Operations of corporate governance

(I) The operations of the Board of Directors

1. From January 1, 2024 to April 21, 2025, a total of 6 board meetings were held (2 from the 20th term; 4 from the 21st term). The attendance of directors is as follows:

Title	Name	Attendance in person (times)	Number of attendance by proxy	Attendance Rate (%)	Note
Chairman	Zhi-Xiong Yang	6	0	100%	Re-elected Date of re-election: 2024.06.19
Director	Zhong-Xiong Yang	6	0	100%	
Director	Ren-Xiong Yang	6	0	100%	
Director	Da-Qin Yang	6	0	100%	
Juristic-person representative of director	Bo-Wei Yang	5	1	83%	
Director	Hua-Ling Lin	2	0	100%	Discharged
Director	Yin-Hsing Yang	3	1	75%	Newly elected
Independent director	Zheng-Ting Chen	1	1	50%	Discharged
Independent director	Zheng-Tong Shi	2	0	100%	Discharged
Independent director	Rui-Tai Wu	6	0	100%	Re-elected Date of re-election: 2024.06.19
Independent director	Da-Xiong Chen	4	0	100%	Newly elected
Independent director	Li-Xiong Chen	4	0	100%	Newly elected

Other matters to be recorded:

I. For matters listed in Article 14-3 of the Securities and Exchange Act or other board meeting resolutions that have been opposed or reserved by independent directors with records or written statements, the date and period of the board meeting, proposal content, all independent directors' opinions and the Company's handling of their opinions should be described:

(I) Matters listed in Article 14-3 of the Securities and Exchange Act: Please refer to "Important resolutions of the Board of Directors" on pages 42 to 43.

(II) Except for the matters above, other board meeting resolutions for which independent directors expressed objections or reserved opinions on record or in a written statement: None.

(III) The implementation of directors' recusal of proposals for being interested parties: None.

II. Evaluation of the current year's and the most recent year's goals of strengthening the Board functions and implementation:

1. The Company communicated with CPAs in writing on relevant governance matters on a quarterly basis, and CPAs were invited to attend the Board meeting on March 13, 2025 in a non-voting capacity to communicate with all directors.
2. The Company has established the "Regulations for Board Performance Self-Evaluation or Peer Evaluation," and in 2023 added provisions for evaluating members of functional committees. In 2024, members of the Board of Directors and functional committees conducted self-evaluations of the operations of the Board of Directors, the Audit Committee, and the Remuneration Committee for the year 2023. The Board Secretariat then performed a comprehensive assessment, and the results were submitted to the Board of Directors on March 13, 2025.

2. Attendance of independent directors at each board meeting in 2024

2024	1st	2nd	3rd	4th
Zheng-Ting Chen	Attended by proxy	Attended in person	Former, re-elected on 2024/06/19	
Zheng-Tong Shi	Attended in person	Attended in person		
Rui-Tai Wu	Attended in person	Attended in person	Attended in person	Attended in person
Da-Xiong Chen	Newly elected, re-elected on 2024/06/19		Attended in person	Attended in person
Li-Xiong Chen			Attended in person	Attended in person

3. Board and Functional Committees Performance Evaluation

Evaluation frequency	**Evaluation period**	**Evaluation scope**	**Evaluation method**	**Evaluation content**
Once a year	From January 1, 2024 to December 31, 2024	The entire board	Internal self-evaluation by the Board of Directors	1. Participation in the Company's operations 2. Improvement to the quality of decision-making by the Board of Directors 3. Composition and structure of the Board of Directors 4. Election and continuing education of directors 5. Internal control
Once a year	From January 1, 2024 to December 31, 2024	Individual directors	Board members Self-evaluation	1. Keeping abreast of the Company's goals and mission 2. Awareness of directors' duties 3. Participation in the Company's operations 4. Internal relationship management and communication 5. Professional and continuing education of directors 6. Internal control
Once a year	From January 1, 2024 to December 31, 2024	Performance evaluation of the Audit Committee	Member's self-evaluation	1. Participation in the Company's operations 2. Awareness of the duties of the functional committee 3. Improvement in the quality of the functional committee's decision making 4. Composition and member selection of the functional committee 5. Internal control
Once a year	From January 1, 2024 to December 31, 2024	Performance evaluation of the Remuneration Committee	Member's self-evaluation	1. Participation in the Company's operations 2. Awareness of the duties of the functional committee 3. Improvement in the quality of the functional committee's decision making 4. Composition and member selection of the functional committee 5. Internal control

Note: For more details, please visit the Company's website at https://www.hsingta.com.tw → Investor Services → Corporate Governance → "Board and Functional Committees Performance Evaluation".

(2). Highlights of the annual work of the Audit Committee and its operations

1. The aim of the Audit Committee is to assist the Board of Directors in overseeing the quality and integrity of the Company's implementation of accounting, auditing, financial reporting processes and financial controls. The matters reviewed in 2024 mainly include:
   (1) Financial statement audits and accounting policies and procedures.
   (2) The internal control system and relevant policies and procedures and the assessment of the effectiveness of the internal control system.
   (3) Independence and performance evaluation of CPAs.
   (4) Appointment and professional fees of CPAs.
   (5) Appointment and dismissal of finance, accounting and internal audit officer.
   (6) The annual financial report that was signed or sealed by the Chairman, manager, and the chief accounting officer and audited and certified by CPAs, and the quarterly financial reports (including the first, second, and third quarters) reviewed by CPAs.
   (7) Any other material matter so determined by the company or the competent authority.

2. The operations of the Audit Committee

In 2024, the Audit Committee held 4 meetings, and the attendance of independent directors is as follows:

Title	Name	Attendance in person (times)	Number of attendance by proxy	Attendance Rate (%)	Note
Independent director	Zheng-Ting Chen	1	1	50%	Discharged
Independent director	Zheng-Tong Shi	2	0	100%	Discharged
Independent director	Rui-Tai Wu	4	0	100%	Re-elected Date of re-election: 2024.06.19
Independent director	Da-Xiong Chen	2	0	100%	Newly elected
Independent director	Li-Xiong Chen	2	0	100%	Newly elected

Other matters to be recorded:

I. If the operation of the Audit Committee is under any of the following circumstances, the date, period, proposal content, resolution of the Audit Committee and the Company's handling of the Audit Committee's opinions should be described:

(I) Matters specified in Article 14-5 of the Securities and Exchange Act:

Date of meeting	Motion content	Resolution of the Audit Committee and the Company's handling of the Audit Committee's opinions
March 13, 2024 (11th meeting of 2nd term)	The Company's 2023 parent company only and consolidated financial statements.	Agreed to pass by all the members present, submitted to the Board of Directors and approved by all the directors present without any objection.
	2023 earnings distribution proposal.	
	Report on the distribution of the 2023 profit-sharing remuneration for employees and profit-sharing remuneration for directors.	
	Appointment, professional fees, and evaluation of the independence of the attesting CPAs of the Company for 2024.	
	"Statement on Internal Control System" for 2023.	

May 08, 2024 (12th meeting of 2nd term)	The consolidated financial statements for 1Q2024 had been prepared, with the draft review report that stated a qualified opinion issued by PwC Taiwan.	Agreed to pass by all the members present, submitted to the Board of Directors and approved by all the directors present without any objection.
August 13, 2024 (1st meeting of 3rd term)	Election of the convener of the 3rd Audit Committee.	After the Audit Committee members unanimously approved the proposal to elect Rui-Tai Wu as the convener and the meeting chairperson of the Committee,
	The consolidated financial statements for 2Q2024 had been prepared, with the draft review report that stated a qualified opinion issued by PwC Taiwan.	Agreed to pass by all the members present, submitted to the Board of Directors and approved by all the directors present without any objection.
November 12, 2024 (2nd meeting of 3rd term)	The consolidated financial statements for 3Q2024 had been prepared, with the draft review report that stated a qualified opinion issued by PwC Taiwan.	Agreed to pass by all the members present, submitted to the Board of Directors and approved by all the directors present without any objection.
	Total budget for 2025.	
	Amendments to Certain Provisions of the Company's "Regulations Governing Internal Control Systems" and "Detailed Rules for Implementation of Internal Audits"	

(II) Other than the matters in the preceding paragraphs, resolutions not approved by the Audit Committee but approved by two-thirds or more of all directors: None.

II. With respect to the implementation of directors' recusal of proposals for being interested parties, the names of the independent directors, the contents of the proposals, the reasons for the recusal and the circumstances of their participation in voting: None.

III. The communication status between independent directors, internal audit officer, and CPAs (material matters, methods, and results of communication on the Company's financial and business status shall be included):

(I) The independent directors convene the meetings of the Audit Committee on a quarterly basis, and the internal audit officer attends the meetings to report on the execution of audit works and reports on significant internal control and internal audit matters, and completes the execution, reporting and tracking of matters instructed by each of the independent directors.

(II) The attesting CPAs appointed by the Company communicate with each independent director on matters required by other relevant laws and regulations at the quarterly audit committee meetings, and attend the meetings of the Audit Committee in the first quarter of each year to communicate on matters related to the audit and attestation of financial statements.

Meeting date	**Communication with internal audit officer**	**Communication with CPA**
March 13, 2024 11th meeting of 2nd term	Report on the execution of 2024 audit works.	Report on the audit results of the 2023 financial statements.
May 08, 2024 12th meeting of 2nd term	Report on the execution of 2024 audit works.	
August 13, 2024 1st meeting of 3rd term	Report on the execution of 2024 audit works.	
November 12, 2024 2nd meeting of 3rd term	Report on the execution of 2024 audit works.	

* The independent directors of the Company's Audit Committee have no objections or reservations to the Audit Committee's decisions.

(III) The Company's implementation of corporate governance and the differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.

Evaluation items	Implementation Status			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary	
I. Has the Company formulated and disclosed its corporate governance practice principles in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies"?	✓		The Company has formulated a set of "Corporate Governance Practice Principles" and disclosed it on the Company website and the Market Observation Post System (MOPS).	None
II. The Company's equity structure and shareholder equity				
(I) Has the Company established internal operating procedures to handle shareholder recommendations, doubts, disputes and litigations, and implemented them in accordance with the procedures?	✓		(I) The Company has a spokesperson, an acting spokesperson and stock affairs personnel and cooperates with the stock affairs agency to handle shareholder proposals or disputes, and has contact information on the website at http://www.hsingta.com.tw. All of the above are implemented in accordance with the internal systems.	None
(II) Does the Company have a list of the major shareholders who actually control the Company and those who ultimately have control over the major shareholders?	✓		(II) The Company keeps track of the stake of major shareholders and file reports in accordance with regulations.	None
(III) Has the Company established and implemented risk control and firewall mechanisms between affiliated companies?	✓		(III) Set up relevant internal control systems in accordance with laws and regulations, has established the "Measures for Governance of Subsidiaries" and other regulations, and regularly holds supervisory meetings to control operation risks by using the “"Analysis and Evaluation Form for Finance and Business of Subsidiary"	None
(IV) Has the Company formulated internal regulations to prevent insiders from trading securities using undisclosed information on the market?	✓		(IV) (The Company has established "Operating Procedures for Handling Material Inside Information and Preventing Insider Trading", which are published on the Company's website. On 2024.01.17, 2024.04.18, 2024.07.22, 2024.10.21, 2024.10.24, the Company provided promotional educations on the "Possible Violations of Law Caused by Insider Equity Transfer", "Operating Procedures for Handling Material Inside Information and Preventing Insider Trading" and relevant laws and regulations. A total of 293 people were trained.	None
III. Composition and responsibilities of the Board of Directors				
(I) Has the Board of Directors formulated a Board diversity policy and specific management objectives and implemented them accordingly?	✓		(I) The Company has established a diversity policy on membership in Chapter 3 "Enhancing the functions of the Board of Directors" of the "Corporate Governance Practice Principles". See page 15 of the annual report.	None
(II) In addition to the Remuneration Committee and the Audit Committee established in accordance with law, has the Company voluntarily set up other functional committees?		✓	(II) In addition to the Remuneration Committee and the Audit Committee established in accordance with law, has the Company will set up other functional committees.	None
(III) Has the Company formulated board performance evaluation regulations and evaluation methods, conducted performance evaluations annually and regularly, reported the results of performance evaluations to the board of directors, and adopted such results as a reference for deciding the remuneration of and nominating candidates for individual directors?	✓		(III) The Company's "Measures for the Self-Evaluation or Peer Evaluation of the Board of Directors" were passed on March 31, 2020. According to the Measures, the 2024 self-evaluation by the Board and the performance evaluation of functional committees were completed on December 31, 2024, and the reporting was completed in March 2025. The results of the performance evaluation were submitted to the Board of Directors on March 13, 2025, and the Remuneration Committee for reference.	None
(IV) Does the Company regularly evaluate the independence of CPAs?	✓		(IV) We regularly assess the independence of CPAs per year and require them to provide a "statement of independence". Since 2023, the Audit Committee and the Board of Directors have further assessed and confirmed the independence and suitability of the CPAs and their accounting firm appointed with reference to the 13 indicators of the five aspects of the Audit Quality Indicators (AQIs) (please refer to pages 44-45	None

Evaluation items	Implementation Status			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary	
			of this annual report). On March 13, 2025, the Audit Committee and the Board passed the review of the independence of the CPAs. The main points of the evaluation are as follows: 1. Whether there is any direct or material indirect financial interest between the Group and PwC. 2. Whether the Group has significant close business relationships with PwC. 3. Whether the Group has an employment relationship with PwC. 4. Whether the Group and PwC agreed on contingent professional fees related to audit cases. 5. Whether anyone from PwC currently or within the most recent two years has served as a director, supervisor, managerial officer or position that has a significant influence on audit cases. 6. Whether PwC represents the Group in defense of legal cases or other disputes with third parties. 7. Whether the members of the PwC audit team are related to the directors, supervisors, managerial officers or persons who have significant influence on the audit cases of the Group. 8. Whether the Group has obtained the statement on independence issued by PwC.	
IV. Does the Company as a listed enterprise have suitable and appropriate number of corporate governance personnel and appoint a corporate governance officer to be responsible for corporate governance related matters (including but not limited to providing information necessary for directors and supervisors to perform their business, assisting directors and supervisors to comply with laws and regulations, conducting board meeting and shareholder meeting related matters in accordance with law, handling company registration and alteration registration, and preparing minutes of board meetings and shareholder meetings, etc.)?	✓		The President concurrently serves as the corporate governance officer, and the personnel of Finance and Accounting Department concurrently serve as corporate governance personnel, who are responsible for providing the information required by the directors to perform their duties, handling matters related to the Board meetings and shareholders' meetings, handling stock affairs, preparing annual reports, minutes of shareholders' meetings, minutes of board meetings, and handling other corporate governance matters, and discussing important matters related to governance. As for important matters related to governance: it is responsible for establishing an effective corporate governance structure, protecting shareholders' rights and interests, strengthening the Board functions, making good use of the supervisory functions, respecting stakeholders' rights and interests, and improving information transparency.	None
V. Has the Company established communication channels with stakeholders (including but not limited to shareholders, employees, customers and suppliers, etc.) and a special section for stakeholders on the Company's website, and responded appropriately to important corporate social responsibility issues that are of concern to stakeholders?	✓		For stakeholder inquiries, recommendations, complaints, and whistleblowing, please contact us directly by phone or by online consultation based on the contact information disclosed on the Company's website: http://www.hsingta.com.tw.	None
VI. Has the Company appointed a professional stock affairs agency to handle matters for shareholder meetings?	✓		The Company appoints the Agency Department of CTBC Bank Co., Ltd. to handle the stock affairs.	None
VII. Information Disclosure (I) Has the Company set up a website to disclose finance and business matters and corporate governance information?	✓		(I) Finance and business matters as well as information on corporate governance are disclosed on the Market Observatory Post System (MOPS) and the website http://www.hsingta.com.tw in real time.	None
(II) Has the Company adopted other means of information disclosure (such as setting up an English website, appointing dedicated personnel responsible for the collection and disclosure of Company information, implementing a spokesperson	✓		(II) The Company has a spokesperson and an acting spokesperson mechanism and appoints personnel to be responsible for collecting and disclosing information. We have set up an official website to publish material information in real time in addition to disclosing it on the MOPS and announce information on the Company's events and activities. There is a "Stakeholders area" on the official website (http://www.hsingta.com.tw/Aboutusdetail.asp?lv=-1&id=14),	None

Evaluation items	Implementation Status			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary	
system, posting the Company's earnings calls on its website, etc.)? (III) Does the Company publicly announce and file annual financial statements within two months after the end of the fiscal year, and the financial statements for the first, second and third quarters and the monthly operating status before the prescribed deadline?		✓	to allow stakeholders to communicate with the Company smoothly. The information on the annual investor conference held per year has been disclosed in the "Investor Services" area of the Company's website (http://www.hsingta.com.tw/Download.asp?lv=0&id=90). In the future, an English website will be set up as appropriate. (III) The Company shall announce and file its annual financial statements within three months after the end of each fiscal year, announce and file its first, second and third quarterly financial statements within 45 days after the end of each quarter, and announce and file its monthly operating status by the 10th of each month.	Filings are made within the time specified by law
VIII. Does the Company have other important information that is helpful to understand its implementation of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholder rights, continuing education of directors and supervisors, Implementation of risk management policies and risk measurement standards, implementation of customer policies, the Company's purchase of liability insurance for directors and supervisors, etc.)?	✓		(I) The Group has HR-related management measures in accordance with law, makes contributions for labor pensions, protects employee rights and interests, and regularly renews collective bargaining agreements with enterprise unions. (II) The Company's labor insurance and various welfare measures such as group injury insurance, regular health checkups, travel allowances, educational subsidies, and consolation payments for employees, as well as provisions of employee welfare funds are in place to take care of employees and their families. (III) In addition to announcing material information in accordance with law, the Company discloses financial, business and corporate governance information on the Company's website, and has dedicated personnel to provide investor inquiry services. (IV) The Group has always attached importance to relationship with suppliers. In addition to building a foundation for mutual trust and benefit, the Group has also established a supplier evaluation system and requested commitments from suppliers to enhance the quality of procurement and transparency of transactions. Supplier management and policies can be found on the Company's website at: http://www.hsingta.com.tw/SupportDetail.asp?lv=-1&id=14 (V) The Company adopts the principle of sustainable operations to pursue its goals, and fully discloses information on the Company's website and the Market Observation Post System to protect the rights of all stakeholders. (VI) The directors of the Group always pay attention to compliance with relevant laws and regulations. (VII) The internal control systems of the Group has required it to conduct risk management and evaluation for various operations according to laws and regulations and materiality, and to carry out self-evaluation and audit to effectively control various risks. (VIII) The Group has established service management measures to handle customer complaints, conduct regular customer satisfaction surveys, set up whistleblowing websites, and review customer service conditions at business meetings. (IX) We purchase liability insurance for all directors per year for a period of one year with an insurance amount of NT$90,000,000.	None

Evaluation items	Implementation Status			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary	

IX. Please describe the improvements that have been made in response to the corporate governance evaluation results issued by the Corporate Governance Center of the Taiwan Stock Exchange in the most recent year, and propose priorities and measures for those not yet improved:

(I) The Company's Measures for the "Self-Evaluation or Peer Evaluation of the Board of Directors" were passed on March 31, 2020, and Board members perform individual self-evaluation per year, and the operations of the Board were then comprehensively evaluated by the unit in charge of Board meetings, and the performance evaluation results were disclosed on the MOPS. The measures were amended on March 14, 2023 with the relevant regulations on "functional committee" performance evaluation added.
The 2024 performance evaluation of the Audit Committee and the Remuneration Committee were completed in 2025, and the evaluation results were reported by the Board of Directors on March 13, 2025.

(II) On August 10, 2023, the Board of Directors approved the Company's "Risk Management Policies and Procedures", which regulate the disclosure of the scope, organizational structure, and operations of risk management, which are available on the Company's official website http://www.hsingta.com.tw/Download.asp?lv=1&id=191.

(III) The Company's 2023 Sustainability Report discloses relevant ESG information in accordance with the GRI Standards, SASB Standards, and the TCFD recommendations issued by the Global Reporting Institute (GRI), and is published on the Company's official website.
The 2024 Sustainability Report will be published by August 31, 2025.
http://www.hsingta.com.tw/SupportDetail.asp?lv=-1&id=7

(IV) The Company has completed the carbon footprint of ISO 14067 and obtained the third-party BSI verification certificate in February 2025, and applied for the carbon label of the main products from the Environmental Department in April 2025.

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

1. Composition of the Remuneration Committee: 3 members in total.

Information on the members of the Remuneration Committee

April 21, 2025

Position	Name	Professional qualifications and experience	Independence status	Number of other public companies in which the individual is concurrently serving as a remuneration committee member
Convener of independent directors	Rui-Tai Wu	See the Table on page 8	See the Table on page 8	None
Independent director	Da-Xiong Chen	See the Table on page 8	See the Table on page 8	1
Others	Shuowen Zhang	Has more than five years of work experience and specializes in management. Experience: Master of Science in Technology Management, Christian University of Colorado, USA. Member of the 6th and 7th Legislative Yuan General Manager, TAIWAN FARMER UNITED LOGISTICS CORP.	(Note 1) None of the situations indicated. Meet the independence criteria.	None

Note 1: Including but not limited to whether I, my spouse, or relatives within the second degree of kinship serve as directors, supervisors, or employees at the Company or its affiliates; whether I, my spouse, or relatives within the second degree of kinship (or by nominee arrangement) hold the Company's shares (number and percentage); whether I, my spouse, or relatives within the second degree of kinship serve as a director, supervisor, or employee at a company with specific relations with the Company (see provisions of Article 6, paragraph 1, subparagraphs 5 to 8 of the 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); the amount of remuneration I received for providing business, legal, financial, accounting, or other services to the company or its affiliates in the last two years.

2. Responsibilities of the Remuneration Committee:
   A. Establish and regularly review the policies, systems, standards and structures for performance evaluation and remuneration for directors and managerial officers.
   B. Regularly evaluate and determine the remuneration for directors, and managerial officers.
3. Information on the operations of the Remuneration Committee: There are three members in the Remuneration Committee; the term the current term of members: From August 13, 2024 to June 18, 2027. The Remuneration Committee held two meetings in the most recent year (A). The members' qualifications and attendance are as follows:

Title	Name	Number of attendance in person (B)	Number of attendance by proxy	Actual attendance (%) (B/A) (Note)	Note
Convener	Rui-Tai Wu	2	0	100%	Re-elected on 2024.08.13
Member	Da-Xiong Chen	1	0	100%	Newly appointed on 2024.08.13
Member	Shuowen Zhang	2	0	100%	Re-elected on 2024.08.13
Member	Zheng-Ting Chen	1	0	100%	Discharged

Other matters to be recorded: I. If the Board of Directors does not adopt or amend the recommendations of the Remuneration Committee, it should state the date, period, proposal content, resolution of the board, and its handling of the committee's opinions (if the remuneration approved by the board is better than the recommendation proposed by the committee, the difference and reasons should be stated): None. II. For the proposals by the Remuneration Committee. If any members have objections or reservations with records or written statements, the date, period, proposal content, the opinions of all members, its handling of the members' opinions should be stated: None. III. Remuneration Committee meetings: 1. At the 6th meeting of the 5th Remuneration Committee on January 30, 2024, the proposals regarding employee remuneration, director remuneration, and the year-end bonuses for the Chairman and managers for the year 2023 were all approved by all attending committee members without objection and were subsequently reported to and approved by the Board of Directors. 2. At the 1st meeting of the 6th Remuneration Committee on October 16, 2024, the proposals regarding the independent directors' remuneration and travel allowances, the salary and compensation of the Chairman and managers, and the employee profit-sharing bonus were all approved by all attending committee members without objection and were subsequently reported to and approved by the Board of Directors. IV. Resignation, new appointment, and re-election of the Remuneration Committee: 1. The term of office of the 5th Remuneration Committee was terminated on 2024.06.19 in line with the re-election of the Board of Directors. 2. The Board of Directors appointed the 6th Remuneration Committee members on 2024.08.13.

Note 1 If a member of the Remuneration Committee leaves before the end of the year, the date left should be indicated in the Note column. The attendance in person (%) is calculated based on the number of the Remuneration Committee meetings and the individual's attendance during his or her employment.

Note 2: If the Remuneration Committee is re-elected before the end of the year, the new or existing member of the Committee should be listed and the date of re-election should be indicated in the Remarks column. The attendance in person (%) is calculated based on the number of the Remuneration Committee meetings and the individual's attendance during his or her employment.

(V) Status of promotion of sustainable development and deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof

Evaluation items	Implementation			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary	
I. Has the Company established exclusively (or concurrently) dedicated units to promote sustainable development, and has the Board of Directors placed personnel at the senior management in charge of the promotion and monitored the promotion?	✓		1. The structure of the Company's sustainable development governance: We originally had a CRS office in place, which was transformed into a "Sustainable Development Committee" in September 2022, which is chaired by the General Manager, along with the members served by senior management of different departments. They jointly inspect the Company's situation and set out medium- and long-term sustainable development plans, while regularly reporting the implementation and results to the Board. 2. Implementation by each organization: (1) The Sustainable Development Committee is divided into the "environmental sustainability task force", "social shared prosperity task force", and "stewardship task force". The members of each task force are from different departments and units. Different issues will be improved after they are reported by relevant units. Among them, the "environmental sustainability task force" (this task force was then transformed into an independent greenhouse gas inventory committee) is responsible for energy saving, carbon reduction, greenhouse gas emissions, air pollution, water pollution, waste, and environmental management; the "social shared prosperity task force" is responsible for customer service, labor-management relations, supply chain social responsibility, and social charity; the "stewardship task force" is responsible for operational risk management, internal audit, financial performance, information security, compliance, ethical management, and board governance practices. Please visit the Company's official website for the organizational chart and more details:http://www.hsingta.com.tw/SupportDetail.asp?lv=-1&id=7 (2) In 2023, the Company established the Sustainability Committee for the first time. A total of 30 committee members participated in sustainability-related education and training. Internal training sessions were held on November 5 and December 10, 2024, while external consultants were	None

Evaluation items	Implementation			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary	
			invited to deliver lectures on February 16, February 21, March 28, June 27, September 19, November 6, November 27, November 29, December 4, and December 5, 2024. In total, 10 sustainability-related training sessions were conducted, amounting to 25 cumulative hours of training. (3) Since its establishment, the Committee has been reporting to the Board of Directors at least once per year on the implementation of sustainability initiatives. In 2024, progress reports were presented to the Board during the quarterly meetings held on March 13, May 8, August 13, and November 12. 3. The Company will adjust relevant strategies, goals, and review measures on a rolling basis depending on laws and regulations or the governance situation.	
II. Does the Company conduct risk evaluations on environmental, social and corporate governance issues related to the Company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?	✓		The evaluation boundaries are within the Company (including the Taipei headquarters and the Nanshenghu Plant in Yilan). We review the risks faced and perform risk assessment, classifying different environmental and social risks by probability, materiality, acceptability, and response. The Company has established various regulations and measures, which are enforced and controlled by each executive unit in accordance with law, and internal audit is responsible for review and feedback. The Company responds to different levels of risk by adopting different combinations of risk aversion, risk acceptance, risk transfer, risk reduction, and risk utilization for The ESG Committee conducts analysis in accordance with the materiality principle of the ESG report, communicates with internal and external stakeholders, and evaluates the impact of various issues through our 6 senior management and 3 independent directors of the Companyon the Company's short-, medium-, and long-term financial and non-financial business. It also reviews the practices of domestic and international leading companies and relevant literature to evaluate material ESG issues, formulates assessment, supervision, and management policies for such issues, and adopts specific action plans to reduce the impact of such risks. Please refer to the Company's ESG Report for the relevant risk management policies: http://www.hsingta.com.tw/SupportDetail.asp?lv=-1&id=7.	None
III. Environmental Issues (I) Has the Company set up an appropriate environmental management system based on the characteristics of its industry?	✓		(I) The Company has complied with the applicable laws and regulations on environmental protection and carries out inspections, keeps records, and files reports based on the characteristics of the cement industry. We are committed to improving pollution prevention equipment. The main flue is equipped with a CEMS continuous monitoring system to control pollution emissions in real time in compliance with the air pollutant emission standards and regulations under environmental laws. We have established an environmental management system for effluent discharge management, air pollution prevention, waste management, environmental protection education and training, and environmental management organization and responsibility. As for greenhouse gases, we conduct annual greenhouse gas inventory and adopt third-party verification service in accordance with the ISO14064-1 standard and the "Guidelines for Greenhouse Gas Emission Inventory of the Environmental Protection Administration" (EPA) and input the verification results on the "EPA's National Greenhouse Gas Input Platform" and disclose it in the annual report.	None
(II) Is the Company committed to improving the energy use efficiency and using recycled materials with a low impact on the environment?	✓		(II) **Energy Management** The Company is committed to enhancing energy efficiency. In accordance with the Energy Management Act, energy management personnel have been appointed and an audit mechanism has been established to regularly review energy	None

Evaluation items	Implementation			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary	
			usage. Through equipment upgrades and process optimization, energy performance has been improved. In 2024, the replacement of dust collection equipment was completed, with estimated annual savings of approximately 700,000 kWh per unit starting from 2025. Additionally, by participating in Taipower's demand response programs and reserve capacity support mechanisms, the Company saved about 226,000 kWh of electricity in 2024. Self-consumption of solar energy generated around 700,000 kWh, further reducing dependence on the grid. To increase the share of green electricity, the Company procured a total of 160,000 kWh of renewable energy during 2024–2025, of which 79,000 kWh was declared in 2024, with an additional 81,000 kWh expected to be declared in 2025. Including both purchased green power and self-generated electricity, total renewable energy usage reached approximately 779,000 kWh in 2024. From 2015 to 2024, the Company has achieved an average annual energy-saving rate of over 1%. Going forward, efforts will continue to expand energy-saving and green energy applications to further reduce environmental impact.	None
			Recycled materials The Company is fully committed to promoting environmental protection, circular economy and resource recycling. The Company makes great efforts towards reducing the use of raw ore, coal and electricity as well as zero waste water discharge from the processes; in terms of reuse of business waste, the Company has made the reuse of resources in the circular economy a key development plan. For example: Using desulfurized gypsum and coal fly ash produced by power plants, slag and iron slag produced by steel plants, silica sand and clay from waste earthwork as alternative raw materials for processes; helping photovoltaic power and semiconductor industries treat calcium fluoride sludge and water washed stabilized ash from incineration plants and incinerate recycled pellets. The Company is committed to reducing the discharge of pollutants from processes and improving the efficiency of resource use actively to maximize the recycling and reuse of resources.	None
(III) Does the Company evaluate the potential risks and opportunities of climate change to the Company now and in the future, and take corresponding measures to respond to relevant issues?	✓		(III) To cope with potential risks that may be caused by climate change, the Company had completed the first climate risk assessment in 2022 in accordance with the TCFD recommendations, focusing on five major risks. and has formulated relevant implementation measures in advance to reduce or avoid potential risks. Also, the Company actively participates in the government's technical guidance sessions on voluntary greenhouse gas reduction, proactively improves processes, invests in equipment to improve processes, reduces energy consumption, and recycles and reuses renewable resources, to respond to energy conservation and carbon emissions issues and regulations due to climate change. Countermeasures: Improve processes, reduce energy consumption, and use renewable resources, which can cut costs, improve corporate image, and fulfill corporate social responsibility. The detailed assessment of climate change risk and analysis has been disclosed in the Company's Sustainability Report.	
(IV) Does the Company make statistics on greenhouse gas emissions, water consumption and total weight of waste for the past two years, and formulate policies for greenhouse gas reduction, water consumption reduction, or other waste management?	✓		(IV) The Company's Nanshenghu Plant has conducted annual greenhouse gas emissions examinations since 2013, and had expanded the scope of the inventories to include the mining sites and the Taipei Head Office in 2022, and has been certified by the external third party, AFNOR, and its annual greenhouse gas emissions have been registered on the "National Greenhouse Gas Registration Platform of the Environmental Protection Bureau, Executive Yuan". In line with the government's energy-saving and carbon-reduction program, the Company has continued to implement the nationwide policy of reducing average annual electricity consumption by 1% since	

Evaluation items	Implementation			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary	
			2020. Regarding water usage, in addition to biannual reporting to the Water Pollution Control Information Management System of the Environmental Protection Administration, Executive Yuan, the Nanshenghu Plant has achieved zero discharge by recycling all process water for reuse. As for industrial waste, the total amount is reported monthly to the Business Waste Declaration and Management Information System of the Environmental Protection Administration, and is properly treated and reused on-site through the rotary kiln system. The Nanshenghu Plant continues to pay attention to and invest in improvements for various environmental protection issues, such as air pollution control and prevention, water pollution control and prevention, energy saving and carbon reduction, and greenhouse effect and hopes to co-exist and co-prosper with the local environment and share the win-win-win result among our plant, the local environmental policy and the ecological environment in Yilan. (1) Greenhouse Gas Emissions: In 2023, the Nanshenghu Plant's Scope 1 (direct) GHG emissions amounted to 551,764.8090 tCO_2e, Scope 2 (indirect from energy) emissions were 40,857.1068 tCO_2e, resulting in a combined total of 592,621.916 tCO_2e. For detailed data in 2024, please refer to the table on page 34 of this annual report. Over the past three years, the data has been verified and certified by independent third-party organizations such as SGS Taiwan and AFNOR. (2) Water Consumption: The Nanshenghu Plant's groundwater usage was 251,619 cubic meters in 2022, 303,941 cubic meters in 2023, and 355,931 cubic meters in 2024. The process water at the Nanshenghu Plant is primarily used to replenish the loss of non-contact cooling water through evaporation during production operations. The Company has completed the full-scale process water recycling system, enabling zero discharge of process water. In December 2016, the Company obtained a Wastewater (Sewage) Storage Permit issued by the Environmental Protection Bureau of the Yilan County Government, providing a legal foundation for the recycling and reuse of wastewater and the zero-discharge policy at the plant. Management strategies for process water at Nanshenghu Plant: I. Strengthen the recycling and reuse of cooling water in the manufacturing process (Strengthening of Recycling and Reuse) and the recycling and reuse of cooling water, and establish a sealed cooling water circulation system to reduce the emission and replenishment of cooling water. II. Enhance management inspection (Strengthen Management and Inspection) regularly inspect water-consuming equipment and pipelines: Check if there is any leakage and regularly maintain the pumps, valve doors and pipelines to prevent the occurrence of failure. The ultimate goal is to effectively reduce water consumption in the manufacturing process through the management strategy of water consumption in the manufacturing process, and to achieve the goal of recycling and reuse of water consumption in the manufacturing process and reducing the consumption of water resources, in order to achieve the goal of recycling and reuse of water consumption in the manufacturing process by more than 95% of the entire factory. (3) Waste: Waste disposal volume in 2023 was 118.675 tons, in 2022 was 104.405 tons, and in 2024 was 0 tons for hazardous waste and 104.405 tons for non-hazardous waste, totaling 104.405 tons. The waste entrusted to be processed by the Company in the past was derived waste such as equipment maintenance and transportation packing materials, not from the manufacturing process,	

Evaluation items	Implementation			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary	
			and no hazardous industrial waste was produced. The Company's waste management policy is to reduce waste generation at the source by reducing (Reduce), recycling (Recycle), reuse (Reuse) and re-use (Reuse/Remanufacture) through the manufacturing process. Waste is also converted into useful resources. Compared to the commissioned treatment volume of waste output in 2024, which is more than 10% less than that in 2023, the Company will continue to promote effective waste management practices such as process reduction, recycling, reuse and re-use, and work towards the goal of a sustainable environment.	
IV. Social Issues (I) Does the Company formulate relevant management policies and procedures in accordance with relevant laws and regulations and the International Bill of Human Rights?	✓		(I) The Company has formulated various measures on personnel management in accordance with relevant labor laws and regulations as well as internationally recognized basic labor human rights principles, and has set up an employee welfare committee and corporate labor unions to ensure the legitimate rights and interests of employees and non-discriminatory employment. Refer to the website for the Company's human rights policy and whistleblowing channels for violations of the policy:http://www.hsingta.com.tw/SupportDetail.asp?lv=-1&id=16. Implementation status: See the “labor-management relations” in this annual report.	None
(II) Has the Company established and implemented reasonable employee welfare measures (including remuneration, leave, and other benefits) and appropriately reflected the business performance or results in the employee remuneration policy?	✓		(II) **Employee remuneration** Reasonable remuneration, vacation and various employee welfare measures have been implemented in accordance with relevant labor laws and regulations (see "Labor Relations" in this annual report for more details), and various cash awards are regularly assessed and paid for childbirth and three festivals. In addition, according to the Company's Article of Incorporation, "1% to 3% of the annual profits shall be set aside as employee bonus. There was no change in the average employee remuneration in 2023 and 2024. **Employee welfares** The company has set up an Employee Welfare Committee to provide employees with quality welfares, such as: employee travel subsidies, birthday gift coupons, wedding subsidies, funeral subsidies, and other benefits. **Diversity and equality in the workplace** To realize equal pay for equal work and equal promotion opportunities for men and women, the average percentage of female employees in 2024 was 8.28%, and the average percentage of female leaders was 9.09%.	None
(III) Does the Company provide employees with a safe and healthy working environment, and related education?	✓		(III) The Company’s Nanshenghu Plant has established and implemented an effective and preventive safety and health management system in accordance with the ISO 45001:2018 and the CNS 45001:2018 safety and health management systems and provided relevant education and training and regular "on-site health services” with contracted medical personnel. The occupational safety committee has been established and its composition include more than one-third of labor representatives in addition to professionals. The committee meets at least once a quarter to make recommendations on safety and health policies, and to review, coordinate and suggest safety and health related matters. There is a safety and health management office responsible for the awareness and maintenance of workplace safety, and regular training and employee health checkups are implemented to reduce hazards to employee safety and health, prevent occupational hazards, and improve employee working environment. There were no occupational disasters in 2024.	None
(IV) Has the Company established an effective career development training program for employees?	✓		(IV) The Company’s Administration Department and Factory Affairs Department have set up their respective human resources unit, which focuses on offering of professional training and acquisition of technical certification, and gradually establishes	None

<table>
<tr><th rowspan="2">Evaluation items</th><th colspan="3">Implementation</th><th rowspan="2">Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>career development training programs for employees in various professions.</td><td></td></tr>
<tr><td>(V) Does the Company comply with applicable laws and international standards regarding issues, such as customer health and safety, customer privacy, as well as marketing and labelling of products and services? Has it formulated relevant policies and complaint procedures to protect consumers’ or customers’ rights and interest?</td><td>✓</td><td></td><td>(V) The Company's plant has obtained ISO 9001 certification, with cement products meeting the CNS Marking requirements, and has "Service Management Measures", "Personal Data Protection Management Measures" and other specifications for compliance, and has set up a complaint channel on the website; in addition, the departments and personnel in charge of business are the front line of action to collect information and resolve and report relevant problems. The Company's products, services and labeling are in accordance with government regulations and international standards.</td><td>None</td></tr>
<tr><td>(VI) Has the Company formulated supplier management policies that require suppliers to follow relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and monitor their implementation?</td><td>✓</td><td></td><td>(VI) Before the Company deals with major suppliers, they will need to undergo reviews and evaluations and will be expected to live up to the International Bill of Human Rights, fulfill corporate social responsibility, develop a sustainable environment, enhance resource efficiency, and treat each other with integrity and equality. See more information on the website: http://www.hsingta.com.tw/SupportDetail.asp?lv=-1&id=14
Suppliers still need to undergo continuous evaluations after being qualified by the initial reviews and evaluations. If any supplier is involved in illegal acts, violations of social norms, or breaches of quality commitments, the Company may terminate its qualifications at any time. Supplier management and policies can be found on the website of HSING TA.</td><td>None</td></tr>
<tr><td>V. Has the Company referred to international reporting standards or guidelines in its preparation of ESG reports and other reports which disclose the Company's non-financial information? Has the confirmation or assurance opinion from third-party certifying institutions been obtained for the reports of the preceding paragraph?</td><td></td><td>✓</td><td>The Company had published the first Sustainability Report in 2022 with reference to international sustainable development trends, ESG regulations (GRI Standards and SASB), industry characteristics, and practices of model companies, and it is planned to publish the 2024 Sustainability Report before the end of August. http://www.hsingta.com.tw/SupportDetail.asp?lv=-1&id=7 .</td><td>In the future, we will appoint a third party to provide assurance for the report in accordance with laws and regulations.</td></tr>
<tr><td colspan="5">VI. If the Company has formulated its own Sustainable Development Best Practice Principles in accordance with the Sustainable Development “Best Practice Principles for TWSE/TPEx Listed Companies”, please describe the difference between its operation and the established Principles: We will formulate the Sustainable Development Best Practice Principles depending on the situation.</td></tr>
<tr><td colspan="5">VII. Other important information helpful to understand the implementation status of the sustainable development:
(I) The Group’s Nanshenghu Plant:
1. In addition to actively assisting Su’ao Cold Spring Cultural Festival, hiking, road running and other cultural and charitable activities organized by the Su’ao Township Office, Yilan County, the Company's Nanshenghu Plant provided NT$900,000 in scholarships to benefit university, junior and senior high school students in the county in 2024.
2. The Company fulfills its corporate social responsibility by providing NT$2.3 million to the Taiya Tribe in Naoxiao Village, Yilan County, in support of education, social care and cultural development. The three categories include:
Education and support:
The Company provides scholarships (from primary school to college students) of about NT$700,000, and sponsors the primary school children and parents of NT$250,000 for the co-study program.
Care for the tribe:
The Company has provided NT$400,000 in holiday gifts to compensate for weddings, funerals, and emergency relief, and to fulfill the needs of the local community.
Cultural development:
Invested NT$300,000 in traditional tribal festivals, sponsored sports and cultual events for NT$250,000, and promoted cultural inheritance and community cohesion.
In addition, the Company has also prepared budgets to support community services, employment opportunities and interaction, and implement the co-prosperity development of the Company and the local community.
3. The Group’s Nanshenghu Plant constantly sponsors festive events in the neighboring communities and temples; gives gifts to residents near the plant during Chinese New Year to fulfill the responsibility of being a good neighbor; and in response to the activities of the Environmental Protection Bureau activities, adopts the front section of the Taiwan no. 9 highway and the Mingde Industrial Road leading to the Wulaikeng Scenic Area, and regularly send staff to sweep and cut the weeds along the road.</td></tr>
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Evaluation items	Implementation			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary	

4. Residents in the vicinity of the Group's Nanshenghu Plant feared that the original drainage ditch could not cope with heavy rainfalls and therefore, the Company provided 350 Pings of land behind the plant for free and cooperated with the Soil and Water Conservation Bureau and other units to widen, improve and afforest the river course.
5. Sheng'an Temple was built on the land where the Nanshenhu Plant of the Group is located with a long history. It is the central religious belief of the local residents. The Company donated 252 pings of land to the Temple to make its property rights complete.
6. The Group financed the cleaning of the drainage ditch around the plant to ensure that the surrounding farmland would not be affected when heavy rain came.
   For further details, please refer to the Chapter on "Social Shared Prosperity" in the Company's Sustainability Report.

（II） The Group's Jiangsu Xinning Plant:
In August 2024, the Jiangsu Xinning Construction Cement Gravel Line 2 online monitoring system and the coal dust line online monitoring system were installed. The Company has connected to the Nanjing City pollution source monitoring platform, and built corresponding monitoring stations and video monitoring. The trial operation is normal, and the self-inspection work is expected to complete in January 2025. The ultra-low emission of cement is being carried out as planned. The construction of the sealing of the outer walls of the clay storage, the construction of the damper and the pumping system, the construction of the environmental control platform and monitoring micro stations, and the cleaning transportation projects have been initiated in 2025.

1. Air pollution improvement
   In terms of environmental protection, the local standard of the cement industry in Jiangsu Province, "Cement Industry Gaseous Pollutant Emission Standards" has been implemented on July 1, 2022. The pollution emission concentration limit values are: Nitrogen oxides less than 50mg/m3, sulfur dioxide less than 35mg/m3, particulate matter less than 10mg/m3, and ammonia less than 8mg/m3. Online monitoring of kilns and tail lines show that the concentration of pollutants is lower than the minimum and maximum emission limit of Jiangsu Province. The control requirements of the Ecological Bureau of Nanjing City are more stringent than the local standards of Jiangsu Province. Since 2019, the requirements for pollution control have been gradually increased. In 2024, the Namchow Group has implemented the "Nanjing City Key Enterprise Air Pollution Control List" standard, which is Nitrogen Oxide less than 50mg/m3, Sulfate less than 5mg/m3, and Particulate matter less than 5mg/m3. The air control should respond to the Nitrogen Oxide less than 40mg/m3 at the time. The construction of the new waste water treatment project for the desulphurization of tail gas and water started in early 2023. The project was completed at the end of March and began to be put into operation. The effectiveness of the desulphurization of tail gas and water was obvious. At the beginning of 2024, the new waste water treatment project for the desulphurization of tail gas and water was updated, maintained and modified. This further improved the reliability of the operation of the desulphurization of tail gas and water facilities. The NO_x emissions in 2024 were 106.778 tons, with an average emission concentration of 42.39mg/m3; the SO_x emissions were 10.8106 tons, with an average emission concentration of 4.30mg/m3; the PM emissions were 8.8135 tons, with an average emission concentration of 3.50mg/m3; the PM emissions were 6.0523 tons, with an average emission concentration of 5.67mg/m3; the total annual NO_x emissions in 2024 were 3.5845kg/t of clinkers. (997,449 tons of clinkers and 3,574.38 tons of ammonia water in 2024)
2. Greenhouse gas inventory
   In respect of carbon emission, as the cement industry will soon be included in the national carbon emissions trading market, the platform for reporting greenhouse gas has been changed from the original website of the Ministry of Ecology and Environment of the PRC for emission permits to the National Carbon Emissions Trading Market Website - National Carbon Emissions Trading Market Management Platform. The 2023 greenhouse gas report was completed in November 2024. In August, the Company was entrusted by the Jiangsu Provincial Ecological Environment Office to conduct on-site audit of the carbon inspection unit of the vendors and passed the audit successfully. In 2023, the carbon dioxide emissions reported in accordance with the clinker production line accounting report template totaled 1,168,057.18 tons, the greenhouse gas emissions within the corporate boundaries calculated in accordance with the guidelines totaled 1,319,199.18 tCO_2e, and the greenhouse gas emission intensity was 0.7838 CO_2 tons of CO_2/ton of clinker. The 2024 Greenhouse Gas Emission Report and Monitoring Plan were calculated and formulated in accordance with the latest "Double Guide" published by China, and were reported on the platform before March 31, 2025. The Company completed the 2024 certification for low-carbon cement products. In accordance with the requirements of the Nanjing Municipal Government, the Company also prepared and submitted Hsin Ning's "Carbon Peak and Carbon Neutrality Action Plan" this year.
3. Energy management
   The Mainland China "Norm of Energy Consumption per Unit Product of Cement" (GB16780-2021) was implemented in November 2022. In 2024, the Company's comprehensive coal consumption per unit of clinker, energy consumption index, energy consumption per unit of cement product, and electricity consumption at the cement preparation stage all met the Level 1 standard. However, the comprehensive electricity consumption per unit of clinker only met the Level 2 standard. Among them, the combined coal consumption per unit of clinker product is 89.97kgce/t, the combined power consumption per unit of clinker product is 53.93kWh/t, the combined energy consumption per unit of clinker product is 96.60kgce/t, the combined energy consumption per unit of cement product is 77.83kgce/t, and the power consumption at the stage of cement preparation is 25.67kwh/t. According to energy-saving plan under the 14th Five-Year Plan, the benchmark for the cement industry in Jiangsu Province is that the combined energy consumption per unit of clinker product should be less than 100kgce/t. Nanjing City requires all cement enterprises to reach the provincial benchmark by 2025.
4. Implementation of corporate governance
   (1) We actively participate in other social responsibility activities such as environmental protection and energy conservation, social participation, social contribution, social services, social welfare, consumer rights, human rights, safety, sanitation, and health, such as waste recycling treatment and social activity donations, etc.
   (2) The relevant units are responsible for environmental protection and various social welfare matters, such as engineering modification, environmental governance, environmental beautification and services, etc. to reduce the impact on the natural environment; reduce the discharge of pollutants and waste, and properly dispose of waste, increase the comprehensive utilization of resources, and maximize the sustainable use of resources.
   (3) Training and promotion are held from time to time on corporate ethics, which is incorporated in employees' comprehensive assessment. The HR management measures have basic rules, confidentiality obligations, and prohibition of corruption, malfeasance, bribery, etc., and rewards and punishments are given according to the degree and included in the employee performance assessment.
5. For the development of a sustainable environment, is committed to improving the efficiency of resource utilization and using recycled materials with low impact on the environment.
6. Establish an appropriate environmental management system according to the characteristics of the industry

Evaluation items	Implementation			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary	

(1) We carry out testing, recording, and reporting on the characteristics of the cement industry in accordance with relevant environmental protection laws and regulations, and strive to improve pollution prevention equipment and reduce pollution emissions to meet regulatory standards.
(2) There is an industrial and environmental section dedicated to air pollution, water pollution, waste management and other related matters.
(3) We actively transform plant equipment, reduce the unit consumption of products, and continuously modify plant equipment to achieve the goal of energy saving, low carbon and emission reduction.

7. Maintain social welfare
(1) The Company has formulated various measures on personnel management, money awards, leave of absence, and retirement management, etc. in accordance with relevant labor laws and regulations as well as internationally recognized basic labor human rights principles, and has set up an employee welfare committee to ensure the legitimate rights and interests of employees and non-discriminatory employment.
(2) There is an industrial and environmental section responsible for the awareness and maintenance of workplace safety, and regular training and employee health checkups are implemented to reduce hazards to employee safety and health, prevent occupational hazards, and improve employee working environment.
(3) There is a quality control division to handle customer feedback and questions at any time, and the business department regularly conducts customer opinion surveys to ensure the quality of customer service.
(4) The Company enforces strict quality control and acceptance procedures and establish cooperative relationships with excellent suppliers through supplier evaluation, and work together to improve equipment efficiency and product quality. The Company is actively committed to cooperating in the processing of the sludge from the Nanjing Sewage Plant, taking on social responsibility and comprehensive reuse of resources.
(5) Every year the ditches at the boundary of the plant are dredged to facilitate the water conservancy of the farmland of the surrounding people in the rainy season.
(6) In 2024, the Company will continue to participate in the "Suzhou Cooperation" to provide regular donations to local primary schools and stone kilns, and support local education and community care.

（III） The Company's Group has obtained product certification, quality management system certification (ISO9001), safety production standardization certification, ISO 45001:2018/CNS 45001:2018 safety and health management system certification, ISO/IEC 10725 laboratory certification, and ISO 14064-1 greenhouse gas inventory certification.

（IV） For other sustainable development, please refer to the official website of the Company - Social Responsibility - Corporate Sustainability Report. https://www.hsingta.com.tw/SupportDetail.asp?lv=-1&id=7

(VI) Implementation of climate-related measures

Item	Implementation
1. Describe the Board's and management's oversight and governance of climate-related risks and opportunities.	1. In order to oversee and manage climate-related risks and opportunities, the general manager shall chair the Sustainable Development Committee, and the head of each unit are the members of the Committee to identify, assess, and deal with related affairs. The Chairman of the Board of Directors will report to the Board of Directors annually, and the Board of Directors will supervise the effectiveness of the implementation. Starting from the second quarter of 2022, the Sustainable Development Committee of the Company reports to the Board of Directors quarterly on the progress of the greenhouse gas inventory for sustainable development.
2. Describe how the identified climate risks and opportunities affect the business, strategy and finance of the Company (short, medium and long term).	2. For actual and potential climate-related impacts, please refer to the table of short-, medium- and long-term climate risks and opportunities in the "Climate Change Governance" of the Company's 2024 Sustainability Report.
3. Describe the impact of extreme climate events and transition actions on finance.	3. The Climate Change Responses Act will impose a carbon fee on high-carbon emission industries starting from 2024, and the Company's cement industry is a high-carbon emission industry. If a carbon fee of NT$300 per metric ton is imposed, it is estimated that the financial cost will increase by NT$170,000 thousand, and the risk of greenhouse gas emissions will have a significant impact on the Company's finance.
4. Describe how the identification, assessment and management processes of climate risks are integrated into the overall risk management system.	4. For the risk identification, assessment and management of the Company's climate-related risk management process, the Sustainable Development Committee has completed the collection of background information on climate and environment, and conducted the assessment of climate risks and operating scope of the Company.
5. If scenario analysis is used to assess the resilience to climate change risk, describe the scenarios, parameters, assumptions, analytical factors used, and key financial impacts.	5. The Company discussed 2°C scenario in the meeting of the Sustainability Committee and simultaneously used the tools provided by the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP) as a reference for the assessment of the physical risk scenarios of climate change, and finally chose to adopt the scenario of 2°C / PCP8.5 high level of greenhouse gas emissions as the possible operational changes and financial impacts on the Company caused by the change in the climate risks.
6. If there is a transition plan for managing climate-related risks, describe the plan and the metrics and targets used to identify and manage physical risks and transition risks.	6. Since 2020, the Company has continued to support the government's energy conservation efforts, and has continued to reduce energy consumption by 1% per unit of output. By the end of 2024, the Company has achieved a cumulative energy conservation rate of 12.9%, which met the government's target. In respect of greenhouse gas, it has been proposed to use 2022 as the base year, and to reduce the greenhouse gas emissions by 50% by 2045.

7. If internal carbon pricing is used as a planning tool, describe the basis for pricing.	7. The Company has not yet used internal carbon pricing as a tool and will do so in the future as appropriate.
8. If climate-related targets are set, describe the information on the activities covered, the scope of greenhouse gas emissions, the planning schedule, and the annual progress of achievement. If carbon offsets or renewable energy certificates (RECs) are used to achieve the relevant targets, describe the sources and quantities of carbon reduction credits used for the offsets or the number of RECs.	8. In 2025, the Company completed the 2024 greenhouse gas inventory of the parent company (Taipei Head Office, Yilan Nanshenghu Plant, and Mount Taibai Mining Site) and completed ISO 14064-1:2018 and Ministry of the Environment verification by a third-party verification company, AFNOR. The 2024 Greenhouse Gas Inventory of the subsidiaries in the consolidated financial statements will be completed in 2025, and the verification will be completed in 2027.
9. Greenhouse gas inventory and assurance, reduction targets, strategies and specific action plans	9. For details, please refer to "1-1 Information on greenhouse gas inventory and assurance" and "1-2 Greenhouse gas reduction targets, strategies and specific action plans".

1-1 Information on greenhouse gas inventory and assurance for the most recent 2 years

1-1-1 Information on greenhouse gas inventory

Describe the GHG emissions (tons CO2e), intensity (tons of CO2e/ revenue in NTD million), and the scope of the data for the most recent 2 years.

I. The parent company and its subsidiaries included in the consolidated financial statements have completed their greenhouse gas (GHG) inventories.

II. Starting from 2024, subsidiaries included in the consolidated financial statements have established GHG inventory mechanisms in accordance with ISO 14064-1, the international standard published by the International Organization for Standardization (ISO).

III. The GHG inventory data for the past two years has been aggregated based on the "operational control approach," covering emissions from the parent company and all subsidiaries included in the consolidated financial statements, as detailed below:

		2023		2024	
		Emissions (tons CO2e)	Intensity (tons CO2e/revenue in NTD million)	Emissions (tons CO2e)	Intensity (tons CO2e/revenue in NTD million)
Parent Company	Scope 1	552,623.04	243.02	434,008.75	93.21
	Scope 2	41,137.36	18.09	33,066.44	7.10
	Scope 3	15,311.38	6.73	27,567.30	5.92
	Subtotal	609,071.78	-	494,642.49	-
Subsidiaries included in the Consolidated Financial Statements	Scope 1			767,268.10	164.78
	Scope 2			37,483.79	8.05
	Scope 3			-	-
	Subtotal			804,751.89	-
Total		609,071.78	-	1,299,394.38	-

Note 1: In 2023, only the parent company's GHG inventory was completed; therefore, the emission intensity was calculated based on the parent company's standalone revenue. In 2024, subsidiaries were included in the inventory scope; hence, the emission intensity was calculated based on consolidated revenue.

Note 2: After materiality assessment, only upstream electricity and fuel emissions were included under Scope 3 for the parent company.

Note 3: The parent company's standalone GHG emissions in 2024 decreased mainly due to the shutdown of the kiln at the Xinda Nanshenghu Plant from October to December 2024 for a power bag filter replacement project aimed at improving energy efficiency. This temporarily affected both revenue and emission figures for the parent company.

1-1-2 Information on greenhouse gas assurance

Describe the status of the assurance for the most recent 2 year and the current year up to the publication date of the annual report, including the scope of the assurance, the agency, criteria and opinion for the assurance.

I. The parent company's inventory boundries include the Taipei Head Office, Nanshenghu Plant, and Mount Taibai Mining Site, and the status of assurance for the most recent two years is as follows:

(1) In 2023, direct emissions (Scope 1), indirect energy emissions (Scope 2), and other indirect emissions (Scope 3) were verified by a third-party verification agency, SGS Taiwan, in accordance with the ISO 14064-1:2018 with direct emissions (Scope 1) of 552,623.04 (metric tons of CO_2e), and indirect energy emissions (Scope 2) of 41,137.36 (metric tons of CO_2e), both of which achieved the reasonable level of assurance. Other indirect emissions (Scope 3) of 15,311.38 (metric tons of CO_2e) achieved a limited level of assurance.

(2) The 2024 inventory data is currently being verified and certified by AFNOR, a third-party verification agency, and the related details can be found in the Company's Sustainability Report expected to be issued in August 2025.

Note 1: "SGS Taiwan" and "AFNOR" is in compliance with the regulations on the assurance for sustainability reports promulgated by Taiwan Stock Exchange and Taipei Exchange.

Note 2: According to the assurance requirements, the parent company's standalone entity has been assured to disclose the assurance status since 2024, and the subsidiaries in the consolidated financial statements are expected to disclose the assurance status since 2027.

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

Describe the base year of greenhouse gas reduction and its data, reduction targets, strategies and specific action plans, and the achievement of reduction targets.

1. The scope boundary of the Company's parent company has 2022 as the base year, with direct emissions (Scope 1) of 479,891.48 (metric tons of CO_2e) and indirect energy emissions (Scope 2) of 37,922.41 (metric tons of CO_2e).
2. The Company has set a relative target of 10% reduction every two years using the base year as the benchmark, with the goal of reducing greenhouse gas emissions by 50% in 2030 compared to 2022. In addition to upgrading and improving process equipment to enhance production efficiency, the Company is currently using "alternative raw materials" (air-cooled furnace rock, calcium fluoride, incineration washing fly ash, incineration regeneration pellets, coal-fired fly ash) in the production process, replacing calcium carbonate with calcium oxide to reduce the amount of limestone; while "alternative fuels" are currently under study for trial use; and "alternative clinker" is being used to reduce the clinker amount per unit of cement to reduce carbon emissions from the production process.
3. Carbon reduction was about 17,700 tons of CO_2 in 2024, about 3% for the whole year and in line with the target.

(VII) Performance of faithful business operations, the differences from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons therefor

Evaluation items	Implementation Status			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary	
I. Formulate ethical corporate management policy and plan				
(I) Has the Company formulated an ethical corporate management policy approved by the Board of Directors, and are the policy and practice of ethical corporate management stated in the Company's regulations and external documents, as well as the commitment of the Board of Directors and the senior management to actively implement the policy?	✓		(I) The "Ethical Corporate Management Principles", "Code of Ethical Conduct" and "Code of Conduct for Employees" have been formulated and then approved by the Board of Directors and all members of the Company conduct business in accordance with the principles, rules and guidelines. In addition, all suppliers are required to sign a letter of commitment to comply with the Company's ethical policy in all dealings. For information on ethical management, please refer to "Contact HSING TA"/ "Whistleblowing System" on the Company's website.	None
(II) Whether the Company has established a mechanism for evaluating the risk of unethical conduct, regularly analyzes and evaluates the activities in the scope of business with a higher risk of unethical conduct, and on the basis of this, has formulated a plan to prevent unethical conduct, which covers at least the preventive measures for the conduct set out in Paragraph 2 of Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"?	✓		(II) The Company conducts risk assessment for each operation every year and has implemented the internal control systems; conducts education and audits on higher-risk operations; has established and implemented the "Ethical Corporate Management Principles" ; as well as set out plans for preventing unethical conduct clearly in various regulations.	None
(III) Whether the Company has specified operating procedures, conduct guidelines, and disciplinary and complaint systems for violations in the plan to prevent unethical conduct and implemented the plan as well as regularly reviews and amends it?	✓		(III) The Company has regularly offered education, training, and guidance, and included the prevention and handling of dishonest conducts in the Company's relevant regulations, and has actually implemented and reviewed them in a timely manner. Among them, the "Procedures for Reporting Dishonesty and Misconduct" has been established, and platforms and information communication channels for reporting misconduct have been set up on the Company's website and with a mailbox, and relevant information has been announced by email and bulletin boards.	None
II. The implementation of ethical corporate management				
(I) Does the Company evaluate the ethical records of its counterparties and specify the ethical conduct clauses in the contracts signed with the counterparties?	✓		(I) When selecting a partner, the Company avoids dealing with those with an unethical record. The Company also obtains a letter of commitment from suppliers or stipulates the ethical management clauses in the contract to ensure that the Company's ethics and integrity standards and fair trading practice serve as the basis for all dealings. In the event that a supplier violates the terms of the commitment, the Company may immediately terminate or cancel contracts signed and impose a fine as agreed.	None
(II) Does the Company have a dedicated unit under the Board of Directors to promote ethical corporate management and report regularly (at least once a year) to the Board of Directors on its ethical management policy and plan to prevent unethical conduct and monitor their implementation?	✓		(II) The Company has an ethical corporate management team and the Administration department is the executive unit to promote ethical corporate management, and the Board of Directors and the management regularly promote and continuously supervise the implementation. It reported to the Board of directors on the implementation of the Company's ethical management for 2024 on 2025.05.13.	None

Evaluation items	Implementation Status			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary	
(III) Does the Company have a policy to prevent conflict of interest, provide appropriate channels for explanation, and implement it?	✓		(III) The Company has established the "Ethical Corporate Management Principles", "Code of Ethical Conduct" and "Code of Conduct for Employees," which clearly stipulate that directors, managers, or employees must not sacrifice the rights and interests of the Company for their personal interests, and if anyone finds a violation, he or she may report or file a complaint in accordance with the procedures for reporting dishonesty and misconduct.	None
(IV) Whether the Company has established an effective accounting system and internal control system for the implementation of ethical corporate management, and the internal audit unit draws up relevant audit plans based on the evaluation results of risk of unethical conduct, and audits the compliance of the plan to prevent unethical conduct or entrusts a CPA to perform the audit?	✓		(IV) The Company has established adequate and effective accounting systems and internal control systems and implemented them actively. Each executive unit performs self-assessment of internal control regularly every year. The Audit Department evaluates the Company's risks every year, draws up an internal audit plan as per the results of the risk assessment, and performs audit accordingly. The Company did not have material non-compliance with the internal control system and violation of regulations.	None
(V) Does the Company regularly organize internal and external education and training on ethical corporate management?	✓		(V) The Company's corporate governance rules and regulations are centered on the core concept of ethical management. To implement ethical management, the Company increases employees' awareness of the importance of ethical corporate management at important meetings occasionally and dispatches personnel to participate in external ethical corporate management seminars and training. The Company also organized internal and external education and training on ethical corporate management issues in 2024 (including ethical corporate management, compliance, safety and health management, accounting systems, and internal control) with 3,634 hours and 550 participants.	None
III. The operation of the Company's whistleblower reporting system (I) Has the Company set up a specific whistleblower reporting and reward system and a convenient reporting channel, and designated appropriate personnel to deal with the reported matters?	✓		(I) The "Procedures for Reporting Dishonesty and Misconduct" have been established, which include reporting and reward systems, and dedicated personnel have been assigned to handle related matters. For the reporting procedures and website, refer to http://www.hsingta.com.tw.	None
(II) Has the Company formulated standard operating procedures for the investigation of the reported matters, follow-up measures to be taken after the completion of the investigation, and the relevant confidentiality mechanisms?	✓		(II) The operating procedures for "receiving whistleblowing and investigations" have been established, and there are dedicated personnel responsible for taking relevant measures, handling data confidentiality processing, and getting confidentiality declarations.	None
(III) Whether the Company takes measures to protect whistleblowers from being improperly handled due to reporting?	✓		(III) In the whistleblowing process, the Company has promised to protect whistleblowers from being improperly handled as a result.	None
IV. Enhance Information Disclosure Does the Company disclose the content and effectiveness of its Ethical Corporate Management Principles on its website and the Market Observation Post System?	✓		Company website: http://www.hsingta.com.tw. In 2024, the Company did not have any incidents that violated ethical corporate management.	None
V. If the Company has related practice principles of its own in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies", please state the differences between the two and the state of implementation: No material difference as the Group adheres to the principles of ethical corporate management.				

Evaluation items	Implementation Status			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary	
VI. Other important information that is helpful to understand the implementation of ethical corporate management (For example, if the Company reviews and amends its ethical corporate management principles.): Evaluate and review the implementation from time to time.				

(VIII) If the Company has formulated the "Corporate Governance Practice Principles" and related rules, it shall disclose its inquiry methods:

"Corporate Governance Practice Principles" and other operating procedures have been established. For related contents, please refer to the website:

(http://www.hsingta.com.tw)→ Investor Services → Corporate Governance → Rules and Regulations.

(IX) Other important information that is helpful to understand the Company's implementation of corporate governance:

1. Continuing education of directors

Title	Name	Training date		Organizer	Title of course	Training hours	Note
		From	To				
Independent director	Rui-Tai Wu	December 24, 2024	December 24, 2024	Taiwan Corporate Governance Association	Infinite Net Zero Path of Business Opportunities - Analyze the Strategic Direction from the Industry's Vision	3	
		December 20, 2024	December 20, 2024	Taiwan Corporate Governance Association	Notice to Directors and Supervisors: Insight on how to use the methods and strategies of non-regular transactions and related party transactions by the criminal.	3	
Independent director	Da-Xiong Chen	July 11, 2024	July 11, 2024	Securities and Futures Institute	Digital Reconstruction and New AI Future - Case Study of AI Application	3	
		February 21, 2024	February 21, 2024	Taiwan Corporate Governance Association	Strengthen corporate governance and achieve sustainable operation	3	
		December 24, 2024	December 24, 2024	Taiwan Corporate Governance Association	Infinite Net Zero Path of Business Opportunities - Analyze the Strategic Direction from the Industry's Vision	3	
Independent director	Li-Xiong Chen	November 07, 2024	November 07, 2024	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	Workshop for directors and supervisors of the Company - Prevention of Money Laundering and Counter Terrorist Financing and Expansion of International Regulations and Domestic Laws and Regulations	3	
		October 07, 2024	October 07, 2024	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	2024 Taishin Net Zero Summit	3	

2. Education and training of managerial officers on corporate governance

Title	Name	Training date		Organizer	Title of course	Training hours	Note
		From	To				
General manager	Da-Kuan Yang	January 17, 2024	January 17, 2024	Accounting and Research Development Foundation	Related Party Transaction of the senior directors and supervisors and the practice of corporate governance	3	
		March 01, 2024	March 01, 2024	Chinese National Association of Industry and Commerce, Taiwan	The attack and prevention of hostile M&A, and the responsibilities of directors and supervisors for corporate M&A	3	
		March 22, 2024	March 22, 2024	BCSD Taiwan	Creating a New Era of Carbon with Sustainable Knowledge" CDP Taiwan Announcement	3	
		April 10, 2024	April 10, 2024	Taiwan Academy of Banking and Finance	Workshop for corporate governance and sustainable operation of enterprises	3	
Manager, Audit department	Yi-Sheng Zhang	May 21, 2024	May 21, 2024	The Institute of Internal Auditors	Sustainable information development and emerging risks	3	
		October 08, 2024	October 08, 2024	The Institute of Internal Auditors	Business Integrity and Green Risk Management	3	
		November 05, 2024	November 05, 2024	The Institute of Internal Auditors	Analysis and audit focus of the laws and regulations of the Board of Directors and functional committees	6	
		November 26, 2024	November 26, 2024	The Institute of Internal Auditors	Internal audit digital transformation practice seminar	6	
Manager, Finance and accounting department	Su-Chiu Tsai	March 13, 2024	March 13, 2024	Accounting and Research Development Foundation	Tax strategies and practices for offshore holding and cross-border investment	3	
		March 13, 2024	March 13, 2024	Accounting and Research Development Foundation	Analysis of the Latest Securities and Financial Tax Laws and Professional Standards	1	
		May 15, 2024	May 15, 2024	Accounting and Research Development Foundation	Corporate Taxation Governance Practice under ESG Trend	3	
		May 15, 2024	May 15, 2024	Accounting and Research Development Foundation	Analysis of the Latest Securities and Financial Tax Laws and Professional Standards	1	
		July 17, 2024	July 17, 2024	Accounting and Research Development Foundation	Impact of the "Net Zero Carbon Emission" Era on Financial Statements	3	
		July 17, 2024	July 17, 2024	Accounting and Research Development Foundation	Analysis of the Latest Securities and Financial Tax Laws and Professional Standards	1	
		August 14, 2024	August 14, 2024	Accounting and Research Development Foundation	Common "tax planning" strategies and related legal responsibilities of enterprises	3	
		August 14, 2024	August 14, 2024	Accounting and Research Development Foundation	Analysis of the Latest Securities and Financial Tax Laws and Professional Standards	1	
		September 11, 2024	September 11, 2024	Accounting and Research Development Foundation	Case study and analysis of legal liability for new money laundering practices using FinTech - emerging financial technologies	3	
		September 11, 2024	September 11, 2024	Accounting and Research Development Foundation	Analysis of the Latest Securities and Financial Tax Laws and Professional Standards	1	

3. Education and training of personnel related to company financial information transparency

Department	Training date		Title of course	Training hours	Number of trainees
	From	To			
Audit department	November 05, 2024	November 05, 2024	Analysis and audit focus of the laws and regulations of the Board of Directors and functional committees	6	1
	November 14, 2024	November 14, 2024	Analysis of the policy of sustainable information disclosure and the focus of internal control and internal audit	6	1
	November 26, 2024	November 26, 2024	Internal audit digital transformation practice seminar	6	1
	December 10, 2024	December 10, 2024	"Annual Report/Sustainable Information/Financial Statement Preparation" related laws and regulations summary and internal control management practices	6	1
Finance and accounting department	February 21, 2024 March 13, 2024 April 17, 2024 May 15, 2024 June 12, 2024 July 17, 2024 August 14, 2024 September 11, 2024 October 16, 2024 November 13, 2024 December 11, 2024	February 21, 2024 March 13, 2024 April 17, 2024 May 15, 2024 June 12, 2024 July 17, 2024 August 14, 2024 September 11, 2024 October 16, 2024 November 13, 2024 December 11, 2024	Analysis of the Latest Securities and Financial Tax Laws and Professional Standards	1	4
	February 21, 2024	February 21, 2024	Analysis of Common Defects and Penalties in Taxation of Enterprises	3	1
	January 23, 2024	January 23, 2024	After the launch of personal CFC, the impact of minimum tax on wealth inheritance will be reexamined.	2.5	1
	March 13, 2024	March 13, 2024	Tax strategies and practices for offshore holding and cross-border investment	3	1
	March 21, 2024	March 21, 2024	Taiwan Stock Exchange and National Chengchi University Green Sustainable Finance and Net Zero Carbon Reduction Promotion Course	8.5	1
	April 17, 2024	April 17, 2024	Profit-seeking Enterprise Income Tax Return Filing Practice Seminar	3	1
	May 15, 2024	May 15, 2024	Corporate Taxation Governance Practice under ESG Trend	3	1
	June 12, 2024	June 12, 2024	Legal Responsibilities and Case Studies of Insider Trading Lawsuit	3	1
	July 16, 2024	July 16, 2024	ESG Global Views 2024 International Master Forum - Advance to the Carbon-Value Era and Net-0 Competition for the Defense	4	1
	July 17, 2024	July 17, 2024	Impact of the "Net Zero Carbon Emission" Era on Financial Statements	3	1
	July 30, 2024	July 30, 2024	2024 Seminar on Internal Control Systems for Sustainability Information Management	4	1
	August 09, 2024	August 09, 2024	2024 Asia Pacific Sustainability Expo - Sustainability Talent Trend Forum	4	1
	August 14, 2024	August 14, 2024	Common "tax planning" strategies and related legal responsibilities of enterprises	3	1
	August 16, 2024	August 16, 2024	Sustainability and ESG Strategy Implementation Workshop	4	1
	September 11, 2024	September 11, 2024	Case study and analysis of legal liability for new money laundering practices using FinTech - emerging financial technologies	3	1
	September 18, 2024	September 18, 2024	Net Zero, All Around, Sustainable Future - ESG Summit 2024	8	3
	October 16, 2024	October 16, 2024	IFRS 9 "Financial Instruments" and Fair Value Review Points	3	1
	October 18, 2024	October 18, 2024	CPCM - Corporate sustainable carbon management	4	1

	November 13, 2024	November 13, 2024	Legal Responsibilities of Enterprises Committing Fraud in Financial Statements and the Investigation and Investigation of Judicial Units	3	1
	November 26, 2024	November 26, 2024	Challenge and Opportunity - the Sustainability of Cross-Strait Management Enterprises Conference	8	2
	December 09, 2024	December 09, 2024	Industry Sustainability Transformation Conference - Traditional Manufacturing Industries	2.5	1
	December 11, 2024	December 11, 2024	Risk Management and Internal Control Practices under the ESG Wave	3	1
	December 17, 2024	December 17, 2024	New Thoughts in the Low Carbon Economy Era - Carbon Trading and Carbon Financing	4	1
	December 19, 2024	December 19, 2024	Seminar on Promoting the Adoption of International Financial Reporting Standards in Taiwan 2024	4	2

(X) Implementation of internal control systems

1. Internal control statement:

The Company's 2024 Statement of Internal Control System has been announced on the MOPS.

Please visit the Market Observation Post System (MOPS) at (https://mops.twse.com.tw) : Home > Listed Companies > Corporate Governance > Corporate Rules/Internal Control > Internal Control Statement. Enter the company code 【1109】 to access the information.

2. Where a CPA was entrusted to review the internal control system, the review report should be disclosed: Not applicable.

(XI) Material resolutions of shareholders' meetings or Board meetings during the most recent year and up to the publication date of the annual report:

Date	Board meeting/ shareholder meeting	Important resolution	Matters listed in Article 14-3 of the Securities and Exchange Act
2024.03.13	Board meeting (13th meeting of 20th term)	1. Resolved to approve the Company's 2023 business report.	
		2. Resolved to approved the Company's 2023 stand-alone and consolidated financial statements.	V
		3. Resolved to approve the Company's 2023 earnings distribution proposal.	V
		4. Resolved to approve the conclusions of the 5th term - 6th meeting of the Remuneration Committee of the Company.	
		5. Resolved to approve the Company's 2023 remuneration paid to employees and directors.	V
		6. Resolved to approve the Company's 2024 appointment, professional fees and evaluation of independence of attesting CPA.	V
		7. Resolved to approved the Company's 2023 "Statement of Internal Control Systems".	V
		8. Resolved to approve the amendment to "Audit Committee Charter".	
		9. Resolved to approve the amendment to the Company's "Rules of Procedure for Board of Directors Meetings".	
		10. Re-election of directors of the Company and the period and the place for accepting nominations of candidates for directors (including independent directors).	V
		11. Removal of the non-compete restrictions on the Company's newly elected directors and their representatives.	V
		12. Resolved to approve the proposed time, place and agenda of the 2024 regular shareholder meeting.	
		13. Discussion about whether the Company should apply for urban renewal or sale of the "2F, Linyuan Building".	V
2024.05.08	Board meeting (14th meeting of 20th term)	1. Resolved to approve the Company's financial statements for the first quarter of 2024.	V
		2. Approved the list of director (including independent director) candidates nominated by the Company.	V
		3. Removal of the non-compete restrictions on the Company's newly elected directors and their representatives.	V
		4. Resolved to approve the Company adjustments to the order of the agenda for the 2024 regular shareholders' meeting.	
		5. Extension of the credit lines with E.SUN COMMERCIAL BANK, Shanghai Commercial & Savings Bank, Taiwan Cooperative Bank, and CTBC Bank Co., Ltd.	V
2024.06.19	Regular shareholders' meeting	**Adoption** 1. Adoption of the Company's 2023 annual accounting final reports.	V
		2. Adoption of the Company's 2023 earnings distribution proposal.	V
		Election 1. The re-election of the Company's Board of Directors of the 21st term is hereby submitted for you to vote.	V
		Other Motions 1. Removal of the non-compete restrictions on the Company's newly elected directors and their representatives.	V

Date	Board meeting/ shareholder meeting	Important resolution	Matters listed in Article 14-3 of the Securities and Exchange Act
		Review of implementation status: 1. The important resolutions of the shareholder meeting have been addressed, and the execution was considered appropriate. 2. With respect to the Company's 2023 earnings distribution, the cash dividend per share was NT$1.2, with July 25, 2024 set as the base date for the dividend distribution, and was paid out on August 15, 2024. The execution was considered appropriate.	
2024.06.19	Extraordinary Board of Directors (1st meeting of 21st term)	1. Approved the election of the Company's 21st Chairperson.	
2024.08.13	Board meeting (2nd meeting of 21st term)	1. Resolved to approve the Company's financial statements for the second quarter of 2024.	V
		2. Resolved to approve the appointment of members of the 6th Remuneration Committee of the Company.	
		3. The decision was approved to submit the "2023 Sustainability Report of the Company".	
2024.11.12	Board meeting (3rd meeting of 21st term)	1. Resolved to approve the Company's financial statements for the third quarter of 2024.	V
		2. Approved the Company's 2025 budget plan.	V
		3. Approved the Group's "2025 Business Plan".	
		4. Resolved to approve the Company's "2025 Internal Audit Plan".	
		5. Resolved to approve the amendments to the Company's "Regulations Governing Internal Control Systems" and "Internal Control Implementation Rules".	V
		6. Approved the revision of the "Sustainable Reporting and Verification Procedures" of the Company.	
		7. Approved the review of the remuneration to the Chairperson and the managers.	V
		8. Approved the motion for the subsidiary to apply for renewal of the endorsement/guarantee.	V
		9. Approved the nomination of Deputy Assistant General Manager of the Administration Department.	V
		10. Approved the "Overall Development Project of the Hsing Ta Guanxi Community."	V
2025.03.13	Board meeting (4th meeting of 21st term)	1. Resolved to approved the Company's 2024 stand-alone and consolidated financial statements.	V
		2. Approved the proposal for the appointment, service fees and independence evaluation of the 2025CPAs of PwC Taiwan.	V
		3. Approved the "2024 Business Report"of the Group.	
		4. Resolved to approve the Company's 2024 earnings distribution proposal.	V
		5. Resolved to approve the conclusions of the 6th term - 2nd meeting of the Remuneration Committee of the Company.	
		6. Resolved to approve the Company's 2024 remuneration paid to employees and directors.	V
		7. Resolved to approved the Company's 2024 "Statement of Internal Control Systems".	V
		8. Resolved to approve the amendment to "Audit Committee Charter".	
		9. Resolved to approve the amendment to the Company's "Rules of Procedure for Board of Directors Meetings".	
		10. Approval of the amendments to certain provisions of the Company's "Articles of Incorporation".	V
		11. Resolved to approve the proposed time, place and agenda of the 2025 regular shareholder meeting.	
2025.05.13	Board meeting (5th meeting of 21st term)	1. Resolved to approve the Company's financial statements for the first quarter of 2025.	V
		2. Extension of the credit lines with E.SUN COMMERCIAL BANK, Taiwan Cooperative Bank, and CTBC Bank Co., Ltd.	
		3. Disposal of partial shareholdings of Pershing.	

(XII) During the most recent year or during the current year up to the date of publication of the annual report, if board directors or independent directors had different opinions on important resolutions approved by the Board of Directors with records or written statements, the main content of the opinions: None.