: To strengthen core skills and foundational knowledge.
- Management training: To develop leadership and management abilities in support of organizational growth.

Based on annual employee training needs surveys, the Company organizes office skills training series and project-related courses to meet diverse requirements. Furthermore, professional development courses designed for directors and supervisors are also open for employees to enroll in, encouraging collective growth and cross-functional learning, fostering a learning-oriented organization.

■ Competency Model Promotion and Core Competency Development

Following the establishment of the competency model in 2023, the Company has actively promoted the implementation and application of core competencies in 2024. The competency model encompasses core competencies, professional competencies, and management competencies, and has been integrated into recruitment processes and performance evaluation systems to enhance employees' work performance and personal development potential.

The Company has prioritized the promotion of six core competencies:

Integrity, Initiative, Taking Responsibility, Adapting to Change, Innovation, and Teamwork. Various promotional efforts have been made, and corresponding training actions have been implemented as follows:

(1) Integrity

To implement its integrity management policy and proactively prevent unethical conduct, the Company has established relevant policies and continuously promotes integrity management training programs for employees. In 2025, integrity management training was conducted through two in-person sessions—one for supervisors and one for employees—along with supplementary online courses, as outlined below:

A. Supervisor Session

On October 17, 2025, Sheng Lun Law Firm delivered a professional seminar addressing the key provisions of the Company's Integrity Management Guidelines. The training totaled three hours.

B. Employee Session

On November 14, 2025, an internal lecturer conducted training covering fundamental concepts of integrity management, common types of integrity violations, confidential information management, and insider trading prevention. The training totaled 1.5 hours.

A total of 196 employees of CHC Group participated in the training programs. The training coverage rate for all CHC Group employees in Taiwan reached 100% for the year. CHC Group will continue to promote integrity management training across the organization.

(2) Teamwork

The Company leverages its online learning platform to assign relevant courses for employee development, with the objective of fostering psychological safety and enhancing team effectiveness.

In 2025, a total of 63 employees completed designated courses, representing a voluntary enrollment rate of 63%, reflecting a proactive learning culture across the organization.

Through the establishment and application of the competency model, the Company has enhanced the precision of human resource management while laying a solid foundation for employees' professional development and the sustainable development of CHC Group.

■ Management Competency Enhancement Program

During the year, the Management Competency Enhancement Program was implemented through a combination of online and in-person training.

For the online learning component, multiple thematic courses were designed in accordance with the management competency framework. Course topics included goal and performance management, effective delegation, cross-team collaboration, strategic thinking, and organizational culture development. Total accumulated learning time exceeded 1,400 minutes, assisting managers in establishing a common management language and foundational understanding. A total of 24 managers participated in the online program.

For the in-person training component, the focus was placed on practical application and behavioral transformation in managerial contexts. Training was conducted through lectures, scenario-based exercises, and follow-up sessions. Course topics included communication management, situational leadership, and key leadership competencies. Total in-person training and follow-up hours exceeded 20 hours per person for the year, with participation by 37 managers. The program design emphasized a structured approach of “learning, peer exchange, and follow-up reinforcement,” enabling managers to review and refine their management practices in real-world settings, and to enhance team leadership and problem-solving capabilities.

Through the continuous implementation of management competency training, the Company has effectively strengthened communication, coordination, and decision-making quality among the management team, promoted cross-departmental collaboration and organizational stability, and supported talent development and the achievement of the Company's long-term development objectives.

6. Losses Resulted from Labor Dispute up to the Publication date of this Annual Report: None.

4.6 Information Security Management

1. Information Security Risk Management Framework

The Company has established an Information Security Management Review Committee as the responsible authority for information security governance. The Committee is convened by the President and serves as the highest-level decision-making body for information security management, responsible for conducting management reviews and making resolutions on information security-related matters.

A designated Information Security Supervisor, reporting to the General Management Office, assists in the operation of the Information Security Management Review Committee.

The Company has also appointed a dedicated information security personnel responsible for the execution of information security management operations.

The Information Technology Department serves as the execution unit for information security. In accordance with the Company's Information Security Policy and related guidelines, it establishes and maintains the information environment, and implements and continuously updates rigorous measures to effectively prevent and mitigate information security risks.

The Internal Audit Office acts as the supervisory and audit unit for information security. If deficiencies are identified during audits, the audited unit is required to submit corrective action plans, which are reported to the Board of Directors. Improvement progress is tracked on a regular basis to reduce internal information security risks.

In addition, the external auditors conduct annual audits of information system operations. Any identified deficiencies require corrective actions and follow-up to ensure effective remediation. In recognition of the importance of information security, the responsible unit reports annually to the Board of Directors on the status of information security governance and implementation. The most recent report was presented on November 17, 2025.

2. Information Security Policy

The Company administers the following measures to prevent risk and strengthen the management of information security, ensures the availability, integrity, and confidentiality of information, and avoids any intentional or accidental threats internally and externally. The goals of security management are as follows:

- (1) Maintain the continuous operation of various information systems
- (2) Prevent cyber-attacks from hackers and various viruses
- (3) Prevent improper and illegal use of systems
- (4) Prevent the leakage of confidential and sensitive information
- (5) Avoid human error and accident
- (6) Maintain physical environment security

Information security management includes the following:

- | | |
|---|--|
| (1) Computer equipment security management | (4) System access control |
| (2) Network security management | (5) Operation sustainability |
| (3) Endpoint protection and management prevention | (6) Promotion and educational training |

3. Management Plan

(1) Computer equipment security management

- A. All computers, application servers, and other equipment of the Company are located in dedicated machine rooms with access control limited to key cards and access records retained for inspection.
- B. The server room is equipped with an independent airconditioning system to maintain computer equipment under appropriate operating temperature conditions. Carbon dioxide (CO₂) fire extinguishers are also installed and are suitable for extinguishing general fires as well as electrical fires.
- C. The mainframes in the machine rooms are equipped with uninterruptible power supply (UPS) and voltage stabilization devices. They are connected to the Company building's backup generator power supply system to prevent system crashes caused by sudden power outages from the utility provider, or to ensure the continuous operation of computer applications during temporary power outages.
- D. The usage status of computer equipment is evaluated based on actual needs and operational performance. Equipment that does not meet usage requirements or has insufficient performance will be budgeted for replacement based on actual conditions to ensure work efficiency and operational stability.

(2) Network security management

- A. Strengthen network control by deploying enterprise-grade firewalls at the entry points connecting to external networks, effectively blocking illegal intrusion attempts by hackers.
- B. Site-to-site connectivity between remote offices and the Taipei Headquarters is secured through data encryption mechanisms to prevent unauthorized interception during data transmission.
- C. Require employees accessing the Company's internal network remotely to apply for VPN accounts. Access to the ERP system is granted only after passing through VPN certificate control and username-password authentication, with usage records available for auditing purposes.
- D. Implement internet behavior management and filtering devices to regulate access to the internet, while blocking access to harmful or policy-prohibited websites and content, to enhance network security and prevent improper utilization of bandwidth resources.

- E. Conduct regular external network risk assessments using external network risk assessment tools to evaluate the Company's external network services and weaknesses identified are promptly reinforced to mitigate risks.
- F. Conduct social engineering drills annually, coupled with educational training, to enhance employee awareness of cybersecurity threats.

(3) Endpoint protection and management

- A. Install endpoint protection both in the server and the terminal computers for anti-virus and anti-hacking protection. The virus pattern is automatically updated to ensure that the latest viruses can be blocked, and at the same time, detect and prevent the installation of potentially executable files from threatening systems.
- B. The anti-virus system will not only isolate or delete the detected or intercepted virus immediately, but will also proactively issue a risk report on the computer that is exposed so that managers can take corresponding actions.
- C. Software installation privileges on employees' endpoint devices have been removed and centralized under the control of the Information Technology Department. If installation of non-standard software not included in the Company's approved configuration is required, a formal request must be submitted to the Information Technology Department and may only proceed upon approval from the responsible supervisor.

(4) System access control

- A. Employees requesting access to various application systems should do so through the Company's internal system permission application process. Upon approval by the relevant authorities, the IT Division creates system accounts, and system administrators then authorize access based on the requested functional permissions.
- B. Passwords for accounts are required to meet appropriate strength and length criteria, including a mixture of letters, numbers, and special symbols, to ensure security.
- C. When employees leave or resign, they are required to notify the IT Division to proceed with the deletion of their accounts from various systems as part of the departure procedures.

(5) Operational sustainability

A. System backup

The Company has established a cloud backup mechanism with daily backup procedures. In addition to uploading system data and databases to an international cloud platform, backup copies are separately maintained at the Headquarters server room and the offsite IDC data center to ensure data security and operational resilience.

B. Disaster recovery drills

Conduct an annual drill for core systems. After selecting a restoration date baseline, the backup media is restored to the main system, and then have all users confirm the correctness of the recovered data in writing to ensure the accuracy and effectiveness of the backup media.

- C. Two data lines are rented from a telecommunications company. Through bandwidth management equipment, the two lines are connected in parallel for redundant use to ensure uninterrupted network communication.
- D. An IDC data center and cloud infrastructure have been established to ensure that operations will not be disrupted due to force majeure events affecting any single server facility.

(6) Promotion and educational training

A. Regular advocacy

Require employees to periodically change their system passwords to maintain account security.

B. Education and Training

The Company conducts information security education for all employees twice annually. Information security training is also incorporated into each orientation program for new employees. In addition, information security awareness is reinforced through employee town hall meetings and internal knowledge-sharing sessions.

- C. Join the Taiwan Computer Emergency Response Team Coordination Center (TWCERT/CC) as a member to obtain channels for cybersecurity incident consultation and collect cybersecurity intelligence for internal advocacy.

- D. Provide additional education and training for employees with weak cybersecurity awareness based on the results of social engineering drills.

- E. Designated personnel participated in the ISO/IEC 27001:2022 Information Security Management Systems (ISMS) Lead Auditor Training Program and successfully passed the course examination.

4. Information Security Management Resources

In order to implement the six major information security policies, the resources invested are as follows:

- (1) Network hardware equipment includes firewalls, endpoint protection systems, web access behavior analysis systems, and managed switches.
- (2) Software systems include a Managed Detection and Response (MDR) endpoint protection system, cloud infrastructure and backup management software, as well as VPN authentication and encryption software.
- (3) Telecommunications services include redundant network connections and intrusion prevention services.
- (4) Human resources allocation including daily system status checks and backups, weekly backup media offsite storage execution, at least two cybersecurity awareness education courses held every year, annual system disaster recovery execution drills, annual internal audits of information circulation, and audits by CPAs, etc.

(5) Information security management personnel

1 chief information security management officer and 1 information security management dedicated personnel, both responsible for cybersecurity architecture design, cybersecurity operations and supervision, cybersecurity incident response and investigation, cybersecurity policy review and revision. The dedicated chief officer reports to the Board of Directors at least once a year.

(6) System Upgrade and Data Center Migration

The company upgraded its ERP system to SAP, which features built-in multi-layer security mechanisms, meeting the demands of a faster and more secure modern system. Simultaneously, the company's data center was migrated to an IDC facility, ensuring compliance with data center standards.

(7) Conduct comprehensive information security assessments to identify potential vulnerabilities and implement remediation measures.

(8) In 2025, the Information Security Management Review Committee convened four meetings, on an approximately quarterly basis, to review and monitor various information security measures and implementation projects.

5. Losses for Major Information Security Management Incidents in the Recent Fiscal Year and Countermeasures.

From the fiscal year of 2025 and as of the publication date of the annual report, there have been no significant information security management incidents

6. Information Security Awareness

The Company conducts annual information security education for all employees and incorporates information security training into new employee orientation programs to strengthen employees' information security awareness.

The Company also conducts annual social engineering simulation exercises to enhance employees' vigilance against information security threats. The most recent social engineering simulation was conducted on November 18, 2025. Employees who did not pass the simulation were required to complete additional training on preventive measures.

7. Summary of Information Security Achievements in 2025

Implementation Results	Quantitative Indicators
Information Security Management Review Meeting	4 times
Social Engineering Drill	1 time (2 attack waves) ; follow-up training participation rate: 100%.
Training for All Employees	2 times; training participation rate: 100%.
Comprehensive Information Security Assessment	1 time; remediation rate of identified vulnerabilities: 100%.
Implemented MDR Endpoint Protection	Coverage rate for Chia Hsin Cement: 100%.

4.7 Important Material Contracts

Nature of Contract	Counterparty	Period	Major Contents	Restrictions
Lease Agreement (Original Contract)	Chia Hsin Cement Corporation / Taiwan International Ports Corporation, Ltd., Keelung Branch	07/07/2024 - 07/06/2034	TIPC port of Keelung and Chia Hsin Cement Corporation entered into a "Lease and Operation Agreement for the back land area of Wharf W33 and related cement silo facilities" on February 25, 2025. The Company leased the back land area of Wharf W33 and related cement silo facilities from TIPC Port of Keelung, for the purpose of conducting cement loading, unloading, storage, transshipment, and distribution operations at the Port of Keelung. A lease and operation agreement was signed between both parties accordingly.	
Assignment and Assumption Agreement	Tong Yang Chia Hsin Int'l Corp. / Chia Hsin Cement Corporation / Taiwan International Ports Corporation, Ltd., Keelung Branch	09/01/2025 - 07/06/2034	With the consent of Taiwan International Ports Corporation, Ltd., Keelung Branch, Chia Hsin Cement Corporation assigned all rights and obligations under the Original Contract to its subsidiary, Tong Yang Chia Hsin International Corporation. The subsidiary unconditionally assumed and succeeded to all terms and conditions of the Original Contract and, as of the date of execution, replaced the Original Contract in full force and effect.	
Lease Agreement (Note 1)	Chia Hsin Cement Corporation / TIPC Port of Keelung	35 years and 5 months starting from 12/10/2009	The Company leased wharfs (E13, E14 and E15) at Taipei Port's Bulk & General Cargo Terminal 1 and agreed to construct wharf E16, and joint-venture constructed warehouse facilities, offices, and storage equipment at the back side of the Center. The facilities and equipment are used for loading and unloading, storage and transportation of coal, gravel, and bulk and general cargo.	
Storage & Transport Agreement	Chia Hsin Cement Corporation / CHC Resources Corporation	10/25/2010 - 05/10/2045	The Company built warehouse facilities at the backside of wharfs (E14, E15 and E16) at Taipei Port's Bulk & General Cargo Terminal 1. Main scope of work included handling and storage services for furnace slag powder from CHC Resources Corporation or other types of finished furnace slag powder. Management of the storage facilities is entrusted to CHC Resources Corporation during the term of the contract, as they will be responsible for matters related to occupational safety, environmental protection, site utilization, facility operation and maintenance, as well as insurance.	

Nature of Contract	Counterparty	Period	Major Contents	Restrictions
Lease Agreement	Tong Yang Chia Hsin Int'l Corp. / Port of Taichung, Taiwan International Ports Corp., Ltd.	01/01/2025 - 12/31/2034	Rented Port of Taichung No. 27 Wharf 1st line land, cement silo, and auxiliary facilities	
Engineering Contract Agreement	Tong Yang Chia Hsin Int'l Corp. / Taiwan Jiuyueng Engineering Corporation	contract signed on 05/27/2024 - completion date	The installation project of low-carbon cement loading and dispatch equipment at the rear cement storage facility of W33 at the port of Keelung.	
Lease Agreement	Chia Hsin Property Management & Development Corp. / National Taiwan University	05/16/2014 - 01/15/2025	Long term rental of Japanese-style housing and attached buildings on Hangzhou South Road, Taipei City from National Taiwan University	
Lease Agreement	Chia Hsin Property Management & Development Corp. / GPing Wellness	08/16/2015 - 01/15/2025	Long term rental of Japanese-style housing and attached buildings on Hangzhou South Road, Taipei City.	
Lease Agreement	Chia Hsin Property Management & Development Corp. / POYA Int'l Co., Ltd.	12/01/2015 - 11/30/2035	Rental of two lots of land at Watsu Section, Gangshan District, Kaohsiung City (No. 2197-4 and No. 2205), totaling 8,413 ping.	
Lease Agreement	Chia Hsin Property Management & Development Corp. / Family Mart	01/01/2016 - 12/31/2035/	Rental of six lots of land (No. 2197) at Watsu Section, Gangshan District, Kaohsiung City, totaling 15,130.37 ping.	
Lease Agreement	Chia Hsin Property Management & Development Corp. / Family Mart	01/01/2017 - 12/31/2035	Increase rental of land No. 2197-3, 965.88 ping at Watsu Section, Gangshan District, Kaohsiung City	
Lease Agreement	Chia Hsin Property Management & Development Corp. / Woey Her Enterprise Co., Ltd.	03/15/2019 - 05/31/2043	Rental of five lots of land (No. 1164) at Chia Hsin Section, Gangshan District, Kaohsiung, totaling 12,764 ping	
Lease Agreement	Chia Hsin Property Management & Development Corporation / Woey Her Enterprise Co., Ltd.	06/01/2023 - 05/31/2043	Rental of one lot of land (No. 1169) at Chia Hsin Section, Gangshan District, Kaohsiung, totaling 3,548.35 ping.	

Nature of Contract	Counterparty	Period	Major Contents	Restrictions
Lease Agreement	Chia Hsin Property Management & Development Corp. / Hon Yuan Moto Corp.	01/01/2021 - 03/31/2033	Rental of land and building, totaling 905.35 and 384.62 ping respectively, at No. 349, Zhongshan Rd., Sec. 2, Chunghe District, New Taipei City	
Lease Agreement	Chia Hsin Property Management & Development Corp. / Eagle Cold Storage Enterprise Co., Ltd.	02/01/2023 - 01/31/2043	Rental of two lots of land No. 1163 Chia Hsin Section and No.1001 Wujiawei Section, Gangshan District, Kaohsiung City, totaling 4,109.17 ping	
Urban Renewal Cooperation Agreement	Chia Hsin Property Management & Development Corp. / Huang Hsiang Construction Corporation	contract signed on 03/24/2022	Urban renewal of 3 lots of land, property above ground, and superficies on No. 539 Chengzhong Section 2nd, Zhongzhen District, Taipei	
Technical Service Commission Contract	Chia Hsin Property Management & Development Corp. / Urbanet Counseling Group	from 04/20/2021 until receiving approval from Kaohsiung City	Technical services for land change in Dagangshan section, Tianliao District, Kaohsiung City.	
Engineering Contract Agreement	Chia Hsin Property Management & Development Corp. / Taiwan Mitsubishi Elevator Co., Ltd.	contract signed on 01/17/2023 - completion date	Replacement (demolition and renewal) of six elevators in Chia Hsin Building.	
Engineering Contract Agreement	Chia Hsin Property Management & Development Corp. / Dazhen Interior Design Co., Ltd.	Contract signed on 02/16/2025 - completion date: 06/15/2025.	Interior Renovation Project for the 1st and 2nd Floor Offices of the Front Building of the Chia Hsin Building.	
Joint Development and Sale Agreement	Chia Hsin Property Management & Development Corp. / YueBao Industrial Co., Ltd.	contract signed on 08/12/2024	Joint development and sale of 20 lots of lands at Shuixian section, Tamsui Dist, New Taipei City, totaling 1,514.95 ping.	
Energy Technology Services Agreement	Chia Hsin Property Management & Development Corp. / Foxwell Power Co. Ltd.	07/01/2024- approval by the Ministry of Economic Affairs Industrial Development Administration.	Both of Chia Hsin Buildings applied for technical consulting services under the 2024 Industry Energy Efficiency Subsidy Program by the Ministry of Economic Affairs.	

Nature of Contract	Counterparty	Period	Major Contents	Restrictions
Loading, Unloading, Storage And Transport Agreement	Chia Pei Int'l Corp. / Nan Ya Plastic, Hua Ya Power	08/01/2010-07/31/2026	Provision of unloading, warehousing, and truck loading services for coal at Taipei Port's Bulk & General Cargo Terminal 1.	
Lease Agreement	Jaho Life Plus+ Management Corporation / Chen Hsiu-Hsia 、 Chen Hsiu-Chuan 、 Chen Hsiu-Lung 、 Chen Hsiu-Min 、 Chen Hsiu-Feng 、 Chen Chang-Chi 、 Chen Wei-Yuan 、 Chen Wei-Ta	01/01/2026 - 12/31/2035	Leased the property located at No. 230, Dunhua North Road, Songshan District, Taipei City.	
Architectural Design And Supervision Services Commission Contract	CHC Ryukyu Development GK/ Kengo Kuma & Associates	contract signed on 05/28/2018	Architectural planning, design, and supervision for land development in Toyosaki, Japan. (The direction of the design changes is still being finalized.)	
Management Agreement	CHC Ryukyu Development GK/ IHG Japan (Management) LLC	contract signed on 08/17/2019	Project management of the hotel in Toyosaki, Japan. (The hotel development model is still under evaluation)	
Lease Agreement	Chiapeng Gemcare Maternity (Yangzhou) Co., Ltd./ Yangzhou Tianlegang Holiday Concourse	12/01/2018 - 02/28/2034	Lease of property in Yangzhou City, China.	
General Contracting Agreement	Chia Hsin Green Energy Corporation/ Go Achieve Technology Co., Ltd.	contract signed on 12/25/2023 - completion date	General contracting project for the photovoltaic power generation system at the old Chia Hsin Gangshan plant factory.	

Note 1: In compliance with Article 9 of the Establishment Act of Taiwan International Ports Corporation, Ltd., Taiwan International Ports Corporation, Ltd. shall succeed the contracts made between TIPC Port of Keelung and the Company, as of March 1, 2012.

5 ► Review and Analysis of Financial Status, Financial Performance, and Risk Management

5.1 Financial Status

Unit: NTD thousands

Item	Year	2025	2024	Difference	
				Amount	%
Current Assets		9,277,857	9,848,540	(570,683)	(6)
Property, Plant and Equipment		3,579,803	3,828,076	(248,273)	(6)
Other Assets		19,759,653	21,401,464	(1,641,811)	(8)
Total Assets		32,617,313	35,078,080	(2,460,767)	(7)
Current Liabilities		3,586,317	2,925,659	660,658	23
Non-current Liabilities		10,307,944	10,562,664	(254,720)	(2)
Total Liabilities		13,894,261	13,488,323	405,938	3
Share Capital		7,902,474	7,902,474	-	-
Capital Surplus		1,457,692	1,388,434	69,258	5
Retained Earnings		10,314,342	10,190,860	123,482	1
Other Equity		(459,911)	2,455,605	(2,915,516)	(119)
Treasury Shares		(1,079,060)	(1,055,710)	(23,350)	2
Total Equity Attributable to Owners of the Company		18,135,537	20,881,663	(2,746,126)	(13)
Non-controlling Interests		587,515	708,094	(120,579)	(17)
Total Equity		18,723,052	21,589,757	(2,866,705)	(13)

Analysis of difference ratio reaching 20% or more:

- Increase in current liabilities: Mainly attributable to an increase in short-term borrowings due to investment activities and funding requirements.
- Decrease in other equity: Mainly attributable to an increase in losses on financial assets measured at fair value through other comprehensive income.

5.2 Financial Performance

Unit: NTD thousands

Item	Year	2025	2024	Amount Increased (Decreased)	Difference %
Operating Revenue		3,015,357	2,985,357	30,000	1
Operating Cost		2,527,950	2,550,390	(22,440)	(1)
Gross Profit		487,407	434,967	52,440	12
Operating Expenses		567,600	586,916	(19,316)	(3)
Profit (Loss) from Operations		(80,193)	(151,949)	71,756	(47)
Non-Operating Income and Expenses		639,569	537,733	101,836	19

Item	Year	2025	2024	Amount Increased (Decreased)	Difference %
Profit (Loss) Before Income Tax from Continuing Operations		559,376	385,784	173,592	45
Income Tax Profit (Expense)		7,520	(48,373)	55,893	(116)
Net Profit (Loss) for the Year		566,896	337,411	229,485	68

Analysis of difference ratio reaching 20% or more:

1. Decrease in profit (loss) from operations: Mainly attributable to an increase in gross profit from CHC Ryukyu COLLECTIVE KK.
2. Increase in profit (loss) before income tax from continuing operations and net profit (loss) for the year: Mainly attributable to an increase in investment income from affiliated companies recognized under the equity method.
3. Increase in income tax benefit (expense): Mainly attributable to an increase in deferred income tax benefits arising from unrealized foreign exchange gains and losses.

5.3 Cash Flow

1. Analysis of Cash Flow Changes in the Past Fiscal Year

Unit: NTD thousands

Beginning Cash and Cash Equivalents	Annual Net Cash Flow from Operating Activities	Annual Net Cash Flow from Investing and Financing Activities	Cash Surplus (Insufficiency)	Remedial Measures for Cash Insufficiency	
				Investment Plans	Financing Plans
2,313,203	281,150	(719,292)	1,875,061	-	-

1. Analysis of change in cash flow in the current fiscal year:

- (1) Operating activities: Mainly attributable to a decrease in accounts payable.
- (2) Investing and financing activities: Mainly attributable to the acquisition of financial assets and an increase in short-term borrowings.

2. Remedy for cash insufficiency: Not applicable.

2. Analysis of Cash Flow Changes in the Past Two Fiscal Years

Item	Year	2025	2024	Deviance (%)
Cash Flow Ratio (%)		7.84%	14.04%	-44
Cash Flow Adequacy Ratio (%)		19.06%	16.62%	15
Cash Reinvestment Ratio (%)		0.00%	0.17%	(100)

Deviance explanation:

Decrease in cash flow ratio and cash reinvestment ratio: Mainly attributable to a decrease in net cash flows from operating activities.

3. Analysis of Cash Liquidity in the Coming Year

Unit: NTD thousands

Beginning Cash and Cash Equivalent	Estimated Net Cash Flows from Operating Activities	Estimated Cash Flows from Investing and Financing Activities	Cash Surplus (Insufficiency)	Remedial Measures for Cash Insufficiency	
				Investment plans	Financing plans
1,875,061	163,405	(372,584)	1,665,882	-	-

Analysis of Cash Liquidity in the Coming Year:

According to the internal 2026 budget, it is anticipated that the operations will remain stable for the upcoming year, with no insufficient fundings expected.

5.4 Major Capital Expenditures and Impact on Financial and Business in Recent Fiscal Year

1. Capital expenditures of approximately NT\$90.09 million were incurred for the renovation of the first and second floors of the Chia Hsin Building. The project primarily focused on comprehensive space enhancement and the incorporation of energy-efficient and environmentally friendly design features. As a result, the building obtained LEED certification, thereby improving functional performance and overall environmental quality.
2. The capital expenditure of approximately JPY 100 million was incurred for the first-floor renovation of Hotel Collective in Okinawa, Japan. The renovation was undertaken to meet operational needs, enhance the quality of leasable space, and contribute to increased rental income.

5.5 Investment Policy, Primary Causes of Profit or Losses, Improvement and Investment Plans for the Upcoming Year

Equity investments are carried out by the Company's management based on operational and strategic considerations. Relevant departments provide professional information and submit consolidated evaluation recommendations to responsible executives. After an investment proposal is developed, the Company evaluates the investee's historical performance, future prospects, market conditions, and operational fundamentals as the basis for management's investment decisions.

In 2025, LDC Rome Hotels S.R.L. recorded net income of NT\$56 million, representing an increase of NT\$8 million compared with 2024. Although the Catholic Jubilee Year attracted a large number of pilgrims to Rome, the overall visitor mix shifted and the number of mid- to high-end travelers did not increase significantly. As a result, operating performance showed only modest growth during the year. Following the conclusion of the pilgrimage activities in 2026, operating performance is expected to strengthen.

In addition, LDC Hotels & Resorts reported net income after tax of NT\$861 million in 2025. Looking ahead to 2026, with the Tourism Administration under the Ministry of Transportation and Communications promoting domestic travel subsidy policies, together with more long holiday periods and the cancellation of make-up workdays compared with previous years, operating performance is expected to remain solid.

Chia Hsin Real Estate Development Co., Ltd., in which the Company holds a 46.18% stake, recorded net income of NT\$456 million in 2025, representing a significant increase compared with the previous year. The growth was mainly attributable to gains from asset disposals and the favorable capital market conditions.

5.6 Risk Management in the Recent Fiscal Year and up to the Publication Date of this Annual Report

5.6.1 Impact of Interest Rates, Foreign Exchange Rates, and Inflation on Corporate Finance and Future Response Measures

The Group's primary financing consists of long-term loans. To prudently manage interest rate risks, the Group continuously reviews market conditions, operational needs, and financial status to assess interest rate trends and determine the most effective risk management tools.

With respect to the domestic financial environment, the expansion of demand related to artificial intelligence, high-performance computing, and other advanced applications has driven robust external demand and supported investment momentum. However, the subsequent effects of U.S. tariff policies remain a key variable. Nevertheless, the continued expansion of AI-related industries is expected to sustain Taiwan's existing competitive advantages and further support economic growth.

For fiscal year 2025, the Directorate-General of Budget, Accounting and Statistics, Executive Yuan, forecasts Taiwan's annual consumer price index (CPI) growth rate at 1.61%, indicating a relatively low inflation risk. Notwithstanding, developments in U.S. tariff policies and adjustments in the pace of monetary policy by major central banks may continue to affect the global economic outlook, potentially leading to greater volatility in domestic interest rates and foreign exchange rates. Accordingly, prudent risk management remains essential.

Overall, the CHC Group has adopted the following measures in response to risks arising from fluctuations in interest rates and foreign exchange rates:

1. To mitigate exchange rate risks, funding for overseas investment projects is primarily sourced through local bank loans. Additionally, capital expenditures are planned to be financed mainly through long-term loans and capital increases to hedge against interest rate risks.
2. For foreign currency deposits held overseas, in addition to closely monitoring and tracking relevant market information, the Group implements appropriate hedging strategies at optimal times and under suitable conditions. Simultaneously, investment project funding requirements are carefully coordinated to achieve the most efficient allocation.

To stay informed of economic and financial developments, the Company regularly sends employees to participate in financial institutions' training programs on global economic outlooks, foreign exchange hedging instruments, forex transactions, and market analysis. Through these training sessions, the Company aims to enhance employees' sensitivity to interest rate and exchange rate fluctuations, strengthen their risk assessment capabilities, and develop effective risk management strategies.

5.6.2 Primary Causes of Profit or Losses and Future Response Measures Regarding High-Risk and Highly Leveraged Investments, Lending, Endorsements, Guarantees of Other Parties, and Financial Derivative Transactions

The Company has refrained from engaging in high-risk or highly leveraged investments. As for lending funds, offering endorsements and guarantees, and engaging in derivative transactions, the Company adheres to policies established in accordance with the "Asset Acquisition and Disposal Procedure" and "Fund Lending and Endorsement Guarantees Procedure," and assesses the risks involved, in order to implement necessary response measures.

5.6.3 Future Research & Development Plans and Expected Spending: None.

5.6.4 Risks Associated with and Response Measures to Changes in Local and International Government Policies and Regulatory Environment

As of the publication date of this annual report, the Company has not experienced any significant impact on its financial operations due to changes in important local or international government policies and regulations.

The execution of business activities within the Company is carried out in accordance with the relevant domestic and international policies and legal regulations. The Legal Division assists each unit in keeping up with developments in important domestic and international policies, as well as changes in markets and environment, to evaluate potential impacts on the Company and establish suitable countermeasures in a timely manner. When necessary, the Company seeks advice from legal advisors, CPAs, and other relevant professional units to ensure compliance and mitigate any potential impacts on financial and business operations.

5.6.5 Impact of and Response Measures to Changes in Technology (including information security risks) and Industry Relating to Corporate Finance and Operation

The Company's Board of Directors and management closely monitor technological advancements and industry changes, taking proactive and effective measures to adapt operations accordingly.

1. In response to the increasing risks of cybersecurity threats, the Company conducts annual social engineering drills, using phishing email simulations to enhance employees' awareness of information security.
2. To safeguard information system security and ensure uninterrupted operations, the Company relocated its on-premises data center to an ISO 27001–certified Internet Data Center (IDC) and established a cloud-based data center. In conjunction with this transition, the Company restructured its server and network architecture and implemented a hyper-converged infrastructure (HCI) to integrate computing, storage, and networking resources. These initiatives enable efficient system management, scalable deployment, and cost optimization, thereby supporting the Company's accelerated digital transformation.

3. In response to the increasing importance of information security, the Company has continued to strengthen its information security governance framework. The internal information technology and information security units have progressively established an Information Security Management System (ISMS) in accordance with internationally recognized information security management principles, while systematically reviewing and revising relevant operational procedures.

The Company has completed the development of the four-tier ISMS documentation framework and continues to conduct risk assessments on an ongoing basis. Based on the assessment results, related documentation is updated on a rolling basis and appropriate risk treatment measures are formulated, with the aim of enhancing overall information security management effectiveness.

In 2024, the Company established the Information Security Management Review Committee, convened by the President, and held its first meeting on November 14, 2024. In 2025, the Committee convened a total of four meetings to review and monitor various information security enhancement initiatives, including the implementation of a Managed Detection and Response (MDR) endpoint protection system, the execution of comprehensive information security assessments, cloud data center construction projects, and the continuous updating of the four-tier ISMS documentation.

4. To enhance operational efficiency and strengthen cybersecurity, the Company is replacing its existing ERP system with SAP to meet modern digital transformation requirements. The SAP system offers key advantages, including real-time data analytics to improve decision-making, enterprise resource integration to enhance cross-departmental collaboration, and built-in multi-layer security mechanisms to mitigate system vulnerabilities and cybersecurity risks. This system upgrade will accelerate process automation and maximize operational efficiency.

5.6.6 Changes in Corporate Reputation and its Impact on the Company's Crisis Management Measures

The Group continues to enhance corporate governance by maintaining independent director seats on the Board and establishing functional committees, including the Remuneration Committee, Sustainability Committee, Audit Committee, and Risk Management Committee. All material information required by regulations is disclosed in a timely manner to ensure stakeholders have access to transparent and symmetrical information.

In recent years, the Group has undergone a transformation, expanding into the hospitality industry. To reshape public perception, which has long associated the Group with traditional manufacturing, and to enhance understanding of its transition into hospitality services, the Group undertook a comprehensive brand image revamp in 2019. Through professionally designed videos and corporate introductions, the Group has effectively communicated its new corporate identity to the public, media, institutional investors, employees, customers, and shareholders, receiving positive recognition and feedback.

As the Company transitions into the consumer industry, managing corporate image requires heightened diligence. In today's landscape of digital media and social networking, even minor missteps can lead to negative publicity, potentially impacting business performance. The Company has completed the amendment of "Crisis Management Protocol", in the event of an emergency or critical incident, upon receiving the incident report, the Executive Secretary of the Crisis Management Team will conduct a preliminary determination. As crisis level elevates, the General Manager will then form the Crisis Management Team including task forces for legal affairs, investigations, execution, PR & IR, documentation to handle crisis reporting and response procedures. Post-incident reviews and improvements are conducted to refine risk management strategies and update databases, ensuring the Company remains well-prepared to respond promptly and mitigate potential damage.

5.6.7 Expected Benefits and Risks Associated with, and Response Measures to Merger and Acquisitions: None.

5.6.8 Expected Benefits and Risks Associated with, and Response Measures to Plant Expansion Plans

The Company currently has no plans to expand plants.

5.6.9 Risks Associated with and Response Measures to Sales or Purchasing Concentration: None.

5.6.10 Impact on, Risks Associated with, and Response Measures to Sales of Significant Numbers of Shares by Directors, and/or Shareholders Owning 10% or More of Company's Total Outstanding Shares: None.

5.6.11 Impact on, Risks Associated with, and Response Measures to Change in Management Rights: None.

5.6.12 Litigious and Non-Litigious Matters: None.

5.6.13 Other Material Risks and Response Measures

In accordance with the “Risk Management Best Practice Principles for TWSE/TPEX Listed Companies” and following the Company’s “Risk Management Policy and Procedures” as well as the “Chia Hsin Group Risk Identification Methodology”, the Company conducts risk assessments by referencing the World Economic Forum Global Risks Report, SASB, and MSCI industry ESG risk topics. Through this process, the Company identifies significant and emerging risks, categorizing them into five major risk areas: Strategic, Operational, Financial, Compliance, and Other Risks (including Environmental, Energy, and Emerging Risks).

The risk assessment process involves conducting risk education and training sessions and interview discussions to enhance internal risk awareness and understanding. It also includes evaluating the impact and likelihood of each risk. For significant risks, the Company formulates response measures and monitoring indicators, continuously tracking changes to ensure the effective implementation of risk management practices.

The 2026 Risk Assessment Report was presented to the Risk Management Committee and the Board of Directors on December 11, 2025. The Company’s material risks and emerging risks* are described as follows:

Risk	Impact	Mitigation Strategy
Building durability, safety, and legality	<ul style="list-style-type: none"> - Decline in revenue - Personnel Safety - Capital expenditure 	Renovation Project for the Façade, Stairwells, Landscaping, and Roadways of the Front Building of the Chia Hsin Building
Policy changes in response to Net-zero carbon emissions by 2050	<ul style="list-style-type: none"> - Decline in revenue - Increase in operating costs - Corporate reputation 	<ol style="list-style-type: none"> 1. Actively seek new business opportunities and development directions. 2. In accordance with market demand and development trends, negotiate contract modifications with the port authority in a timely manner. 3. Track and understand government policies and regulations, and propose response measures when needed. 4. The Company implements carbon reduction initiatives with the objective of fulfilling its commitments under the Science Based Targets initiative (SBTi).
Extreme Climate	<ul style="list-style-type: none"> - Financial loss - Personnel Safety - Operational Impact 	<ol style="list-style-type: none"> 1. Establish comprehensive Business Continuity, Crisis Management, and Response Plans, and conduct regular reviews. 2. Regularly assess and enhance infrastructure resilience. 3. Increase or ensure adequate insurance coverage to meet operational needs. 4. In compliance with the requirements of the competent authorities, the Company has adopted the International Sustainability Disclosure Standards (IFRS S1 and IFRS S2) and discloses relevant information in its financial reports.
Low birth rates and regional issues leading to labor shortages	<ul style="list-style-type: none"> - Operational Impact 	<ol style="list-style-type: none"> 1. Industry–Academia Collaboration Enhancement Program. 2. Participation in Joint Recruitment Initiatives and Strengthening of Employer Branding. 3. Planning of an In-Home Childcare Support Program

Risk	Impact	Mitigation Strategy
Business Continuity Risks caused by external factors such as disasters, accidents, or infectious diseases	<ul style="list-style-type: none"> - Loss of equipment - Decreased revenue - Impact on reputation 	<ol style="list-style-type: none"> 1. Establish comprehensive Business Continuity, Crisis Management, and Response Plans, and conduct regular reviews. 2. Develop a diversified supply chain to enhance resilience. 3. Organize regular training programs and drills to strengthen employees' response capabilities. 4. Establishment of Effective Internal and External Communication Mechanisms to Ensure the Accurate and Timely Communication of Emergency Information and Response Measures.
Industry Competition	<ul style="list-style-type: none"> - Impact on Operations - Impact on Reputation 	The Company continues to maintain sound relationships with upstream suppliers and to deepen strategic partnerships, thereby working collaboratively to address challenges arising from market competition.
Strategic New Market Expansion Risk	<ul style="list-style-type: none"> - Financial loss - Operational Impact 	<ol style="list-style-type: none"> 1. Leveraging the expertise of external professional consultants together with the internal management team to provide accurate market analysis and operational insights, thereby reducing unnecessary time costs and related expenses. 2. Expanding the scope of existing services of postpartum care centers through the development of ancillary businesses, and leveraging the advantages of professional teams and comprehensive service offerings to deliver differentiated services. 3. Evaluating the establishment of new facilities to broaden the customer base by integrating health-related services, and to expand the business scope by offering service models that remain scarce in the current market.

5.7 Other Material Matters: None.

6 ► Special Disclosures

6.1 Affiliated Companies :

Please refer to the Chinese version of Market Observation Post System (MOPS). The access path is as follows: Market Observation Post System > Single Company > Electronic Document Download > Related Party Transactions Section

(https://mopsov.twse.com.tw/mops/web/t57sb01_q10)

6.2 Private Placement Securities in the Past Year and up to the Publication Date of this Annual Report: None.

6.3 Other Necessary Supplemental Information: None.

7 ► Any Events that Had Material Impact on Shareholders' Interests or Share Prices as Stated in Item 3 Paragraph 2 of Article 36 of Securities and Exchange Act of Taiwan in the Past Fiscal Year and up to the Publication Date of this Annual Report: None.



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