



中鼎工程股份有限公司
CTCI Corporation

2024 Annual Report

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Taiwan Stock Exchange Market

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Notice to readers

This English version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English version and Chinese version, the Chinese version shall prevail.

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Title: President

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■ **Deputy Spokesperson**

Name: T.C. Li

Title: Executive Vice President

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■ **Branches**

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CTCI Corporation Abu Dhabi Branch

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CTCI Corporation Italy Branch

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■ **Stock Transfer Agent**

KGI Securities Co. Ltd.

Address: 5th Fl., No.2, Sec. 1, Chung Ching South Rd., Taipei, Taiwan

Website: <http://www.kgiworld.com.tw>

Tel: 886-2-2389-2999

■ **Auditors**

PriceWaterHouseCoopers

Auditors: Fu-Ming Liao, Shih-Jung Weng

Address: 27th Fl., No.333, Sec. 1, Keelung Rd., Taipei, Taiwan

Website: <http://www.pwc.tw>

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■ **Overseas Trade Places for Listed Negotiable Securities**

None.

■ **Corporate Website**

<http://www.ctci.com>

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I. Letter to Shareholders

As global inflation gradually slows down and monetary policies in various countries become more accommodative, this helps stimulate global economic growth. However, the uncertain factors such as the new U.S. government policies, geopolitical tensions, and international trade protection measures have somewhat constrained the momentum of global economic growth. Despite these challenges, CTCI Group continues to innovate and grow. CTCI not only has its developed steadily in the existing fields, but also has successfully grasped the trends and business opportunities of "Green Transformation" and "High-tech Development," and has presented an outstanding and eye-catching results. Looking back to 2024, the CTCI Group has successfully grasped the trend and actively expanded its business, continuing to build various projects all over the world. With the dedication of its global colleagues, the CTCI Group has achieved a new contract value of TWD 125.6 billion, which is the fifth consecutive year of exceeding TWD 100 billion, the Group's consolidated revenue reached TWD 119.9 billion, a record high in the 45 years since the Company was established. The results of this operation have enabled CTCI to be recognized by a number of external evaluations and awards, such as the ranking among the top 100 "International Engineering Contractors" of the authoritative American engineering magazine ENR for eight times, the inclusion in the emerging market constituents of The Dow Jones Sustainability Indices (DJSI) for ten consecutive years, the highest score in the world's construction and engineering industry, and the honor of being recognized by the top 1% of the world's sustainability yearbook of the S&P Global, the international sustainability rating organization. CTCI also continues to be ranked no.1 among Taiwan's Top 650 Service Industry Survey, Engineering Contractor category by Taiwan's CommonWealth Magazine. These recognitions reaffirm CTCI's position as the "Top EPC group in Taiwan and among the Top 100 in the world."

Looking forward to 2025, the Group aims to "catch waves, lead smarter" in the hopes of riding the trends, overcome obstacles, and achieve top-notch performance. The core strategic directions are as follows:

Engaging in green engineering projects to safeguard the Earth's sustainability

CTCI has long been committed to ESG by incorporating ESG principles into its core business. Through green technology, green contracting, and green investment, CTCI has created countless "Green Engineering projects" around the world. It has also worked with global partners to reduce carbon emissions, established the CTCI Supplier Alliance for Net Zero Emissions, and launched various coaching and incentive measures to promote sustainable supply chain management, which has attracted support from 265 suppliers. With Green Engineering, CTCI continues to drive

its supply chain stakeholders towards net zero emissions and experience transformation. CTCI will also continue to improve various measures and utilize its engineering expertise to ensure the Earth's sustainability.

Through Green Engineering, CTCI ensures that the entire lifecycle of the project, from design, procurement, construction, operation to demolition, can effectively save energy and reduce carbon emissions, achieving a win-win situation for the environment and the economy. From 2021 to 2023, CTCI has applied green technology in its projects, which brought enormous benefits to the clients during the subsequent operation period, as it helped save a total of 760 million kWh of electricity (equivalent to the annual electricity consumption of 205,205 households), reduce carbon emissions by 18.9 million tons (equivalent to the annual carbon absorption of 48,810 Daan Forest Parks), save 152.55 million tons of water (equivalent to the water consumption of Taipei City for 182 days), and reduce volatile organic compound emissions by 6,259 tons.

Introducing smart technology to build an innovative fleet

In terms of smart innovation, CTCI has reorganized its organization to build an innovative R&D fleet for the Group, actively introduced new technologies, optimized project execution and back-office management, and strived to create competitive advantages through unique selling points to differentiate itself from its competitors.

1. Optimize organization and maximize synergy

To expedite innovations in engineering technology, CTCI's innovation and research organization has undergone reorganization and overhaul. Now the Group Research and Innovation Center has two major departments, which are Intelligent Innovation Department and System Maintenance Department. The former unit is responsible for the R&D and application of AI and new digital technologies, while the latter unit is responsible for the maintenance of core systems required for daily operations and project execution. Such optimization not only helps maximize the synergy across organizations and teams, but also enhances overall R&D capabilities.

2. AI-supported engineering and technology-based management

The application of AI and RPA can not only effectively improve engineering accuracy, but can also improve the efficiency of procurement and construction operations at project management level, as they help improve scheduling, cost, quality, and safety, health, and environmental management. In the future, CTCI will progress toward "AI-supported engineering and technological-based management," so that all projects can be done faster, more accurate, and more efficient.

3. Research and develop proprietary technologies to create unique selling points

In addition to introducing advanced and mature new technologies, CTCI also actively invests in R&D of its own technologies to create unique USP selling points. For example, the "CTCI Digital Twin" technology, built on the concept of integrating the virtual with the physical, helps create a virtual representation of the physical plant, and has been applied in many projects across Taiwan. The next step will be a development of new functions and an extended application to global projects.

Improve management mechanism and enhance Group performance

In recent years, CTCI has continued to enhance its management measures in alignment with net zero goals and carbon emissions reduction, expediting talent development, and strengthening risk controls, thus significantly improving the Group's performance.

1. Superior sustainable performance worldwide

CTCI aspires to become a "Guardian of Sustainable Earth" and is committed to achieving net zero emissions across its offices by 2030 and across all production and service locations by 2050. In 2024, compared with 2022, CTCI has successfully reduced its carbon emissions by 8.0%. It is also the first engineering company in Taiwan to have its emissions reduction target verified by SBTi. With its outstanding ESG performance, the Company has won the TCSA Taiwan's Top 10 Sustainable Service Businesses Award for eight consecutive years, and even secured first place among the service industry peers in 2024. CTCI has also been selected as a constituent of the Dow Jones Sustainability Emerging Markets Index for ten consecutive years. Moreover, CTCI has been rated as the top performer among global construction and engineering peers for the last three years, becoming a role model in the engineering industry.

2. Precise employee promotion and expedite talent development

Through an exclusive online employee training platform called CTCI University, CTCI is working hard to nurture its global talents. CTCI also expedites talent development through a "Mentor & Mentee" system, which facilitates professional experience to be passed on among employees, and through the "High-Po & Young Po" program, which nurtures employees who have high potentials. These various measures successfully help achieve the goal of "precise employee promotion and accelerated advancement," consolidating the foundation for the Group's growth.

3. Establish a risk culture

To ensure sound risk management, CTCI established a Group Risk Control & Management Office and appointed a Chief Risk Control Officer to coordinate related matters, formulate SOPs, and actively control all work procedures. Examples include selecting clients with care during the contract signing stage; understanding market conditions and ensuring strategies to be fully implemented during the estimation stage; regularly reviewing and responding to risks in a timely manner during the project execution stage. Through comprehensive risk control measures, CTCI will continue to implement risk control mechanisms, as well as strengthen risk awareness and establish a risk culture among all employees.

Over the years, CTCI has gained increasing visibility globally thanks to its outstanding engineering performance and brand marketing. CTCI is honored to be recognized as one of "Taiwan's Best International Brands" in 2024, with 24% increase in brand value against the previous year, reaching record-breaking USD 119 million. It is also honored to become the only engineering company in Taiwan to receive such recognition. Looking forward, CTCI Group will uphold its corporate culture that calls for "professionalism, integrity, teamwork, and innovation," continue to seize opportunities, and be bold in confronting challenges, so that the world can benefit from CTCI, "the most reliable global engineering services provider."

We wish you good health and prosperity.

Sincerely,



Michael Yang
Chairman

II. Corporate Governance Report

2.1 Directors and Management Team

2.1.1 Directors

February 28th, 2025

Title	Nationality	Name	Gender Age	Date Elected	Term (Years)	Date First Elected (Rep. of juridical person)	Shareholding when Elected		Current Shareholding (Rep. of juridical person)		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives, Directors or Supervisors who are spouses or within two degrees of kinship		
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation
Chairman	R.O.C.	Michael Yang (Rep. of CTCL Development Corporation)	Male 51-60	May 31, 2023	3	Feb. 8, 2002 (Mar. 7, 2016)	912,170	0.11	912,170 (538,467)	0.11 (0.07)	320,200	0.04	0	0	Note 1	Note 2	None	None	None
Director	R.O.C.	John T. Yu (Rep. of CTCL Development Corporation)	Male 71-80	May 31, 2023	3	Feb. 8, 2002 (Feb. 9, 1999)	912,170	0.11	912,170 (732,521)	0.11 (0.09)	1,673,724	0.21	0	0	Note 3	Note 4	None	None	None
Director	R.O.C.	Quintin Wu	Male 71-80	May 31, 2023	3	Jun. 23, 2006	0	0	0	0	0	0	0	0	Note 5	Note 6	None	None	None
Director	R.O.C.	Johnny Shih	Male 71-80	May 31, 2023	3	Feb. 8, 2002 (Note 7)	0	0	0	0	0	0	0	0	Note 8	Note 9	None	None	None
Director	R.O.C. USA	Yancey Hai	Male 71-80	May 31, 2023	3	Feb. 8, 2002	0	0	0	0	0	0	0	0	Note 10	Note 11	None	None	None
Director	R.O.C.	An-Ping Chang (Rep. of TCC Group Holdings Co., Ltd.)	Male 71-80	May 31, 2023	3	May 28, 2020 (Jun. 28, 2017)	9,054,350	1.12	9,054,350 (0)	1.12 (0)	0	0	0	0	Note 12	Note 13	None	None	None
Director	R.O.C.	Paul Chen (Rep. of CTCL Foundation)	Male 61-70	May 31, 2023	3	Apr. 6, 1979 (Feb. 1, 2020)	60,862,051	7.50	60,862,051 (0)	7.50 (0)	46,000	0.01	0	0	Note 14	Note 15	None	None	None

Title	Nationality	Name	Gender Age	Date Elected	Term (Years)	Date First Elected (Rep. of juridical person)	Shareholding when Elected		Current Shareholding (Rep. of juridical person)		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives, Directors or Supervisors who are spouses or within two degrees of kinship		
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation
Director	R.O.C.	Wenent Pan	Male 71-80	May 31, 2023	3	Apr. 1, 2012 (Note 16)	0	0	30,000	0.00	0	0	0	0	Note 17	Note 18	None	None	None
Independent Director	R.O.C.	Chien-Chung Li	Male 71-80	May 31, 2023	3	May 31, 2023	0	0	0	0	0	0	0	0	Note 19	Note 20	None	None	None
Independent Director	R.O.C.	Yen-Shiang Shih	Male 71-80	May 31, 2023	3	Jun. 28, 2017	0	0	0	0	0	0	0	0	Note 21	Note 22	None	None	None
Independent Director	R.O.C.	Evon Chen	Female 71-80	May 31, 2023	3	May 28, 2020	0	0	0	0	0	0	0	0	Note 23	Note 24	None	None	None
Independent Director	R.O.C.	Harry Yen	Male 61-70	May 31, 2023	3	May 31, 2023	0	0	0	0	0	0	0	0	Note 25	Note 26	None	None	None

Note: Chairman and President of the Company are not the same person, spouses or relatives within the first degree of kinship.

Note 1:

EMBA, Business Administration, National Taiwan University of Science and Technology / M.S., Mechanical Engineering, National Taiwan University / B.S., Mechanical engineering, Tatung University / President, CTCI Corporation

Note 2:

Chairman, CTCI Corporation / Chairman, CTCI Overseas Corporation Limited / Director, CTCI Overseas (BVI) Corporation / Director, CTCI Americas, Inc. / Chairman, CTCI USA Holding, Inc. / Chairman, CTCI Engineering & Construction Sdn. Bhd. / Chairman, CTME, SOCIEDAD ANONIMA DE CAPITAL VARIABLE / Director, CTCI Education Foundation / Director, CTCI Foundation

Note 3:

Honorary Doctorate, National Central University / PMD 61, Harvard Business School, USA / B.S., Electrical Engineering, National Taiwan University / Chairman, CTCI Corporation

Note 4:

Director, CTCI Corporation / Chairman, CTCI Development Corporation / Director, CTCI Overseas Corporation Limited / Director, CTCI Education Foundation / Managing Director, CTCI Foundation / Director, Dynamic Ever Investments Limited / Director, Ever Victory Global Limited

Note 5:

Chairman, USI Corporation

Note 6:

Chairman, USI Corporation / Chairman, China General Plastics Corporation / Chairman, Asia Polymer Corporation / Chairman, Taita Chemical Company, Limited / Chairman, Acme Electronics Corporation

Note 7:

Mr. Johnny Shih is not the director or supervisor of the Company during the period from Jun. 15, 2005 to Jun. 25, 2014.

Note 8:

Master in Computer Science and Business Administration, Columbia University, USA / Vice Chairman, Far Eastern International Bank

Note 9:

Vice Chairman, Far Eastern New Century Corporation / Vice Chairman, Oriental Union Chemical Corporation / Chairman, Everest Textile Company Limited / Director, Asia Cement Corporation

Note 10:

Master's Degree in International Business Management, the University of Texas at Dallas / Country Manager, G.E. Capital / Chairman and Chairperson of Strategic Steering Committee, Delta Electronics, Inc.

Note 11:

Director, Member of Delta Global ESG Committee, Delta Electronics, Inc. / Independent Director, Chairman and Convener of Remuneration Committee, Audit Committee Member and ESG Committee Member, USI Corporation / Senior Strategy consultant, Cloud Computing & IoT Association in Taiwan / Director, Taiwan Business Council for Sustainable Development / Director, Delta Electronic Foundation / Supervisor, Felix Chang Foundation / Director and Finance Committee Member, Chiang Ching-Kuo Foundation for International Scholarly Exchange / Director, K.T. Li Foundation for Development of Science and Technology

Note 12:

MBA, New York University, U.S.A / Vice Chairman, TCC Group Holdings Co., Ltd. / Chairman, Chia Hsin Cement Corporation / Chairman, International CSRC Investment Holdings Co., Ltd. / Independent Director, Synnex Technology International Corporation / Managing Director, O-Bank Co., Ltd.

Note 13:

Chairman, TCC Group Holdings Co., Ltd. / Chairman, TCC International Holdings Ltd. / Chairman, Hong Kong Cement Manufacturing Co., Ltd. / Executive Chairman, NHOA S.A. / Innkeeper, L'Hotel de Chine Corporation / Director, Taiwan Stock Exchange Corporation

Note 14:

EMBA, Thunderbird School of Global Management, USA / Chairman, Kuo Kuang Power Co., Ltd.

Note 15:

CEO, CTCI Foundation / Director, CTCI Foundation

Note 16:

Mr. Wenent Pan is not the director or supervisor of the Company during the period from Aug. 1, 2012 to Jun. 25, 2014.

Note 17:

M.S. & Ph.D., Chemical Engineering, University of Wyoming, USA / President & Chairman, CPC Corporation / Chairman & CEO, Kuo Kuang Power Co., Ltd.

Note 18:

Chairman, CTCI Foundation / Independent Director, UPC Technology Corporation / Independent Director, U-Ming Transport Corporation

Note 19:

M.S. & Ph.D., Civil Engineering, Michigan State University, U.S.A. / Chairman, CECI Engineering Consultants, Inc., Taiwan / Dean, College of Engineering, National Central University / Director, Graduate Institute of Construction Engineering and Management, National Central University / Chairman and Director, Department of Civil Engineering, National Central University / Professor and Associate Professor, Department of Civil Engineering, National Central University / Vice Chairman, Public Construction Commission, Executive Yuan / Deputy Executive Secretary, Public Construction Supervisory Task Force, Executive Yuan / Manager, Planning Department, Ret-Ser Engineering Agency

Note 20:

Chairman, Veracity Foundation of Legal Studies / Professor Emeritus, National Central University

Note 21:

Ph.D., Chemistry, Massachusetts Institute of Technology, U.S.A. / Professor and Chief of Chemical Engineering, National Taiwan University of Science and Technology / Director General, Small and Medium Enterprise Administration, Ministry of Economic Affairs (MOEA) / Director General, Industrial Development Bureau, MOEA / Minister & Vice Minister & Deputy Minister, MOEA / Director General, Taiwan Tobacco & Wine Bureau / Chairman, Sinotech Engineering Consultants, Inc.

Note 22:

Chair Professor, Chung Yuan Christian University / Policy Advisor, Taiwan Electrical and Electronic Manufacturers' Association /
Honorable Chairman, Sustainable Circulation Economy Development Association / Independent Director, Formosa Plastics Corporation/ Director, Taiwan Research Institute /
Chairman, Textile Industry Sustainable Development Association of Taiwan

Note 23:

M.S. Accounting, Soochow University / Lecturer, Accounting, Soochow University / Vice Chairman, PwC / Supervisor, VE WONG Corporation /
Supervisor, Taiwan Liposome Company, Ltd. / Supervisor, INNOLUX Corporation / Independent Director, Sintronic Technology Inc. / Supervisor, NatureWise Biotech & Medicals Corporation /
Managing Director, the National Federation of CPA Associations of the R.O.C. (NFCPAA)

Note 24:

Supervisor, YKK Taiwan Co. Ltd. / Supervisor, YKK AP Taiwan Co., Ltd. / Supervisor, Novelwise Pharmaceutical Corporation / Independent Director, FullHope Biomedical Co., Ltd.

Note 25:

B.S., Department of Banking, National Chengchi University / Director General & Deputy Director General, Department of Foreign Exchange, Central Bank of the Republic of China (Taiwan) /
Director, The Export-Import Bank of the Republic of China / Director, Taiwan External Trade Development Council / Director, Taipei Foreign Exchange Market Development Foundation /
Managing Director, Overseas Credit Guarantee Fund (Taiwan) / Representative, New York Representative Office, Central Bank of the Republic of China (Taiwan) /
Deputy Representative, London Representative Office, Central Bank of the Republic of China (Taiwan)

Note 26:

Chairman, Taipei Foreign Exchange Market Development Foundation / Director, Taipei Forex Inc.

Major shareholders of the juristic-person director

February 28th, 2025

Name of Juridical-Person Director	Major Shareholders of the Juristic-Person Director
CTCI Development Corporation	CTCI Corporation(100%)
TCC Group Holdings Co., Ltd. (As of Jul. 3 rd , 2024)	Chia Hsin Cement Corporation(3.17%)、Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF(2.85%)、Chinatrust Investment Co., Ltd.(2.47%)、Old Labor Pension Scheme Fund(1.69%)、Tong Yang Chia Hsin International Corporation(1.55%)、International CSRC Investment Holdings Co., Ltd.(1.51%)、Heng Qiang Investment Co., Ltd.(1.49%)、Chunghwa Post Co., Ltd. (1.38%)、Taiwan Life Insurance Co., Ltd.(1.33%)、Department of Government Employees Insurance, Bank of Taiwan(1.32%)
CTCI Foundation	CPC Corporation (4.44%)、Taiwan Sugar Corporation (4.44%)、Taiwan Power Company (4.44%)、Taiwan Fertilizer Co., Ltd. (4.44%)、BES Engineering Corporation (4.44%)、Taiwan industrial Development Corporation(4.44%)、Tatung Company (4.44%)、TCC Group Holdings Co., Ltd. (4.44%)、YULON Motor Co., Ltd. (4.44%)、China Man-Made Fiber Corporation (4.44%)、Formosa Plastics Corporation (4.44%)、Asia Cement Corporation (4.44%)、SESODA Corporation (4.44%)、Pioneer Chemical Corporation (4.44%)

Major shareholders of the major shareholders that are juridical persons

February 28th, 2025

Name of Juridical-Person Director	Major Juridical Shareholders of Juridical-Person Director	Major Shareholders of the Juridical Shareholders of the Juristic-Person Director
CTCI Development Corporation	CTCI Corporation (As of Jul. 20 th , 2024)	CTCI Foundation (7.51%)、CTBC BANK Co., Ltd. (Sustainability Employee Stock Ownership Trust)(6.23%)、CTBC BANK Co., Ltd. (CTCI Corporation Employee Stock Ownership Trust) (6.10%)、Yuanta Taiwan High Dividend Low Volatility ETF(4.38%)、BANK SINOPAC Co, Ltd. (Reliable Employee Stock Ownership Trust)(3.36%)、USI Corporation(1.87%)、Asia Polymer Corporation(1.78%)、Union Cement Traders Inc.(1.65%)、Chang Hwa Commercial Bank, Ltd. (1.23%)、Morgan Stanley & Co. International Plc(1.17%)

Name of Juridical-Person Director	Major Juridical Shareholders of Juridical-Person Director	Major Shareholders of the Juridical Shareholders of the Juristic-Person Director
TCC Group Holdings Co., Ltd.	Chia Hsin Cement Corporation (As of Jul. 3 rd , 2024)	Tong Yang Chia Hsin International Corporation(16.44%)、Sung Ju Investment Corporation(8.88%)、Yung-Ping Chang(5.39%)、TCC Group Holdings Co., Ltd.(3.54%)、Ta-Ho Marinetime Corporation(3.33%)、Nutri Vita Inc.(2.23%)、Chai Hsin Foundation(1.92%)、International Chia Hsin Corporation(1.89%)、Chia Hsin Ready-Mixed Concrete Corporation(1.70%)、Ding Shun Fa Investment Co., Ltd.(1.55%)
	Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF	N/A
	Chinatrust Investment Co., Ltd. (As of Jul. 3 rd , 2024)	Heng Qiang Investment Co., Ltd.(23.38%)、Fu Pin Investment Co., Ltd.(23.33%)、TCC Group Holdings Co., Ltd.(9.36%)、International CSRC Investment Holdings Co., Ltd.(4.48%)、TCC Investment Co., Ltd.(3.45%)、Hoping Industrial Port Corporation(3.31%)、Qiao Tai Investment Co., Ltd.(3.03%)、Kun Qing International Development Ltd.(2.97%)、Chung Ho Textile Co., Ltd.(2.31%)、Ta-Ho Maritime Corporation(2.09%)
	Old Labor Pension Scheme Fund	N/A
	Tong Yang Chia Hsin International Corporation (As of Jul. 3 rd , 2024)	Chia Hsin Cement Corporation(87.18%)、Chia Hsin Construction & Development Corporation(10.41%)、Chia Min Corporation(0.52%)、Sung Ju Investment Corporation(0.42%)、Ju-Ping Chang(0.25%)、Yung-Ping Chang(0.22%)、Chung-Lien Chung(0.19%)、International Chia Hsin Corporation(0.16%)、An-Ping Chang(0.12%)、C.K. Wang(0.11%)
	International CSRC Investment Holdings Co., Ltd. (As of Jul. 3 rd , 2024)	TCC Group Holdings Co., Ltd. (15.59%)、TCC Investment Co., Ltd.(2.23%)、Chinatrust Investment Co., Ltd.(1.56%)、CS Development & Investment Co. (1.50%)、Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Funds (1.21%)、JPMorgan Chase Bank N.A., Taipei Branch in custody for Vanguard Total International Stock Index Fund, a series of Vanguard Star Fund (1.17%)、Union Cement Traders Inc. (1.16%)、TransGlobe Life Insurance Inc.(1.02%)、Tian-Yi Hou (0.76%)、Gao-Huang Lin (0.73%)

Name of Juridical-Person Director	Major Juridical Shareholders of Juridical-Person Director	Major Shareholders of the Juridical Shareholders of the Juristic-Person Director
	Heng Qiang Investment Co., Ltd. (As of Jul. 3 rd , 2024)	Tian-Yi Huo(49.50%)、Gung-Kai Koo(24.90%)、Hsuan-Hui Koo(25.5995%)、Fu Pin Investment Co., Ltd. (0.0005%)
	Chunghwa Post Co., Ltd.	Ministry of Transportation and Communications (100%)
	Taiwan Life Insurance Co., Ltd.	CTBC Financial Holding Co., Ltd. (100%)
	Department of Government Employees Insurance, Bank of Taiwan	N/A
CTCI Foundation	CPC Corporation	Ministry of Economic Affairs R.O.C. (100%)
	Taiwan Sugar Corporation (Note)	Ministry of Economic Affairs R.O.C.(86.15%)、Northern Region Branch, National Property Administration, MOF(9.92%)、First Commercial Bank(0.75%)、Chang Hwa Commercial Bank, Ltd.(0.41%)、Bank of Taiwan(0.36%)、Taiwan Business Bank Co., Ltd.(0.30%)、Hua Nan Commercial Bank, Ltd.(0.14%)、Central Investment Corporation(0.14%)、Mega International Commercial Bank Co., Ltd.(0.13%)、Land Bank of Taiwan(0.08%)、Taiwan Cooperative Bank(0.08%)
	Taiwan Power Company (Note)	Ministry of Economic Affairs R.O.C.(95.90%)、Bank of Taiwan(1.80%)、First Commercial Bank(0.57%)、Chang Hwa Commercial Bank, Ltd.(0.49%)、Hua Nan Commercial Bank, Ltd.(0.31%)、Taiwan Cooperative Bank(0.16%)、Land Bank of Taiwan(0.11%)、Taiwan Provincial Education Association Mutual Aid Society(0.07%)、Taipei City Government(0.07%)、Taiwan Railways Administration Staff Welfare Committee(0.05%)

Name of Juridical-Person Director	Major Juridical Shareholders of Juridical-Person Director	Major Shareholders of the Juridical Shareholders of the Juristic-Person Director
	Taiwan Fertilizer Co., Ltd. (Note)	Council of Agriculture, Executive Yuan R.O.C. (24.07%) 、Taiwan Cooperative Bank(4.00%) 、Chunghwa Post Co., Ltd.(3.90%) 、KGI Life Insurance Co., Ltd. (2.19%) 、Paolyta Co., Ltd.(1.73%) 、Bao Cang Da Investment Co., Ltd.(1.41%) 、Hai Yang Investment Co., Ltd.(1.37%) 、Taiwan Life Insurance Co., Ltd.(1.32%) 、Capital Taiwan Select High Yield ETF Account(1.25%) 、Wei Chang Investment Co., Ltd.(1.23%)
	BES Engineering Corporation (Note)	China Petrochemical Development Corporation(10.74%) 、Core Pacific Co., Ltd.(2.17%) 、Wen-Yang Lin(1.62%) 、Hsiu-Mei Hsu (1.45%) 、Citibank in Custody for UBS Europe SE Investment Account. (1.45%) 、Tony Development Industrials Co., Ltd.(1.34%) 、iShares Core MSCI Emerging Markets ETF(1.31%) 、Chase Custody Advanced Starlight Advanced Aggregate International Stock Index(1.22%) 、Kuo Ching Investment Co., Ltd.(1.21%) 、JP Morgan Chase Bank N. A. Taipei Branch in Custody for Vanguard Emerging Market Stock(1.17%)
	Tatung Company (Note)	San Ya Investment Co., Ltd.(7.47%) 、Jun Investment International Co., Ltd.(5.21%) 、Rowda Capital Co., Ltd.(5.10%) 、Ou Chi Investment Co., Ltd.(4.27%) 、Chun-Lung Wu(3.51%) 、Elitegroup Computer Systems Co., Ltd.(3.44%) 、Tatung University(3.21%) 、Wen-Yi Zheng(2.96%) 、Dong-Jun Jiang(2.32%) 、Xin-Tatung Investment Consulting Ltd.(2.23%)
	TCC Group Holdings Co., Ltd. (As of Jul. 3 rd , 2024)	Chia Hsin Cement Corporation(3.17%) 、Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF(2.85%) 、Chinatrust Investment Co., Ltd.(2.47%) 、Old Labor Pension Scheme Fund(1.69%) 、Tong Yang Chia Hsin International Corporation(1.55%) 、International CSRC Investment Holdings Co., Ltd.(1.51%) 、Heng Qiang Investment Co., Ltd.(1.49%) 、Chunghwa Post Co., Ltd. (1.38%) 、Taiwan Life Insurance Co., Ltd.(1.33%) 、Department of Government Employees Insurance, Bank of Taiwan(1.32%)

Name of Juridical-Person Director	Major Juridical Shareholders of Juridical-Person Director	Major Shareholders of the Juridical Shareholders of the Juristic-Person Director
	Yulon Motor Co., Ltd. (Note)	Tai Yuen Textile Co., Ltd.(17.43%)、China Motor Corporation(16.02%)、Li-Lien Yen Chen(3.19%)、Taipei Branch of UBS Received PeiYu Yen Trust Property Account(3.17%)、Taipei Branch of UBS Received Hsiang-Nan Yen Trust Property Account(3.17%)、Fande Investment Co., Ltd.(1.78%)、Yen Ching-Ling's Foundation(1.03%)、Shih-Chung Lin(0.93%)、Diamond Hosiery & Thread Co., Ltd.(0.73%)、Yuea Ching Business Co., Ltd.(0.70%)
	China Man-Made Fiber Corporation (Note)	Pan Asia Chemical Corporation(15.51%)、Sheng Jen Knitted Textiles Co., Ltd.(4.36%)、Chou Chin Industrial Co., Ltd.(3.65%)、Pan Asia Investment Co., Ltd.(3.11%)、Chung Chien Investment Co., Ltd.(2.61%)、JP Morgan Chase Taipei branch as a custodian for Vanguard Emerging Markets Stock Index Fund Investor Shares managed by the Vanguard Group(1.19%)、Standard Chartered sales department serves as a custodian for iShares Core MSCI emerging market ETF(1.03%)、Yu Hwei Technology Co., Ltd.(0.98%)、JP Morgan Chase N.A., Taipei branch as a custodian for Vanguard Total International Stock Index Fund(0.94%)、Deh Hsing Investment Co., Ltd.(0.69%)
	Formosa Plastics Corporation (Note)	Chang Gung Medical Foundation(9.44%)、Formosa Chemicals & Fibre Corp.(7.65%)、Credit Suisse AG- Credit Suisse Singapore Branch(6.26%)、Nanya Plastics Corp.(4.63%)、Chindwell International Investment Corp.(4.16%)、Vanson International Investment Co., Ltd.(3.05%)、Formosa Petrochemical Corp.(2.07%)、Ming Chi University of Technology(1.43%)、Government of Singapore(1.37%)、Old Labor Pension Fund(1.17%)
	Asia Cement Corporation (Note)	Far Eastern New Century Corporation(21.16%)、Far Eastern Medical Foundation(5.15%)、Yuanta/P-shares Taiwan Dividend Plus ETF(4.56%)、KGI Life Insurance Co., Ltd. (2.52%)、Labor Pension Fund Committee of Far Eastern New Century Corporation(1.67%)、Yuan Ding Investment Company(1.53%)、Far Eastern Department Stores Co., Ltd.(1.41%)、Yuan-Ze University(1.37%)、Chunghwa Post Co., Ltd. (1.35%)、Far Eastern Memorial Foundation(1.24%)

Name of Juridical-Person Director	Major Juridical Shareholders of Juridical-Person Director	Major Shareholders of the Juridical Shareholders of the Juristic-Person Director
	SESODA Corporation (Note)	Zhengbang Investment Co., Ltd.(6.46%) 、Ying-Piao Chu (5.08%) 、Forbson International Co., Ltd.(3.10%) 、Zhifu Investment Co., Ltd.(2.95%) 、Investment Account of SinoPac Securities under the Custody of BANK SINOPAC(2.33%) 、San De International Investment Co., Ltd.(2.17%) 、Yalan Investment Consulting Co., Ltd.(1.76%) 、Chung-Li Wu(1.72%) 、Mr. Zhong-Yae Wu Education Charity Foundation(1.66%) 、Sincere Industrial Corporation(1.50%)
	Pioneer Chemical Corp. (Note)	The Great Taipei Gas Corporation(26.55%) 、Cian Dao Investment Co., Ltd.(8.73%) 、Mian Hao Industrial Co., Ltd.(6.33%) 、Bai Syun Investment Co., Ltd.(5.64%) 、Herui Industrial Co., Ltd.(5.03%) 、Han-Dong Lin(4.07%) 、Tai Fung Investment Co., Ltd.(3.34%) 、Taiwan Glass Industry Corp.(3.30%) 、Hung Shin Industrial Co., Ltd.(2.28%) 、Huei-Wun Lin(1.93%)

Note: The latest public information disclosed by each company as of February 28th, 2025.

A. Professional qualifications and independence analysis of directors

Criteria Name	Professional Qualifications and Experiences	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Michael Yang	<p>1.Mr. Yang joined CTCI in 1991 and has held various domestic and foreign positions in construction, business, market development and project management. He served as the president in 2014 and the chairman since 2020. He has the professional ability of turnkey engineering in Hydrocarbon, Infrastructure, Environment, and Power industries and the leadership ability to lead the Company to be intelligent, internationalized and diversified.</p> <p>2.Not been a person of any conditions defined in Article 30 of the Company Act.</p>	NA	0
John T. Yu	<p>1.Mr. Yu joined CTCI as an engineer in 1979 and has been rising through the ranks ever since. He served as the president in 1998, the chairman in 2001, and the group chairman since 2016. He has served as the top leader of CTCI Group for more than 20 years, which is the period when the group has the fastest growth, the most difficult decision-making and the most complicated period. He led CTCI from a local engineering company to become the No.1 international turnkey engineering company in Taiwan. His all-round and successful leadership is self-evident.</p> <p>2.Not been a person of any conditions defined in Article 30 of the Company Act.</p>	NA	0

Criteria Name	Professional Qualifications and Experiences	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Quintin Wu	<p>1.Mr. Wu has led USI Group for more than 40 years and is currently chairman of USI Corporation and its subsidiaries. Mr. Wu has a wealth of petrochemical plastics, semiconductors and electronics and other industries, and excellent leadership skills.</p> <p>2.Not been a person of any conditions defined in Article 30 of the Company Act.</p>	NA	0
Johnny Shih	<p>1.Mr. Shih joined the Far Eastern Group in 1974 and has held important positions in many companies under the Far Eastern Group. He is currently the vice chairman of Far Eastern New Century Corporation and Oriental Union Chemical Corporation, and the chairman of Everest Textile Company Limited. He has extensive experience in managing the Petrochemical and Energy, Polyester and Synthetic Fiber, Cement and Building Material, Retail and Department Store, Financial Service, and Communications and Internet.</p> <p>2.Not been a person of any conditions defined in Article 30 of the Company Act.</p>	NA	0

Criteria Name	Professional Qualifications and Experiences	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Yancey Hai	<p>1.Mr. Hai was the Country Manager of G.E. Capital in Taiwan and held important positions in many world-renowned international financial institutions. In 1999, with the background of a professional manager, he joined Delta Electronics, Inc. from the financial industry and entered the technology industry. He served as the Vice Chairman and CEO in 2004, and was elected as the Chairman in 2012 until May 2024. In addition to his financial expertise, his outstanding leadership skills have also been recognized internationally. He is the first Taiwanese business leader to receive the CNBC Asia Business Leader Award twice. In 2022, Mr. Yancey Hai was appointed Chairman of the Taiwan Climate Partnership to guide the ICT industry supply chain towards a net-zero carbon emissions future. Also in 2022, Mr. Yancey Hai was honored as a Laureate of the Industrial Technology Research Institute (ITRI).</p> <p>2.Not been a person of any conditions defined in Article 30 of the Company Act.</p>	NA	1

Criteria Name	Professional Qualifications and Experiences	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
An-Ping Chang	<p>1.Mr. Chang has founded many companies such as EDS, CTBC Securities, LDC Hotels & Resorts, etc., and is currently the chairman of TCC Group Holdings Co., Ltd. (TCC). The business map spans cement, software, Internet, securities, media, tourist hotels, environmental protection and energy industries, and the market is all over the world, accumulating more than 40 years of diversified and international industry experience. He also has expertise in operational management, leadership, decision-making, risk management, industrial knowledge, corporate sustainability, M&A, green energy, international markets and more. After taking over the Chairman of TCC, he led the TCC Group to develop diversely and internationally, and let the society clearly see the transformation of the TCC Group.</p> <p>2.Not been a person of any conditions defined in Article 30 of the Company Act.</p>	NA	0
Paul Chen	<p>1.Mr. Chen joined CPC in 1981 and served in various positions for 36 years. During this period, he served as the chairman of CAPCO, and as the president of CPC from 2013 to 2017. Later he served as the chairman of Kuo Kuang Power Co. and he is CEO of CTCI Foundation now. In addition to being a professional in energy and petrochemical fields, he also has rich planning experience, good cost control execution and excellent corporate management talents.</p> <p>2.Not been a person of any conditions defined in Article 30 of the Company Act.</p>	NA	0

Criteria Name	Professional Qualifications and Experiences	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Wenent Pan	<p>1. Dr. Pan earned his Ph.D. degree in Chemical Engineering in U.S. and worked at Monsanto Company. He returned from the United States in 1982 and joined CPC. He has held various positions. He served as president from 1996 to 2004, and chairman from 2006 to 2009. He also served as chairman of Gintech Energy Corporation and Kuo Kuang Power Co., Ltd. Now he is Chairman of CTCI Foundation. In addition to majors in petroleum engineering, chemical engineering, process, chemical thermodynamics and petrochemical, etc., he also has unique insights in planning conception, strategy formulation, research and development, executive control, leadership, and risk management.</p> <p>2. Not been a person of any conditions defined in Article 30 of the Company Act.</p>	NA	2

Criteria Name	Professional Qualifications and Experiences	Independence Criteria		Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Chien- Chung Li	<p>1.Mr. Li returned from the United States in 1980 and taught at National Central University. He served as the chairman and director of the department of Civil Engineering, director of the Graduate Institute of Construction Engineering and Management, and the Dean of College of Engineering. During this period, he was seconded to the Ret-Ser Engineering Agency from 1985 to 1987, and served as the Vice Chairman of the Public Construction Commission from 1995 to 2000. After retiring from National Central University in 2008, he served as the chairman of CECI Engineering Consultants, Inc. until his term expired in 2016. His background spans industry, government, and academia, and he has made far-reaching and pioneering contributions to domestic civil engineering education and industry development.</p> <p>2.Not been a person of any conditions defined in Article 30 of the Company Act.</p>	1.Whether the person, his/her spouse or relative within the second degree of kinship serve as a director/ a supervisor/ an employee of the Company or any of its affiliates?	No	0
		2.The number and proportion of the Company's share held by the person, his/her spouse or relative within the second degree of kinship (or in the name of others)?	0	
		3.Whether to serve as a director/ a supervisor/ an employee of a company that has a specific relationship with the Company?	No	
Yen-Shiang Shih	<p>1.Mr. Shih joined the Ministry of Economic Affairs(MOEA) in 1986 and held various positions in the MOEA. He served as Minister of MOEA from 2009 to 2013. His long-term experience in serving in the public sector provides valuable advice on industrial development and policies, international finance and other aspects. Mr. Shih also served as a Professor and Chief of Chemical Engineering at National Taiwan University of Science and Technology from 1979 to 1986, and as a Chair Professor at Chung Yuan Christian University since 2013.</p> <p>2.Not been a person of any conditions defined in Article 30 of the Company Act.</p>	4.The compensations received for providing the commercial, legal, financial, accounting or related services to the Company or any of its affiliates in the past 2 years?	0	1

Criteria Name	Professional Qualifications and Experiences	Independence Criteria		Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Evon Chen	<p>1. Ms. Chen has been a CPA since 1985, served as senior partner of PwC from 1988 to 2006, served as vice chairman from 1993 to 2006, and served as a lecturer in the Accounting Department of Soochow University from 1975 to 1998. Ms. Chen has more than 30 years' experience in financial accounting and expertise in corporate sustainability and risk management. She could provide valuable advice on company audit, financial and business analysis.</p> <p>2. Not been a person of any conditions defined in Article 30 of the Company Act.</p>	1. Whether the person, his/her spouse or relative within the second degree of kinship serve as a director/ a supervisor/ an employee of the Company or any of its affiliates?	No	1
		2. The number and proportion of the Company's share held by the person, his/her spouse or relative within the second degree of kinship (or in the name of others)?	0	
Harry Yen	<p>1. Mr. Yen joined Central Bank of the Republic of China (Taiwan) in 1978. He started as a junior clerk in the Department of Foreign Exchange and has successively served as Deputy Representative of the London Representative Office, Representative of the New York Representative Office, and Deputy Director General of the Department of Foreign Exchange. He served as Director General of the Department of Foreign Exchange from 2015 to 2021. He has complete qualifications in the Central Bank and is very familiar with international financial business.</p> <p>2. Not been a person of any conditions defined in Article 30 of the Company Act.</p>	3. Whether to serve as a director/ a supervisor/ an employee of a company that has a specific relationship with the Company?	No	0
		4. The compensations received for providing the commercial, legal, financial, accounting or related services to the Company or any of its affiliates in the past 2 years?	0	

B. The diversity and independence of the Board of Directors:

(1) Diversity

a. The Company has established the diversification policy in article 20 of "Corporate Governance Principles" demands that the Board composition should be diverse, and that appropriate policies should be formed with regard to the Board's operations, operating dynamics and development needs, which includes but is not limited to the following two major aspects.

- I. Basic profile and value: Gender, age, nationality and culture.
- II. Professionalism and skills: Professional background (law, accounting, industry, finance, marketing or technology), professional skills, and industry experience.

All members of the Board should possess necessary knowledge, skills, and experience to perform their duties. To achieve the ideal goal of corporate governance, the following eight types of abilities are what we expect the Board of Directors to have:

- I. Ability to make operational judgments.
- II. Ability to perform accounting and financial analysis.
- III. Ability to conduct management administration.
- IV. Ability to conduct crisis management.
- V. Knowledge of the industry.
- VI. An international market perspective.
- VII. Ability to lead.
- VIII. Ability to make policy decisions.

b. According to corporate principles, among the 12 directors of CTCI's 16th board of directors, Chairman Michael Yang, Director John T. Yu, Director Quintin Wu, Director Johnny Shih, Director Yancey Hai, Director An-Ping Chang, Director Paul Chen and Director Wenet Pan are all corporate managers of listed companies from different industries. These industries include engineering consultants, plastics, textiles, electronics, optoelectronics, and cement. These members not only excel at leadership, management, decision-making, and execution; they are also prominent leaders in their respective industries. As for the independent directors, we have former Vice Chairman of the Public Construction Committee Chien-Chung Li, former Minister of Economic Affairs Yen-Shiang Shih, qualified accountant Yi-Fang Chen and former Director General of the Department of Foreign Exchange,

Central Bank of the Republic of China (Taiwan) Harry Yen. These four members are iconic figures from their respective industries, government, the legal field, or academia. This allows CTCI to attain its goals of diversity and demonstrates. To implement diversity policy for composed of the board of Directors, the Company has targeted at least one female director and has elected one female director already. In addition, the Company has 1 director with employee status, accounting for 8% of the total; 4 independent directors, accounting for 33%, of which 2 independent directors have a term of fewer than three years, 1 independent director has a term of three to six years and 1 independent director has a term of six to nine years; 1 director is under 60 years old, 2 directors are between 61- 70 years old, and 9 directors are above 71 years old. The implementation about diversity policy of each director is below.

Diversity Name	Nationality	Gender	Employee	Age			Independent Director's tenue			Operation Management	Industry Knowledge	Finance/ Accounting/ Economics	Risk Management	International Market Perspective	Leadership	Decision- making Skill
				Under 60	61- 70	71 and above	Under 3 years	3-6 years	6-9 years							
Michael Yang	R.O.C.	Male	√	√						√	Construction consultant		√	√	√	√
John T. Yu	R.O.C.	Male				√				√	Construction consultant		√	√	√	√
Quintin Wu	R.O.C.	Male				√				√	Plastics Industry / Petrochemical Industry		√	√	√	√
Johnny Shih	R.O.C.	Male				√				√	Textile / Banking Industry	√	√	√	√	√
Yancey Hai	R.O.C. / USA	Male				√				√	Electronics / Banking Industry	√	√	√	√	√
An-Ping Chang	R.O.C.	Male				√				√	Cement Industry / Investment M&A	√	√	√	√	√
Paul Chen	R.O.C.	Male			√					√	Petrochemical Industry		√	√	√	√
Wenent Pan	R.O.C.	Male				√				√	Petrochemical industry / Optoelectronics industry		√	√	√	√
Chien-Chung Li	R.O.C.	Male				√	√			√	Construction consultant		√	√	√	√
Yen-Shiang Shih	R.O.C.	Male				√			√	√	Engineering Consultant / Industrial Economics	√	√	√	√	√
Yi-Fang Chen	R.O.C.	Female				√		√		√	Manufacturing Industry / Biotechnology Industry	√	√	√	√	√
Harry Yen	R.O.C.	Male			√		√			√	International Finance	√	√	√	√	√

c.Reasons and planned measures for less than one-third members on the board of directors are held by any gender:

Among the 12 directors of the Company's 16th term of board of directors, there is one female director, accounting for less than one-third. The main reason is that there are fewer female candidates in the market with backgrounds and experience related to the Company's industry. When the directors' terms of office expire and new director candidates are nominated, the Company will seek talent recommendations through multiple channels to enhance the gender diversity of the board's composition, so as to align with international corporate governance standards.

(2) Independence

There are 4 independent directors, accounting for 33% of all 12 directors, of which 2 independent directors have a term of fewer than three years, 1 independent director has a term of three to six years, and 1 independent director has a term of six to nine years, all independent directors' terms do not exceed over nine years.

All independent directors, as required, have submitted the declaration of Independence guiding by "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" when they was nominated as candidates of independent directors, which makes sure the independence within the person and related kinship.

There are two directors who are also managerial officers. 10 others directors with non-managerial officers (including independent directors) do not serve any positions in CTCI Groups, that will be independence on the business judgment of the board of directors.

The board of directors keep to avoid any conflict of interest. The Company will remind directors of all interested parties on notice of board meetings. If any director, or his/her spouse or a blood relative within the second degree of kinship of a director, or a company which has a controlling or subordinate relation with a director, or a juristic person represented by a director, who is an interested party with respect to any agenda item and the relationship is likely to prejudice the interests of the Company, the director may not participate in discussion or voting on that agenda item, and further, shall enter recusal during discussion and voting on that item and may not act as another director's proxy to exercise voting rights on that matter.

12 directors of the Company do not have the relationships between their spouses and relatives within the second degree of kinship which complies with the paragraph 3 to 4 of article 26-3 of the Securities and Exchange Act.

2.1.2 Management Team

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are spouses or within two degrees of kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
Vice Chairperson of Management Strategy Committee	R.O.C.	Michael Yang	Male	May 28, 2020	538,467	0.07	320,200	0.04	0	0	-EMBA, Business Administration, National Taiwan University of Science and Technology -M.S., Mechanical Engineering, National Taiwan University -B.S., Mechanical engineering, Tatung University -President, CTCI Corporation	-Chairman, CTCI Overseas Corporation Limited -Director, CTCI Overseas (BVI) Corporation -Director, CTCI Americas, Inc. -Chairman, CTCI USA Holding, Inc. -Chairman, CTCI Engineering & Construction Sdn. Bhd. -Chairman, CTIME, SOCIEDAD ANONIMA DE CAPITAL VARIABLE -Director, CTCI Education Foundation -Director, CTCI Foundation	-	-	-
President	R.O.C.	Ming-Shyan Lee	Male	May 31, 2023	175,164	0.02	5,000	0.00	0	0	-MBA, EMBA Program, National Sun Yat-sen University -B.S., Marine Engineering, Tamkang University -Senior Vice President, CTCI Corporation	-Chairman, CTCI Vietnam Company Limited -Chairman, CINDA Engineering & Construction Private Limited -Director, CTCI Investment Corporation -Director, CTCI Overseas Corporation Limited -Director, PT CTCI International Indonesia	-	-	-
Executive Vice President	R.O.C.	T.C. Li	Male	Jan. 1, 2025	45,795	0.01	203,182	0.03	0	0	-Associate Bachelor of Architecture, China Junior College of Industrial and Commercial Management -Senior Vice President, CTCI Corporation	-Chairman and President, CTCI Investment Corporation - President, CTCI Development Corporation -Director, CTCI Engineering & Construction Sdn. Bhd. -Director, CTCI Americas, Inc. -Chairman, CIPEC Construction Inc. -Chairman, Universal Engineering (BVI) Corporation -Chairman, Superiority (Thailand) Co., Ltd. -Chairman, Accuracy International Inc.	-	-	-

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are spouses or within two degrees of kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
Executive Vice President	R.O.C.	Tiger Tsai	Male	Jan. 1, 2025	0	0	268,663	0.03	0	0	-M.S., Chemical Engineering, National Taipei University of Technology -B.S., Chemical Engineering, Chung Yuang University -Senior Vice President, CTCI Corporation	-Chairman, CTCI-HDEC (Chungli) Corporation -Chairman, CTCI STSP Water Resources Corporation -President Director, PT CTCI International Indonesia -Director, CTCI Beijing Co., Ltd. -Director, Bao Ding Reclaimed Water Co., Ltd. -Director, EVER ECOVE Corporation -Director, HDEC-CTCI (Linghai) Corporation -Director, Jing Ding Green Energy Technology, Co., Ltd. -Director, Metro Consulting Service Corporation	-	-	-
Executive Vice President	R.O.C.	Shih-Wei Chung	Male	Jan. 1, 2025	181,309	0.02	425,000	0.05	0	0	- MBA, EMBA Program in International Business Management, National Taiwan University -Mechanical Engineering, National Kaohsiung Industrial of Institute -Senior Vice President, CTCI Corporation	-Chairman, CTCI Arabia Ltd. -Director, CTCI Development Corporation -Director, CTCI Chemicals Corporation -Director, CTCI (Thailand) Co., Ltd. -Chairman, CTCI Overseas (BVI) Corporation -Director, CTCI Americas, Inc. -Director, CCJV P1 Engineering & Construction Sdn. Bhd.	-	-	-
Senior Vice President	R.O.C.	Min-Lin Lee	Male	Jan. 1, 2022	214,941	0.03	79,000	0.01	0	0	-M.S., Chemical Engineering, National Central University -B.S., Chemical Engineering, Chung-Yuan Christian University -Vice President, CTCI Corporation	-Chairman, CTCI Construction Corporation -Director, CTCI Chemicals Corporation	-	-	-
Senior Vice President & Chief Corporate Governance Officer	R.O.C.	Vincent Liu	Male	Jan. 1, 2024	229,000	0.03	0	0	0	0	-M.S., Chemical Engineering, National Taiwan University -B.S., Chemical Engineering, National Central University -President, CTCI Advanced Systems Inc. -Vice President, CTCI Corporation	-Director, CIPEC Construction, Inc. -Director, Accuracy International, Inc.	-	-	-
Vice President	R.O.C.	Paul Wu	Male	Apr. 1, 2019	270,148	0.03	0	0	0	0	-M.S., Electrical Engineering, National Taipei University of Technology -Associate Bachelor of Electrical Engineering, Taipei Institute of Technology -Senior General Manager, CTCI Corporation	-Director, CTCI Shanghai Co., Ltd.	-	-	-

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are spouses or within two degrees of kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
Vice President	R.O.C.	Gino Tsai	Male	Apr. 1, 2019	471,148	0.06	0	0	0	0	-MBA, EMBA Advanced Management Master's Program, National Taiwan University -MBA, EMBA Business management, Ming Chuan University -M.S., Information management, Ming Chuan University -Associate Bachelor of Electronic Engineering, Taipei Institute of Technology -Senior General Manager, CTCI Corporation	-Supervisor, CTCI Resources Engineering Inc. -Supervisor, ECOVE Wujih Energy Corporation -Supervisor, CTCI-HDEC (Chungli) Corporation -Supervisor, Blue Whale Corporation -Supervisor, HDEC-CTCI(Linghai) Corporation -Supervisor, CTCI Flourish Long Term Care Corporation	-	-	-
Vice President	R.O.C.	Wen-Pin Lo	Male	Apr. 1, 2020	101,723	0.01	0	0	0	0	-B.S., Mechanical Engineering, National Cheng Kung University -Chief Engineer, CTCI Corporation	-Director, CTCI Development Corporation	-	-	-
Vice President & Accounting Officer	R.O.C.	Ai-Cheng Ho	Male	Apr. 1, 2020	134,731	0.02	35,000	0.00	0	0	-MBA, EMBA Program in Finance, National Taiwan University -MBA in Finance, West Coast University, California, USA -Senior General Manager, CTCI Corporation	-Chairman, CTCI Singapore Pte. Ltd. -Supervisor, CTCI Machinery Corporation -Supervisor, CTCI Beijing Co., Ltd. -Supervisor, CTCI Innovation Co., Ltd. -Principal Examiner, CTME, SOCIEDAD ANONIMA DE CAPITAL VARIABLE -Director, Century Ahead Ltd. -Director, CTCI STSP Water Resources Corporation -Supervisor, CTCI Advanced Systems Shanghai Inc. -Supervisor, ECOVE Solvent Recycling Corporation -Supervisor, ECOVE Chiayi Energy Corporation -Supervisor, ECOVE Resource Recycling Corporation -Supervisor, Jing Ding Green Energy Technology Co., Ltd. -Supervisor, Bao Ding Reclaimed Water Co., Ltd. -Supervisor, EVER ECOVE Corporation -Director, Pan Asia Corporation	-	-	-



Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are spouses or within two degrees of kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
Vice President	R.O.C.	Sharon Chiang	Female	Jan. 1, 2021	279,528	0.03	0	0	0	0	-M.S., Civil and Construction Engineering, National Taiwan University of Science and Technology -B.S., Civil and Construction Engineering, National Taiwan University of Science and Technology -Senior General Manager, CTCI Corporation	-Supervisor, CTCI Shanghai, Co., Ltd.	-	-	-
Vice President	R.O.C.	Jenq-Shyong Chung	Male	Jan. 1, 2021	84,032	0.01	153,282	0.02	0	0	-M.S., Naval Architecture, National Taiwan University -B.S., Naval Architecture Engineering, National Cheng Kung University -Chief Engineer, CTCI Corporation	-Director, CTCI Engineering & Construction Sdn. Bhd. -Director, CTCI Malaysia Sdn. Bhd. -Director, Sumber Mampu Sdn. Bhd. -Director, CCJV P1 Engineering & Construction Sdn. Bhd. -Director, Masteq Engineering Sdn. Bhd.	-	-	-
Vice President	R.O.C.	Jeff Hsu	Male	Jan. 1, 2021	976	0.00	195,000	0.02	0	0	-M.S., Civil Engineering, National Chung Hsing University -B.S., Civil Engineering, National Chung Hsing University -Senior General Manager, CTCI Corporation	-Director, CTCI-HDEC (Chungli) Corporation -Director, Blue Whale Corporation -Supervisor, CTCI Development Corporation -Director, ECOVE Chiayi Energy Corporation	-	-	-
Vice President	R.O.C.	James Wang	Male	Jan. 1, 2021	100,684	0.01	0	0	0	0	- M.S., Civil Engineering, Chung Yuang University - B.S., Civil Engineering, Chung Yuang University - Senior General Manager, CTCI Corporation	-Director, CTCI Beijing Co., Ltd.	-	-	-
Vice President	R.O.C.	Evan Chen	Male	Nov. 3, 2021	168,519	0.02	12,000	0.00	0	0	-MBA, EMBA Program in International Business Management, National Taiwan University -M.S., Mechanical Engineering, National Central University -President, CTCI Advanced Systems Inc.	-Director, CTCI Investment Corporation	-	-	-
Vice President	R.O.C.	Forest Lin	Male	Jan. 1, 2022	209,107	0.03	0	0	0	0	-M.S., Mechanical Engineering, Northwestern University, USA -B.S., Mechanical Engineering, National Taiwan Institute of Technology -Chief Engineer, CTCI Corporation	-Director, CTCI Beijing Co., Ltd.	-	-	-
Vice President	R.O.C.	Rhino Fu	Male	Jan. 1, 2022	315,371	0.04	0	0	0	0	-B.S., Mechanical Engineering, National Chiao Tung University -Chief Engineer, CTCI Corporation	-Director, CINDA Engineering & Construction Private Limited	-	-	-

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are spouses or within two degrees of kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
Vice President	R.O.C.	C.L. Yen	Male	Jan. 1, 2023	286,280	0.04	387	0.00	0	0	-M.S., Chemical Engineering, National Taiwan Institute of Technology -Chief Engineer, CTCI Corporation	-Supervisor, ECOVE Environment Services Corporation	-	-	-
Vice President	R.O.C.	William Pung (Note 1)	Male	Jan. 1, 2023	112,004	0.01	0	0	0	0	-B.S., Civil Engineering, Chung Yuang University -Chief Engineer, CTCI Corporation	-Chairman, Masteq Engineering Sdn. Bhd. -Director, CINDA Engineering & Construction Pvt. Ltd. -Director and President, CTME, SOCIEDAD ANONIMA DE CAPITAL VARIABLE	-	-	-
Vice President	R.O.C.	John Hsu (Note 2)	Male	Mar. 7, 2023	140,982	0.02	0	0	0	0	-B.S., Mechanical engineering, Tatung University -Chief Engineer, CTCI Corporation	None	-	-	-
Vice President	R.O.C.	Sam Kao	Male	Mar. 7, 2023	65,977	0.01	150,000	0.02	0	0	-M.S. Civil and Construction Engineering, National Taiwan University of Science and Technology -Chief Engineer, CTCI Corporation	None	-	-	-
Vice President	R.O.C.	Neil Chen	Male	Dec. 15, 2023	154,143	0.02	12,000	0.00	0	0	-B.S., Chemical Engineering, National Taiwan University of Science and Technology - President, CTCI Advanced Systems Inc.	None	-	-	-
Vice President	R.O.C.	Bruce Lee	Male	Jan. 1, 2024	228,088	0.03	0	0	0	0	-M.S., Water resources and marine engineering, National Cheng Kung University -Chief Engineer, CTCI Corporation	-Director, CTCI Shanghai Co., Ltd.	-	-	-
Vice President	R.O.C.	Jason Chen	Male	Jan. 1, 2024	109,612	0.01	5,000	0.00	0	0	-M.S., Fibre Engineering, National Taiwan University of Science and Technology -Chief Engineer, CTCI Corporation	None	-	-	-
Vice President	R.O.C.	Joanne Ho	Female	Jan. 1, 2024	262,407	0.03	55,171	0.01	0	0	-EMBA, Executive Master of Business Administration of National Cheng Chi University -Chief Engineer, CTCI Corporation	-Director, CTCI Arabia Ltd.	-	-	-
Vice President	R.O.C.	Y.W. Cheng	Male	Jan. 1, 2024	12,666	0.00	32,638	0.00	0	0	-B.S., Mechanical engineering, National Chung Hsing University -Chief Engineer, CTCI Corporation	-Director, CTCI Machinery Corporation	-	-	-
Vice President	R.O.C.	Anthony Hsu	Male	Jan. 1, 2024	119,098	0.01	0	0	0	0	-M.S., Graduate institute of construction engineering and management, National Central University -Chief Engineer, CTCI Corporation	-Director, CTCI Vietnam Company Limited -Director, CTCI-HDEC(Chungli) Corporation	-	-	-

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are spouses or within two degrees of kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
Vice President	R.O.C.	Jeffrey Ho	Male	Jan. 1, 2024	113,851	0.01	0	0	0	0	-M.S., Construction project, National Taiwan University of Science and Technology -Chief Engineer, CTCI Corporation	None	-	-	-
Vice President	R.O.C.	Hope Sun	Male	Jan. 1, 2025	474,707	0.06	0	0	0	0	-B.S., Associate Bachelor of Mechanical design, United Institute of Technology -Chief Engineer, CTCI Corporation	-Supervisor, CTCI Investment Corporation	-	-	-
Vice President	R.O.C.	Kung-Chiao Fu	Male	Jan. 1, 2025	22,000	0.00	0	0	0	0	-B.S., Electrical Engineering, National Taiwan Institute of Technology -Chief Engineer, CTCI Corporation	None	-	-	-
Vice President	R.O.C.	Chin-Yuan Chiu	Male	Jan. 1, 2025	64,512	0.01	0	0	0	0	-M.S., Chemical Engineering, National Taiwan University -B.S., Chemical Engineering, National Taiwan Institute of Technology -Associate Bachelor of Mechanical Engineering, National Kaohsiung Institute of Technology -Chief Engineer, CTCI Corporation	None	-	-	-
Vice President	R.O.C.	Yu-Hung Su	Male	Jan. 1, 2025	150,565	0.02	0	0	0	0	-B.S., Environmental Protection Technology, National Pingtung University of Science and Technology -Chief Engineer, CTCI Corporation	None	-	-	-
Financial Officer	R.O.C.	Melissa Liu	Female	Dec. 20, 2022	56,391	0.01	25	0.00	0	0	-Bachelor of International Business, National Taiwan University -General Manager, CTCI Corporation	-Director, CTCI Overseas (BVI) Corporation -Director, SINO GAL-Waste Services Co., Ltd. -Supervisor, CTCI Smart Engineering Corporation -Commissioner, PT CTCI International Indonesia -Supervisor, CDIB&Partners Investment Holding Corp.	-	-	-

Note: Chairman and President of the Company are not the same person, spouses or relatives within the first degree of kinship.

Note 1: VP William Pung is dismissed on Jun. 12, 2024, and disclose the information during his tenure of office only.

Note 2: VP John Hsu is dismissed on Mar. 1, 2024, and disclose the information during his tenure of office only.

2.2 Remuneration of Directors and Management Team

2.2.1 Remuneration of Directors

December 31st, 2024; Unit: TWD thousands; thousand shares

Title			Name		Compensation						Total remuneration (A+B+C+D) and ratio of them to net income (%)		Relevant remuneration received by directors who are also employees								Total compensation (A+B+C+D+E+F+G) and ratio of them to net income(%)		Compensation paid to directors from an invested company other than the Company's subsidiary or Parent Company		
					Base Remuneration (A)		Pension Fund (B)		Directors' Remuneration (C)				Allowances (D)		Salary, Bonuses, and Allowances (E)(Note 6)		Pension Fund(F) (Note 7)		Employees' Compensation (G)						
					CTCI	All Consolidated Entities	CTCI	All Consolidated Entities	CTCI	All Consolidated Entities			CTCI	All Consolidated Entities	CTCI	All Consolidated Entities	CTCI	All Consolidated Entities	CTCI	All Consolidated Entities	CTCI			All Consolidated Entities	
											Cash	Stock									Cash	Stock			
Director			John T. Yu (Note1)		23,160	24,600	0	0	0	0	1,402	1,834	24,562 1.26%	26,434 1.36%	0	0	0	0	0	0	0	0	24,562 1.26%	26,434 1.36%	0
Chairman/ Director	Juristic-person Director	CTCI Development Corporation	17,296	17,296	0	0	18,000	18,000	1,230	1,734	36,526 1.88%	37,030 1.91%	21,252	22,692	241	241	2,592	0	2,592	0	60,611 3.12%	62,555 3.22%	0		
	Juristic-person Director	CTCI Foundation																							
	Juristic-person Director	TCC Group Holdings Co., Ltd.																							
	Chairman	Michael Yang (Note1)																							
	Director	Quintin Wu																							
	Director	Johnny Shih																							
	Director	Yancey Hai																							
	Director	An-Ping Chang (Note 2)																							
	Director	Paul Chen (Note 3)																							
Director	Wenent Pan																								
Independent Director			Chien-Chung Li		12,400	12,400	0	0	0	0	1,040	1,040	13,440 0.69%	13,440 0.69%	0	0	0	0	0	0	13,440 0.69%	13,440 0.69%	0		
			Yen-Shiang Shih																						
			Evon Chen																						
			Harry Yen																						

1. Please describe the payment policy, systems, standards and constructions of Independent Directors, their relevance between payment of compensation and taking responsibility, risks, investing time and so on:

The compensation of Independent Directors is according to the Company's business outcome (consolidated revenue, EPS and ROE), moreover, the compensation also pay as functional committee's convener or member.

2. Other than disclosure in above table, Directors remunerations earned by providing services (e.g. providing consulting services as a non-employee of parent company/all consolidated entities/invested company) in the 2022 financial statements: None.

Note 1: Mr. John T. Yu and Mr. Michael Yang are representative of CTCI Development Corporation.

Note 2: Mr. An-Ping Chang is representative of TCC Group Holdings Co., Ltd.

Note 3: Mr. Paul Chen is representative of CTCI Foundation.

Note 4: That salary, bonuses, and allowances include the estimation of Employee Stock Options and Restricted Stock Awards.

Note 5: TWD 241 thousand are allocated to the pension plan in 2024.

Range of Remuneration

Bracket	Name of Directors			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	CTCI	All Consolidated Entities	CTCI	All Consolidated Entities
Under TWD 1,000,000	-	-	-	-
TWD1,000,000 ~ TWD2,000,000	-	-	-	-
TWD2,000,000 ~ TWD3,500,000	Michael Yang / Quintin Wu / Johnny Shih / Yancey Hai / An-Ping Chang / Paul Chen / Wenent Pan / Chien-Chung Li / Yen-Shiang Shih / Evon Chen / Harry Yen	Michael Yang / Quintin Wu / Johnny Shih / Yancey Hai / An-Ping Chang / Paul Chen / Wenent Pan / Chien-Chung Li / Yen-Shiang Shih / Evon Chen / Harry Yen	Quintin Wu / Johnny Shih / Yancey Hai / An-Ping Chang / Paul Chen / Wenent Pan / Chien-Chung Li / Yen-Shiang Shih / Evon Chen / Harry Yen	Quintin Wu / Johnny Shih / Yancey Hai / An-Ping Chang / Paul Chen / Wenent Pan / Chien-Chung Li / Yen-Shiang Shih / Evon Chen / Harry Yen
TWD3,500,000 ~ TWD5,000,000	CTCI Foundation / TCC Group Holdings Co., Ltd.	CTCI Foundation / TCC Group Holdings Co., Ltd.	CTCI Foundation / TCC Group Holdings Co., Ltd.	CTCI Foundation / TCC Group Holdings Co., Ltd.
TWD5,000,000 ~ TWD10,000,000	-	-	-	-
TWD10,000,000 ~ TWD15,000,000	CTCI Development Corporation	CTCI Development Corporation	CTCI Development Corporation	CTCI Development Corporation
TWD15,000,000 ~ TWD30,000,000	John T. Yu	John T. Yu	John T. Yu / Michael Yang	John T. Yu / Michael Yang
TWD30,000,000 ~ TWD50,000,000	-	-	-	-
TWD50,000,000 ~ TWD100,000,000	-	-	-	-
Over TWD100,000,000	-	-	-	-
Total	-	-	-	-

2.2.2 Compensation of President and Executive Vice President

December 31st, 2024; Unit: TWD thousands; thousand shares

Title	Name	Salary(A)		Pension Fund (B)(Note1)		Bonuses and Allowances (C)(Note2)		Employees' Compensation (D)				Total compensation (A+B+C+D) and ratio of them to net income (%)		Compensation paid to the president and executive vice president from an invested company other than the Company's subsidiary or Parent Company
		CTCI	All Consolidated Entities	CTCI	All Consolidated Entities	CTCI	All Consolidated Entities	CTCI		All Consolidated Entities		CTCI	All Consolidated Entities	
								Cash	Stock	Cash	Stock			
Vice Chairperson of Management Strategy Committee	Michael Yang	11,573	14,608	421	421	26,847	26,847	3,956	0	3,956	0	42,797 2.20%	45,832 2.36%	0
President	Ming-Shyan Lee													

Note 1: Pension contributed according to actuaries' report and resolution of board of directors' meeting.

Note 2: That Bonuses and Allowances include the estimation of Employee Stock Options and Restricted Stock Awards.

Range of Remuneration

Bracket	Name of President and Executive Vice President	
	CTCI	All Consolidated Entities
Under TWD 1,000,000	-	-
TWD1,000,000 ~ TWD2,000,000	-	-
TWD2,000,000 ~ TWD3,500,000	-	-
TWD3,500,000 ~ TWD5,000,000	-	-
TWD5,000,000 ~ TWD10,000,000	-	-
TWD10,000,000 ~ TWD15,000,000	-	-
TWD15,000,000 ~ TWD30,000,000	Michael Yang / Ming-Shyan Lee	Michael Yang / Ming-Shyan Lee
TWD30,000,000 ~ TWD50,000,000	-	-
TWD50,000,000 ~ TWD100,000,000	-	-
Over TWD100,000,000	-	-
Total	-	-

Employees' Compensation Granted to Management Team

Unit: TWD thousands

	Title	Name	Employee Bonus - in Stock (Fair Market Value)	Employee Bonus - in Cash	Total	Ratio of Total Amount to Net Income (%)
Executive Officers	Vice Chairperson of Management Strategy Committee	Michael Yang	0	12,572	12,572	0.65
	President	Ming-Shyan Lee				
	Executive Vice President	T.C. Li				
	Executive Vice President	Tiger Tsai				
	Executive Vice President	Shih-Wei Chung				
	Senior Vice President	Min-Lin Lee				
	Senior Vice President	Vincent Liu				
	Vice President	Paul Wu				
	Vice President	Gino Tsai				
	Vice President	Wen-Pin Lo				
	Vice President	Ai-Cheng Ho				
	Vice President	Sharon Chiang				
	Vice President	Jenq-Shyong Chung				
	Vice President	Jeff Hsu				
	Vice President	James Wang				
	Vice President	Evan Chen				
	Vice President	Forest Lin				
	Vice President	Rhino Fu				
	Vice President	C.L. Yen				
	Vice President	Sam Kao				
	Vice President	Neil Chen				
	Vice President	Bruce Lee				

	Vice President	Jason Chen				
	Vice President	Joanne Ho				
	Vice President	Y.W. Cheng				
	Vice President	Anthony Hsu				
	Vice President	Jeffrey Ho				
	Financial Officer	Melissa Liu				

Note 1: The distributed amount is based on the total amount (TWD 58,272 thousand) approved by Board of Directors in 2025 and calculated accordingly to each executive officers' on-job days in the previous year.

2.2.3 Comparison of Remuneration for Directors, Presidents and Executive Vice Presidents in the Most Recent Two Fiscal Years and Remuneration Policy, for Directors, Presidents and Executive Vice Presidents

The remuneration of directors and management officers is determined in accordance with "Procedure for Performance Assessment and Remuneration Standard of the directors and Management Officers:

- A. Analysis of total remuneration of ratio to net income in accordance with CTCI's Directors, President and Executive Vice President by CTCI and all consolidated entities' financial statements in the most recent two fiscal years

Unit: TWD thousands

Year	CTCI		All Consolidated Entities	
	Total remuneration	Ratio to net income (%)	Total remuneration	Ratio to net income (%)
2023	108,012	5.71	113,931	6.02
2024	114,439	5.89	119,348	6.14

Note: In 2024, the total remuneration ratio to net income for CTCI's Directors, Presidents, and Executive Vice Presidents, as well as for all entities included in the consolidated financial statements, increased by 0.18% and 0.12% respectively, compared to 2023.

B. The remuneration's policies, standards, combinations, the procedures for determining the remuneration, and the relation to business performance and future risks

(1) CTCI's Directors' Compensation is categorized into Base Remuneration, Remuneration and Allowance:

Directors' Base Remuneration

Pursuant to Article 35 of Articles of Incorporation, the remuneration of directors, chairman and vice chairman shall be determined by the Board of Directors in reference to the industry standard and their respective contribution. The base remuneration of all Directors (included Independent Directors) is stipulated with the Company's performance (Consolidated Revenue, EPS, ROE), with a higher weighting allocated to the Chairman compared to other directors.

Directors' Remuneration

It is paid according to Article 37 of Articles of Incorporation, "when net profit occurs in the annual accounts, the Company may, after reserving a sufficient amount of the income before tax to cover the accumulated losses, with the resolution of the board of directors, distribute no more than 1.5% of the income before tax to pay to the board of directors as remuneration" and Company's performance (Consolidated Revenue, EPS, ROE).

Directors serving as members of functional committees are responsible for participating in discussions and resolutions at committee meetings. Therefore, they receive remuneration based on their committee positions. Members acting as conveners, who are responsible for convening and presiding over meetings and representing the committees, receive higher remuneration than other members.

For non-employee directors serving as chairpersons of the Management Strategy Committee, who actively participate in the Company's operations with greater responsibilities, their remuneration is determined by the Remuneration Committee. This determination is based on the Company's performance (Consolidated Revenue, EPS, ROE), with a recommendation submitted to the Board of Directors for approval and implementation.

Allowance

It includes traveling allowance and attendance fee which are stipulated with reference to the typical pay levels adopted by other public listed companies or companies within the similar industry field, Directors are entitled to receive attendance fees on a per-meeting basis, based on their participation in Board and functional committee meetings. The remuneration of Directors/Supervisors who hold concurrent positions in the affiliates is stipulated under the same standard.

- (2) The structure of remuneration of the managerial officer is categorized into fixed and variable ones. The fixed remuneration is salary paid monthly, while the variable one includes employee remuneration, year-end bonus, Employee Stock Options and Restricted Stock Awards, with the standards based on individual's annual key performance index (KPI) assessment. The aforementioned assessment includes qualitative indicators (e.g. core competencies, potential development, etc.) and quantitative indicators (e.g. the achievement of the individual's goals, the rate of achievement or the degree of achievement of the expected target value, etc.) Employee remuneration is paid according to Article 37 of Articles of Incorporation, "when net profit occurs in the annual accounts, the Company may, after reserving a sufficient amount of the income before tax to cover the accumulated losses, with the resolution of the board of directors, distribute 1.5%~5% of the income before tax to pay to the employees as remuneration". The year-end bonus is determined based on the annual operating performance of the Company, and shall be decided after suggestion of Company's personnel development committee / Remuneration Committee and approval by Board of Directors. The grant of Employee Stock Option is categorized into regular and reward. The regular number of options will be determined by corporate title, seniority and job performance. The employees who have directly contribution to the Company or outstanding performance are eligible for the grant of reward stock options which is decided after suggestion of Chairman / Remuneration Committee and approval by Board of Directors. The grant of RSA is based on overall contribution and work performance. The number of shares granted shall be approved by the Chairman and submitted to the Remuneration Committee and Board of Directors for approval.
- (3) The procedure for setting remuneration is in accordance with "Procedure for Performance Assessment and Remuneration Standard of the directors and Management Officers ". It refers to the typical pay levels adopted by other public listed companies and companies within the similar industry field, and considered about Company's business performance, individual performance and their respective contribution to Company in order to prescribe reasonable remuneration. Remuneration committee and Board will periodically review the reasonableness of the remuneration and make timely adjustment of the remuneration system based on the Company's business and relevant laws. It also shall not produce an incentive for the Directors, President and Executive Vice Presidents to engage in activity to pursue remuneration exceeding the risks that the Company may tolerate in order to avoid the Company loss suffering even after the compensation payment.

2.3 Implementation of Corporate Governance

2.3.1 Board of Directors

A. A total of 6 meetings of the board of directors were held in the previous period, Directors' attendance was as follow: (As of February 28st, 2025)

Title	Name	Attendance in Person	By Proxy	Attendance rate (%)	Remarks
Chairman	Michael Yang (Rep. of CTCI Development Corporation)	6	0	100	
Director	John T. Yu (Rep. of CTCI Development Corporation)	6	0	100	
Director	Quintin Wu	6	0	100	
Director	Johnny Shih	3	3	50	
Director	Yancey Hai	6	0	100	
Director	An-Ping Chang (Rep. of TCC Group Holdings Co., Ltd.)	4	2	66	
Director	Paul Chen (Rep. of CTCI Foundation)	6	0	100	
Director	Wenent Pan	6	0	100	
Independent Director	Chien-Chung Li	6	0	100	
Independent Director	Yen-Shiang Shih	6	0	100	
Independent Director	Evon Chen	6	0	100	
Independent Director	Harry Yen	6	0	100	

B. Independent Directors' attendance of each meeting of board of directors was as follows:

(As of February 28th, 2025)

◎ : Attendance in Person ; ☆ By Proxy ; ● : Absent with apologies

Name	the 5 th Meeting of the 16 th Term Board of Directors (2024.03.06)	the 6 th Meeting of the 16 th Term Board of Directors (2024.05.03)	the 7 th Meeting of the 16 th Term Board of Directors (2024.08.02)	the 8 th Meeting of the 16 th Term Board of Directors (2024.11.05)	the 9 th Meeting of the 16 th Term Board of Directors (2024.12.13)	the 10 th Meeting of the 16 th Term Board of Directors (2025.02.27)
Chien-Chung Li	◎	◎	◎	◎	◎	◎
Yen-Shiang Shih	◎	◎	◎	◎	◎	◎
Evon Chen	◎	◎	◎	◎	◎	◎
Harry Yen	◎	◎	◎	◎	◎	◎

C. Other mentionable items

1. If there are the matter referred to as below in the directors' meetings, the dates of meetings, sessions, contents of motions, all independents' opinion and the Company's response to independent directors' opinion should be specified:

(1) The matters referred to in Article 14-3 of Securities and Exchange Act.

(2) Resolutions of the directors' meetings objected to by Independent Directors or subject to qualified opinion and recorded or declared in writing.

The Company has already established the Audit Committee, please refer to the section 2.3.2 "The State of operations of the Audit Committee" for the matters referred to in Article 14-5 of Securities and Exchange Act.

Until the annual report on printed, the resolutions of the directors' meetings were unanimously approved by all present Board members.

2. If there is Directors' avoidance of motions in conflict of interest, the Directors' names, contents of motions, causes for avoidance and voting should be specified:

(1) The 9th meeting of the 16th term Board of Directors (2024.12.13)

◆ Contents of motion: Approval of the average salary increase rate of 2025.

Directors' Names: Michael Yang

Causes for avoidance and voting should be specified: Chairman Michael Yang recused himself during discussion of and voting on this item because of the interested party relationship.

◆ Contents of motion: Approval of the remuneration of the management officers.

Directors' Names: Michael Yang

Causes for avoidance and voting should be specified: Chairman Michael Yang recused himself during discussion of and voting on this item because of the interested party relationship.

◆ Contents of motion: Approval of donation to CTCI Education Foundation.

Directors' Names: Michael Yang and John T. Yu

Causes for avoidance and voting should be specified: Chairman Michael Yang and Director John T. Yu recused themselves during discussion of and voting on this item because of the interested party relationship.

◆ Contents of motion: Approval of the 2025 remuneration of the Chairperson of Management Strategy Committee.

Directors' Names: John T. Yu

Causes for avoidance and voting should be specified: Director John T. Yu recused himself during discussion of and voting on this item because of the interested party relationship.

3. Status of Board of Directors' Performance Evaluation

Cycles	Periods	Scope	Method	Content
Once a year for internal evaluation of the board	2024/01/01 to 2024/12/31	1. Whole board of directors. 2. Individual board members. 3. Functional committees. (include Audit Committee, Remuneration Committee, Nominating Committee and ESG & Net Zero Committee)	<p>The methods of board performance evaluation include internal evaluation of the board, self-evaluation by the board members and evaluation by an appointed external professional institution and experts, etc.</p> <p>The Secretariat of the Board is in charge of the board performance evaluation, the methods of evaluation are running by self-evaluation.</p> <p>The Company has completed evaluation of the board on January, 2025 and reported to Nominating Committee and the Board of Director on February 27, 2025. The result of evaluation adopts 5 scales to show; 1 is strongly disagree, 2 is disagree, 3 is average, 4 is agree, 5 is strongly agree.</p>	<p>1. The board performance evaluation should involve six aspects: participation in the operation of the Company, improvement of the quality of the board of directors' decision making, composition and structure of the board of directors, election and continuing education of the directors, internal control and participation in ESG of sustainable management.</p> <p>2. Individual board members' performance evaluation should involve six aspects: alignment of the goals and missions of the Company, awareness of the duties of a director, participation in the operation of the Company, management of internal relationship and communication, the director's professionalism and continuing education and internal control.</p> <p>3. Functional committees' performance evaluation should involve five aspects: participation in the operation of the Company, awareness of the duties of the functional committee, improvement of quality of decisions made by the functional committee, makeup of the functional committee and election of its members and internal control.</p>
At least once every three years by an external independent professional institution or a panel of external experts and scholars conducted	2023/06/01 to 2024/05/31	Whole board of directors and individual directors	The Company had commissioned the 2024 external board performance evaluation by KPMG Advisory Services Co., Ltd. and report to Nominating Committee and the Board of directors on December 13, 2024. The report result has been disclosed on official website.	<p>The external board performance evaluation should involve nine aspects: establishment of an effective board, effective operations, professional development and continuous training, business foresight, accountability, management of the executive team, shaping corporate culture, communication with stakeholders and performance evaluation.</p> <p>The external board members' performance evaluation should involve six aspects: understanding of company goals & tasks, awareness of duties, professional development and continuous training, accountability, level of participation in company operations and management of internal relationships and communication.</p>

4. Measures taken to strengthen the functionality of the Board

- (1) CTCI has elected 4 Independent Directors after their tenure expired on May 28, 2020 and has included 1 female Independent Director. Independent Directors seats are more than required by law. The Audit Committee which is composed of all independent directors. Please refer to the section 2.3.2 “The State of Operations of the Audit Committee”.
- (2) CTCI has established the Nominating Committee under the resolution of the directors’ meeting on Dec. 13, 2016. The 4th term Nominating Committee is composed of 3 Independent Directors and 1 Director.
- (3) From 2011, CTCI has disclosed the major resolutions of the Board meeting voluntarily on the Company website.
- (4) The Chairman of the Company do not serve as the President, and thus the duty is clearly differentiated to improve checks-and-balances mechanisms.
- (5) In accordance with the Articles of Incorporation, CTCI has purchased D&O insurance for directors and supervisors in order to reduce and diversify major damage risks of CTCI and the shareholders. Review its contents regularly for ensuring needs in line with the limit of liability and coverage, and report to the board of directors regularly in accordance with regulations.
- (6) Besides encouraging Directors and corporate governance officer to do self-training, the Company held three times on-site course for directors of CTCI group’s listed company on May 3, Aug. 2, and Nov. 6 2024 respectively. Moreover, the Company held “Case analysis of securities market operation rights” for Group’s Directors, Supervisors and management officers by professional lawyer on Dec. 25, 2024. This is helpful about realizing the importance of management right and fulfilling corporate governance.

2.3.2 The State of operations of the Audit Committee

1. A total of 6 meetings of the Audit Committee were held in the previous period, Independent Directors’ attendance was as follows:

(As of February 28th, 2025)

Title	Name	Attendance in Person	By Proxy	Attendance rate (%)	Remarks
Independent Director (Convener)	Yen-Shiang Shih	6	0	100	
Independent Director	Chien-Chung Li	6	0	100	
Independent Director	Evon Chen	6	0	100	
Independent Director	Harry Yen	6	0	100	

2. Professional qualifications and experiences of the Audit Committee

February 28th, 2025

Member	Professional qualifications and experiences
Yen-Shiang Shih (Convener)	Please refer to 2.1.1 Directors \ A. Professional qualifications and independence analysis of directors
Chien-Chung Li	
Evon Chen	
Harry Yen	

3. The Audit Committee is responsible to review the following major matters:

- (1) Review financial report.
- (2) Adopt or amend the internal control system.
- (3) Assessment of the effectiveness of the internal control system.
- (4) Adopt or amend regulations for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others.
- (5) Review a matter bearing on the personal interest of a director.
- (6) Review a material asset or derivatives transaction.
- (7) Review a material monetary loan, endorsement, or provision of guarantee.
- (8) Review the offering, issuance, or private placement of any equity-type securities.
- (9) Review the hiring or dismissal of an attesting CPA, or the compensation given thereto.
- (10) Adopt the Risk Management policy and regulations, and monitor its executive status.

◆ Review Annual Financial Report

The Board of Directors has prepared the Company's 2024 Business Report, Financial Statements and proposal for allocation of profits. The CPA firm of PriceWaterhouseCoopers was retained to audit CTCI's Financial Statements and has issued an audit report relating to the Financial Statements. The Business Report, Financial Statements, and profit allocation proposal have been reviewed and determined to be correct and accurate by the Audit Committee members of CTCI Corporation.

◆ Assess the effectiveness of the internal control system

The Audit Committee assessed the effectiveness of the Company's internal control system policies and procedures (including finance, operation, risk management, information security, compliance, etc.) and reviewed periodic reports from the Company's Internal Audit Department, independent accountants and management. The Audit Committee believes that the Company's internal control system is effective and that the Company has adopted the necessary control mechanisms to monitor and correct violations.

◆ CPAs assessment

The Audit Committee is responsible for supervising the independence of the accounting firm to ensure the impartiality of financial statements. In general, the accounting firm shall not provide non-assurance services to the Company, except for tax services or services that have been approved by the Audit Committee.

To ensure the independence of the accounting firm, the Audit Committee has created an independent evaluation form that assesses the independence, professionalism, and competence of CPAs, with reference to Article 47 of the Accountant Law and Code No. 10 of the Accountant's Code of Ethics. During the 9th meeting of the 4th term Audit Committee and the 10th meeting of the 16th term Board of Directors on Feb. 27, 2025, it was reviewed and approved that Fu-Ming Liao and Chin-Chang Chen, both CPAs from PricewaterhouseCoopers, meet the independent evaluation standards and are qualified to serve as audit and tax CPAs for the Company.

◆ Since 2021, the CPAs individually present audit results and other matters required to members of the Audit Committee before the meetings of the Audit Committee in every reporting year and second quarter of financial statements. Also, the execution situations, results and suggestions have been fully communicated.

4. Other mentionable items

(1) If there are the matter referred to as below in the Audit Committee, the dates of Audit Committee, sessions, contents of motions, a objection, reservation or material suguesstions by an independent director, the Audit Committee' resolutions and the Company's response to the Audit Committee's opinion should be specified.

A. The matters referred to in Article 14-5 of Securities and Exchange Act.

B. Resolution that was not approved by the Audit Committee but be undertaken upon the consent of two-thirds or more of all directors.

BOD Meetings	Contents of Motions and the Response	In Article 14-5 of Securities and Exchange Act	Not approved by the Audit Committee but be undertaken upon the consent of two-thirds or more of all directors
The 5 th meeting of the 16 th term Board of Directors (2024.03.06)	Approval of the distribution plan of the 2023 directors' and employees' remuneration.	V	None
	Approval of the Fiscal 2023 business report, financial reports and consolidated reports.	V	None
	Approval of the distribution plan of Fiscal 2023 earnings.	V	None
	Approval of "Statement of Internal Control System for the Year 2023".	V	None
	Approval of the amendment to the Company's "Audit Committee Operation Management Regulations".	V	None
	Approval of the amendment to the Company's Internal Audit Systems.	V	None
	Approval of the adjustment of loan limit.	V	None
	Approval of RSA reduction of the Company's paid-in capital registration.	V	None
	Approval of ESOP issuance of the Company's paid-in capital registration.	V	None
	Resolutions of the Audit Committee (2024.03.06): unanimously approved by all present Audit Committee members.		
	The Company's response to the Audit Committee's opinion: unanimously approved by all present Board members.		
The 6 th meeting of the 16 th term Board of Directors (2024.05.03)	Approval of consolidated financial reports as of March 31 st , 2024.	V	None
	Approval on funds lending the subsidiaries for working capital requirement by the Company.	V	None
	Approval of the issuance of the 2 nd domestic unsecured conversion of corporate bonds.	V	None
	Approval of RSA reduction of the Company's paid-in capital registration.	V	None
	Approval of ESOP issuance of the Company's paid-in capital registration.	V	None

BOD Meetings	Contents of Motions and the Response	In Article 14-5 of Securities and Exchange Act	Not approved by the Audit Committee but be undertaken upon the consent of two-thirds or more of all directors
	Resolutions of the Audit Committee (2024.05.03): unanimously approved by all present Audit Committee members.		
	The Company's response to the Audit Committee's opinion: unanimously approved by all present Board members.		
The 7 th meeting of the 16 th term Board of Directors (2024.08.02)	Approval of consolidated financial reports as of June 30 th , 2024.	V	None
	Approval of RSA reduction of the Company's paid-in capital registration.	V	None
	Approval of ESOP issuance of the Company's paid-in capital registration.	V	None
	Resolutions of the Audit Committee (2024.08.02): unanimously approved by all present Audit Committee members.		
	The Company's response to the Audit Committee's opinion: unanimously approved by all present Board members.		
The 8 th meeting of the 16 th term Board of Directors (2024.11.05)	Approval of consolidated financial reports as of September 30 th , 2024.	V	None
	Approval of the capital injection of Bao Ding Reclaimed Water Co., Ltd.	V	None
	Approval of RSA reduction of the Company's paid-in capital registration.	V	None
	Approval of ESOP issuance of the Company's paid-in capital registration.	V	None
	Resolutions of the Audit Committee (2024.11.05): unanimously approved by all present Audit Committee members.		
	The Company's response to the Audit Committee's opinion: unanimously approved by all present Board members.		
The 9 th meeting of the 16 th term Board of Directors (2024.12.13)	Approval of the budget of 2025.	V	None
	Approval of the Year 2025 Audit Plan.	V	None
	Approval to spin-off of related business of the Southern Taiwan Science Park Reclaimed Water Plant to CTCI STSP Water Resources Corporation.	V	None
	Approval on funds lending the subsidiaries for working capital requirement by the Company.	V	None
	Approval of the addition and amendment to the Company's Internal Audit Systems.	V	None

BOD Meetings	Contents of Motions and the Response	In Article 14-5 of Securities and Exchange Act	Not approved by the Audit Committee but be undertaken upon the consent of two-thirds or more of all directors
	Approval of donation to CTCI Education Foundation.	V	None
	Resolutions of the Audit Committee (2024.12.13): unanimously approved by all present Audit Committee members.		
	The Company's response to the Audit Committee's opinion: unanimously approved by all present Board members.		
The 10 th meeting of the 16 th term Board of Directors (2025.02.27)	Approval of the distribution plan of the 2024 directors' and employees' remuneration.	V	None
	Approval of the Fiscal 2024 business report, financial reports and consolidated reports.	V	None
	Approval of the distribution plan of Fiscal 2024 earnings.	V	None
	Approval of "Statement of Internal Control System for the Year 2024".	V	None
	Approval of the amendment to the Company's Internal Audit Systems.	V	None
	Approval of the issuance of Restricted Stock Awards for 2025.	V	None
	Approval on funds lending the subsidiaries for working capital requirement by the Company.	V	None
	Approval of the issuance of the domestic unsecured conversion of corporate bonds.	V	None
	Approval of change of independent auditors of the Company.	V	None
	Approval of RSA reduction of the Company's paid-in capital registration.	V	None
	Approval of ESOP issuance of the Company's paid-in capital registration.	V	None
	Resolutions of the Audit Committee (2025.02.27): unanimously approved by all present Audit Committee members.		
	The Company's response to the Audit Committee's opinion: unanimously approved by all present Board members.		

(2) If there is Independent Directors' avoidance of motions in conflict of interest, the Independent Directors' names, contents of motions, causes for avoidance and voting should be specified: None.

(3) Communications between the Independent Directors, the Chief Audit Executive, and the CPAs (which should include the material items, channels, and results of the audits on the corporate finance and/or operations, etc.)

A. After having presented the audit and follow-up reports to the Chairman, the Chief Audit Executive submits the same reports via e-mail to the Independent Directors for review on a monthly basis. In addition, the Chief Audit Executive communicates individually on internal control and audit-related matters and responds to the Independent Directors' inquiries at least quarterly. After communication, the Independent Directors raised no objection in 2024.

The Chief Audit Executive presents the findings of all audit reports in the meetings of the Audit Committee and Board of Directors to ensure that the Independent Directors can keep abreast of the Company's latest internal audit status. During 2024, the communication channel between the Independent Directors and the Chief Audit Executive functioned well.

B. The CPAs present audit results and other communication matters required by relevant laws and regulations to the Independent Directors in person every half year before the Audit Committee meeting begins. If the Independent Directors have any questions, they can immediately raise and receive answers. During 2024, the communication channel between the Independent Directors and the CPAs functioned well.

2.3.3 Corporate Governance and Operation, Differences from the Corporate Governance Best Practice Principles for the TWSE/ GTSM Listed Companies and Reasons

Evaluation Item	Operation Status			Deviations from “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary Statement	
1.Does the Company establish and disclose the Corporate Governance Practice Principals in accordance with the Corporate Governance Best Practice Principles for the TWSE/ GTSM Listed Companies?	V		In the 10 th meeting of the 10 th term board of directors, the establishment of the Corporate Governance Practice Principals was decided on Jul. 24, 2006, which had been modified in accordance with the regulations and real practice in these years. The latest revision was made in the 14 th meeting of the 15 th term board of directors on Aug. 3, 2022 and was published in the Market Observatory Post System (MOPS) and CTCI’s website.	None.
2.Ownership structure and shareholder’s equity (1)Does the Company set up the internal standard operation procedure to handle issues such as shareholder’s advices, questions, disputes and accusations for implementation accordingly?	V		(1) The Company has set up spokesman as the liaison channel to handle issues like the shareholders’ advices or disputes.	None.
(2)Does the Company have control over the major shareholders, who control the Company and have the name list of the major shareholders who have the ultimate control over the Company?	V		(2)The Company has been submitting monthly report to the Market Observatory Post System, assigned by the Securities and Futures Bureau about the change of the shareholding of the insiders (directors, managers and shareholders who have more than 10% of the total shares) in accordance with the 25 th article of the Securities and Exchange Act.	None.

Evaluation Item	Operation Status			Deviations from “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary Statement	
(3) Does the Company set up and implement the risk control and firewall mechanism with the subsidiaries and affiliates?	V		(3) In addition to establishing the “Supervision and Management of Subsidiaries” based on the “Regulations Governing Establishment of Internal Control System by Public Companies” set by the Financial Supervisory Committee, the Company also stipulated the internal basic principles for cooperation of CTCL Group like “Group Authorization Regulations”, “Group Project Cooperation Regulations”, etc., which are inspected by departments like the Audit Department and Quality Management Department to ensure the thorough implementation of the system and good mechanism of the risk-control for the subsidiaries and affiliates.	None.
(4) Does the Company stipulate internal regulation, prohibiting the insiders of the Company to make use of the unpublished information for the trading of securities?	V		(4) The Company has set up the “Measures to Prevent Insider Trading” and “CTCL Group Code of Ethics Conduct”, prohibiting use of the unpublished information for the trading of securities.	None.
3. Composition and Responsibilities of Board of Directors (1) Is there establishment of the diversity policy, specific management goals and thorough implementation about the composition of board of directors?	V		(1) A. The diversity policy of the board of directors, specific management goals and executive implementation, please refer to 2.1.1 Board \ B. The diversity and independence of the Board of Directors \ (1) Diversity. B. The implementation about diversity policy of Board members has disclosed on the Company website (https://www.ctci.com) and the Market Observation Post System.	None.

Evaluation Item	Operation Status			Deviations from “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary Statement	
(2) In addition to the establishment of the Remuneration Committee and Audit Committee, does the Company have other functional committees?	V		<p>(2) In addition to the establishment of the Remuneration Committee and Audit Committee regulated by law, the Company newly established the ESG Committee in 2020 (renamed “ESG & Net Zero Committee on December 15, 2021). The major jobs of ESG & Net Zero Committee include Formulating the sustainability & net zero policy; setting sustainability governance, ethical management, environmental and social aspect, strategies, and execution plans; reviewing, tracking, and modifying progress and results of sustainability & net zero emissions activities, reporting regularly to the board of directors; following issues of interest to stakeholders and overseeing communications programs, etc.</p> <p>The committee is composed of 1 independent director and 2 directors and has held 2 meeting during the most recent fiscal year and current fiscal year up to the date of publication of the annual report.</p> <p>Moreover, the Company established the Nominating Committee on Dec. 13, 2016. The 4th term Nominating Committee is composed of 3 independent directors and 1 director, whose major jobs include the programming of the composition of board of directors/ functional committees, the qualification assessment of the directors, the programming of the succession of the managing echelon, conducting performance evaluation of the board of directors, etc. The meeting was held 3 times during the most recent fiscal year and current fiscal year up to the date of publication of the annual report.</p>	None.

Evaluation Item	Operation Status			Deviations from “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary Statement	
(3) Is there performance appraisal of the board of directors, which is carried out annually, the performance evaluation results shall be reported to the board of directors and shall base its determination of an individual director's remuneration and nomination?	V		<p>(3) The Company has set up the “Regulations Governing the board Performance Evaluation” by the resolution of the Boards on Dec. 13, 2016 which has been revised successively according to law or actual situations. According to the revised version by the resolution of 11th meeting of the 14th term of the Boards on Nov. 2, 2018, the board performance evaluation shall be conducted by an external independent professional institution or a panel of external experts and scholars at least once every three years. The latest version is revised by the resolution of the 4th meeting of the 16th term of the Boards on Dec. 15, 2023. According to the latest regulation, the board of directors of the Company shall perform the performance evaluation of the internal board of directors each year according to the evaluation procedures and the evaluation indexes of the regulations. The results of the internal and external performance evaluation of the board of directors should be completed before the end of the first quarter of the following year.</p> <p>The Company considers the Company's situation and needs to determine the performance evaluation of the board of directors, including the following aspects:</p> <ul style="list-style-type: none"> a. Participation in the operation of the Company; b. Improvement of the quality of the board of directors' decision making; c. Composition and structure of the board of directors; d. Election and continuing education of the directors; e. Internal control; 	None.

Evaluation Item	Operation Status			Deviations from “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary Statement	
			<p>f. Participation in ESG of sustainable management; and</p> <p>g. Others.</p> <p>The criteria for performance evaluation of Board members include the following aspects:</p> <p>a. Alignment of the goals and missions of the Company;</p> <p>b. Awareness of the duties of a director;</p> <p>c. Participation in the operation of the Company;</p> <p>d. Management of internal relationship and communication;</p> <p>e. The director's professionalism and continuing education;</p> <p>f. Internal control; and</p> <p>g. Others.</p> <p>The criteria for evaluating the performance of functional committees include the following five aspects:</p> <p>a. Participation in the operation of the Company;</p> <p>b. Awareness of the duties of the functional committee;</p> <p>c. Improvement of quality of decisions made by the functional committee;</p> <p>d. Makeup of the functional committee and election of its members;</p> <p>e. Internal control; and</p> <p>f. Others.</p> <p>The 2024 board performance evaluation is carried out by the Secretariat of the Board (STB) in early 2025. STB collect related information about activities of the Board of Directors and distribute “the Questionnaire of</p>	

Evaluation Item	Operation Status			Deviations from “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary Statement	
			<p>Self-Evaluation of Performance of the Board” to Board members for self-evaluation. The evaluation period is from Jan. 1 to Dec. 31, 2024, the evaluation scope includes whole board of directors, individual board members, and 4 functional committees: Audit Committee, Remuneration Committee, Nominating Committee and ESG & Net Zero Committee. When nominating members of the board of directors, the Company will base its election on the evaluation results of individual Board member. The result has been reported to the 4th meeting of the 4th term Nominating Committee and the 10th meeting of the 16th term Board of Directors on Feb. 27, 2025. The operation of CTCI’s Board of Directors is evaluated well base on the result of the 2024 board performance evaluation.</p> <p>The Company had commissioned the 2024 external board performance evaluation by KPMG Advisory Services Co., Ltd(“KPMG”). The evaluation period is from Jun. 1st 2023 to May 31st 2024 and report to the 3rd meeting of the 4th term Nominating Committee and the 9th meeting of the 16th term Board of directors on Dec.13, 2024. After evaluation, KPMG believes that the Board of the Company has formulated relevant policies and procedures in accordance with relevant laws and domestic corporate governance indicators. The board of the Company is composed of directors with relevant expertise and capabilities, and appropriate work is allocated based on their experience to effectively operate the relevant functions of the Board of Directors and functional committees. The overall evaluation results are excellent. The report result has been disclosed on official website.</p>	

Evaluation Item	Operation Status			Deviations from “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary Statement	
(4)Is there regular assessment of the independence of the certified public accountant every year?	V		(4) To fulfill Corporate Governance, the Company has established “Evaluation of engaged Certified Public Accountant Regulation” in the 11 th meeting of the 12 th term board of director on Dec. 20, 2012. According to this regulation, and also refer to Audit Quality Indicators(AQI), the Company exams and evaluates CPA’s independence and competency annually, and submit a report to the Audit Committee and Board meeting. The report was acknowledged by the 9 th meeting of the 4 th term Audit Committee on Feb. 27, 2025 and the 10 th meeting of the 16 th term Board of Directors on Feb. 27, 2025, the evaluation items please refer to the 【Note 1】 . After assessed, CPAs Fu-Ming, Liao and Chin-Chang Chen from PricewaterhouseCoopers were qualified. Both CPAs do not have any direct or indirect interest relationship with either Board of Directors or the Company, and believed to have more than sufficient capabilities on auditing, taxation and time cost efficiency.	None.
4.Does the Company set up an adequate number of personnel with appropriate qualifications and appoint a chief corporate governance officer who are responsible for matters related corporate governance? (including but not limited to providing the business-required information to the directors and supervisor,	V		The corporate governance of the Company is taken charge by 3 full-time colleagues of Secretariat of the Board (STB). On Dec. 20, 2022, Mr. Vincent Liu is appointed as the chief corporation governance officer. He has been in a managerial position for at least three years in a public company handling legal affairs. The chief corporate governance officer is the chief for matters related to corporate governance. His major job includes as following: Handling matters relating to board meetings and shareholders’ meetings according to laws; Producing minutes of board meetings and shareholders’	None.

Evaluation Item	Operation Status			Deviations from “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary Statement	
furnishing information required for business execution by directors and supervisors, handling the matters related to the meetings of the Board and the shareholders' meeting and producing the minutes of the Board and the shareholders' meeting)			<p>meetings; Assisting in onboarding and continuous development of directors; Furnishing information required for business execution by directors; Assisting directors with legal compliance; Report to the board of directors on the results of the qualifications of independent directors comply with relevant laws and regulations at the time of nomination, election and during their term of office; Handling matters relating to changes in directors.</p> <p>The business developments in 2024 are as following:</p> <p>A. Handling matters relating to board meetings and shareholders' meetings according to laws, producing minutes of board meetings and shareholders' meetings and assisting directors with legal compliance.</p> <p>(a) Draw up the meeting schedule for functional committees' meetings and Board meetings; consolidate proposals from related divisions and provide the notice, agenda and related information to each director no later than 7 days prior to the scheduled meeting date; convene the said meetings and provide meeting materials; remind directors who have conflicts of interest of recusing themselves; and complete meeting minutes within 20 days after the functional committees' meetings and board meetings.</p> <p>(b) Draw up and have prior booking for the date of Shareholders' meeting; process the stock affairs; prepare meeting notice, handbook, annual report and minutes within statutory period; and report to MOPS and apply the certificate from Ministry of Economic Affairs after shareholders' meeting.</p>	

Evaluation Item	Operation Status			Deviations from “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary Statement	
			<p>(c) Ensuring directors’ affair and the process of board resolution are in compliance with regulations.</p> <p>(d) Inspecting material information about major resolutions of Shareholders’ meeting and the board of the directors; making sure lawfulness and correctness in order to have information asymmetry with investors.</p> <p>B. Assist directors to carry out their duties, provide related information in need and arrange training program for them.</p> <p>(a) Plan the 3 hours of on-site course and AI risk course for directors of CTCI group’s listed company in May, August and November respectively and assist new Director join public training course. Moreover, the Group plans the training course for the directors, supervisors and management officers of the non-public company on an irregular basis.</p> <p>(b) The Company held “Case Analysis of Securities Market Operation Rights in the Recent Year” for Group’s Directors, Supervisors and management officers on Dec. 25, 2024. This is helpful about realizing the importance of management right and fulfilling corporate governance.</p> <p>(c) Inform the related information of laws or announcements to insiders on irregular basis.</p> <p>C. Renew the Directors’ and Officers’ Liability Insurance in September, and report the insured amount, coverage, premium rate, and other major contents of the liability insurance at the board meeting in November.</p>	

Evaluation Item	Operation Status			Deviations from “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary Statement	
			<p>D. Prepare the Self-evaluation of Corporate Governance Evaluation and assist related divisions to follow up Corporate Governance Evaluation Indicators and related regulations by the Competent Authority published.</p> <p>E. Report to the nomination committee and board of directors on the results of the qualifications of independent directors comply with relevant laws and regulations at the time of nomination, election and during their term of office in March.</p> <p>F. The training program of the chief corporate governance officer from these years to the report printed date is as 【Note 2】 .</p>	
5.Does the Company establish communication channel for stakeholders which including but not limited to shareholders, employees, customers and suppliers, set up a dedicated section in its corporate website for stakeholders, and properly respond to CSR-related issues concerned by stakeholders?	V		<p>The Company establishes "Sustainable Management" and "Investor Relations" sections in its corporate website to explain to stakeholders the conducts for fulfilling sustainability development & net zero emission may be contacted via its corporate website when needed.</p> <p>According to the GRI Standards and the AA 1000 Stakeholder Engagement Standard (SES), CTCL follows the four principles of identification, analysis, confirmation and impact to develop a materiality analysis framework, and identifies the material sustainable issues of CTCL, and incorporate relevant standards such as SASB, TCFD and TNFD for disclosure.</p> <p>The Company will give proper feedback to any reasonable concerns raised by the stakeholders.</p>	None.
6.Does the Company entrust the professional stock affair agency for the shareholder affairs?	V		The Company has entrusted the department of the stock affair agency of the KGI Securities Co. Ltd. to assist the Company in the stock affairs.	None.

Evaluation Item	Operation Status			Deviations from “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary Statement	
7.Information Disclosure				
(1)Does the Company set up a website to disclose information regarding the Company’s finance, business and corporate governance status?	V		<p>(1)</p> <p>A. The Company has set up a Chinese/English website (https://www.ctci.com) to disclose information regarding the Company’s finance and business status and update information regularly.</p> <p>B. The Company has disclosed information regarding the organization and function of Internal Audit Dept., “Rules Governing Procedure for Making of Endorsements or Guarantees”, “Rules Governing Acquisition and Disposal of Assets” and “Rules Governing Procedure for Loaning of Funds” on the Company website.</p>	None.
(2)Is there any other information disclosure channels (e.g., maintaining an English-language website, appointing responsible people to handle information collection and disclosure, appointing spokespersons, webcasting investors conference)?	V		<p>(2)</p> <p>A. The Company has set up a Chinese/English website and has appointed Brand Management Dept. to handle information collection and disclosure.</p> <p>B. The Company has appointed the President as the spokesperson, the Head of Executive Management Office as deputy spokesperson and they are responsible for speaking to the public. The Company will hold investors conference presentation according to practical needs.</p> <p>C. The audio-visual record of investor conference has been posted on the Company website. The Company has disclosed finance and business information revealed in inventor conference on the Company website and the Market Observation Post System pursuant to regulations of Taiwan Stock Exchange.</p>	None.

Evaluation Item	Operation Status			Deviations from “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary Statement	
(3) Does the Company announce and report annual financial statements within two months after the end of each fiscal year, and announce and report Q1, Q2, and Q3 financial statements, as well as monthly operation results, before the prescribed time limit?	V		(3) The Company announces annual financial statements, Q1, Q2, and Q3 financial statements, as well as monthly operation results, before the prescribed time limit.	None.
8. Is there other important information, which helps to understand the governance and operation of the Company, which includes but not limited to the rights and interest of the staff, cares for the employees, investor relations, relation with the suppliers, rights of the stakeholders, trainings received by the directors and supervisors, the implementation of the risk management policy and risk assessment criteria, the liability insurance policies taken out for the directors and supervisors, etc.?	V		Please refer to the 【Note 3】.	None.

Evaluation Item	Operation Status			Deviations from “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary Statement	
9. According to the last Corporate Governance Evaluation by TWSE, please indicate the situation has been improved and the priority and measures for the non-improved ones.	√		Improved items: 1. The ESG report has been submitted to the Board for approval. 2. The shareholders' meeting has been held by hybrid meeting (physical meeting with online system). 3. The Company has implemented the Taiwan Intellectual Property Management System (Tips) and has been verified by neutral third party.	None.

【Note 1】 Assessment of the CPA's independence and competency

No.	Audit Quality Indicators(AQI)	Meet the indicators
1	Audit Quality Indicator dimension (1) Profession	Yes
2	Audit Quality Indicator dimension (2) Quality Control	Yes
3	Audit Quality Indicator dimension (3) Independence	Yes
4	Audit Quality Indicator dimension (4) Monitoring	Yes
5	Audit Quality Indicator dimension (5) Innovation	Yes

No.	Evaluation Item	Qualify for Independence	Remarks
1	The engaged auditors should not accept the engagement when they may have involved in any direct or material indirect interests which may impair their impartiality and independence.	Yes	
2	An audit or review of financial statements delivers high or medium (but not absolute) assurance to potential users of financial statements. In addition to the maintenance of independence in appearance, the maintenance of independence in mind is more important for an independent auditor. Therefore, the members of audit engagement team, the partners of the accounting firm, and accounting firm and its affiliates must be independent to us.	Yes	

No.	Evaluation Item	Qualify for Independence	Remarks
3	If the engaged auditor fulfills any of the below requirements: (1) Integrity: an independent auditor shall be straightforward and honest during his/her provision of professional services. (2) Objectivity: During his/her provision of professional services, an independent auditor shall be objective and avoid any conflict of interests to override his/her independence. (3) Independence: an independent auditor shall have independence in mind and in appearance on an audit or review of financial statements.	Yes	
4	Independence is related to the integrity and objectivity. During the engagement, if an independent auditor isn't in the lack/impairment of independence and thus affects his/her integrity and objectivity.	Yes	
5	If the independence of an auditor isn't impaired by self-interest, self-review advocacy, familiarity, and intimidation.	Yes	
6	Self-interest could impair an auditor's independence. Self-interest means acquiring a financial interest in an audit client (i.e. CTCI Corporation) or having another conflict of interests created by other interests or relationships with us. If our engaged independent auditor isn't in any of the below situations: (1) Having a direct or material indirect financial interest from us. (2) Having financing or guarantee relationship with us or our directors. (3) Concerned about the possibility of losing CTCI Corporation as a client. (4) Having a significant and close business relationship with us. (5) Entering into a potential employment negotiations with us. (6) Entering into a contingent fee arrangement relating to our audit engagement.	Yes	
7	Independence influenced by self-review means an independent auditor uses a report or judgment resulting from a non-audit service as an important factor to conclude the result in an audit or review of financial information, or a member of the audit engagement team is our former director, or is in our key position with significant influence over the subject matter of the audit engagement. If the engaged auditor isn't in any of the below situations: (1) A member of the audit engagement team is/was our director, supervisor, manager, or employed by us in a position with significant influence over the subject matter of the audit engagement within last two years. (2) The accounting firm of the audit engagement team provides us non-audit services which would directly affect a material item of the audit engagement.	Yes	
8	Independence influenced by advocacy means that a member of the audit team acting as an advocate of our position so the objectivity of the independent auditor could be challenged. If the engaged auditor isn't in any of the below situations: (1) Promoting or brokering shares or other securities issued by us. (2) Acting as an advocate on behalf of us in litigation or disputes with third parties.	Yes	

No.	Evaluation Item	Qualify for Independence	Remarks
9	<p>The effects of familiarity to independence means a close relationship with our directors, supervisors, and/or managers will cause an independent auditor to excessively concern or sympathize about our interest. If the engaged auditor isn't in any of the below situations:</p> <p>(1) Having a family relationship with our directors, supervisors, managers, or employees in a position with significant influence over the subject matter of the audit engagement.</p> <p>(2) A former partner, who was disassociated with the engaged accounting firm within a year, joins us as a director, supervisor, manager, or employee in a key position with significant influence over the subject matter of the audit engagement.</p> <p>(3) Accepting gifts or preferential treatment from our directors, managers, or us.</p>	Yes	
10	<p>Independence influenced by intimidation means an independent auditor is deterred from being objective due to actual or perceived pressures, including the attempts to exercise undue influences. If engaged auditor isn't in any of the below situations:</p> <p>(1) Requesting an independent auditor to agree with our inappropriate accounting treatments and disclosures.</p> <p>(2) Compelling an independent auditor to reduce the extent of work performed in order to lower the audit fee.</p>	Yes	
11	An accounting firm and the members of the audit team have a responsibility to maintain independence. When maintaining independence, it should be considered whether the content of the work performed has an impact on independence, and measures should be taken to eliminate the aforementioned impact or reduce it to an acceptable level.	Yes	
12	If the impact on independence is determined to be material, the Company, accounting firm, and members of the audit team should adopt appropriate measures to eliminate the effect or reduce it to an acceptable level, and record their conclusion.		Matters independent of any influence
13	If the Company, accounting firm, and members of the audit team have not taken any measures, or if the measures adopted cannot effectively eliminate the impact on independence or reduce it to an acceptable level, the auditor should be changed to maintain their independence.		Matters independent of any influence

【Note 2】 Training program of Corporate Governance Officer

Name	Date	Sponsoring Organization	Course	Hours
Vincent Liu	2024/03/12	Taiwan Corporate Governance Association	International Trends and Experience Sharing in Corporate Integrity Management and Management Officers' Accountability Systems	3.0
	2024/05/03	Independent Director Association Taiwan	World Economic Trends, Risk Indicators and Response Strategies in 2024	3.0
	2024/05/17	Taiwan Corporate Governance Association	Oversight Strategy of the Board of Directors' Cyber Security Governance	3.0
	2024/08/02	Independent Director Association Taiwan	The Application and Challenges of Generative AI by ChatGPT Views	3.0
	2024/08/23	Taiwan Corporate Governance Association	The Prevention of Labor Dispute and Corporate Governance	3.0
	2025/01/09	Taiwan Corporate Governance Association	Everything is connected, everything is hackable - IoT information security starts from you and me	3.0

【Note 3】

1. The system about employee rights and interests and the care for the employees adopted by the Company is implemented in accordance with the related regulations and specified clearly in the working regulations of the employee manual, which include the gender equality at work, sexual harassment prevention and treatment, the compensation and pension for the disaster, injury and disease, subsidy principals the for weddings /funerals, etc. The labor management meeting is held as well to communicate with each other for issues concerned by the labor regularly each quarter. There are other measurements like the mail box for the employee opinion and special line against the sexual harassment to give trust to the employees thoroughly and to carry out the self- governance of the employee.
2. The first principle for the sound corporate administration is to protect the shareholder rights and interests and to treat all shareholders fairly. To encourage the investors to participate in the corporate governance and to implement the shareholder activism, the Company has not only published the minutes of the shareholder meeting on the Taiwan Stock Exchange and the Company's website, but also takes the initiative to release matrial information in a timely manner when events that have a significant impact on shareholders' rights and interests occur in the Company; Moreover, the Company holds the investor conference regularly and uploads the video of the conference to the Taiwan Stock Exchange and the Company's website to enhance investors' understanding of the Company's status and further implement the protection of shareholders' rights and interests accordingly. All public information is

released simultaneously in Chinese and English, in order to ensure the fairness of the information disclosure and take into account the rights and interests of domestic and foreign investors.

3. The Company offers the relevant laws and regulations requiring attention and seminar information for further study to directors and make presentation about the business regularly in the meeting of board of directors. (For detailed information, please refer to 2.3.7 - The important information concerning the corporate governance and operation.)
4. All directors will attend the meeting of board of directors except for special situation and their attendance of the meeting will be reported in the Market Observatory Post System.
5. The Directors of the Company will recuse themselves to avoid conflicts of interests in the Board Meeting.
6. The Company purchased D&O insurance for its directors and supervisors.
7. CTCI has always been committed to sustainable business development, and we expect suppliers to share these values. Therefore, we have established the CTCI Vendor Code of Conduct. We not only require all vendors (including new suppliers) to follow the aforementioned Code, but also encourage our suppliers to ask their own suppliers to follow the same standards. We look forward to enhancing the sustainable development of the overall value chain through these successive influence. We strictly conduct supplier management. Only those qualified and registered in the CTCI Group PSSCM(Project Service Supply Chain Management) System have the chance for quote and to be contracted for plant construction. Issues regarding the scope of the integration work, the work regulation, the project schedule, the quality inspection, QHSE Management, supplier ESG assessment criteria that touch on employees' working conditions, human rights, and societal impacts are well- explained to the contractors during the inquiry and quote for them to understand completely the content of work, responsibilities and obligations in the contract. The total amount of the contract, the payment term, the responsibilities, obligations and penalties for the mutual parties are specified in the contract as base for the implementation of the contract of the corporative contractor. Upon the delivered equipment, materials or services, project team will evaluate vendor performance, including quality, HSE and schedule. The performance evaluation will be referred to future vendor selection for inquiry. In case of any inappropriate-issue caused by vendor during on-going contraction, project team also could propose the request to negotiate with the vendor by official hierarchy. With the sound finance of the Company, all contractors get paid in due course and according to the payment term. Besides, the function to check the payment is established for the contractors to know the review procedure of the invoice. The Company treats all contracted contractors fairly and honestly and negotiates with them for cooperation, mutual harmony and prosperity.

8. “Implementation of risk management policies and risk measuring criteria”

Risk management policies:

Declarations: CTCI Corporation has established a sound risk management and control system to systematically respond, treat and control various risks, and continue to review and revise the risk management mechanism to improve the effectiveness of risk management and control so as to achieve the goal of continuous and stable growth and sustainable operation.

Descriptions: Through constructing proper risk management procedure, the risk management of the Company will integrate into the daily operating activities to manage the operating risks effectively. For this purpose, the Company will:

- Establish enterprise risk management system consistent with company strategy;
- Define the roles and responsibilities of all employees in enterprise risk management, and communicate with all employees;
- Prepare systematized enterprise risk assessment method to ensure that risks significantly affecting the Company can be identified effectively;
- Ensure that information related to enterprise risk can be passed through explicit and effective channel;
- Integrate enterprise risk management mechanism into daily operating activities.

Enterprise risk management is a continuous activity; all employees of the Company are responsible for understanding and carrying out risk management system of the Company. All colleagues shall properly perform the duty of risk management; each management level shall also comply with relevant requirements of this risk management system.

CTCI follows the “Risk Management Regulations” which defines the risk management process and risk measuring criteria to perform the risk management tasks. Each risk management unit regularly performs risk identification and risk evaluation and proposes the improvement plan. The report is submitted to the Risk Management Executive Committee. The Risk Management Executive Committee review, supervise and control accordingly, as well as submits a risk management report to the Board of Directors every year, and when discovering the risk to have significant impact on Company’s operation and compliance, it needs to take an appropriate measure promptly.

9. “To Satisfy Our Customers with Optimized Engineering Services” is CTCI’s corporate mission, and we stress customers’ feedback highly. For years, we have been collecting customers’ feedback based on “Customer Service Enhancement Regulations” in a timely fashion and proactively conducting customer satisfaction survey twice a year. Besides, a cross-departmental “Customers Services Feedback Group” coordinated by the President was established. The Group would review the customer feedback raised in the questionnaire survey, proposed correction actions, and instructed the departments concerned to fulfill their tasks accordingly to make sure our customers’ trust and expectations are met.

2.3.4 The Remunerate committee's composition, responsibilities and operation

A. Remuneration Committee members' information

February 28th, 2025

Identity	Name	Criteria	Professional Qualifications and Experiences	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as a remuneration Committee members
Indepent Director (convener)	Evon Chen	Please refer to 2.1.1 Directors \ A. Professional qualifications and independence analysis of directors			1
Indepent Director	Chien-Chung Li				0
Indepent Director	Yen-Shiang Shih				1
Indepent Director	Harry Yen				0

B. The state of operations of the Remuneration Committee

(A) This committee is comprised of 4 members.

(B) The term of current committee members is from May 31, 2023 to May 30, 2026.

A total of 3 meetings of the Remuneration Committee were held during the most recent fiscal year: (As of February 28th, 2025)

Title	Name	Attendance in Person	By Proxy	Attendance rate (%)	Remarks
Convener	Evon Chen	3	0	100	
Member	Chien-Chung Li	3	0	100	
Member	Yen-Shiang Shih	3	0	100	
Member	Harry Yen	3	0	100	

(C) Other mentionable items

- a. If board of directors declined to adopt, or modified, a recommendation of the remuneration committee, the dates of meetings, sessions, contents of motions, resolutions of the Board Meeting and the Company's response to remuneration committee's opinion should be specified (If the remuneration passed by board of directors exceeds the recommendation of the remuneration committee, the circumstances and cause for the difference shall be specified): None.
- b. If there are objections or reservations to any discussion matters or extraordinary motions expressed by any member of the Committee, recorded or provided in written forms, the dates of meetings, sessions, contents of motions, all members' opinion and the Company's response to members' opinion should be specified: None.

c. The State of operations of the Remuneration Committee in the recent fiscal year

Remuneration Committee	Contents of Motions and the Response	Resolution	The Company's response to the Remuneration Committee's opinion
the 2 nd Meeting of the 5 th Term (2024.03.06)	1. The distribution plan of the 2023 directors' and employees' remuneration.	Unanimously approved by all present Remuneration Committee members.	Unanimously approved by all present Board Directors.
the 3 rd Meeting of the 5 th Term (2024.12.13)	1. Approval of the average salary increase rate of 2025. 2. Approval of the remuneration of the management officers. 3. Approval of the 2025 remuneration of the Chairperson of Management Strategy Committee.	Unanimously approved by all present Remuneration Committee members.	Unanimously approved by all present Board Directors.
the 4 th Meeting of the 5 th Term (2025.02.27)	1. The distribution plan of the 2024 directors' and employees' remuneration. 2. Approval of the issuance of Restricted Stock Awards for 2025.	Unanimously approved by all present Remuneration Committee members.	Unanimously approved by all present Board Directors.

C. The state of operations of the Nominating Committee

(A) Nominating Committee members' eligibility requirement and duties:

- a. This committee shall be composed of at least 3 directors selected by the board of directors, a majority of committee members shall be independent directors.
- b. With authorization from the board of directors, the Committee shall exercise the due care of a good administrator to faithfully perform the following duties and shall submit its proposals to the board for discussion:
 - (a) Laying down the standards of independence and a diversified background covering the expertise, skills, experience, gender, etc. of members of the board and managerial officers, and nominating candidates for directors and reviewing candidates for managerial officers based on such standards.
 - (b) Establishing and developing the organizational structure of the board and each committee, and evaluating the performance of the board and the independence of the independent directors.
 - (c) Establishing and reviewing on regular basis programs for director continuing education and the succession plans of directors and senior executives.

(B) Nominating Committee members' professional qualifications, experiences and implements:

- a. The 4th term committee is composed of 4 members, 3 independent directors and 1 director. Mr. Harry Yen, Mr. Yen-Shiang Shih and Ms. Evon Chen have professional experiences respectively, like international finance, industrial economy, financial accounting, ability to lead and so on; Mr. John T. Yu serves as the chairman of the Company near 20 years. All members are qualified for corporate governance practice management capability, they all fit professional requirements of this committee.
- b. The term of current committee members is from May 31, 2023 to May 30, 2026.

A total of 3 meetings of the Nominating Committee were held during the most recent fiscal year, members' professional requirements, attendance status and discuss issues are following: (As of February 28th, 2025)

Title	Name	Professional Qualifications and Experiences	Attendance in Person	By Proxy	Attendance rate (%)	Remarks
Convener	Harry Yen	Please refer to 2.1.1 Directors \ A. Professional qualifications and independence analysis of directors	3	0	100	
Member	John T. Yu		3	0	100	
Member	Yen-Shiang Shih		3	0	100	
Member	Evon Chen		3	0	100	

(C) Other mentionable items

Discribe Nominating Committee's major issues - the dates of meetings, sessions, contents of motions, suggestions or objections of Nominating Committee members, resolutions of Nominating Committee and the Company's response to Nominating Committee' opinion should be specified:

Nominating Committee	Contents of Motions and the Response	Resolution	The Company's response to the Nominating Committee's opinion
the 2 nd Meeting of the 4 th Term (2024.03.06)	1. Report for 2023 Board of Directors Performance Assessments. 2. Report for the Independent Directors' qualifications checks.	Unanimously acknowledged by all present Nominating Committee members.	Unanimously acknowledged by all present Board Directors.
the 3 rd Meeting of the 4 th Term (2024.12.13)	1. Report for Board of Directors External Performance Assessments. 2. Approval of the adjustment of the managerial officer of the Company. 3. Approval of the removing the non-competition restrictions on managerial officers.	Unanimously acknowledged and approved by all present Nominating Committee members.	Unanimously acknowledged and approved by all present Board Directors.
the 4 th Meeting of the 4 th Term (2025.02.27)	1. Report for 2024 Board of Directors Performance Assessments. 2. Report for the Independent Directors' qualifications checks.	Unanimously acknowledged by all present Nominating Committee members.	Unanimously acknowledged by all present Board Directors.

2.3.5 The state of the Company's promotion of sustainable development

A. The state of the Company's promotion of sustainable development, any variance from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such variance

Promotion Item	Implementation Status			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summary Statement	
1. Does the Company establish a governance structure to promote sustainable development, and set up a dedicated (part-time) unit to promote sustainable development, which is authorized by the board of directors to handle senior management, and supervised by the board of directors?	V		<p>1.We have established a CSR Committee as early as 2008 and have defined our corporate social responsibilities (CSR) policies, which is dedicated to strengthen the Company's operations, realize the green engineering vision, and fulfill our duties as a social citizen. In 2014, the Board of Directors also approved the "CTCI Corporate Social Responsibility Best Practice Principles", which has been renamed as "CTCI Sustainable Development Best Practice Principles" in 2022, as the fundamental principles to promote sustainable development and to continue to improve the results in every aspect. In order to continue to promote sustainable development, CTCI established a functional committee called the "ESG Committee" (renamed as ESG & Net Zero Committee in 2021) under the Board of Directors in 2020, which is responsible for (1) formulating sustainable development policies, sustainable development goals and strategies, and implementation plans; (2) reviewing, tracking and revising the implementation and effectiveness of sustainable development; and (3) reporting to the Board of Directors on a regular basis.</p> <p>2.In order to strengthen the promotion of sustainability and net zero emission, CTCI established a dedicated group-level CSO (Chief Sustainability Officer) and a Sustainability and Net Zero Office in 2021, supervised by the chairman or president. Sustainability and Net Zero Office is responsible for formulating strategies, planning</p>	None

Promotion Item	Implementation Status			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary Statement	
			<p>actions, and implementing affairs related to sustainability and net zero across the group. It collaborates with sustainability teams from various business units to drive progress in environmental protection, social participation and corporate governance. Monthly group sustainability and net zero improvement meetings are held where the CSO reports outcomes to the group chairman and chairman for ongoing improvement tracking.</p> <p>3.The ESG & Net Zero Committee will hold at least twice meeting every year. In 2024, meeting were held on May 3 and December 13, with the CSO conduct an ESG progress report.</p> <p>4.The Superintendent of Sustainable and CSO report to the board of directors on the overall development strategy and implementation results of sustainable development at least twice a year. In 2024, all five Board of Directors meetings included ESG topics in the agenda. The implementation status are as follows:</p> <p>(1) Greenhouse gas inventory progress: 5/3, 12/13</p> <p>(2) Sustainable supply chain management: 11/5</p> <p>(3) Climate-related Financial Disclosure (TCFD) Implementation Report: 5/3</p> <p>(4) Natrue-related Financial Disclosure (TNFD) Implementation Report: 5/3</p> <p>(5) Health, Safety and Environmental work Report: 3/6, 8/2</p> <p>(6) Risk management (including information security: 11/5</p>	


Promotion Item	Implementation Status			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and reasons
	Yes	No	Summary Statement	
			<p>(7) CTCI established the "Sustainable Information Management and Disclosure Regulations" in response to the FSC's "Regulations Governing Establishment of Internal Control Systems by Public Companies": 12/13</p> <p>(8) Sustainability Report submitted to and approved by the Board of Directors: 5/3</p> <p>(9) Sustainability (ESG) Performance Report (including stakeholder communication outcomes and material topic identification results): 5/3, 12/13</p> <p>After hearing the board of directors reviews the progress of the implementation and provides necessary guidance and urges adjustments as necessary to ensure compliance with the Company's sustainable development strategy.</p>	
2. Does the Company conduct risk assessments on environmental, social, and corporate governance issues related to its operations in accordance with the materiality principle, and implement relevant risk management policies or strategies?	V		<p>The Company has developed a materiality analysis framework based on GRI Standards and the AA 1000 SES Stakeholder Engagement Standard to identify its key sustainability issues and formulate sustainability strategies.</p> <p>CTCI recovered a total of valid questionnaires (25 supervisors-sustainable development impact, 27 supervisors -operational impact, 843 from 6 types of stakeholders), and identified 11 material issues through the materiality matrix, which were confirmed in the meeting on Jan. 7, 2025 by the CEO, and reported to the Group Chairman for confirmation in the group's sustainability and net zero meeting on Feb. 13, 2025.</p>	None

Promotion Item	Implementation Status					Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary Statement			
			Aspect	Materiality issue	Commitment	
			Governance	Innovative technology and services	Leverage and apply smart technologies by conducting in-house research and development, adopting new technologies, and enhancing professional expertise. This approach improves design quality, strengthens project execution efficiency, and provides differentiated, high-quality services to clients.	
				Supply chain sustainability management	By establishing and promoting a sustainable supplier management mechanism, we enhance suppliers' performance in environmental, social, and governance (ESG) aspects, supporting them in achieving sustainable development goals. This fosters a long-term positive cycle and amplifies the overall sustainability impact across the supply chain.	
				Integrity management	The corporate culture of integrity management helps improve sound business operations and risk management, and lay the foundation of sustainable business.	
				Brand management	Through brand management, we will create the "Most Reliable" brand image, committed to realizing the ESG vision of being the "Guardian of	

Promotion Item	Implementation Status			Summary Statement	Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and reasons
	Yes	No			
				Earth's Sustainability." We will enhance brand recognition around the globe. We will strengthen customer adhesion and help expand business into new markets.	
				Customer service management	In line with the corporate mission of "to satisfy our customers with optimized engineering services," constantly breaking through and challenging ourselves, and making CTCI more international, providing customers with the best and most reliable services.
			Environment	Climate change and Net Zero Emission	As global climate change intensifies, CTCI continues to promote a low-carbon operating model. Through energy-saving measures and the application of renewable energy, CTCI aim to reduce energy consumption, lower operating costs, and meet the requirements of SBTi's net-zero targets.
				Net Zero EPC and Green Engineering	Promote low-carbon green engineering through the development of innovative net zero EPC technology, and the introduction of carbon capture & storage technology and circular energy transition technology.

Promotion Item	Implementation Status			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary Statement	
			Social	
			Safe and healthy work environment	Provide a safe and secure workplace, promote various health promotion activities, reduce occupational disaster rate and construction risks, create a healthy workplace, and improve cohesion among employees.
			Career development and training	According to different organizational structures and hierarchies, plan a comprehensive training blueprint and give systematic and planned career development path, in order to achieve the goal of recruiting talents, cultivating talents, and discovering talents for CTCI.
			Recruitment and retention	With the help of new technologies and behavioral-structured interviews, improve the talent recruitment and retention rate, and provide a perfect and competitive compensation plan and a friendly and healthy workplace for perfect learning and development in order to achieve the goal of talent retention.
			Social involvement	With its own professional core competencies, CTCI is committed to giving back to the society, promoting green friendly technology application and talent cultivation for sustainable engineering, enhancing the Company's brand image, and continuing the green business innovation and development.

Promotion Item	Implementation Status			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and reasons
	Yes	No	Summary Statement	
			In 2020, the Company established the "Risk Management Policy" and "Risk Management Guidelines" with approval from the Audit Committee and the Board of Directors. These serve as the highest guiding principles for the Company's risk management, integrating risk management systems into daily operations to provide employees with a clear framework to follow. The scope of risk management includes operations, information security, safety, health and environment (HSE), quality, and climate and nature-related risks.	
3. Environmental Issues (1) Does the Company set up an environmental management system that suits the nature of industry?	V		<p>(1) CTCI has introduced the ISO 14001:2015 Environmental Management System. To facilitate its effectiveness and help us identify risks comprehensively, we took an integrated approach by combining it with the ISO 45001:2018 Occupational Health and Safety Management System into one HSE management system. This HSE system scope includes engineering, procurement, construction, commissioning, and service at CTCI domestic and abroad construction sites. Moreover, the system has been validated by a third-party validation company. The certificate valid from 10 June 2023 until 10 June 2026.</p> <p>To ensure the effectiveness of our environmental management system, not only do we carry out regular and non-regular internal auditing, we also invite third-party validators to conduct external audits on CTCI headquarters and randomly-selected construction sites. Over the past five years, CTCI had no record of major environmental pollution and has no record of major environmental fines (a major environmental fine is defined as a single fine exceeding USD 10,000), and we</p>	None

Promotion Item	Implementation Status			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary Statement	
			<p>believe this achievement validates our efforts in this regard. During the construction process, all the cooperating subcontractors are required to implement the relevant environmental protection measures such as air, water, waste and soil to comply with local environmental protection regulations.</p> <p>In addition, CTCI HSE policy also commits to “environmental protection and sustainable development”, and requests our vendors to share the same commitment. We also communicate with our suppliers and partners on our commitment, looking forward to influencing them, so that we can together head towards sustainable development.</p> 	

Promotion Item	Implementation Status			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary Statement	
(2) Does the Company dedicate itself to improve the efficiency of all kinds of resources and use the renewable materials that impact on the environment less?	V		<p>(2) As a member of the society, CTCL shall spare no pain to save energy and reduce carbon emissions. In terms of engineering expertise, CTCL has been making continuous innovation of engineering technologies to reduce energy consumption and reduce pollution. For routine affairs, CTCL urges employees to save energy and resources and emphasize the importance of saving paper, electricity, water and petroleum consumption. For office paper use, we adopt “Paper from Farmed Trees” from environmentally sustainable sources. Plant construction materials such as steel pipes and cement also purchase products containing recycled materials.</p> <p>In 2024, the total electricity consumption of the headquarters building and the construction sites combined was 14,040,271 kWh, while total consumption of gasoline and diesel combined was 1,664,674 liters. The total energy consumption of the headquarters building and the construction sites reached 1.08×10^8 MJ, and EUI of the Headquarter Building reached 111.1 kWh/m², and the intensity of headquarters & construction sites 0.16 Ton-CO₂e/million TWD in revenue. The usage of renewable energy in headquarters increases from 2% to 61% in 2024. The consumption of total energy compared 2024 with 2022 decreases 2.4%. We keep on monitoring various energy consumption and performance indicators to improve management on energy performance.</p>	

Promotion Item	Implementation Status			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summary Statement	
(3) Does the Company assess the potential risks and opportunities of climate change for its current and future operations and undertake response measures with respect to climate change?	V		<p>(3) The board of directors is CTCI's highest-level climate issue management unit. The Chief Sustainability Officer regularly reports to the board of directors and the ESG & Net Zero Committee under the board of directors the results of greenhouse gas management, as well as the identification and response to risks and opportunities related to climate change.</p> <p>To institutionalize the evaluation process, CTCI adopts the TCFD & TNFD framework structure, and incorporates climate and nature risk assessment into "Group Risk Management and Control Regulations ", and specifies management methods - "Group Climate and Nature Risk Management Regulations ", which are regularly reviewed.</p> <p>CTCI identified 6 major climate risks such as "carbon tax/carbon fee" and 6 opportunities such as "Expand green engineering, operation diversity" via matrices through the scenario analysis (RCP 8.5 for physical risks, NDC, NZE, SSPs for transition risks). CTCI conduct to assess the possible financial impact from the perspective of value chain (organization, upstream, downstream) respectively.</p> <p>CTCI adopts various management methods to reduce potential risks and seize possible opportunities. In terms of climate change mitigation, the Company's reduction target has been approved by SBTi, and it continues to implement reductions through green operations, energy management, and the use of renewable energy. In terms of climate change adaptation, the Company has</p>	

Promotion Item	Implementation Status			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons															
	Yes	No	Summary Statement																
(4) Does the Company count the GHG emissions, water consumption and waste volume over the past two years, and establish the policies for the reduction of the GHG emissions and water consumption or other waste management strategies?	V		<p>strengthened its infrastructure and considers regulations for outdoor personnel operations in high temperatures, thus enhancing its sustainable operational capabilities. Through research and innovation, CTCI actively participates in the national net-zero transition plan, including renewable energy, low-carbon, and negative-carbon technologies, CTCI is a key driver toward net zero in the world.</p> <p>(4) CTCI’s GHG emissions, water consumption, and waste volume over the past two years are shown in the table below:</p> <table><tr><th>Item</th><th>2023</th><th>2024</th></tr><tr><td>GHG emissions (Scope 1)</td><td>4,248 tons-CO₂e</td><td>4,683 tons-CO₂e</td></tr><tr><td>GHG emission (Scope 2)</td><td>5,246 tons-CO₂e</td><td>5,428 tons-CO₂e</td></tr><tr><td>Water consumption</td><td>432,712 m³</td><td>108,795 m³</td></tr><tr><td>Waste</td><td>3,478 tons</td><td>4,098 tons</td></tr></table> <p>The base year data, target of reduction, promotion strategy and status of achievement are summarized below: The GHG emission of the headquarter and the construction sites were registered as the outstanding managing issues of CTCI. 2022 is used as the base year to formulate reduction targets for scope 1 + scope 2. In order to achieve 1.5°C target of SBTi, GHG emission of scope 1 + scope 2 will reduce 4.2%/year. The reduction targets of GHG emissions are approved by SBTi. It is expected to achieve net zero for offices in 2030 and net zero for offices and production bases in 2050.</p>	Item	2023	2024	GHG emissions (Scope 1)	4,248 tons-CO ₂ e	4,683 tons-CO ₂ e	GHG emission (Scope 2)	5,246 tons-CO ₂ e	5,428 tons-CO ₂ e	Water consumption	432,712 m ³	108,795 m ³	Waste	3,478 tons	4,098 tons	
Item	2023	2024																	
GHG emissions (Scope 1)	4,248 tons-CO ₂ e	4,683 tons-CO ₂ e																	
GHG emission (Scope 2)	5,246 tons-CO ₂ e	5,428 tons-CO ₂ e																	
Water consumption	432,712 m ³	108,795 m ³																	
Waste	3,478 tons	4,098 tons																	

Promotion Item	Implementation Status			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary Statement	
			<p>The Scope 1 + Scope 2 GHG emission of the headquarter in the base year is 2,492 tons-CO₂e, and 8,495 tons-CO₂e for the construction sites. GHG emissions which are compared 2024 with 2022 decreased 8.0% (876 tons-CO₂e).</p> <p>As to the water consumption, the reduction goal is to be the same as the base year in 2018. In 2018, the water consumption was 19,145 cubic meters in the headquarter, and 465,979 cubic meters in the construction sites. In both 2023 & 2024, CTCI total water consumption reduction goals were all reached.</p> <p>As to the waste production, the reduction goal is to be the same as the base year in 2018. In 2018, the regular waste production was 54,943 kgs in the headquarter, and 2,960,372 kgs in the construction sites, total 3,015,315 kgs.</p> <p>CTCI initiated 9 power saving measures as the carbon reduction strategies and added 2 new saving measures in 2024 with the below credits:</p> <p>A. Lighting: Office lighting is turned off by central control at 12:30 during the lunch break; sensor switches are installed above the photocopying room and filing cabinets, and sensor lighting is added in the restrooms on each floor. The lighting in restroom is changed into the efficient one.</p> <p>B. Air conditioner: preset temperature control for each floor and area, 25 degrees for office area, 27 degrees for elevator hall, 30 degrees for toilet, and 25 degrees for public area in conference area; turn off cooling and change to air supply mode during lunch break every day; turn off the air conditioning system uniformly at 17:00.</p>	

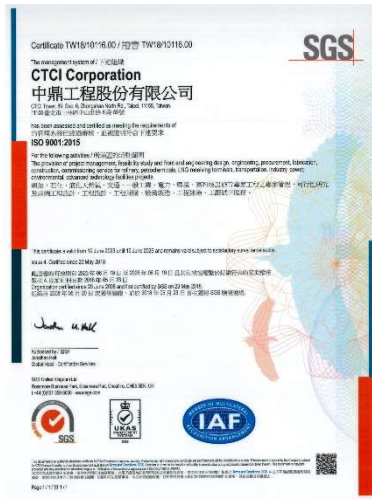
Promotion Item	Implementation Status			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and reasons
	Yes	No	Summary Statement	
			<p>C. Elevators: 17:00-06:45 on working days and all day on holidays, No. 1 and No. 2 elevators are not in operation, and the rest of the elevators are in normal operation. Interlayer docking mode enabled during peak hours.</p> <p>D. Water dispenser: One hour in advance every day to turn off, one water dispenser on each floor will be turned off at 17:00, and only one water dispenser will be kept for use.</p> <p>E. Business machine: Enter energy-saving mode if not used for ten minutes.</p> <p>F. Outdoor landscape lights: 6/1-8/31 (summer) 18:45 on-21:00 off; 9/1-5/31 (others) 18:00 on-21:00 off.</p> <p>G. Solar Photovoltaic Modules: Headquarters established a self-use solar facility. The solar power generation in 2024 was 51,950 kWh.</p> <p>H. Electric Vehicle: Adopting a lease-to-own approach, the Group Chairman's executive car has taken the lead in transitioning to an electric vehicle, while other official vehicles will be gradually replaced based on their usage lifespan.</p> <p>I. Electric Charging Infrastructure Installation: Electric charging stations have been installed in the underground parking lot of the headquarters building to encourage employees to use electric vehicles.</p> <p>J. Using saving devices at project sites.</p> <p>K. Using electric forklifts at project sites.</p> <p>Overall benefits: 876,129 kWh of electricity saved and 402.81 tons-CO₂e. (Subject to third-party verified data, based on the 2024 Sustainability Report to be published in July 2025.)</p>	



Promotion Item	Implementation Status			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary Statement	
			CTCI got ISO 14001:2015 Environmental Management System certification, covering the domestic and foreign construction sites in engineering, procurement, construction and commissioning stages, valid 10 June 2023 until 10 June 2026.	
4. Social issues				
(1) Does the Company formulate management policies and procedures in accordance with relevant regulations as well as International Covenant on Human Rights?	V		(1) In order to respect and protect basic human rights, CTCI recognizes and supports Universal Declaration of Human Rights (UDHR), UN Global Compact, United Nations Guiding Principles on Business and Human Rights, International Labor Organization-Declaration on Fundamental and Rights at work, Equal Remuneration Convention and local laws and regulations, CTCI develops basic conduct standards of compliance for all board directors, managers, employees and procurement staff. This set of standards Corporate Governance Norms, Business Ethical Behavior Norms for Board Members and Managers, Code of Employee Ethics and Behavior, and Work Ethical Behavior Rules for Procurement Staff.	None
(2) Does the Company establish and deliver reasonable employee welfare programs (including salary, compensated absences, and other benefits) and adjust employee compensation in	V		(2) In addition to fixed salary and variable salary, CTCI's overall salary structure also includes annual bonuses, annual employee compensation (dividends), as well as a shareholding trust mechanism. In the overall salary structure planning, CTCI is committed to achieving internal equity and external competitiveness, and employee compensation is linked to performance to motivate outstanding colleagues. Performance indicators, workplaces, roles and responsibilities,	None

Promotion Item	Implementation Status			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary Statement	
relation to business performance?			capacity building and future potential are all included. Sustainability-related material topics are also considered as part of the performance indicators. At the same time, the Company also adjusts the overall bonus budget according to the annual earnings per share, so that employees can share the Company's operating results. CTCI offers our employees a comprehensive benefit system that is better than the statutory standards, including the different types of unpaid leaves, group Insurance, gift certificate and physical examination. For contribution to the old pension system, we engage professional actuaries to safeguard the retirement related rights of our employees who chose the old pension system. The contribution rate for the new pension system is 6%, which is fully contributed by the Company and applicable to all employee choosing the new pension scheme.	
(3) Does the Company provide employees with a safe and healthy working environment as well as the regular tutorials regarding the knowledge of safety and health?	V		(3) CTCI's HSE Policy Statement stresses “Safety First” and works on aspects including “Promote Personal Health and Wellbeing”, “Protect the Environment and Pursue Sustainability”, “Implement Effective Risk Management”, “Comply with Legal and Contractual Requirements”, “Encourage Training and Engagement”, and “Continuously Improve Our HSE Management System” to provide employees with a safe work environment. CTCI established a health center in 2013. We advocate health promotion through inviting physicians or nutritionists as well as other experts to hold health promotion seminars and provide physician on-site services every month. The topics of health promotion seminars feature mental, physical and spiritual wellbeing. Moreover, to create a friendly workplace, we set up a	None

Promotion Item	Implementation Status		Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	
			<p>breastfeeding room for female colleagues who become new moms.</p> <p>CTCI has acquired ISO 45001:2018 Occupational Health & Safety Management System, the scope includes engineering, procurement, construction, commissioning, and service at CTCI domestic and abroad construction sites. The certificate valid from 10 June 2023 until 10 June 2026.</p> <p>The number of employee occupational disasters in 2024 is 0, and the fire incident is also 0. However, in order to strengthen colleagues' awareness of safety and health, CTCI continue to promotes a series of HSE activities every year, such as Senior executive open letters, Construction site/ plant communications, HSE “Workplace Safety Photo” contests, and HSE lectures. In addition to responding to the "National Workplace Safety and Health Week" activities by the OSHA in Taiwan, we also attempt to show the corporate culture in our activities. Allow colleagues to understand various actions with corporate culture through the HSE protection activities and gradually deepen colleagues' thinking about safety. We also continue to conduct Total HSE Evaluation annually, evaluation questions are divided into HSE policy commitment, HSE basic concept, and HSE practice. The evaluation is designed based on the target audience, to understand the correct cognition of colleagues on HSE management. The results also serve as the basis for future HSE promotional campaigns.</p>

Promotion Item	Implementation Status			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary Statement	
(4) Does the Company draw up workable plans of vocational skills development for employees?	V		(4) To provoke the passion for work in every employee and in consideration of the need for the organization to satisfy employees with self-realization, “CTCI University” in 2020, clinging on to two goals: Pass on experiences and foster sustainable growth. “CTCI University” is founded to introduce our employees to a sound, comprehensive, and professional career training program, encouraging them to strive for excellence and attain global vision, so that they can become globalized talents with diversified outlooks. CTCI started promoting Individual Development Plan (IDP) for all employees. To perform the Mentor & Mentee (M&M) plan with respect to new employees in order to assist new employees to adapt to the enterprise culture and rapidly acquire the professional attitude and ability required by independent operation through structured (professional guidance) and non-structured (environmental adaption) one-on-one instruction. According to each position, plan the professional courses required for the position, plan the management training courses for managers at all levels, and provide recommended applications for special topics, research institutes, and EMBA. Each employee may develop different learning development plans according to the corporate development, competency required for the function and individual development intent, which urges the employees to increase their own KSA (knowledge, skill and attitude) while employees can develop training, experience, disciplines, and refinement based on their own strength and weakness through communication with the coach. Consequently, the overall competitiveness in employees is enhanced to reach win-win situation between the employees and the Company, which forms an unconstrained work environment with infinite development opportunities.	None

Promotion Item	Implementation Status			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and reasons
	Yes	No	Summary Statement	
(5) Does the Company comply with relevant regulations and international standards regarding customer health and safety, right to privacy, marketing and labeling of its products and services and set up relevant consumer or client protection policies and complaint procedures?	V		<p>(5) A commitment to quality is the key that enables CTCI to operate sustainably, it is also a promise that CTCI has kept to its clients. To do so, we established Quality Management System based on ISO 9001:2015 to make sure all vital stages of project management, engineering, procurement, fabrication, construction, and commissioning are in compliance with engineering and regulation requirements. We had been certified since 1996. CTCI has also stipulated Quality Policy Statements, committed to “providing excellent services for customer satisfaction” and “performing contract and legal requirements” to make sure our clients’ top concerns are well taken care of.</p> 	None

Promotion Item	Implementation Status			Summary Statement	Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No			
				<p>CTCI has announced the “Intellectual Property Management Policy” and set up “Group Intellectual Property Management Regulations”, “Intellectual Property Management Manual”, “Confidential Document Management Regulations” and “Project Intellectual Property Protection Management Procedure” to ensure information of our products and services will not be misused, disclosed, lost, or damaged, fulfilling our due care to clients’ intellectual properties. This would help prevent loss of our company reputation and properties. In addition, CTCI used "trademark" as the subject and passed the "Taiwan Intellectual Property Management System" verification in 2024, which recognized the Company's intellectual property management system and implementation.</p> <div>   </div>	

Promotion Item	Implementation Status		Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	
			<p>“Customer Service Enhancement Regulations” has been enforced with which our clients are given the opportunity to review CTCI’s performance in Project Management, HSE Management, Quality Management, Engineering, Procurement, Construction, E-Documentation Management and IT Application, Intellectual Property(IP) Protection and Control, and ESG Performance for products and services offered through our Customer Satisfaction Survey, providing feedback and giving their satisfaction level.</p> <p>In addition to customer satisfaction questionnaires, Projects and Sales representatives maintain relationships with customers, and customers can always express their opinions. In case our customer provides feedbacks, which are categorized internally as a complaint case, we will assign colleagues dedicated to analyzing reasons, proposing solutions, and following up on the effectiveness of improvement made. We will compile the survey results and then convene a Customer Service Feedback Group meeting chaired by the President to review the survey the results, and propose suggestions for improvement directly against the complaint project.</p> <p>A dedicated email account(ctcigrp@ctci.com) has been established to collect inquiries from external parties; Brand Management Dept. is the point of contact of external emails and forwards emails received to relevant units for handling.</p>

Promotion Item	Implementation Status			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and reasons
	Yes	No	Summary Statement	
(6) Does the Company formulate supplier management policies that require suppliers to comply with relevant regulations on environmental protection, occupational safety and health, and labor rights and request their reporting on the implementation of such issues?	V		<p>(6)</p> <p>A. CTCI has always been committed to the sustainable development for companies. We also expect suppliers to have the same values as us. Therefore, we refer to relevant international initiatives and requirements to establish the CTCI Vendor Code of Conduct which included labor and human rights, Safety and Health, environmental, ethics and management. We have requested all of our suppliers (including new suppliers) to comply with the Code, and at the same time, encouraged them to treat their suppliers with the same standard, in the hope of enhancing the sustainable development of the whole value chain through the power of mutual influence. We have also requested all our vendors to sign the “Vendor’s Commitments to Corporate Sustainable Management and net zero” to enhance their awareness to sustainability.</p> <p>B. We would then ask suppliers to self-evaluate through our questionnaire surveys, so that we have a preliminary idea of where our suppliers' sustainability risks lie. For suppliers that have been determined as high-risk, we would conduct further on-site audits, communicate with our suppliers, and understand deeper about the risks. Finally, we would propose our recommendations to help them improve performances. CTCI's 2024 supply-chain risk investigation outcomes show that 12 suppliers are considered as having higher risks, on-site audits have been conducted at the same year.</p>	None

Promotion Item	Implementation Status			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary Statement	
5. Does the Company publish its sustainability report in accordance with the internationally accepted reporting standards or guidelines for compiling reports on non-financial information? Is this report assured or verified by a neutral third party?	V		CTCI sustainability report is prepared in accordance with GRI Standards, SASB, TCFD and TNFD. The latest sustainability report was published in June 2024 and has been assured by SGS at the AA 1000 AS V3 TYPE II high assurance level, with an assurance statement issued.	None
6. If the Company has established sustainable development principles based on “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies,” please describe any discrepancy between the principles and their implementation:				
The Board of Directors approved the "CTCI Sustainability Development Best Practice Principles" as the fundamental principles to promote sustainable development. Actual practice is no difference with the principle.				
7. Other important information to facilitate better understanding of the Company’s Sustainability Development practices:				
Please refer to CTCI’s Sustainability Development website for more details https://www.ctci.com/csr/en/home				

B. Climate-Related Information

(1) Implementation of Climate-Related Information

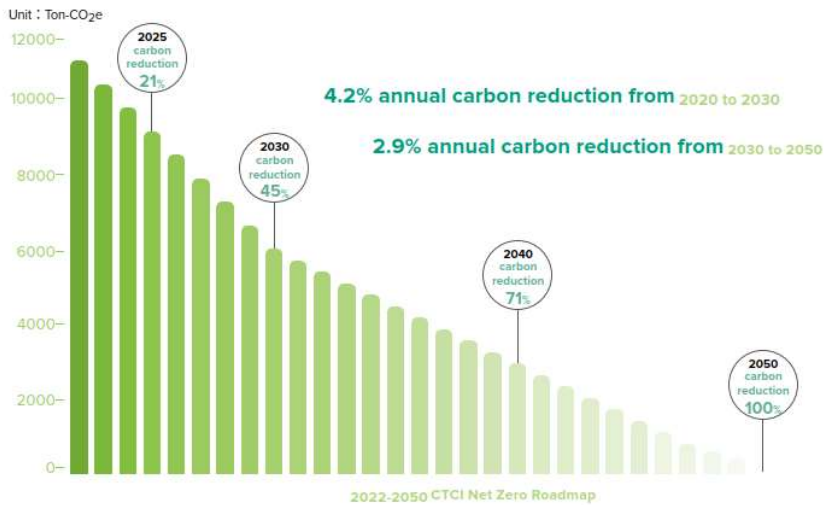
Item	Item Implementation status
<p>1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.</p>	<p>The board of directors is the top-level decision-making unit of CTCI's climate governance, and the Company's climate change governance and management structure is directly supervised by the board of directors. The board has established the "ESG & Net Zero Committee," which is responsible for formulating the Company's sustainability and net-zero emissions goals, strategies, and execution plans. It also reviews, tracks, and revises implementation effectiveness and reports to the Board regularly.</p> <p>"CTCI Climate-related Risks and Opportunities" were reported to the ESG & Net Zero Committee and the Board on May 3 and December 13, 2024 respectively. After the briefing sessions, the board reviewed the implementation progress and offered necessary guidance for adjustments to ensure alignment with the Company's sustainable development strategy.</p> <p>For relevant information, please refer to CTCI TCFD report. https://www.ctci.com/csr/en/0702</p>
<p>2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).</p>	<p>Through the risk matrix, CTCI identifies major climate risks and opportunity projects from the perspective of the value chain (organization, Suppliers and Subcontractors, clients). Its business, strategy, finance, operations aspects of the impact include:</p> <p>Risk: Procurement costs increase, operating costs increase, new contract decrease (unable to meet customer needs, competitiveness decreases and customers are lost), new contract decrease (customers reduce investment willingness), new contract decrease (CTCI may miss opportunities in low-carbon emissions green energy industry).</p>

Item	Item Implementation status
	<p>Opportunity: Operating costs decrease, new contract increase (understanding the government's development goals, international net-zero trend, and the Company's strategic diversification development), new contract increase (CTCI complies with the bid for ESG requirements and improve the competitiveness of winning bids), new contract increase(to meet the net zero transformation needs of existing customers, and develop new customers/potential markets in the net zero aspect.)</p> <p>For relevant information, please refer to CTCI TCFD report. https://www.ctci.com/csr/en/0702</p>
3. Describe the financial impact of extreme weather events and transformative actions.	<p>CTCI identifies the top three risks as "CTCI is levied carbon fee", "Suppliers are levied carbon tax/carbon fee, which are passed on to CTCI ", and "Customers may spend less on high carbon emissions investment", which may increase procurement costs, operating costs and decrease in new contract. CTCI has proposed multiple action plans such as net-zero EPC value services to enhance market competitiveness. At the same time, the top three opportunities were also identified: "The government's net-zero plan drives corporate investment", "Promote green engineering and diverse operations ", and "R&D Innovation", which can reduce operating costs and increase new contract.</p> <p>For relevant information, please refer to CTCI TCFD report. https://www.ctci.com/csr/en/0702</p>
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	<p>In order to properly conduct climate risk assessment, CTCI has formulated the “Group Climate and Nature Risk Management Regulations” with reference to the TCFD framework and formulated implementation procedures, which are the main standards for managing issues related to climate risks and opportunities, the ESG office reports</p>

Item	Item Implementation status
	<p>to the board at least twice a year. In addition, all group risks are integrated into the "Group Risk Management and Control Regulations", and the Risk Management Executive Committee reports the implementation of risk management to the Audit Committee and the Board of Directors annually.</p> <p>For relevant information, please refer to CTCI TCFD report. https://www.ctci.com/csr/en/0702</p>
<p>5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.</p>	<p>Based on the TCFD framework, CTCI conducts scenario analysis to assess the impact of specific transition and physical risks on its operations and value chain under different global greenhouse gas emission control scenarios. This enables the Company to develop corresponding strategies.</p> <p>In terms of physical risks, the Intergovernmental Panel on Climate Change (IPCC) released the Sixth Assessment Report (AR6) in 2021, using the Global Climate Model (GCM) to estimate future long-term climate change, and adopting the Shared Socioeconomic Pathway (SSP) to take into account greenhouse gas emissions under different social and economic scenarios which cover climate change assessments in various regions around the world.</p> <p>In terms of transition risks, since net-zero in 2050 has become an international trend and is also Taiwan's climate policy guideline, Net-Zero Emissions by 2050 Scenario (NZE) set in the World Energy Outlook published by the International Energy Agency (IEA) in 2024 and the Nationally Determined Contribution (NDC) proposed by Taiwan have served as the basis for evaluation on CTCI's pathway to net-zero.</p> <p>For relevant information, please refer to CTCI TCFD report. https://www.ctci.com/csr/en/0702</p>

Item	Item Implementation status
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	<p>CTCI's response to the risks and opportunities of climate change is not limited to itself. It encourages upstream and downstream business partners to work together and work together to promote reductions through practical actions.</p> <p>The CTCI reduction target has been approved by SBTi. CTCI has set its carbon reduction targets based on SBTi's 1.5°C scenario, with 2022 as the baseline year. Our short-term goal is to achieve an absolute reduction of 21% in greenhouse gases (Scope 1 and Scope 2) by 2025. The mid-term goal is to achieve an absolute reduction of 45% in greenhouse gases (Scope 1 and Scope 2) by 2030 (It's greater than SBTi's requirements). The long-term goal is to achieve net zero by 2050.</p> <p>Scope 3 emissions reduction is done with 2022 as the baseline year. The near-term supply chain engagement target will be set based on the SBTi's "well below 2°C" scenario and achieved within five years from 2023. The participating suppliers will cut their carbon emissions at least by 2.5% per year. In the long-term, the goal is to lead our suppliers towards net zero.</p> <p>For relevant information, please refer to CTCI TCFD report. https://www.ctci.com/csr/en/0702</p>
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	<p>CTCI continues to monitor global and domestic carbon pricing trends and incorporates internal carbon pricing as a planning tool to enhance carbon reduction management efficiency, supporting the achievement of net-zero emissions at office sites by 2030 and net-zero emissions at production and service sites by 2050. The internal carbon pricing framework is established with reference to global carbon price trends, including the World Bank's "State and Trends of Carbon Pricing" report and EU carbon market prices, while also considering domestic developments and Taiwan's carbon fee policies. Additionally, industry pricing methods and application strategies are examined to assess the internal and external carbon costs of production and service</p>

Item	Item Implementation status
	<p>sites. CTCI has set an internal carbon pricing rate at USD 100 per tCO₂e. Through the shadow pricing mechanism, carbon costs are integrated into business operations, increasing awareness among business units of the impact of carbon risks on operations. This ensures that internal carbon pricing functions effectively as a management tool, driving the implementation of carbon reduction measures and providing a basis for long-term low-carbon transition decisions.</p>
<p>8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.</p>	<p>CTCI's greenhouse gas reduction targets have been approved through the Science-Based Targets initiative (SBTi). Aligned with the SBTi's 1.5°C scenario, carbon reduction goals have been established, using the year 2022 as the baseline. The short-term objective is to achieve a 21% reduction in carbon emissions in Scope 1 (direct emissions) and Scope 2 (indirect emissions from electricity) by the year 2025. The mid-term target is a 45% reduction in carbon emissions in Scope 1 and Scope 2 in 2030. (It's greater than SBTi's reduction target.) The long-term goal is to achieve net-zero emissions by the year 2050.</p> <p>For Scope 3 emissions, using 2022 as the reference year, the Company aims to set supply chain engagement targets within the next five years, starting in 2023, in line with the SBTi's "well below 2°C" scenario. Participating suppliers are expected to annually reduce at least 2.5% of their Scope 1 and Scope 2 carbon emissions. Long-term efforts involve leading suppliers towards achieving net-zero emissions.</p> <p>These targets cover 100% of CTCI's operational scope, including greenhouse gas emissions from CTCI's headquarters and all domestic and international construction sites.</p> <p>In addition to continuously improving reduction measures, CTCI has implemented solar energy sharing and utilized self-generated solar power at its headquarters building. Through the use of 3,051,950 kWh of green energy (verified by renewable energy</p>

Item	Item Implementation status
	<p>certificates, totaling 3,051 certificates), in 2024, greenhouse gas emissions in Scope 1 and Scope 2 were reduced by 8.0% (resulting in a reduction of 876 metric tons-CO₂e).</p> <p>Since 2023, CTCI has been driving the Net-Zero Alliance for Suppliers. By the end of 2024, a total of 265 companies have joined this alliance. CTCI aims to leverage its influence to support smaller entities and proactively provides suppliers with comprehensive resources, including assessments, energy efficiency, and renewable energy. This initiative is designed to accelerate carbon reduction efforts within the supply chain and aims to establish a low-carbon supply chain. The goal is to provide clients with engineering services that are not only environmentally friendly but also have lower carbon emissions. Through continuous adoption of new business models and conducting on-site audits during visits, CTCI actively assists suppliers in conducting greenhouse gas assessments.</p>  <p>Unit : Ton-CO₂e</p> <p>2025 carbon reduction 21%</p> <p>2030 carbon reduction 45%</p> <p>2040 carbon reduction 71%</p> <p>2050 carbon reduction 100%</p> <p>4.2% annual carbon reduction from 2020 to 2030</p> <p>2.9% annual carbon reduction from 2030 to 2050</p> <p>2022-2050 CTCI Net Zero Roadmap</p>

Item	Item Implementation status
9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points (a) and (b) below).	As shown in the following table.

(a) Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years

i) Greenhouse Gas Inventory Information

Item	2023	2024
GHG emissions (Scope 1)	4,248 tons-CO ₂ e	4,683 tons-CO ₂ e
GHG emission (Scope 2)	5,246 tons-CO ₂ e	5,428 tons-CO ₂ e
Intensity	0.21 tons-CO ₂ e / million TWD	0.16 tons-CO ₂ e / million TWD
Water consumption	432,712 m ³	108,795 m ³
Waste	3,478 tons	4,098 tons

ii) Greenhouse Gas Assurance Information

CTCI has consistently compiled greenhouse gas inventories for several years, with annual verification completed.

For the years 2023 and 2024, the scope of the greenhouse gas inventory covers 100% of CTCI's operational activities, including the CTCI headquarters building and all domestic and international construction sites. The verification entity is SGS Taiwan, and the verification standard adhered to is ISO 14064-3:2019.

b) Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan

CTCI's greenhouse gas reduction targets have been verified by the Science-Based Targets initiative (SBTi). Aligned with the SBTi's 1.5°C scenario, carbon reduction goals have been established with the year 2022 as the baseline. The short-term objective is to achieve a 21% reduction in carbon emissions in Scope 1 (direct emissions) and Scope 2 (indirect emissions from electricity) by 2025. The mid-term target is a 45% reduction in carbon emissions in Scope 1 and Scope 2 by 2030, surpassing the SBTi's specified 42% reduction. The long-term goal is to achieve net-zero emissions by the year 2050.

For Scope 3 emissions, using 2022 as the baseline year with a baseline emissions level of 779,183 tons-CO₂e, the Company aims to set supply chain engagement targets within the next five years, starting in 2023, in line with the SBTi's "well below 2°C" scenario. Participating suppliers are expected to annually reduce at least 2.5% of their Scope 1 and Scope 2 carbon emissions. Long-term efforts involve leading suppliers towards achieving net-zero emissions.

➤ Short-Term & Long-Term Carbon Emissions Reduction Strategy (Scope 1 & Scope 2)

A. Short-Term Carbon Emissions Reduction Strategy (2023-2030): Research and develop green technologies, digitalization, CCUS technologies, as well as increase the utilization of renewable energy.

B. Long-Term Carbon Emissions Reduction Strategy (2030-2050): Adopt energy storage technologies, utilize decarbonized energy sources, and apply CCUS technologies. Once various reduction efforts (including negative emissions technology CCUS) have been implemented, if there are still carbon emissions that cannot be reduced due to current technological limitations (the goal is to be less than 10% of total emissions), moderate carbon offset purchases will be carried out to help us achieve the net-zero target.

➤ Short-Term & Long-Term Carbon Emissions Reduction Strategy (Scope 3)

CTCI has established the "Supplier Net Zero Alliance" to nurture the greenhouse gas management capabilities of suppliers that have participated in the Net Zero Alliance. In the future, we will encourage our suppliers to reduce their greenhouse gas emissions in stages and establish a reward system to achieve the goal of the setting near-term supply chain engagement within 5 years. Participating suppliers are expected to annually reduce at least 2.5% of their Scope 1 and Scope 2 carbon emissions. For the long term goal, CTCI will purchase low-carbon products, make the Supplier Net Zero Alliance more influential, and encourage our suppliers to calculate their product carbon footprints, reduce carbon emissions by 4.5% by year, and lead our suppliers towards net zero in 2050, the long-term target. For residual carbon emissions that cannot be eliminated by new technologies and new equipment (the goal is to be less than 10%), moderate purchase of carbon credits will be encouraged as offsets to achieve the net zero goal.

➤ Status of Achieving Carbon Reduction Goals in 2024

A. In 2024, Scope 1 and Scope 2 emissions amounted to 10,111 tons-CO₂e, representing a reduction of 8.0% (876 tons-CO₂e) compared to the baseline year.

B. In 2024, Scope 3 emissions amounted to 801,741 tons-CO₂e. The intensity of Scope 3 emissions is 13 (tons-CO₂e/million TWD). The percentage of intensity reduction compared 2024 with the baseline year is 46%.

2.3.6 The Ethical Corporate Management

Evaluation Item	Implementation Status			Deviations from “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary Statement	
<p>1. Establishment of ethical corporate management policies and programs</p> <p>(1) Does the Company formulate an integrity management policy approved by the board of directors, and clearly state the policies and practices of integrity management in the regulations and external documents, and the commitment of the board of directors and senior management to actively implement the business policy?</p> <p>(2) Does the Company has established an evaluation mechanism for the risk of unethical behaviors, regularly analyzes and evaluates business activities with a higher risk of unethical behaviors in the business scope, and establish appropriate precautions against high-potential unethical conducts</p>	V		<p>The Company established “Corporate Governance Principles”, “CTCI Group Ethical Corporate Management Principles”, “CTCI Group Codes of Ethical Conduct”, and “Procurement Personnel Code of Conduct”.</p> <p>Directors, and managers should obey the “CTCI Group Codes of Ethical Conduct” when they execute their function. Meanwhile, all employees are requested to follow the laws and ethics standard and behavior principles clearly defined in “Codes of Ethical Conduct”.</p>	None

Evaluation Item	Implementation Status			Deviations from “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary Statement	
<p>or listed activities stated in Article 2, Paragraph 7 of the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies?</p> <p>(3) Does the Company establish policies to prevent unethical conduct with clear statements regarding relevant procedures, guidelines of conduct, punishment for violation, rules of appeal, and the commitment to implement the policies regularly?</p>				
<p>2. Fulfill operations integrity policy</p> <p>(1) Does the Company evaluate business partners’ ethical records and include ethics-related clauses in business contracts?</p> <p>(2) Does the Company establish an ethical management dedicated unit supervised by the Board to be in charge of corporate integrity</p>	V		<p>(1) The Company concluded the commerce contracts based on mutual trust and good faith management principles.</p> <p>(2) The Company assigned Human Resources Department to be in charge of corporate integrity related matter and report to the board meeting at least once a year. The last report to BOD is on Dec. 13, 2024.</p>	None

Evaluation Item	Implementation Status			Deviations from “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary Statement	
and regularly (at least once a year) report to the board of directors?				
(3) Does the Company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?			(3) It is forbidden to have preferential affairs between employee and party. All employees can't pay or ask for present, entertainment, commission or bribe for the advantage of themselves or third party, when they conduct their work.	
(4) Has the Company established effective systems for both accounting and internal control to facilitate ethical corporate management? Has the internal audit unit formulated relevant audit plans based on the results of the assessment of the risk of unethical behavior and audited the compliance of ethical corporate management accordingly? Or the Company entrusts CPAs to perform the audit?			(4) The Company has established effective and complete accounting system and internal control mechanism to perform exception management. The internal audit unit draws up an annual audit plan based on the results of the risk assessment, executes yearly audit plans, and reports the audit results related to ethical corporate management to the ethical management dedicated unit on a quarterly basis, so as to facilitate the effectiveness of ethical.	

Evaluation Item	Implementation Status			Deviations from “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary Statement	
(5) Does the Company regularly hold internal and external educational trainings on operational integrity?			(5) The principles of the Company are professionalism, integrity, teamwork and innovation. We delivered 1 related seminars to 556 employees and training courses to our employees, accumulated to 6,288 employees and posted the poster at office and site to remind our employees as well.	
3. Operation of the integrity channel (1) Does the Company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up? (2) Does the Company establish standard operating procedures for confidential reporting on investigating accusation cases, follow-up measures after investigations are completed and confidentiality mechanism? (3) Does the Company provide proper whistleblower protection?	V		(1) The Company has the Accusation management regulation with a dedicated line, an external credibility platform and an investigation team to deal with the graft and bribe events. (2) The Company has the regulation of Reward and Punishment to deal with the above cases. (3) Regularly report the received accusation materials and responses to independent directors.	None

Evaluation Item	Implementation Status			Deviations from “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary Statement	
4. Strengthening information disclosure (1) Does the Company disclose its ethical corporate management policies and the results of its implementation on the Company’s website and MOPS?	V		The Company has disclosed the “Ethical Corporate Management Best Practice Principles” on its website and MOPS.	None
5. If the Company has established its own ethical corporate principles based on “Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies”, please describe the difference between operation practice and the ethical corporate principles: According to the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies”, the Company has obtained the approval of the “Ethical Corporate Management Best Practice Principles” (the “Principle”) in the 5 th meeting of the 13 th Term Board of Directors in Dec. 17, 2014. The all employees, officers and board members should comply with the Principle. Furthermore, the Principle was amended and renamed to the “CTCI Group Ethical Corporate Management Principles” for the expansion of applicable scope to whole CTCI Group on Jun. 22, 2016.				
6. Other important information to facilitate understanding of the Company’s good faith management implementation. (e.g. To announce the Company’s determination to implement good faith management to business vendors, to invite vendors to participate in related education, and to review and revise the Company’s ethical corporate management best practice principles) The Company strictly observed “Company Act,” Securities and Exchange Act”, related rules for TWSE/GTSM-Listed Companies and other commerce ordinances to implement the good faith management. Review and revise the Company’s internal management principles including “Corporate Governance Principles”, “CTCI Group Ethical Corporate Management Principles”, “CTCI Group Codes of Ethical Conduct”, and “Procurement Personnel Code of Conduct” based on the development of ethical corporate management principles.				

2.3.7 Other Important Information Regarding Corporate Governance

A. Training program for directors

Title	Name	Study period		Sponsoring Organization	Course	Training hours
		From	To			
Chairman	Michael Yang	2024/05/03	2024/05/03	Independent Director Association Taiwan	World Economic Trends, Risk Indicators and Response Strategies in 2024	3.0
		2024/08/02	2024/08/02	Independent Director Association Taiwan	The Application and Challenges of Generative AI by ChatGPT Views	3.0
Director	John T. Yu	2024/05/03	2024/05/03	Independent Director Association Taiwan	World Economic Trends, Risk Indicators and Response Strategies in 2024	3.0
		2024/08/02	2024/08/02	Independent Director Association Taiwan	The Application and Challenges of Generative AI by ChatGPT Views	3.0
Director	Quintin Wu	2024/07/11	2024/07/11	Securities and Futures Institute	Digital Reinvention Creates a New Future for AI - Generative AI Application Case Studies	3.0
		2024/10/16	2024/10/16	Securities and Futures Institute	Carbon Trading Mechanism and Management Application	3.0
Director	Johnny Shih	2024/05/03	2024/05/03	Independent Director Association Taiwan	World Economic Trends, Risk Indicators and Response Strategies in 2024	3.0
		2024/07/03	2024/07/03	Taiwan Academy of Banking and Finance	Corporate Governance Forum - The Carbon Pricing Era and Corporate ESG Actions	3.0
		2024/08/02	2024/08/02	Independent Director Association Taiwan	The Application and Challenges of Generative AI by ChatGPT Views	3.0

Title	Name	Study period		Sponsoring Organization	Course	Training hours
		From	To			
Director	Yancey Hai	2024/04/30	2024/04/30	Taiwan Corporate Governance Association	The Development Direction of Company Strategies	3.0
		2024/10/29	2024/10/29	Securities and Futures Institute	Global and Taiwan Economic Outlook in 2024	3.0
Director	An-Ping Chang	2024/10/30	2024/10/30	Taiwan Institute for Sustainable Energy	Hard to Reduce Net-Zero Just Transition Path in Taiwan	3.0
					The Disclosure of Sustainable Finance	3.0
Director	Paul Chen	2024/05/03	2024/05/03	Independent Director Association Taiwan	World Economic Trends, Risk Indicators and Response Strategies in 2024	3.0
		2024/08/02	2024/08/02	Independent Director Association Taiwan	The Application and Challenges of Generative AI by ChatGPT Views	3.0
Director	Wenent Pan	2024/05/03	2024/05/03	Independent Director Association Taiwan	World Economic Trends, Risk Indicators and Response Strategies in 2024	3.0
		2024/06/07	2024/06/07	Taiwan Institute of Directors	New Energy Era	3.0
Independent Director	Chien-Chung Li	2024/05/03	2024/05/03	Independent Director Association Taiwan	World Economic Trends, Risk Indicators and Response Strategies in 2024	3.0
		2024/05/28	2024/05/28	Taiwan Institute of Directors	The Business Value and Digital Risks of Generative AI	3.0
		2024/06/03	2024/06/03	Securities and Futures Institute	The Forum of Institutional Investors' Views	3.0
		2024/08/02	2024/08/02	Independent Director Association Taiwan	The Application and Challenges of Generative AI by ChatGPT Views	3.0

Title	Name	Study period		Sponsoring Organization	Course	Training hours
		From	To			
Independent Director	Yen-Shiang Shih	2024/05/03	2024/05/03	Independent Director Association Taiwan	World Economic Trends, Risk Indicators and Response Strategies in 2024	3.0
		2024/08/02	2024/08/02	Independent Director Association Taiwan	The Application and Challenges of Generative AI by ChatGPT Views	3.0
Independent Director	Evon Chen	2024/05/03	2024/05/03	Independent Director Association Taiwan	World Economic Trends, Risk Indicators and Response Strategies in 2024	3.0
		2024/08/02	2024/08/02	Independent Director Association Taiwan	The Application and Challenges of Generative AI by ChatGPT Views	3.0
		2024/09/04	2024/09/04	Taiwan Corporate Governance Association	Net Zero Carbon Emissions Conference	3.0
Independent Director	Harry Yen	2024/05/03	2024/05/03	Independent Director Association Taiwan	World Economic Trends, Risk Indicators and Response Strategies in 2024	3.0
		2024/08/02	2024/08/02	Independent Director Association Taiwan	The Application and Challenges of Generative AI by ChatGPT Views	3.0
		2024/08/20	2024/08/20	Taiwan Corporate Governance Association	The era of carbon emissions pricing is coming. How should companies respond?	3.0

B. Internal Material Information Disclosure Procedure

(1) Management of the Prevention of Insider Trading

The Company has established “Management of the Prevention of Insider Trading” (the “Management”) in the 9th meeting of the 11th term board of director on Aug. 28, 2009 by the letter of Financial Supervisory Commission dated Mar. 16, 2009 and consulting with “Internal Material Information Disclosure Procedure” which is announced by Taiwan Stock Exchange Corporation (TWSE). The Management is the code of conduct for Directors, Managerial personnel, and the persons regulated under the Regulation and it includes the scope of Internal Material Information, and the laws, regulations, orders that people forenamed should comply with.

The Company amend the “Management” in response to the amendment to the regulation and actual operation needs over the years, the latest amendment is in the 16th meeting of the 15th term board of director on Dec. 20, 2022. The “Management” has been announced at Enterprise Information Portal (EIP) and official website (<http://www.ctci.com>) for all employees followed up the prevention of insider trading.

(2) Implementation situation

- (a) At least once per year, the Company shall conduct educational campaigns to promote awareness among all directors, managerial officers, and employees with respect to the “Management” and related laws and regulations. The Company shall also provide educational campaigns to new directors, managerial officers, and employees in a timely manner.
- (b) All directors have received the latest “Management” and “Questions and Answers, monitoring about Insiders’ Share Transactions” published by Taiwan Stock Exchange Corporation on Nov. 18, 2024.
- (c) Managerial officers of the Company declare changes of their shares and get the advice about behaviors of the prevention of insider trading through EIP every month. Additionally, the Company sets up online required course for all managerial officers in Nov. 2024. They should pass the exam after the course and get the full scores; all managerial officers have completed.
- (d) The Company adds related training materials in the orientation for new colleagues. Moreover, to strengthen the beliefs of all employees, set up online required course for them.
- (e) The aforementioned course includes regulated object of insider trading, reason for the formation, scope of material information, scope of trading targets, identification process, description of trading cases and so on.
- (f) There is training course 331 hours / 3,650 persons to directors, managerial officers and employees in 2024.

(g) The "Management", which is amended on Aug. 3, 2022, stipulated all directors are not allowed to trade their shares of CTCL in following period:

- 30 days before the announcement of the annual financial report;
- 15 days before the announcement of the quarterly financial report.

To follow above regulations, the Company had sent locking notices to all directors on Feb. 2, Apr. 15, Jul. 19 and Oct. 15, 2024 for annual financial report of 2023, and 1st to 3rd financial report of 2024.

C. Code of Business Conduct and Ethics for Board of Directors and Managers

CTCI CORPORATION **Code of Business Conduct and Ethics** **for Board of Directors and Managers**

Adopted on November 2nd, 2006

Amended on December 19th, 2007

Amended on August 8th, 2014

Amended on June 22nd, 2016

Article 1 (Purpose of and basis for adoption)

Pursuant to Article 6 of CTCI's Corporate Governance Principles, CTCI's Codes of Ethical Conduct are established to pursue the greatest interest of CTCI and devote in continuous business development. And for stakeholders to understand the content of ethical standards and code of conduct that have been complied by directors, managers and all employees in the execution of their duties. CTCI's Codes of Ethical Conduct shall be approved by a resolution of Board of Directors.

Article 2 (Scope)

The Codes of Ethical Conduct are applicable to CTCI's subsidiaries, and other institutions or juridical persons which are substantially controlled by CTCI ("business group").

The term "CTCI employees" in this Codes of Ethical Conduct refers to directors, supervisors, and managerial officers (including deputy assistant general managers or their equivalents, chief financial and chief accounting officers), and employees.

Article 3 (Compliance of ethical conduct)

CTCI directors and managers shall comply with all regulations and the Codes of Ethical Conduct. They shall set as examples to CTCI employees, promoting the practice of this Codes of Ethical Conduct, pursuing high-level compliance of this Codes.

CTCI directors and managers shall fulfill the duty of care of a good custodian, and as their objective the pursuit of CTCI's overall benefit. Moreover, CTCI employees may not damage CTCI's rights and interests for the benefit of a specific individual or specific group, and shall treat all shareholders fairly.

In the execution of their duties, CTCI employees shall focus on teamwork, abandon sectionalism, diligently comply with the principle of honesty and credibility, be proactive, responsible and prudent.

Article 4 (Fair hiring and anti-discrimination policy)

No form of preferential treatment or discrimination should take place in any form based on race, sex, religious beliefs, political party affiliation, sexual orientation, position, nationality, or age.

Article 5 (Safe and healthy working environment)

CTCI employees should work to maintain a safe and healthy environment, and there should be no instances of harassment, or violent and threatening behavior.

Article 6 (Prevention of conflicts of interest)

When a proposal at a given board of directors meeting concerns the interest of CTCI, the concerned person shall not participate in discussion of or voting on the proposal and shall recuse himself or herself from the discussion or the voting, and may not exercise voting rights as proxy for another director.

Where a director or manager, for himself/herself or on behalf of others, enters into a sale/purchase or loan transaction, or conducts any legal act with CTCI, he/she shall disclose detail information of the above situation to the audit committee.

Article 7 (Prevention of conflicts of interest)

If a director engages in conduct involving competition with CTCI, pursuant to the Company Law, he or she shall report the matter in advance to a general meeting of shareholders and obtain approval.

If a manager engages in conduct involving competition with CTCI, in accordance with the Company Law, he or she shall report the matter in advance to board of directors and obtain approval.

Article 8 (Minimizing incentives to pursue personal gain)

CTCI employees shall faithfully execute their duties in the interests of all shareholders. As regards procurement and supply arrangements related to CTCI's operations, cooperation arrangements, strategic alliances or other commercial opportunities or opportunities from which profit may be gained with which CTCI employees become familiar as the result of executing their functional duties, CTCI employees shall give priority to providing such opportunities to CTCI or to preserving the interests of the Company, and must not take advantage of such opportunities to seek personal gains for themselves or third parties.

CTCI employees shall prevent the following activities:

1. Seeking an opportunity to pursue personal gain by using company property or information or taking advantage of their positions.
2. Competing with CTCI or damage CTCI's interest through any methods.

Article 9 (Fair trade)

CTCI employees shall treat all suppliers and customers, competitors, and employees fairly, and may not obtain improper benefits through manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices.

Article 10 (Insider trading)

Work-related knowledge and any information that could affect the share price of CTCI stock, before it has been disclosed as public information, all information shall be kept confidential pursuant to The Securities and Exchange Act regulations, and shall not to be used to engage in insider trading.

Article 11 (Confidentiality)

Company employees' work-related knowledge, confidential information or customer data is to be carefully managed, and except for that required for company disclosure or publicized as required by law, data should not be leaked to other persons, or used for any non-work related matter. This Article also to employees who have left the Company.

CTCI employees are obliged to keep the Company and its clients' information confidential. Information shall not be disclosed prior to Company's authorization or as required by law, and leaked to other persons or used for any non-work related matter. The confidential information includes, but is not limited to, any undisclosed information that may be utilized or divulged by competitors and consequently cause damage or loss to the Company or its clients, as well as information regarding the investments, inventions, business secrets, technical data, product design, professional manufacturing knowledge, finance, accounting and intellectual property rights of CTCI.

Article 12 (Safeguarding and proper use of company assets)

CTCI employees have the responsibility to safeguard company assets and to ensure that they can be effectively and lawfully used for official business purposes; any theft, negligence in care, or waste of the assets will all directly impact CTCI's profitability.

Article 13 (Legal compliance)

CTCI employees shall comply all regulations and company's policies and procedures.

Article 14 (Encouraging reporting on illegal or unethical activities)

CTCI shall raise awareness of ethics internally and encourage employees to report with defined identity or anonymously upon suspicion or discovery of any activity in violation of a law or regulation or the Codes of Ethical Conduct. The Company shall use its best efforts to ensure the safety of informants and protect them from reprisals.

Article 15 (Procedures for penalizing)

CTCI employees in violation of the Codes of Ethical Conduct shall be penalized according to the Company's Rewards and Punishment related policy. Employees who are in significant violation of this Conduct shall be reported to Board of Directors.

Article 16 (Procedures for exemption)

In the event that a director or supervisor wishes to be exempted from the applicability of the Codes of Ethical Conduct, he or she should explain said opportunity, information or the specific details of the competition with CTCI to Board of Directors, and the reasons why there is no conflict with CTCI's interests; this shall then be approved by a resolution of Board of Directors.

Upon approval by a resolution of Board of Directors of an exemption of applicability as provided in the preceding paragraph, CTCI shall immediately disclose information including the titles and names of the personnel exempted, the date of board approval of the exemption, the period of the exemption, the reasons for exemption, and the standard(s) has been exempted on the Market Observation Post System (MOPS).

Article 17 (Enforcement and method of disclosure)

CTCI's Codes of Ethical Conduct, and any amendments to it, shall enter into force after it has been adopted by board of directors, and shall disclose in CTCI annual reports on its website.

D. Reporting Management Regulations

CTCI CORPORATION **Reporting Management Regulations**

1.0 Purpose

In order to effectively implement and manifest our corporate culture sincerity effectively and safeguard the interests of the Company, the insiders are encouraged to take the initiative in reporting illegal events or violations so as to prevent and deal with such things before their impacts spread, these regulations are specially formulated in order to effectively control the reporting case of the Company and establish smooth reporting channel and fair investigation procedure while ensuring that the reporting persons can be protected to avoid retaliation or unfair treatment for reporting illegal or non-compliance incidents.

2.0 Scope

2.1 Reporting person

Including official, formal, contracted and dispatched in-service and external personnel of the Company.

2.2 Reporting object

Including all directors, managers and employees of the Company.

2.3 Scope of reporting

The reporting person may file an impeachment when he/she detects any of the following circumstances:

2.3.1 Acts or practices that violate the applicable laws of the Company, corporate policies, systems and codes of ethical conducts or are likely to violate the relevant regulations.

2.3.2 Misappropriating the goods or assets of the Company, providing or receiving improper benefits, or any form of fraudulent behavior or conduct that is likely to be fraudulent.

2.3.3 Acts or practices that infringe the trade secrets, trademark privileges, patents, copyrights and other intellectual property rights of the Company or are likely to infringe.

2.3.4 Any other acts or practices that damage the interests of the Company or result in the risk of damage.

3.0 Definition

3.1 Individual reporting

An employee may independently file a report in their own name, either as a real-name report or anonymously.

3.2 Joint reporting

Two (inclusive) or more employees propose real-name or anonymous reporting jointly.

3.3 Reporting Case

Classify reported cases based on the subject of the report into general reported cases, cases involving directors and managers, and cases involving the Human Resources Department.

The managers to whom this Provision applies are the managers of listed companies or over-the-counter companies of listed under the Securities and Exchange Act, as follows:

3.3.1 President and persons of equivalent grade. (The CEO of CTCI is also the manager.)

3.3.2 Executive Vice President and persons of equivalent grade.

3.3.3 Vice President/ and persons of equivalent grade.

3.3.4 Head of Financial department.

3.3.5 Head of Accounting department.

3.3.6 Other persons responsible for company management and signature rights.

3.4 Acceptance unit

Refers to the Human Resources Department or the Audit Office, with the former responsible for handling general reported cases and the latter responsible for handling cases involving directors and managers, or the Human Resources Department.

3.5 Provision of Information

The reporting person provides relevant information about the reported case to assist with the investigation.

4.0 Responsibility

4.1 EMO

4.1.1 Review the Reporting Preliminary Examination Proposal submitted by the Human Resources Department.

4.1.2 Approve the members of the investigation committee.

4.2 Human Resources Department

Responsible for accepting general reporting cases and proposing suggestion on preliminary examination before sending the case to EMO for hearing and handing subsequent matters thereof according to hearing result.

4.3 Audit Department

4.3.1 Responsible for handling the reporting cases involving directors and managers proposing suggestion on preliminary examination before it reports the reporting cases to the audit committee for review and deliberation.

4.3.2 Responsible for handling cases involving the Human Resources Department in accordance with the general reporting case procedures.

4.4 Investigation group

Responsible for investigating whether the reporting contents are true and proposing investigation report.

4.5 Rewards and Punishment Committee

Responsible for reported cases investigation report, and proposing resolution for punishment.

4.6 Audit Committee

Review the Reporting Preliminary Examination Proposal submitted by the Audit Department, approve the members of the investigation committee, and compile punishment proposals to be submitted to the Board of Directors for resolution.

4.7 Each Department

Relevant personnel of each department shall coordinate to assist investigation group to execute relevant investigation works.

4.8 President

Approve general reporting cases report.

4.9 Board of Directors

Ratify reports on reporting cases involving directors and managers.

5.0 Activity

5.1 Flowchart of Activity Abstracts

Flow Chart of Reporting Management Activity Abstract please refer to Attachment-01.XXXX.

5.2 Reporting

- 5.2.1 The reporting person may provide specific details, including the name, unit, event date, and content description of the relevant personnel, as well as relevant evidence involving the behaviors or circumstances specified in Item 2.3 of this regulation. This information may be submitted via the reporting website established by the third-party impartial entity commissioned by the Company (<https://secure.conductwatch.com/ctci/>) or sent to the dedicated reporting email address (CTCI@conductwatch.com.tw).
- 5.2.2 The reporting person may make a named reporting person alone in his/her own name, or two (including) or more may jointly conduct a named reporting (joint reporting). The joint report will be handled as a single case, and a representative must be selected for contact when reporting. The reporting persons may choose to remain anonymous, but they are encouraged to be named for communication and investigation purposes.
- 5.2.3 Upon receiving a report, the third-party impartial entity will assign the case to the appropriate receiving unit for further processing based on the case types outlined in Section 3.3 of this policy. When the reporting case comes from outside the Company, the unit or employee that receiving the reporting materials shall submit the complete reporting materials to the acceptance unit at first time for subsequent handling, if the affiliated department of reporting object has any concealment or delay that causing impact on the handling time and affecting the rights and interests of the Company, it shall be punished according "CP-319-B Employees Reward and Punishment Regulations".

5.3 Case acceptance

- 5.3.1 After the acceptance unit has accepted the reporting case, if necessary, it may ask the reporting person to supplement relevant descriptions or evidences, conduct preliminary examination according to relevant contents of reporting materials and prepare a "reporting Preliminary Examination Proposal". General reporting cases are sent to the EMO by the Human Resources Department for review; reporting cases involving directors and managers shall be submitted by the Auditing Department to the Audit Committee for review. In cases where the Human Resources Department is implicated, the Audit Office shall be responsible for receiving the report and handling it in accordance with the general reporting case procedures.
- 5.3.2 If the reported case has any of the following circumstances, the Rewards and Punishment Committee or the Audit Committee may decide not to file a case for investigation:
- A. It does not belong to an act or circumstance specified in Item 2.3 of this regulation.
 - B. The same fact that has been verified by inspection or the case has been dealt with and closed; however, if the informant/reporting person presents new specific evidence to prove that the case needs to be re-investigated, this is not to subject to the limits or restrictions.

5.4 Investigation

- 5.4.1 If the person handling the reporting case or the members of the investigation team has a relationship with the reporting person or the reporting object or his/her spouse, second-degree relatives, or has an interest in the reporting matter or other circumstances that may affect the fairness of investigation and handling of the reported case, the person should immediately withdraw by himself and must not participate in the investigation or attend the meeting related to the investigation. The reporting person or reporting object also has the right to apply to the acceptance unit or the investigation team for the recusal of the person.
- 5.4.2 After EMO or Audit Committee review the case and decide to initiate an investigation, a cross-departmental investigation team may be formed. The team members shall be approved, and a team leader shall be appointed. After the investigation team is formed, it will conduct an investigation based on the relevant information provided by the reporting person to verify the accuracy of the reported content and prepare an investigation report.
- 5.4.3 During the investigation process, the investigation team may request the reporting person to add relevant explanations or evidence depending on the actual situation of the investigation. If it is not within the scope of the reporting person or the evidence presented by the reporting person is not detailed, the reporting person should be requested to provide supplementary information; the investigation team may also conduct interviews with the relevant personnel or request the relevant personnel to provide information. The accepting unit shall, according to the investigation plan of the investigation team, notify the relevant units that should cooperate with and assist the investigation team. The relevant personnel of each department shall cooperate with and assist the investigation team in carrying out the relevant investigation work. If the relevant unit tends to conceal or put off, affecting the time limit of processing and the rights and interests of our company, it will be punished in accordance with "CP-319-B Employees Reward and Punishment Regulations".
- 5.4.4 After the investigation is completed, the convener of the investigation team will report to the EMO or Audit Committee.

5.5 Punishment

- 5.5.1 For general reporting cases, after Human Resources Department has received the investigation report, it shall convene the meeting of Rewards and Punishment Committee pursuant to "CP-319-B Employees Reward and Punishment Regulations" to hear the reporting case, and propose punishment resolution according to the preceding Regulation. Then Human Resources Department will submit the complete report contents to the President for review and decision. Reporting cases involving directors, managers, shall be reviewed by the Audit Committee and compile punishment proposals sent to the Board of Directors for approval.
- 5.5.2 If it is found during the investigation or as a result of the investigation that any internal personnel shall violate this regulations or measures of our company, the offender will be punished in accordance with "CP-319-B Employees Reward and Punishment Regulations", and those with serious circumstances shall be dismissed.

5.5.3 If the reporting person is an insider of the Company, and if the report made by the reporting person is false or malicious and untrue as verified by our company, he/she shall be punished in accordance with “CP-319-B Employees Reward and Punishment Regulations”; those with serious circumstances shall be dismissed.

5.6 Response

For any reporting case, the acceptance unit shall respond to the reporting person in writing on the handling result thereof. For false reporting or fling abuses, the responding content shall include the reminder on relevant legal responsibility. If an employee of CTCI report falsely or malevolently, the employee will be punished and shall be dismissed in the serious situation.

5.7 Protective Measures

5.7.1 The Company shall handle the reporting case in a confidential manner, and the relevant personnel handling the reporting case shall be responsible for the confidentiality obligation for the materials and information of the reporting person, the content of the reporting case and the investigation process, and shall declare in writing that they shall not disclose any information that can be used to identify a specific individual, including but not limited to name, employee number, ID Card no., gender, date of birth, department, job title, position grade, contract information and other data that may be used directly or indirectly to identify the individual by using attachment-03. However, this does not apply to the information that the reporting person agrees to make known to the public or disclose his/her identity or information that is required to be disclosed by law.

5.7.2 The Company shall not attempt to retaliate against the unfavorable personnel measures taken by the internal personnel due to the following behaviors; however, punishments imposed according to the relevant regulations on other illegal, irregular or inappropriate behaviors of the internal personnel as verified by the Company is not to subject to the limits or restrictions:

- A. File a report under this regulation.
- B. Cooperate with the investigation of the reporting case or act as a -witness.
- C. Those who seek relief after suffering unfavorable personnel measures owing to the actions of the preceding two clauses.

5.7.3 The unfavorable personnel measures mentioned in the preceding paragraph refer to one of the following situations:

- A. Dismissal, discharge from the official post, degradation, suspension, termination, demotion, or adverse performance appraisal, punishment, penalty and evaluation.
- B. Pay cut, fines, deprivation or reduction of bonuses, pensions, dismissal pay.
- C. Denial of educational or training opportunities, benefits, special rights related to promotion.
- D. Unfavorable changes in work location, job content or other working conditions and management measures.
- E. Disclosure of the identity of reporting person without reason.

5.7.4 Those who suffer adverse personnel measures, or are threatened, intimidated, or other adverse behaviors by insiders due to the acts or practices in subparagraph 5.7.2 of this regulation may file a complaint to the acceptance unit, and the acceptance unit shall take appropriate disposal or remedial measures according to the situation in the first place. If the reporting person's complaint is verified to be true, the Company shall reply to his/her position and function of office (or equivalent position and function of office) before he/she was subject to adverse personnel measures, and to restore his/her original salary, bonus, pension, dismissal pay, benefits, working conditions or management measures, or for other appropriate disposal or remedial measures.

5.8 Incentive Mechanism

5.8.1 When an employee of CTCI reports any event in accordance with these regulations that violates or impairs corporate benefit, the employee shall be granted a reward for reporting depending on the seriousness of the case if the reported event is found factual or the report enables CTCI to reduce or prevent damage.

5.8.2 In case an reporting person reports the illegal event in which the reporting person has been involved, and then provides information and assists CTCI and administrative and juridical authorities in investigating facts of the illegal event, the punishment and liability to be imposed on the reporting person for the illegal event shall be reduced or exempted.

5.9 Case Tracking

The acceptance unit shall maintain a list to track reported cases and be responsible for monitoring the progress of each case until it is closed. It must ensure that all reported cases are properly investigated and submit a quarterly report on the status of the cases to the President. Relevant investigation records shall be retained by the Human Resources Department for at least three years.

6.0 Relevant/Reference Document

6.1 Higher Level Document

None

6.2 Same Level Document

CP-319-B Employees Reward and Punishment Regulations

7.0 Attachment

Attachment-01 Flow Chart of Reporting Management Activity Abstract

Attachment-02 Reporting Preliminary Examination Proposal

Attachment-03 Non-disclosure Agreement

2.3.8 Internal Control System

CTCI CORPORATION
Statement of Internal Control System

Date: February 27, 2025

Based on the findings of self-assessment, CTCI CORPORATION (CTCI) states the following with regard to its internal control system during fiscal year 2024:

1. CTCI is fully aware that establishing, operating, and maintaining an internal control system are the responsibility of its Board of Directors and management. CTCI has established such a system aiming at providing reasonable assurance of the achievement of the following objectives :
 - (1) Effectiveness and efficiency of operations (including profits, performance, and safeguard of asset security).
 - (2) Reliability, timeliness, transparency, and regulatory compliance of reporting.
 - (3) Compliance with applicable norms and applicable laws, regulations, and bylaws.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing the three objectives mentioned above. Furthermore, the effectiveness of an internal control system may be subject to changes due to environment or circumstances. Nevertheless, the internal control system of CTCI contains self-monitoring mechanisms, and CTCI takes immediate remedial actions in response to any identified deficiencies.
3. CTCI evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (herein below, the "Regulations"). The criteria adopted by the Regulations identify five key components based on the process of management control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communications, and (5) monitoring activities. Each component also includes several items. Please refer to the Regulations for details.
4. CTCI has assessed the design and operating effectiveness of its internal control system according to the aforesaid criteria.
5. Based on the findings of the assessment mentioned in the preceding paragraph, CTCI believes that, as of December 31, 2024, its internal control system (including its supervision and management of subsidiaries), encompassing internal controls for (1) operational effectiveness and efficiency, (2) reliability timeliness, transparency, and regulatory compliance of reporting, and (3) compliance with applicable norms and applicable laws, regulations, and bylaws, is effectively designed and operating, and reasonably assures the achievement of the above-stated objectives.
6. This Statement will be a major part of CTCI's Annual Report and Prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
7. This Statement has been passed by the Board of Directors Meeting of CTCI held on February 27, 2025, the twelve attending directors all affirmed the content of this Statement.

CTCI CORPORATION

Chairman :  (signature)President :  (signature)

2.3.9 Major Resolutions of Shareholders' Meeting and Board Meetings

A. Major resolutions of Shareholders' Meeting of Year 2024(2024.05.27)

Date	Resolutions of Shareholders' Meeting	Action Arisen
2024.05.27	1. Adoption of the Company's 2023 Business Report, Financial Statements and Consolidated Financial Statements.	The resolution has been made and implemented.
	2. Adoption of the Company's distribution plan of 2023 earnings. (Distribute cash dividend TWD 2.048 per share)	The ex-dividend record date was on Jul. 20, 2024, and paid on Aug. 7, 2024.

B. Major resolutions of the Board Meeting in recent years until the annual report being published:

2024.03.06	<p>Report for 2023 H2 HSE key tasks.</p> <p>Report for board of directors performance assessments.</p> <p>Evaluation report for the independence and capability of independent auditor.</p> <p>Report for the independent directors' qualifications checks.</p> <p>Approval of the distribution plan of the 2023 directors' and employees' remuneration.</p> <p>Approval of the Fiscal 2023 business report, financial reports and consolidated reports.</p> <p>Approval of the distribution plan of fiscal 2023 earnings.</p> <p>Approval of "Statement of Internal Control System for the Year 2023".</p> <p>Approval of the convening of the 2024 annual general meeting.</p> <p>Approval of the place and the period of time for shareholders to submit proposals of the 2024 annual general meeting.</p> <p>Approval of the amendment to the Company's "Rules Governing Procedure for Board of Directors' Meetings".</p> <p>Approval of the amendment to the Company's "Audit Committee Charter".</p> <p>Approval of the amendment to the Company's internal audit systems.</p> <p>Approval on adjustment of loan limit (funds lending the subsidiaries for working capital requirement) by the Company.</p>
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- Approval of RSA reduction of the Company's paid-in capital registration.
- Approval of ESOP issuance of the Company's paid-in capital registration.
- 2024.05.03
 - Approval of consolidated financial reports as of March 31st, 2023.
 - Approval on funds lending the subsidiaries for working capital requirement by the Company.
 - Approval of the issuance of the 2nd domestic unsecured conversion of corporate bonds.
 - Approval of 2023 sustainability report.
 - Approval of RSA reduction of the Company's paid-in capital registration.
 - Approval of ESOP issuance of the Company's paid-in capital registration.
- 2024.08.02
 - Report for 2024 H1 HSE key tasks.
 - Approval of consolidated financial reports as of June 30th, 2024.
 - Approval of RSA reduction of the Company's paid-in capital registration.
 - Approval of ESOP issuance of the Company's paid-in capital registration.
- 2024.11.05
 - Report on the practice of risk management.
 - Report on the management of intellectual property protection.
 - Report on the management of sustainable supply chain.
 - Report on Directors' and Officers' Liability Insurance.
 - Report on projects status of CTCI Americas, Inc.
 - Approval of consolidated financial reports as of September 30th, 2024.
 - Approval of the capital injection of Bao Ding Reclaimed Water Co., Ltd.
 - Approval of RSA reduction of the Company's paid-in capital registration.
 - Approval of ESOP issuance of the Company's paid-in capital registration.
- 2024.12.13
 - Report on the implementation of ethical corporate management in 2024.
 - Report on the ESG.
 - Report for board of directors external performance assessments.

Report on projects status of CTCI Americas, Inc.

Approval of the budget of 2025.

Approval of the Year 2025 Audit Plan.

Approval to spin-off of related business of the Southern Taiwan Science Park Reclaimed Water Plant to CTCI STSP Water Resources Corporation.

Approval on funds lending the subsidiaries for working capital requirement by the Company.

Approval of the amendment to the Company's Internal Audit Systems.

Approval of the adjustment of the managerial officer of the Company.

Approval of the removing the non-competition restrictions on managerial officers.

Approval of the average salary increase rate of 2025.

Approval of the remuneration of the management officers of the Company.

Approval of donation to CTCI Education Foundation.

Approval of the adoption to the 2025 remuneration of the Chairperson of the Management Strategy Committee.

2025.02.27 Report for 2024 H2 HSE key tasks.

Report for Board of Directors Performance Assessments.

Evaluation Report for the Independence and Capability of Independent Auditor.

Report for the Independent Directors' qualifications checks.

Report on projects status of CTCI Americas, Inc.

Approval of the distribution plan of the 2024 directors' and employees' remuneration.

Approval of the fiscal 2024 business report, financial reports and consolidated reports.

Approval of the distribution plan of fiscal 2024 earnings.

Approval of "Statement of Internal Control System for the Year 2024".

Approval of the amendment to the Company's" Articles of Incorporation".

Approval of the amendment to the Company's internal audit systems.

Approval of the issuance of Restricted Stock Awards for 2025.

Approval of the convening of the 2025 annual general meeting.

Approval of the place and the period of time for shareholders to submit proposals of the 2025 annual general meeting.

Approval on funds lending the subsidiaries for working capital requirement by the Company.

Approval of the issuance of the domestic unsecured conversion of corporate bonds.

Approval of change of independent auditors of the Company.

Approval of RSA reduction of the Company's paid-in capital registration.

Approval of ESOP issuance of the Company's paid-in capital registration.

Approval of the adjustment of the assistants of the functional committees.

2.3.10 Major Issues of Record or Written Statements Made by Any Director or Supervisor Dissenting to Important Resolutions Passed by Board of Directors:
None.

2.4 Information on Attesting CPA' s Fees

Unit: TWD thousands

Accounting Firm	Name of CPA	Audit Period	Audit Fee	Non-audit Fee	Total	Note
PriceWater HouseCoopers	Fu-Ming Liao	2024.01.01-2024.12.31	6,957	3,714	10,671	Note 1
	Shih-Jung Weng					

Note 1: The professional fees except audit fee include: system design TWD2,778 thousand, registration TWD208 thousand, and transfer-pricing report TWD728 thousand.

Note 2: In the event that the CPA firm is changed and the audit fees paid by the Company in the concurrent year are lower than the preceding year: None.

Note 3: In the event that the audit fees paid by the Company are reduced by 10% compared to the preceding year: None.

2.5 Alternation of CPA: None.

2.6.The Company's Chairman, President and Managerial Officer in charge of Finance or Accounting matters has held a position within CTCI's CPA firm or its affiliated enterprise in the most recent year: None.

2.7 Changes in Shareholding of Directors, Managers and Major Shareholders

2.7.1 Changes in Shareholding of Directors, Managers and Major Shareholders

Title	Name	2024		As of February 28 th , 2025	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Chairman	CTCI Development Corporation	0	0	0	0
	Representative: Michael Yang	(80,000)	0	(61,000)	0
Director	CTCI Development Corporation	0	0	0	0
	Representative: John T. Yu	(57,000)	0	(62,000)	0
Director	Quintin Wu	0	0	0	0
Director	Johnny Shih	0	0	0	0
Director	Yancey Hai	0	0	0	0
Director	TCC Group Holdings Co., Ltd.	0	0	0	0
	Representative: An-Ping Chang	0	0	0	0
Director	CTCI Foundation	0	0	0	0
	Representative: Paul Chen	0	0	0	0
Director	Wenent Pan	0	0	0	0
Independent Director	Chien-Chung Li	0	0	0	0
Independent Director	Yen-Shiang Shih	0	0	0	0
Independent Director	Evon Chen	0	0	0	0
Independent Director	Harry Yen	0	0	0	0
Managerial Officers	John T. Yu	(57,000)	0	(62,000)	0
Managerial Officers	Michael Yang	(80,000)	0	(61,000)	0
Managerial Officers	Ming-Shyan Lee	26,381	0	0	0
Managerial Officers	T.C. Li	21,430	0	0	0
Managerial Officers	Tiger Tsai	0	0	0	0

Title	Name	2024		As of February 28 th , 2025	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Managerial Officers	Shih-Wei Chung	30,053	0	0	0
Managerial Officers	Min-Lin Lee	39,519	0	0	0
Managerial Officers	Vincent Liu	0	0	0	0
Managerial Officers	Paul Wu	14,547	0	15,103	0
Managerial Officers	Gino Tsai	121,334	0	0	0
Managerial Officers	Wen-Pin Lo	18,000	0	0	0
Managerial Officers	Ai-Cheng Ho	1,506	0	0	0
Managerial Officers	Sharon Chiang	20,528	0	0	0
Managerial Officers	Jenq-Shyong Chung	50,000	0	0	0
Managerial Officers	Jeff Hsu	(173,426)	0	0	0
Managerial Officers	James Wang	20,000	0	0	0
Managerial Officers	Evan Chen	25,000	0	0	0
Managerial Officers	Forest Lin	45,299	0	0	0
Managerial Officers	Rhino Fu	9,000	0	0	0
Managerial Officers	C.L. Yen	6,000	0	29,701	0
Managerial Officers	William Pung (Note 1)	12,431	0	0	0
Managerial Officers	John Hsu (Note 2)	12,614	0	0	0
Managerial Officers	Sam Kao	48,315	0	0	0
Managerial Officers	Neil Chen	154,066	0	0	0
Managerial Officers	Bruce Lee	210,865	0	17,223	0
Managerial Officers	Jason Chen	109,612	0	0	0
Managerial Officers	Joanne Ho	150,078	0	0	0
Managerial Officers	Y.W. Cheng	6,285	0	0	0
Managerial Officers	Anthony Hsu	105,375	0	12,000	0

Title	Name	2024		As of February 28 th , 2025	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Managerial Officers	Jeffrey Ho	109,232	0	4,000	0
Managerial Officers	Hope Sun (Note 3)	0	0	331,894	0
Managerial Officers	Kung-Chiao Fu (Note 3)	0	0	2,000	0
Managerial Officers	Chin-Yuan Chiu (Note 3)	0	0	64,512	0
Managerial Officers	Yu-Hung Su (Note 3)	0	0	84,079	0
Managerial Officers	Melissa Liu	7,000	0	7,000	0

Note 1: Be dismissed on Jun. 12, 2024, and disclose the information during his tenure of office only.

Note 2: Be dismissed on May 1, 2024, and disclose the information during his tenure of office only.

Note 3: On board on Jan. 1, 2025, and disclose the information during her tenure of office only.

2.7.2 Shares Trading with Related Parties

Name	Reason for Transfer	Date of Transaction	Transferee	Relationship between Transferee and Directors, Supervisors, Managers and Major Shareholders	Shares	Transaction Price (TWD)
Michael Yang	Donation	2024.01.02	Li Yang	Son	57,000	NA
John T. Yu	Donation	2024.01.11	Bing-Sian Yu	Son	57,000	NA
Michael Yang	Donation	2024.03.08	Li Yang	Son	23,000	NA
Jeff Hsu	Donation	2024.06.12	Chu-Lien Tseng	Spouse	195,000	NA
Tiger Tsai	Donation	2024.06.12	Pei-Chi Chen	Spouse	15,060	NA
Michael Yang	Donation	2025.01.22	Li Yang	Son	61,000	NA
John T. Yu	Donation	2025.02.04	Bing-Sian Yu	Son	62,000	NA

2.7.3 Shares Pledge with Related Parties

None.

2.8 Relationship among the Top Ten Shareholders

July 20th, 2024

Name	Shareholding		Spouse & Minor		Shareholding by Nominee Arrangement		The relationship between any of the Company's Top Ten Shareholders		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relation	
CTCI Foundation	60,862,051	7.51	0	0	0	0	None	None	
CTBC BANK CO., LTD. (Sustainability Employee Stock Ownership Trust)	50,471,850	6.23	0	0	0	0	None	None	
CTBC BANK CO., LTD. (CTCI Corporation Employee Stock Ownership Trust)	49,441,411	6.10	0	0	0	0	None	None	
Yuanta Taiwan High Dividend Low Volatility ETF	35,475,000	4.38	0	0	0	0	None	None	
BANK SINOPAC CO. LTD. (Reliable Employee Stock Ownership Trust)	27,266,162	3.36	0	0	0	0	None	None	
USI Corporation	15,130,656	1.87	0	0	0	0	Asia Polymer Corporation	Subordinate company of USI Corporation's subsidiary	
Representative: Quintin Wu	0	0	0	0	0	0	Asia Polymer Corporation	Chairman of Asia Polymer Corporation	
Asia Polymer Corporation	14,446,107	1.78	0	0	0	0	USI Corporation	Parent company of Asia Polymer Corporation's shareholder	
Representative: Quintin Wu	0	0	0	0	0	0	USI Corporation	Chairman of USI Corporation	
Union Cement Traders Inc.	13,365,318	1.65	0	0	0	0	None	None	
Representative: An-Ping Chang	0	0	0	0	0	0	None	None	
Chang Hwa Commercial Bank, Ltd.	9,950,000	1.23	0	0	0	0	None	None	
Representative: Jong-Yuan Ling	Information not available								
Morgan Stanley & Co. International Plc	9,475,963	1.17	0	0	0	0	None	None	

Note: The information recorded on the shareholders books as of the latest book closure date (July 20, 2024) of the Company.

2.9 Ownership of Shares in Affiliated Enterprises

As of December 31st, 2024

Affiliated Company	Investment of the Company		Directors, Supervisors, Managements Direct and Indirect Investment of the Company		Total Investment	
	Shares	%	Shares	%	Shares	%
CTCI Smart Engineering Corporation	38,834,783	97.09	657	0.002	38,835,440	97.09
CTCI Advanced Systems Inc.	12,454,461	43.85	1,239,124	4.37	13,693,585	48.25
CTCI Development Corporation	361,454,727	100.00	0	0.00	361,454,727	100.00
CTCI Investment Corporation	207,200,000	100.00	0	0.00	207,200,000	100.00
ECOVE Environment Corporation	38,457,105	53.22	277,698	0.38	38,734,803	53.60
CTCI (Thailand) Co., Ltd.	1,249,500	49.00	1,300,500	51.00	2,550,000	100.00
CTCI Overseas (BVI) Corporation	6,740,000	100.00	0	0.00	6,740,000	100.00
CTCI Engineering & Construction Sdn. Bhd.	212,130,000	99.86	300,000	0.14	212,430,000	100.00
CTCI Arabia Ltd.	35,000	98.59	500	1.41	35,500	100.00
CTCI Machinery Corporation	20,000,000	100.00	0	0.00	20,000,000	100.00
SINO GAL - Waste Services Co., Ltd.	*0	30.00	*0	30.00	0	60.00
CTCI Singapore Pte. Ltd.	33,300,000	100.00	0	0.00	33,300,000	100.00
CCJV P1 Engineering & Construction Sdn. Bhd.	203,197,500	99.00	0	0.00	203,197,500	99.00
CTCI-HDEC (Chungli) Corporation	84,354,000	51.00	0	0.00	84,354,000	51.00
PT CTCI International Indonesia	341,700,000	67.00	61,200,000	12.00	402,900,000	79.00
CTCI USA Holding Inc.	495	27.78	1,287	72.22	1,782	100.00
CTME, SOCIEDAD ANONIMA DE CAPITAL VARIABLE	3,600,000	60.00	2,400,000	40.00	6,000,000	100.00
Masteq Engineering Sdn.Bhd.	1,500,000	100.00	0	0.00	1,500,000	100.00
ECOVE Chiayi Energy Corpration	25,000,000	25.00	75,000,000	75.00	100,000,000	100.00
CTCI STSP Water Resources Corporation	1,000,000	100.00	0	0.00	1,000,000	100.00

*SINO GAL - Waste Services Co., Ltd. doesn't issue any stock related certificates.

III. Capital Overview

3.1 Capital and Shares

3.1.1 Source of Capital

A. Issued Shares

As of February 28th, 2025

Year/Month	Issue Value (TWD)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount (TWD)	Shares	Amount (TWD)	Sources of Capital	Capital Increased by Assets Other than Cash	Other
1997.07	10	300,000,000	3,000,000,000	288,417,000	2,884,170,000	Retained Earnings	None	-
1998.07 ~ 2000.06	10	520,000,000	5,200,000,000	476,000,000	4,760,000,000	Retained Earnings	None	-
2001.06	10	720,000,000	7,200,000,000	547,600,000	5,476,000,000	Retained Earnings	None	-
2003.12 ~ 2004.03	23.38	720,000,000	7,200,000,000	571,620,484	5,716,204,840	ECB	None	-
2004.08 ~ 2006.08	10	720,000,000	7,200,000,000	598,000,000	5,980,000,000	Retained Earnings	None	-
2007.09 ~ 2008.08	10	900,000,000	9,000,000,000	631,438,000	6,314,380,000	Retained Earnings	None	-
2010.01 ~ 2011.04	10	900,000,000	9,000,000,000	698,666,648	6,986,666,480	CB & ESOP	None	-
2011.07 ~ 2023.12	10	1,200,000,000	12,000,000,000	802,582,123	8,025,821,230	RSA & ESOP & RSA reduction	None	-
2024.04	10	1,200,000,000	12,000,000,000	803,639,745	8,036,397,450	ESOP & RSA reduction	None	Note 1
2024.05	10	1,200,000,000	12,000,000,000	809,172,729	8,091,727,290		None	Note 2
2024.08	10	1,200,000,000	12,000,000,000	810,424,479	8,104,244,790		None	Note 3
2024.11	10	1,200,000,000	12,000,000,000	811,642,950	8,116,429,500		None	Note 4

Note 1: 2024.04.19 MOEA Ruling Ref.No. 11330048540.

Note 2: 2024.05.24 MOEA Ruling Ref.No. 11330084540.

Note 3: 2024.08.28 MOEA Ruling Ref.No. 11330152910.

Note 4: 2024.11.28 MOEA Ruling Ref.No. 11330209610.

B. Type of Stock

Share Type	Authorized Capital			Remark
	Issued Shares	Un-issued Shares	Total Shares	
Common Share	811,642,950	388,357,050	1,200,000,000	Listed stock

3.1.2 List of Major Shareholders

As of July 20th, 2024

Shareholder's Name	Shareholding	
	Shares	Percentage (%)
CTCI Foundation	60,862,051	7.51
CTBC Bank Co., Ltd. (Sustainability Employee Stock Ownership Trust)	50,471,850	6.23
CTBC Bank Co., Ltd. (CTCI Corporation Employee Stock Ownership Trust)	49,441,411	6.10
Yuantai Taiwan High Dividend Low Volatility ETF	35,475,000	4.38
Bank SINOPAC Co., Ltd. (Reliable Employee Stock Ownership Trust)	27,266,162	3.36
USI Corporation	15,130,656	1.87
Asia Polymer Corporation	14,446,107	1.78
Union Cement Traders Inc.	13,365,318	1.65
Chang Hwa Commercial Bank, Ltd.	9,950,000	1.23
Morgan Stanley & Co. International Plc	9,475,963	1.17

Note: The information recorded on the shareholders books as of the latest book closure date (July 20, 2024) of the Company.

3.1.3 Dividend Policy and Implementation Status

A. Dividend Policies under Articles of Incorporation

When net profit occurs in the annual accounts, the Company shall first pay the profit-seeking enterprise income taxes and offset its losses in previous years and set aside a legal capital reserve at 10% of the profits left over, until the accumulated legal capital reserve has equaled the total capital of the Company; then set aside a special capital reserve in the amount equivalent to the balance of shareholders' equity deficit of the current fiscal year.

After having paid the corporate taxes and off-set past losses, 10% of the profit earned by the Company of each fiscal year shall be set aside as statutory reserve, except where such reserve has reached the total authorized capital of the Company.

Furthermore, a special reserve shall be set aside. If there is recovery of the balance of shareholders' equity deficit, the recovered amount shall be included in the distribution of the profit for the current year. The allocable profit for the current year, which is the balance after the profit distribution and covering losses aforementioned, together with the cumulative undistributed profit of the previous year shall be referred to as cumulative allocable profit, which shall be distributed according to shareholders' resolutions. The Board of Directors is authorized to distribute all or part of the distributable dividends, bonus, capital surplus and legal reserve in cash through a resolution by half of the two-thirds of the attendees at the Board of Directors' meeting, which shall then be reported to the shareholders during their meeting.

In order to meet the requirements in business expansion and industry growth, fulfilling future operating needs and stabilizing financial structure is the priority of the Company's dividend policy. Thus, the distribution of the cumulative allocable profit according to the shareholders' resolutions.

Besides, the amount of shareholders' bonus shall not be less than 50% of cumulative allocable profit of the Company, in particular cash dividend shall not be less than 20%.

B. Proposed Distribution of Dividend: Cash dividend: As of February 28, 2025, the proposed 2024 distribution of earnings of shareholders' dividends is set to be distributed as an all cash dividend of TWD 2.00 per share.

C. The Company adopts a dividend policy of high earnings appropriation rate, and stipulates that at least 80% of total attributable earnings should be appropriated as dividends. In recent years, the Company distributes all of its dividends in the form of cash. Historical information about dividends distribution is available on the Company's website.

3.1.4 Impact of Stock Dividend Distribution on Business Performance, EPS and Return on Investment: As of February 28, 2025, the Company had not distributed any stock dividends; therefore, there was no material impact on its business performance or EPS.

3.1.5 Employee and Directors' Remuneration

A. Information Relating to Employee and Directors' Remuneration in the Articles of Incorporation

When net profit occurs in the annual accounts, the Company may, after reserving a sufficient amount of the income before tax to cover the accumulated losses, with the resolution of board of directors, distribute 1.5% ~ 5% of the income before tax to pay to the employees as remuneration, and distribute no more than 1.5% of the income before tax to pay to board of directors as remuneration. The remuneration could be stock or cash, and the employee remuneration could be distributed to the employees of subsidiaries of the Company under certain conditions. A report of the distribution of employee remuneration or board of directors' remuneration shall be submitted to the shareholders' meeting.

B. The estimation basis on remuneration to Employees and Directors, the calculating basis on the number of shares for share bonus and accounting treatment for the differences between the actual distributing amounts and estimations

Estimation of employee and Directors' remuneration is based on prior experience and is recognized as current expenses. In case of a significant change (per Article 6 of Securities and Exchange Act Enforcement Rules, the amount is over TWD10,000 thousand while reaching 1% of audited net operating revenue or 5% of paid-in capital), the expense shall be adjusted accordingly in the year where the employee bonus was recorded. When the change is not significant, it shall be recorded in the following year as change in accounting estimation. If the amount remains variable at the date of Shareholders' meeting in the following year, it shall be recorded in the following year as change in accounting estimation.

C. Profit Distribution of Year 2024 Approved in Board of Directors Meeting for Employee and Directors' Remuneration

- a. Recommended Distribution of Directors' Remuneration is TWD 18 million, and Employees' Remuneration in cash is TWD 58.272 million.
- b. Ratio of Recommended Employee Stock Bonus to Capitalization of Earnings: None.

D. Information of 2023 Earnings Set Aside to Employees' and Directors' Remuneration

Unit: TWD

	Actual Distribution A	Recognized Estimated Amount B	Variance C=A-B
Remuneration for Employees (Cash)	56,739,469	56,739,469	0
Remuneration for Directors (Cash)	18,000,000	18,000,000	0

In the case of any differences between the actual distribution of employees' remuneration and directors' remuneration and the estimated amount, please state the accounting treatment of the discrepancy:

The Estimation for 2023 Employees' and Directors' Remuneration is based on the percentage of earnings after tax and legal reserve consideration in the Articles of Incorporation. There is no difference between the actual 2023 Employee's and Directors' Remuneration distributed according to the resolution of the board of directors and the Estimated Amount.

E. The Information of Top Ten Recipients of Employee Bonuses in 2023:

Name	Title	Amount(TWD)
Michael Yang	Vice Chairperson of Management Strategy Committee	678,651
Ming-Shyan Lee	President	
T.C. Li	Executive Vice President	
Shih-Wei Chung	Executive Vice President	
Min-Lin Lee	Senior Vice President	
Vincent Liu	Senior Vice President	
Gino Tsai	Vice President	
Wen-Pin Lo	Vice President	
Evan Chen	Vice President	
Hope Sun	Vice President	

3.1.6 Buyback of Treasury Stock: None.

3.2 Corporate Bonds

Type Item	2020 First Unsecured Corporate Bond	2023 First Unsecured Corporate Bond	The 2 nd Domestic Unsecured Conversion of Corporate Bonds
Issuance (Process) Date	June 22, 2020	January 11, 2023	July 23, 2024
Face value	TWD 1,000,000	TWD 1,000,000	TWD 100,000
Locate of Issuance and Exchange	NA	NA	NA
Price of Issuance	TWD 100 (100% of face value)	TWD 100 (100% of face value)	Issued at 104.82% of face value
Total Amount	TWD 3,000,000,000	TWD 1,700,000,000	TWD 6,000,000,000
Rate	Fixed annual rate of 0.77%	Fixed annual rate of 2.40%	Fixed annual rate of 0%
Tenor	Five years. Maturity Date: June 22, 2025	Three years. Maturity Date: January 11, 2026	Five years. Maturity Date: July 23, 2029
Guarantor	NA	NA	NA
Trustee	KGI Bank Co., Ltd.	BANK SinoPac Co., Ltd.	BANK SinoPac Co., Ltd.
Underwriter	Yuanta Securities Co., Ltd.	Fubon Securities Co., Ltd.	Cathay Securities Co., Ltd.
Appointed Attorney of Law	Hui-Chi Kuo	Hui-Chi Kuo	Ya-wen Qiu
Appointed CPAs	Yi-Fan Lin	Shih-Jung Weng	Fu-Ming Liao
Repayment Method	On due date, the bonds will be redeemed in whole	On due date, the bonds will be redeemed in whole	Unless the bondholders convert the convertible corporate bonds to the Company's common shares in accordance with Article 10 of the Issuance and Conversion Regulations, or the Company redeems the shares in advance in accordance with Article 18 of the Issuance and Conversion Regulations, or the bonds have been repurchased and cancelled by TPEx, the bonds shall be redeemed on maturity in cash at par value.
Outstanding principal	TWD3,000,000,000	TWD 1,700,000,000	TWD 6,000,000,000

Item	Type	2020	2023	The 2 nd Domestic Unsecured Conversion of Corporate Bonds
		First Unsecured Corporate Bond	First Unsecured Corporate Bond	
	Terms of redemption or early repayment	NA	NA	NA
	Restrictive terms	NA	NA	NA
	Name of the credit rating agency, date, and outcome of the rating of the corporate bond	Credit Rating Agency: Taiwan Ratings Corporation Rating subject: CTCI Corporation Credit Ratings: twA Date of rating: March 26, 2020	Credit Rating Agency: Taiwan Ratings Corporation Rating subject: CTCI Corporation Credit Ratings: twA Date of rating: April 25, 2022	NA
Other Rights At A fit	By the publication date of the annual report, the amount of the converted (exchanged or subscribed) common shares, GDR, or other negotiable securities	NA	NA	As of the closing date (February 28, 2025), 0 shares have been converted.
	Guidelines of issuance or conversion (exchange or subscription)	NA	NA	This measure has been announced on MOPS Website.
	Guidelines of issuance or conversion, exchange or subscription; the possible dilutions to equities by the issuance terms, Effects to the current shareholders' equity	NA	NA	NA
	Delegated custodian of the underlying exchange	NA	NA	NA

Convertible Corporate Bonds Data:

Types of Corporate Bonds		The 2 nd Domestic Unsecured Conversion of Corporate Bonds	
Year		2024	Until February 28, 2025
Market Price of Convertible Bonds	Highest	114.5	105
	Lowest	100.7	100.7
	Average	109.73	103.13
Conversion Price		51.8	51.8
Issue Date and Conversion Price at the Time of Issue		Issue Date: 2024/7/23 Conversion Price at the Time of Issue: 51.8	Issue Date: 2024/7/23 Conversion Price at the Time of Issue: 51.8
Method of Fulfilling Conversion Obligations		Issuing New Shares	Issuing New Shares

3.3 Preferred Shares: None.

3.4 Global Depositary Receipts: None.

3.5 Employee Stock Options

3.5.1 Issuance of Employee Stock Options

As of February 28st, 2025

Type of Stock Option	2018 ESOP (Note 1)	2019 ESOP	2020 ESOP
Effective Date by Regulatory Agency and Total Units	2018/01/09 20,000 units	2019/01/09 20,000 units	2020/01/08 20,000 units
Issue date	2018/03/09	2019/03/08	2020/01/08
Units issued	20,000 units	20,000 units	20,000 units
Units unissued	0 units	0 units	0 units
Option shares to be issued as a percentage of outstanding shares (%)	2.49	2.49	2.49
Duration	The duration for options is 6 years, during which employees may not transfer, pledge, or gift their options except to heirs. Upon the expiration of the grant period, unexercised options are deemed forfeited and the subscribers may no longer claim right to exercise the option and purchase those shares.		
Conversion measures	Issue new common share.		
Conditional conversion periods and percentages	Subscribers may exercise their options by the following schedule and proportion:		
	The availability period The ceiling of option exercisable (accumulate)		
		<u>Regular</u>	<u>Reward</u>
	Less than 2 years	0%	0%
	In 2 years after the grant	50%	25%
	In 3 years after the grant	75%	50%
	In 4 years after the grant	100%	100%
Number of share exercised	11,981,460 Shares	9,737,161 Shares	11,232,944 Shares
Amount of share exercised	TWD 427,213,518	TWD 376,959,932	TWD 354,188,030
Number of shares yet to be exercised	0 Shares	10,262,839 Shares	8,767,056 Shares
Exercise price for unexercised shares	NA	TWD36.5	TWD29
Ratio of unexercised shares to the total issued shares (%)	0	1.26	1.08
Impact on possible dilution of shareholdings	Dilution to Shareholders' Equity is limited.		

Note 1: 2018 ESOP has expired on March 8, 2024; unexercised options are deemed forfeited.

3.5.2 List of Executives Receiving Employee Stock Options and the Top 10 Employees

As of February 28th, 2025

	Title	Name	No. of Option Shares (thousand shares)	Option Shares as a Percentage of Shares issued (%)	Exercised				Unexercised ^{Note1}			
					No. of Shares Converted (thousand shares)	Strike Price (TWD)	Amount (TWD thousands)	Converted Shares as a Percentage of Shares issued (%)	No. of Shares Converted (thousand shares)	Strike Price (TWD)	Amount (TWD thousands)	Converted Shares as a Percentage of Shares issued (%)
Managerial officers	Vice Chairperson of Management Strategy Committee	Michael Yang	4,197	0.52	2,217	2018 ESOP: TWD 33.3 2019 ESOP: TWD 36.5-38 2020 ESOP: TWD 29-30.2	76,274	0.27	1,800	2019 ESOP: TWD36.5 2020 ESOP: TWD29	59,593	0.22
	President	Ming-Shyan Lee										
	Executive Vice President	T.C. Li										
	Executive Vice President	Tiger Tsai										
	Executive Vice President	Shih-Wei Chung										
	Senior Vice President	Min-Lin Lee										
	Senior Vice President	Vincent Liu										
	Vice President	Paul Wu										
	Vice President	Gino Tsai										
	Vice President	Wen-Pin Lo										
	Vice President	Ai-Cheng Ho										
	Vice President	Sharon Chiang										
	Vice President	Jenq-Shyong Chung										
	Vice President	Jeff Hsu										
	Vice President	James Wang										
	Vice President	Evan Chen										
	Vice President	Forest Lin										
	Vice President	Rhino Fu										

	Title	Name	No. of Option Shares (thousand shares)	Option Shares as a Percentage of Shares issued (%)	Exercised				Unexercised ^{Note1}			
					No. of Shares Converted (thousand shares)	Strike Price (TWD)	Amount (TWD thousands)	Converted Shares as a Percentage of Shares issued (%)	No. of Shares Converted (thousand shares)	Strike Price (TWD)	Amount (TWD thousands)	Converted Shares as a Percentage of Shares issued (%)
Employees	Vice President	C.L. Yen										
	Vice President	Sam Kao										
	Vice President	Neil Chen										
	Vice President	Bruce Lee										
	Vice President	Jason Chen										
	Vice President	Joanne Ho										
	Vice President	Y.W. Cheng										
	Vice President	Anthony Hsu										
	Vice President	Jeffrey Ho										
	Vice President	Hope Sun										
	Vice President	Kung-Chiao Fu										
	Vice President	Chin-Yuan Chiu										
	Vice President	Yu-Hung Su										
	Financial Officer	Melissa Liu										
	Please refer to the following note		634	0.08	502		17,718	0.06	101		3,256	0.01

Note: Chief Engineer - Mike Shih, Tian-Shyh Lee, Tzer-Ling Chou, BB Lu, Paul Yang, Kevin Chuang, Hung-Liang Hsieh, Frank Chao, Kuang-Ming Feng;
Vice Chief Engineer - Vincent Wei; General Manager - Candy Hu

3.6 Employee Restricted Stock

3.6.1 Issuance of New Restricted Employee Shares

February 28th, 2025

Type of New Restricted Employee Shares		2021 RSA	2022 RSA
Date of Effective Registration and Total Shares		Sep. 17, 2021 / 5,500,000 shares	Jul. 11, 2022 / 4,150,000 shares
Issue Date		Jan. 1, 2022	Jan. 1, 2023
Number of New Restricted Employee Shares	Issued	5,500,000 shares	4,150,000 shares
	Unissued	0 share	0 share
Issuance Price		TWD 0 per share (The shares are issued gratuitously)	
New Restricted Employee Shares as a Percentage of Shares Issued(%)		0.69	0.52
Vesting Conditions of New Restricted Employee Shares		Note 1	Note2
Restricted Rights of New Restricted Employee Shares		<ol style="list-style-type: none"> 1) Except for inheritance, the RSA shall not be sold, pledged, transferred, gifted to others, used to create any encumbrance, or otherwise disposed of. 2) The rights to attend, propose, speak, vote and nomination in the shareholders' meeting shall be the same as the ordinary shares issued by the Company, and shall be implemented in accordance with the trust agreement. 3) Other rights include but are not limited to: dividends, statutory surplus reserve and capital reserve and the right to subscribe the new shares are the same as the rights of the ordinary shares issued by the Company Relevant operation methods shall be implemented in accordance with the trust agreement. 4) During the vesting period, if the Company conducts cash capital reduction and other capital reduction that are not related to statutory capital reductions, the new shares of the RSA shall be cancelled according to the proportion of capital reduction. In case of cash capital reduction, the returned cash shall be delivered to the trust. I shall not be entitled to receive the cash until the vesting conditions are met, otherwise the Company shall recover the cash. 	

Type of New Restricted Employee Shares	2021 RSA	2022 RSA
Custody Status of New Restricted Employee Shares	Trust custody	
Measures to be Taken When Vesting Conditions are not Meet	1) Where an employee has failed to meet the vested conditions such as non-employment on the vested day, violation of the circumstances listed in the above 3.4, and failure to achieve the above 3.3, the granted shares to the employee will be recovered and canceled by the Company without compensation. 2) During the vested period, if an employee voluntarily resigns, retires, or is dismissed, the granted shares are deemed to have not met the vested conditions, and the shares will be recovered and canceled by the Company without compensation.	
Number of New Restricted Employee Shares that have been Redeemed or Bought Back	1,039,899 shares	417,644 share
Number of Released New Restricted Employee Shares	3,611 share	1,733 share
Number of Unreleased New Restricted Shares	4,456,490 shares	3,730,623 shares
Ratio of Unreleased New Restricted Shares to Total Issued Shares (%)	0.55	0.46
Impact on Possible Dilution of Shareholdings	The dilution of the Company's EPS is limited, so there is no significant impact on the interest of shareholders.	

Note 1 :

1) Divided into two categories, A and B: Category A: Senior management executives 、 Category B: General employees

2) Fulfillment of performance indicators

- a. Company performance goals: The most recent earnings per share (EPS) is not less than 50% of the average earnings per share for the previous three years. And the net profit attributable to the common shareholders of the parent company in the consolidated financial statements of the most recent year is greater than the average net profit attributable to the common shareholders of the parent company in the consolidated financial statements of the previous three years.

Earnings per share refers to the basic earnings per share disclosed in the consolidated statement of comprehensive income in the consolidated financial report verified by a certified public accountant.

- b. Category A:

Reach the most recent company's performance goals and achieve the most recent performance goals of the business units.

Category B:

Achieve the most recent company performance goals and the most recent average individual annual performance A, B score of no less than 73 points.

The "most recent" mentioned above is based on specific vested date.

- c. The number of shares available to all employees will be calculated according to the following formula three years after the issuance date:
 (The net profit attributable to the common shareholders of the parent company in the consolidated financial statements of the latest year - the average net profit attributable to the common shareholders of the parent company in the consolidated financial statements of the previous three years) x 40% / the closing price of ordinary shares of the Company on the issuance date of RSA, the total number of shares issued this time is still the upper limit.
- 3) For employees who remain on the job on the vesting date and meet the vesting conditions, proportions of the shares to be granted for such employees on the vesting date each year is as follows: (Rounding to the nearest stock)
- On the job for 3 years after granting: $x (\text{number of shares available to all employees} / \text{total number of shares issued this time}) \times 30\%$
 - On the job for 4 years after granting: $x (\text{number of shares available to all employees} / \text{total number of shares issued this time}) \times 30\%$
 - On the job for 5 years after granting: $x (\text{number of shares available to all employees} / \text{total number of shares issued this time}) \times 40\%$
- 4) For employees who remain on the job on the vesting date, and the Company has determined that there has been no violation of the Company's labor contract, employee handbook, trust agreement, confidentiality and intellectual property commitment or written agreement with the Company during the period.

Note 2 :

- 1) Divided into two categories, A and B:
- a. Category A: Senior management executives
 - b. Category B: General employees
- 2) Company performance goals: On each vested date specified in paragraph 4 of this article, calculate the average growth rate of the following three indicators of the Company in the most recent year compared with the previous three years, accounting for 1 / 3 of each, with a total of more than 3%:
- a. Operating revenue: The operating revenue disclosed in the consolidated statements of comprehensive income audited and certified by a certificated public accountant.
 - b. Return on Shareholders' Equity (ROE): The profit for the year attributable to owners of the parent company disclosed in the consolidated statements of comprehensive income / the average of the equity attributable to owners of the parent company disclosed in the consolidated balance sheets. The above financial statements must be audited and certified by a certificated public accountant.
 - c. Earnings per share (EPS): Basic earnings per share disclosed in the consolidated statements of comprehensive income audited and certified by a certificated public accountant.
- The "most recent year" mentioned above is based on each vested date.
- 3) Individual performance goals:
- a. Category A: Reach the most recent company's performance goals and achieve the most recent performance goals of the business units.
 - b. Category B: Achieve the most recent company performance goals and the most recent average individual annual performance A, B score of no less than 73 points.
- The "most recent year" mentioned above is based on specific vested date.
4. Before the achievement of the Company's performance indicators in paragraph 2 of this article, if the employee is still in office on the following time schedule days (i.e. each vested day) after being allocated RSA, and meets paragraph 5 of this article and the personal performance indicators in the preceding paragraph, the vested proportion of each vested day is as follows (rounded to one share):
- a. On the job for 3 years after issuance: 30%
 - b. On the job for 4 years after issuance: 30%
 - c. On the job for 5 years after issuance: 40%
5. During the period from the issuance of new RSA to each acquired date (i.e. each acquired period), the Company has determined that the employee has no violation of the Company's labor contract, employee manual, work rules, trust custody contract, confidentiality and intellectual property commitment, this measures, consent to receive RSA, or other written agreements with the Company.

3.6.2 Status of Managerial Officers and the Top Ten Employees of New Restricted Employee Shares Acquired

February 28th, 2025

	Title	Name	Number of new restricted shares acquired as an employee (Thousand shares)	New Restricted Shares as a Percentage of Shares Issued(%)	Restrictions removed				Restrictions intact			
					Number of restricted shares with restrictions removed (Thousand shares)	Issuance Price (TWD)	Issuance Amount (Thousand TWD)	Number of restricted shares with restrictions removed as a percentage of total outstanding shares (%)	Number of restricted shares with restrictions intact (Thousand shares)	Issuance Price (TWD)	Issuance Amount (Thousand TWD)	Number of restricted shares with restrictions intact as a percentage of total outstanding shares (%)
Manager	Vice Chairperson of Management Strategy Committee	Michael Yang	1,151.6	0.14	0	0	0	0	1,151.6	0	0	0.14
	President	Ming-Shyan Lee										
	Executive Vice President	T.C. Li										
	Executive Vice President	Tiger Tsai										
	Executive Vice President	Shih-Wei Chung										
	Senior Vice President	Min-Lin Lee										
	Senior Vice President	Vincent Liu										
	Vice President	Paul Wu										
	Vice President	Gino Tsai										
	Vice President	Wen-Pin Lo										
	Vice President	Ai-Cheng Ho										
	Vice President	Sharon Chiang										
	Vice President	Jenq-Shyong Chung										
	Vice President	Jeff Hsu										
	Vice President	James Wang										
	Vice President	Evan Chen										
	Vice President	Forest Lin										
	Vice President	Rhino Fu										
	Vice President	C.L. Yen										

	Title	Name	Number of new restricted shares acquired as an employee (Thousand shares)	New Restricted Shares as a Percentage of Shares Issued(%)	Restrictions removed				Restrictions intact			
					Number of restricted shares with restrictions removed (Thousand shares)	Issuance Price (TWD)	Issuance Amount (Thousand TWD)	Number of restricted shares with restrictions removed as a percentage of total outstanding shares (%)	Number of restricted shares with restrictions intact (Thousand shares)	Issuance Price (TWD)	Issuance Amount (Thousand TWD)	Number of restricted shares with restrictions intact as a percentage of total outstanding shares (%)
Employee	Vice President	Sam Kao		0.03	0	0	0	0	221.4	0	0	0.03
	Vice President	Neil Chen										
	Vice President	Bruce Lee										
	Vice President	Jason Chen										
	Vice President	Joanne Ho										
	Vice President	Y.W. Cheng										
	Vice President	Anthony Hsu										
	Vice President	Jeffrey Ho										
	Vice President	Hope Sun										
	Vice President	Kung-Chiao Fu										
	Vice President	Chin-Yuan Chiu										
	Vice President	Yu-Hung Su										
	Financial Officer	Melissa Liu										
	Please refer to the following note		221.4	0.03	0	0	0	0	221.4	0	0	0.03

Note: Chief Engineer : Mike Shih, Jyh-Jain Wu, BB Lu, Tian-Shyh Lee, Jeff Chou, Hank Chou, Tzer-Ling Chou, Charley Lin, Vincent Chuang, Kevin Chuang, Jackie Chen, Kuang-Ming Feng, Alan C Huang, Paul Yang, Frank Chao, Felix Tsai, James Tsai, Hung-Liang Hsieh.

3.7 Status of New Shares Issuance in Connection with Mergers and Acquisitions: None.

3.8 Financing Plans and Implementation

(1) The placement and issuance of 2020 first unsecured corporate Bond:

A. Capital utilization plan: To repay the debt.

B. Approved date and document No.: Dated June 11, 2020. Zheng-Guei-Zai-Zhi No. 10900060931.

C. Amount needed for this plan: TWD3,000,000,000.

D. Source of funds: issuing unsecured common corporate bonds for TWD3,000,000,000.

E. Items of the plan and the executions:

(Unit: TWD thousands)

Items of the plan	The executions		As of February 28 th , 2025	Reason of being early or late and the improvement plan
Repay the debt	Amount to be used	Estimated	3,000,000	Fully executed as the plan
		Actual	3,000,000	
	Progress of execution(%)	Estimated	100%	
		Actual	100%	

(2) The placement and issuance of 2023 first unsecured corporate Bond:

A. Capital utilization plan: To repay the debt.

B. Approved date and document No.: Dated January 4, 2023. Zheng-Guei-Zai-Zhi No. 11100135961.

C. Amount needed for this plan: TWD 1,700,000,000.

D. Source of funds: issuing unsecured common corporate bonds for TWD 1,700,000,000.

E. Items of the plan and the executions:

(Unit: TWD thousands)

Items of the plan	The executions		As of February 28 th , 2025	Reason of being early or late and the improvement plan
Repay the debt	Amount to be used	Estimated	1,700,000	Fully executed as the plan
		Actual	1,700,000	
	Progress of execution(%)	Estimated	100%	
		Actual	100%	

(3) The 2nd Domestic Unsecured Conversion of Corporate Bonds:

Our Company has successfully issued second unsecured convertible bonds on the domestic market. The plan was approved by the Financial Supervisory Commission (FSC) under letter No. 1130347393 and came into effect on June 28, 2024. The project items and implementation status of the plan are as follows:

(Unit: TWD thousands)

Items of the plan	The executions		As of February 28 th , 2025	Reason of being early or late and the improvement plan
Supplement working capital	Amount to be used	Estimated	120,000	Fully executed as the plan
		Actual	120,000	
	Progress of execution (%)	Estimated	100%	
		Actual	100%	
Repay 2019 first unsecured corporate bond	Amount to be used	Estimated	6,000,000	Fully executed as the plan
		Actual	6,000,000	
	Progress of execution (%)	Estimated	100%	
		Actual	100%	

IV. Operational Highlights

4.1 Business Activities

4.1.1 Business Scope

A. Main areas of business operations

a. Markets:

Refinery, Petrochemicals, Power, Environmental, Transportation, Industrial, Advanced Technology Facilities and LNG Receiving Terminals.

b. Services:

Project Management, FS/FEED, Engineering, Procurement, Fabrication, Construction, Commissioning, Intelligent Solutions, Automation & Control, Clean Room & MEP, Intelligent Structure Jacking & Movement, Ground Freezing and Operation & Maintenance.

c. Products:

Stationary Equipment, Chemical Additives and Energy Management Software.

B. Revenue distribution

Unit ; TWD thousands

Major Divisions	Total Sales in Year 2024	(%) of total sales
Engineering	110,587,374	92.21
Environment	8,811,481	7.35
General Trade	492,875	0.41
Others	32,887	0.03
Total	119,924,617	100.00

C. Main Services

The main services of the Company include feasibility study & planning, project management, engineering, procurement, fabrication, construction, plant commissioning, QA & HSE, operation & maintenance, and information technology.

D. New products development: Not Applicable.

4.1.2 Industry Overview

A. Outlook of Macro Economy

According to the International Monetary Fund (IMF) World Economic Outlook update released in January 2025, the global economic growth for 2025 has been slightly revised upward to 3.3%, due to stronger-than-expected growth in the United States and slowing global inflation, which has allowed central banks worldwide to continue lowering interest rates to support economic expansion. This forecast is 0.1 percentage point higher than the report released in October of the previous year. However, the IMF also warned that the overall outlook for global economic growth is still downward, with an average growth rate of around 3% over the next five years. In particular, there is great uncertainty about U.S. President Trump's economic policies. While they may be beneficial to both U.S. and global growth in the short term, they could also pose medium-term risks that could weigh on the global economy.

The IMF report points out that in 2025, economic growth will be mainly concentrated in emerging markets and developing countries, with India and China being particularly notable. It is expected that the growth rates for these countries will reach 6.5% and 4.6%, respectively. Among developed countries, the United States leads the way, with an expected growth rate of 2.7% in 2025, while Japan and the Eurozone are expected to grow by 1.1% and 1.0% respectively.

Looking ahead to 2025, the global economic outlook will remain complex and uncertain due to factors such as the threat of U.S. tariffs, monetary policy trends of various central banks, China's fiscal stimulus measures, and geopolitical conflicts. However, after years of turbulence, governments and corporations around the world have recognized protectionism and trade fragmentation as the new normal and have demonstrated their resilience in responding to the challenges. Due to the nature of the industry, the engineering consulting services industry to which the Company belongs is closely related to the overall economic conditions of the target markets, and most of the business opportunities come from local government investment. Therefore, the economic growth of each target market will reflect the number of business opportunities in that market.

The following table shows the IMF economic growth rate forecast, and we will continue to take a prudent and proactive approach in participating in bidding opportunities.

Overview of the World Forecast of Economic Growth Rate(%)

	2024	2025
World Output	3.2	3.3
Advanced Economies	1.7	1.9
United States	2.8	2.7
Euro Area	0.8	1.0
Germany	-0.2	0.3

	2024	2025
France	1.1	0.8
Italy	0.6	0.7
Spain	3.1	2.3
Japan	-0.2	1.1
United Kingdom	0.9	1.6
Canada	1.3	2.0
Other Advanced Economies	2.0	2.1
Emerging Market and Developing Economies	4.2	4.2
Emerging and Developing Asia	5.2	5.1
China	4.8	4.6
India	6.5	6.5
Emerging and Developing Europe	3.2	2.2
Russia	3.8	1.4
Latin America and the Caribbean	2.4	2.5
Brazil	3.7	2.2
Mexico	1.8	1.4
Middle East and Central Asia	2.4	3.6
Saudi Arabia	1.4	3.3
Sub-Saharan Africa	3.8	4.2
Nigeria	3.1	3.2
South Africa	0.8	1.5
Low-Income Developing Countries	4.1	4.6

Sources: IMF, World Economic Outlook Update, January 2025.

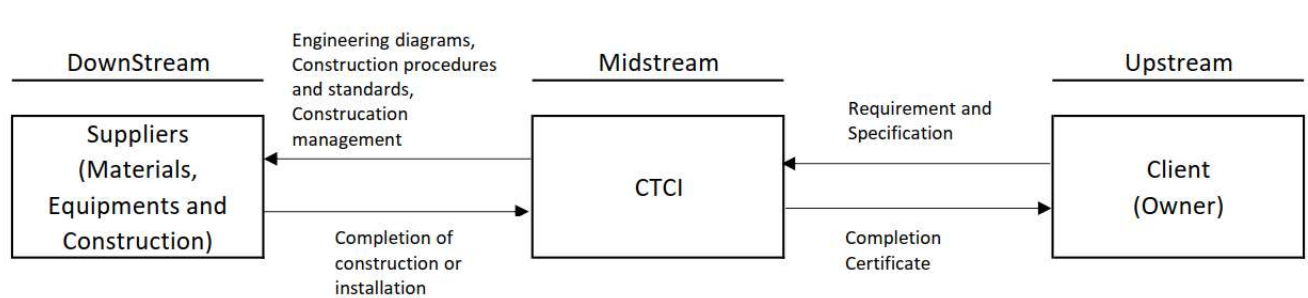
B. Market Overview

The Company is mainly engaged in the field of engineering, procurement and construction (“EPC”). As a professional EPC lump sum turn-key provider, enjoying a leading position out of more than 600 companies registered in the Chinese Association of Engineering Consultants. Basically, most of local EPC companies target domestic market which is limited and competitive. In addition, those large-projects are under the tendency of lump sum turn-key for international bidding, only a few local EPC companies are capable to team up with international bidders. With over 40 years of global experiences in the oil & gas field (including refineries, petrochemical, LNG and green energy related businesses), the Company further enhanced itself with multi-national operations, integrating the advance technologies and local resources, to provide the most reliable and competitive engineering services to all clients across the globe. Currently, the Company is capable to bid project with single contract amount over USD 2 billion.

C. The EPC Industry

Major clients of the Company cover in areas of high-tech, refinery, petrochemical, general chemical, LNG, power, transportation, steel manufacturing, environmental protection, and etc. The main service of the Company is to provide the EPC works in accordance to clients’ requirements. Through the design of various professional engineers, we convert the owner's plant construction needs into engineering drawings (including design and construction drawings), and then further combine with the support of third party manufacturers to complete the construction according to the engineering drawings. The EPC projects are a professional-based integration, which requires an intensive engineers’ capability in completion timely and efficiently as required by the clients. For this reason, the entry barrier to enter this industry is high.

More specifically, the Company’s services include feasibility study, engineering, procurement services, equipment supply, construction management, and commissioning services. The upstream of this industry is the clients with plant construction demands. The midstream is the EPC turnkey companies. (The Company is at this section) The downstream is the third-party vendors, such as materials, equipment suppliers and construction firms.



D. Market Trend and Competition

(A) The Trend

a. Large EPC Projects

Given a trend of incessant businesses expansion overtime, requirements from client are getting more complicated. In order to minimize the risks associated with large projects and reduce the costs, clients turn to be reluctant to award specific sub-projects to different contractors and prefer single EPC contractors instead.

b. Turnkey Solution

Clients' requirements nowadays request not only engineering design, procurement and construction, but also advance planning, project financing, operation management, etc. To complete the project with low cost, high quality and timely are preferred by the clients. It is undoubtedly a challenge to EPC contractors.

c. Potential BOT projects in public sector

In the public sector, the governments tend to boost economic growth by investing infrastructure projects. In order to relieve the government fiscal burden and encourage private sector to get involve with government's projects, it is becoming popular to announce BOT (Build-Operate-Transfer) projects for public sector projects. In the future, we will also introduce BOT model to emerging markets' clients.

After Taiwan joined the World Trade Organization and signed government purchase agreements with other countries, the domestic market is now available to foreign construction companies on an equal basis. Taiwanese engineering companies aim business potentials in global markets via collaboration with other engineering firms worldwide, and strengthening the capability in finance and legal resources to cope with the ever-changing environment.

d. Technical Innovation

Technical innovation becomes increasingly important to viability of EPC contractors. Generating value-added solutions to satisfy clients' demands is a key challenge to engineering firms worldwide for maintaining competitiveness on the market.

(B) Competition

The Company doesn't have its own process know-how, but the key successful factor to be awarded a project usually comes from the Company's extensive track records and the ability to control executing cost. The Company has over 50 affiliates spanning across more than 10 countries worldwide and has divided its global and domestic resources into three major business operations according to the uniqueness of respective fields: Group Engineering Business (GEB), Group Intelligent Solution Business (GISB) and Group Resource Cycling Business (GRCB). There is also the Group

Shared Services (GSS) providing the resource integration and synergy for the Group, for example providing the labor force synergy for several domestic construction sites as well as the joint bargaining of suppliers globally. Moreover, the Company enjoys a competitive advantage with many years of experience in local subsidiaries in various countries. There are only about dozen EPC competitors globally, mainly from South Korea, Japan and Europe. For example, in the Middle East market, the primary battleground for the international market of petrochemical industry, fierce price competition still comes from Korean companies, and in recent years, European companies are also actively participating in the trend. In domestic market, the Company is the leading player with limited local competitors and has the geographically advantages in Taiwan.

4.1.3 Research and Development Overview

A. Research and Development Expenses in Past Three Years

Unit : TWD thousands

Item/Year	2022	2023	2024
Operating Revenue	31,714,598	45,910,717	61,616,019
R&D Expense	121,667	117,976	107,294
R&D Expense as percentage of Operating Revenue (%)	0.38	0.26	0.17

Note: Independent Financial Statements were under IFRS.

B. Research and Development Projects Completed in Recent Years and Successful Technology or Products Developed in Past Two Years

(A) RD Projects Completed in Recent Years

Item	2023 Projects	2024 Projects
1	iSchedule & Digital Twin	Intelligent automation technology and IoT technology are applied to turnkey projects
2	New Technology Applications for Construction Site Management	EPC digital asset applications
3	ITB Labeled Assistive Systems and Digital Platform Development	Engineering design digital information technology cloud platform development
4	Process Automation and Hybrid Cloud Solutions Research and Development	Research and development of artificial intelligence, process automation and new technologies
5	Digital optimization of process calculation programs	Research for biomass biogas system
6	Research for Carbon Capture, Storage and Utilization	Research for clean energy technology
7	Research for energy technology research	Research for carbon capture, storage and utilization-2024
8	Research for Biogas System	Research for wastewater nitrogen removal treatment
9	Application of PILOT achievements in wastewater reclamation-2023	Civil engineering 3D and 2D application development
10	Civil QTO Operation Automation Development	Research for incinerator steam turbine and bottom slag recovery system

Item	2023 Projects	2024 Projects
11	Optimization for Digital Equipment Data and Access	Tank floating top calculation and material inspection
12	Introduction and maintenance for Engineering design data exchange system	Instrumentation and control design and management system development
13	Instrument Engineering- cross-system information integration development	Development of pipeline intelligent whole plant construction desing system
14	Design capacity building for Construction automation and control system	Cross-system Information Integration Program for Electrical design
15	3D design automation development for turnkey projects	Research for high strength steel design
16	Electrical digital design integration program	Functional safety design capability building for stand-alone equipment stations
17	Maintenance and Development for Electrical Design Applications	Specialty chemicals plant planning and piping engineering design guidelines
18	Electrical Machinery Sustainable Design Capability Enhancement Program	Electrical design capability improvement program
19	Integration of Vendor Entry and Procurement Operation System Optimization	Purchasing system and iProcurement tool optimization
20	Development of Construction Integration and Automation	Implement Automation and Integration in Construction
21	Development and Maintenance for Engineering Materil Management System	Promotion and application of new user interface for Engineering equipment management system
22	Introduction and in-depth application for Intelligent digital document control platform	Mining and Metallurgy plant planning and piping engineering design guidelines
23	RD Service-2023	Introduction and application of project document management platform

(B) Successful Technology or Products Developed in Past Two Years

Only the most important technology or products are listed below due to approximate 20 projects in a year.

Year	RD Achievements
2023	<ol style="list-style-type: none"> 1. iSchedule & Digital Twin 2. New Technology Applications for Construction Site Management 3. ITB Labeled Assistive Systems and Digital Platform Development 4. Process Automation and Hybrid Cloud Solutions Research and Development

Year	RD Achievements
	5. Development for Engineering Design Digital Information Application Technology 6. Research for Carbon Capture, Storage and Utilization 7. Application of PILOT achievements in wastewater reclamation 8. Introduction and maintenance for Engineering design data exchange system 9. Integration of Vendor Entry and Procurement Operation System Optimization 10. Development of Construction Integration and Automation
2024	1. Intelligent automation technology and IoT technology are applied to turnkey projects 2. EPC digital asset applications 3. Engineering design digital information technology cloud platform development 4. Research and development of artificial intelligence, process automation and new technologies 5. Research for clean energy technology 6. Research for Carbon Capture, Storage and Utilization(2024) 7. Research for high strength steel design 8. Development of pipeline intelligent whole plant construction desing system 9. Purchasing system and iProcurement tool optimization 10. Implement Automation and Integration in Construction

C. 2025 RD Direction and Major Technology Development

(A) 2025 RD Direction is to

- a. Artificial Intelligence Research and Development.
- b. CTCI Digital Twin Research and Development.

(B) Major Technology developments are as follows:

- a. Build AI Service Platform.
- b. Develop Professional AI Tools and Expert Systems.
- c. Workflow Optimization and RPA Application Development.
- d. Develop site robots to enhance work efficiency and quality.
- e. Establish an EPC asset data center based on the Tag Platform platform.
- f. Continuing Digital Handover to Digital O&M to bring value to owners.

- D. Current Project or New Product Being in process
Refer to Section 5.6.3 for current RD project list.

4.1.4 Short & Long Term Development Plans

A. Short Term Goals

(A) Cultivating Global Landscape with Enhancement of Cross-Border Management Capability

The Company has been well-positioned in the international EPC markets such as Middle East, Southeast Asia, and in recent years has successfully crossed over to the United States and will further expand to Mexico and actively explore emerging countries such as India. Having such active global development in the future, the Company will endeavor to facilitate comprehensive cross-border management synergy by means of a barrier-free platform in language, culture, talents and internal operations. Importantly, a global mindset has to be implanted in-depth to all of employees around the world.

(B) Net Zero Transformation

With the ESG trend, clean energy and renewable energy are the mainstay of global energy. As the country continues to expand its natural gas imports, build natural gas storage tanks and receiving terminals, and build natural gas power plants, the Company has grasped potential business opportunities. Meanwhile, the government continues to develop renewable energy, in addition to continuing to lay the groundwork for the solar energy market and consolidating the niche market for offshore wind turbine subsea piles and adapter ring manufacturing. In view of the old and aging of waste incineration power plants in Taiwan, the Company will promote the business of waste incineration power plants to replace old ones with new ones by means of highly efficient and environmentally friendly incineration systems, making concrete contributions to renewable energy and environmental protection.

(C) Circular Economy

With the continuous and vigorous development of the high-tech and semiconductor industries, the demand for water consumption has greatly increased. It is expected that the industry will maintain the demand for process reclaimed water plants. CTCI will learn and apply the experience of reclaimed water plants and continue to expand the business related to reclaimed water and seawater desalination. The concept of zero waste is gradually being promoted in various industries, and many science parks are actively building zero waste centers, and CTCI will also actively pursue related business opportunities.

(D) Development of high-tech industries

In addition to the semiconductor, memory, and panel industries, which have been steadily growing in Taiwan, CTCI will continue to explore opportunities for the construction of new plants in the data center, battery, and biomedical industries. With the development of AI and 5G communication, the demand for high-speed computing continues to increase, and the perfect infrastructure, critical geographic location and emphasis on information security have attracted the attention of data center owners around the world to invest in Taiwan; In addition, the urgent demand for electric vehicles

and energy storage technology under the goal of sustainable net-zero, many domestic production leaders are aware of the trend and are investing in the development of battery industry. With over 40 years of experience in large scale project management, international safety standards and the integration of the Group's one-stop solutions, CTCI is extending its existing engineering capabilities and actively expanding into the high-tech industry.

B. Long Term Goals

(A) Mastering ESG opportunities, deepening green engineering, and practicing sustainability with our core business

CTCI Group has not only internalized ESG promotion into its corporate DNA, but also strives to link its engineering industry with ESG and actively expand the ESG effect.

- Expanded participation in green, low-carbon, environmental projects

Extending the global net-zero trend and the huge business opportunities arising from Taiwan's energy transformation policy, CTCI Group has a well-developed presence in the field of green and low-carbon projects, such as natural gas receiving stations, natural gas power plants, incineration power generation and water resources, etc., and is already a leading company in terms of market share in Taiwan. These projects represent CTCI Group's core competency in keeping pace with the times and customers' needs, and its foresight in closely observing and studying new technologies related to green energy, low-carbon and environmental protection, such as hydrogen energy and carbon capture, in the hope of taking the lead in the next battlefield.

- Enhance green investment to build long-term stable profit part

CTCI Group has been actively involved in investment and operation from plant construction to upstream and downstream expansion, providing total solutions for the complete lifecycle of investment/development/construction/operation. In addition to the technological advantage in plant construction, sufficient capital is also an excellent condition for the Group to compete for the relevant work, with a view to building a diversified profit portfolio through a stable and long term operation and business operation, which will make the Group's overall revenue portfolio more stable.

- Development of green engineering technologies

CTCI designs and builds plants for owners while incorporating "green technology" into the entire life cycle of the project, striving to reduce the environmental impact and optimize technology to reduce the carbon footprint of the plant construction process. Through the application of green technologies, CTCI's projects for clients from 2021 to 2023 will save electricity alone, which is equivalent to a reduction of CO₂ emissions of 18.9 million metric tons (approximately the amount of carbon adsorbed by the 48,810 Daan Forest Parks in a year), 760 million kWh of electricity (equivalent to the annual electricity consumption of 205,000 households), and 150 million tons of water (equivalent to the amount of water used by the city of Taipei in 182 days), as well as save waste emissions and recycling. These excellent results not only save costs, but also give us an advantage over our competitors and create a win-win situation with our owners in ESG promotion.

(B) Technology and service upgrade

In recent years, the international political and economic situation has been changing rapidly, with geopolitical tensions and the outbreak of the U.S.-China confrontation, coupled with the outbreak of the Ukrainian-Russian war, exacerbating this trend. The systemic risk of supply chain reengineering, through digital and AI intelligence, can shorten the process time and stabilize quality management, effectively solving the challenge of limited resources to meet the rapidly growing demand for resources.

CTCI has innovated and developed iEPC technology, from traditional EPC to iEPC, constructing big data analysis and prediction capability, and moving towards intelligent turnkey; then from iEPC intelligent turnkey to Digital Twins technology, moving engineering execution from intelligence to the goal of virtual-real integration, and continues to develop iManagement to promote intelligent logistics. With the application of RPA process robots and physical robots, we expect to upgrade engineering services to an intelligent era. In addition, we will continue to develop new technologies, such as modular technology, to create a competitive niche in the market with innovative technologies and services.

Overall, we continue to actively expand our business and enhance our execution capabilities to expand our revenue streams and strengthen our operational performance, in order to become one of the top 30 world-renowned engineering companies and to create an international brand for Taiwan's engineering industry, which is our long-term goal.

4.2 Market and Sales Overview

4.2.1 Market Analysis

The Company signed contracts amounted TWD 52.6 billion, while CTCI Group signed of TWD 125.6 billion totally in 2024. The sales revenues of the Company amounted TWD 61.6 billion, while the CTCI Group consolidated sales revenues amounted TWD 119.9 billion totally in 2024.

A. Sales Analysis by Major Services

(A) By Area

Area	Group New Contracts	Consolidated Sales Revenues
Taiwan	75%	53%
India	6%	15%
United States	5%	9%
China	5%	10%
Middle East	5%	10%
South East Asia	4%	3%
Total	100%	100%

(B) By Industry

Industry	Group New Contracts	Consolidated Sales Revenues
Hydrocarbon	17%	36%
Advanced Technology	11%	28%
Environment	9%	2%
EfW	18%	6%
Power	21%	19%
Others	0%	1%
LNG	17%	5%
General Industry	7%	2%
Transportation	0%	1%
Total	100%	100%

B. Market Share

The Company is a leader in the domestic turnkey engineering services industry, having been ranked No. 1 in the service industry by Common Wealth Magazine since 2005 and ranked No. 59 in the Top 250 International Contractors, No. 79 in the Top 225 International Design Firms, and No. 126 in the Top 250 Global Contractors in 2024 by Engineering News-Record, demonstrating our presence in the global turnkey industry.

C. Industry Trend Overview

In 2024, the global economic performance was still below the pre-pandemic average, with factors including slower inflation, easing labor market pressures, and strong demand for artificial intelligence (AI)-related products. We see huge trends ahead in 2025, such as smart AI technology, net zero emissions, and sustainability, all of which are expected to bring shocks and challenges to all walks of life, including the engineering industry. CTCI Group is well aware that only by taking hold of trends and making good use of technology can it turn challenges into opportunities for sharp transformation and growth. That is why CTCI will closely follow the developments of the global industry and continue to achieve outstanding results.

a. Taiwan

The official policy in Taiwan is to have the nation's power-generation structure adjusted by 2030, so that 50% of power generation comes from natural gas, which has a lower carbon intensity than coal, while reducing coal-fired power generation to 20%, and increasing power generation from renewable sources to 27-30%. To achieve this goal, traditional coal-fired and oil-fired power plants will be gradually replaced by gas-fired power plants. Meanwhile, to realize the official 2030 LNG supply scheme, LNG terminals and storage facilities upgrades and expansions need to proceed as

planned. Given that natural gas importers must ensure a 14-day safety reserve and increase the storage tank capacity to 24 days by year 2027, as required by the Self-Owned Storage Tank Capacity of Natural Gas Production or Import Enterprises directive as announced by the Bureau of Energy of the Ministry of Economic Affairs, the total natural gas storage capacity in Taiwan will reach 8 million cubic meters.

As technology for hydrogen energy progresses, the demand for the storage, transportation and import of natural gas (for production of gray hydrogen and blue hydrogen) and liquid hydrogen (blue hydrogen) will continue to increase, which is likely to bring huge business opportunities related to the construction of unloading facilities and storage tanks. In addition, since Taipower has plans to reduce carbon emissions from thermal power generation by adopting ammonia-coal co-firing technology, construction of liquid ammonia-related unloading facilities and storage tanks will also become an important source of business. CTCI will actively compete for such types of projects to assist state-owned and private enterprises meet official policy requirements.

As the world moves toward net zero emissions, companies across Taiwan's petrochemical industry are gradually carrying out plans to become more energy-saving and carbon-reducing, which in turn opens up immense potential business opportunities for CTCI. With the roll-out of the state policy on energy that supports net zero ambitions and the carbon tax system, the petrochemical industry now finds itself needing to effectively deal with its own carbon emissions, further driving the demand for carbon capture and storage facilities. As the petrochemical companies begin their investments, CTCI will work with professional think tanks to provide these clients technical support and solutions.

In 2024, CTCI has successfully acquired numerous key projects, including: a carbon capture EPC project with thin film approach for a major Taiwanese wafer manufacturer; a carbon storage EPC project at Tiezhenshan for CPC Corporation; and a carbon storage pilot project for Taipower in Taichung. These projects signal the vital role CTCI will be playing in the field of carbon capture and storage. CTCI will continue to strengthen its presence in the carbon capture and storage market and expand potential business opportunities.

Turning to the nation's forward-looking infrastructure plans, in response to the water shortages that frequently impact people's livelihood and the industry due to climate change and the uneven distribution of rainfall in Taiwan, the government is actively carrying out projects related to water resource improvement, water reclamation, and seawater desalination. In 2024, CTCI won the EPC contract for the Hsinchu desalination plant headed by the Water Resources Agency. In addition, the Water Resources Agency has also carried out feasibility assessments and preliminary planning for the Chiayi, North Kaohsiung, and South Kaohsiung desalination plants, so the subsequent EPC and operation opportunities for these desalination plants will be CTCI's target focus.

In terms of water reclamation, as science parks in Taiwan expand in scope and thus bring an increased demand in water for industrial use, the government introduced amendments to the Reclaimed Water Resources Development Act in February 2024 to build drought resilience during the dry season, mandating that at least 50% of the industrial water consumed by a developer which consumes over 20,000 tons daily must come from reclaimed water. This means that there will be more opportunities for water reclamation plant construction to come.

In response to the government's diversified waste treatment plans, increasingly stringent environmental regulations, and the implementation of quota control to reduce the emissions of primary particulate matter and secondary particulate matter precursors in the country, there will continue to be business opportunities for the construction or renovation of energy-from-waste plants for municipal waste and industrial waste. Also, the

comprehensive plans of several forward-looking infrastructure rail construction projects have been approved and have entered the basic design and bidding preparation stages. It is expected that public biddings will be launched successively this year, bringing promising growth of business opportunities for CTCI in the infrastructure field.

In the advanced technology realm, apart from actively negotiating with existing Taiwanese and foreign clients in the semiconductors, memory, data centers and batteries industries to extend cooperative relationship to subsequent factory construction, CTCI will integrate Group resources to explore new realms such as the biomedical industry, factory renovation and hook up projects. As AI technology progresses, the demand for high-tech factory construction in Taiwan continues to grow. Given the urgent demand, some companies, including existing CTCI clients, can no longer wait for the factory to be built from scratch, and instead opt to purchase existing factories for renovation to gain production efficiency. CTCI will actively strive for relevant business opportunities by leveraging its own strengths in understanding the needs of existing customers and its accumulated experience in factory renovation projects.

b. China and the CIS

The year 2025 is the final year of China's 14th Five-Year Plan, with various industrial policies and plans in full implementation. The trend of refining-petrochemical integration is ever increasing, with the integration rate target reaching 20%, which is helping reduce production costs and improve competitiveness. Meanwhile, faced with oversupply of petrochemical products globally, China is boosting domestic market demand and focusing on the development of high value-added products, such as high-end polyolefin materials, to further improve its industrial structure. Against the backdrop of global industrial fluctuations, increasingly stringent environmental policies, and the low-carbon trend, the refining and petrochemical industries are speeding up their transformation, towards high-end, green, and low-carbonization.

Faced with this situation, CTCI will leverage its profound experience in the field of oil refining and petrochemical engineering over the years, work closely with the world's leading patent holders, and provide professional, high-quality design and EPC services at competitive prices. At the same time, CTCI will focus on high-efficiency and low-carbon technologies, strengthen collaboration with its partners, actively expand into emerging business sectors, and continuously solidifying its market position.

China continues to attract global capital thanks to its market with huge domestic demand, resource advantages, and cost competitiveness. CTCI will closely monitor the progress of Saudi Aramco's LTC project, as well as Sinopec-SABIC's Phase II Project and Guangdong Maoming Refining and Chemical Integration Project. CTCI will come up with flexible strategies to secure a spot in these influential projects, so that the Group could further expand its business territory and achieve steady growth.

With a solid foundation in the Chinese market, CTCI will actively seek entry to the Commonwealth of Independent States (CIS) market. As the war between Ukraine and Russia draws to a close and the regional situation gradually stabilizes, new opportunities for industry restructuring and adjustment across nations will arise. CTCI will seize such opportunity, study the local policy and environment, conduct in-depth analysis of the market demand and development trends, before formulating practical market strategies.

To enter the CIS market, CTCI will start by trying to win contracts from the state-owned enterprises, leveraging CTCI's own resources and the technical superiority of its global partners to provide high-quality and competitive engineering solutions. Given the demand for infrastructure upgrades in the region's energy and petrochemical sectors, CTCI will also promote its integrated engineering and construction solutions, gradually build its brand reputation and gain market share, and achieve steady business growth. In short, CTCI will keep abreast of the policy changes and project opportunities across CIS nations and flexibly adjust its strategies to ensure its long-term business advantages in the region.

c. Southeast Asia and India

Southeast Asian nations are actively developing low-carbon and high-value chemicals industries to enhance regional competitiveness and achieve sustainable development goals. The growth in demand for liquefied natural gas has driven the development of LNG terminals and related infrastructure. For example, Thailand is seeking to expand its LNG terminals to meet the needs of energy transition. Vietnam, on the other hand, has proposed plans for constructing gas-fired power plants and gasification facilities to support its power needs. The Vietnamese government is also planning to renovate its old refineries and petrochemical plants, as well as upgrade the industrial processes. Its goal is to meet environmental regulations, protect air quality, reduce fuel imports, and ensure the nation's self-sufficiency and long-term strategic security by having enough fuel supply for industrial and transportation purposes. In this regard, CTCI will develop potential business opportunities together with its local subsidiaries.

The transformation of the petrochemical industry is also reflected in the rapid development of high-value products. The Singapore government actively encourages businesses to develop low-carbon products and gradually transition to high value-added business models. Malaysia's state-owned oil company PETRONAS has launched a number of engineering projects and is simultaneously planning a carbon capture and storage program in support of the nation's National Energy Transformation Roadmap (NETR) to achieve low-carbon goals. This program will attract more than USD 10 billion in investment, something that CTCI will closely pay attention to.

In Indonesia and India, the local petrochemical capacity expansions indicate their potentials for rapid growth. Pertamina of Indonesia is pushing ahead with a plan to upgrade old refineries, while the Olefins Aromatics and Plastics Industry Association (INAPLAS) has estimated that the petrochemical plants' capacity will increase by 30% to 40% over the next five years. Pertamina also has plans to develop projects such as sustainable aviation fuel and bioenergy. India, another important market in the region, is facing challenges of unabated population growth and insufficient energy self-sufficiency. It is developing its petrochemical industry through strategies such as infrastructure investment, green technology development, and international cooperation. In recent years, CTCI's Indian clients such as Petronet, Adani, IOCL and H-Energy have also been actively developing natural gas infrastructure to meet the growing energy demand. CTCI will continue to pay attention to these project developments and explore potential business opportunities. Given the pressing need to improve the quality of life and meet environmental protection requirements, air pollution control equipment and waste treatment plants have also become key projects actively evaluated by various countries, and there must be a massive potential business opportunities for CTCI. To mitigate traffic congestion in urban areas, there have been plans to create and promote mass rapid transit systems. This, too, will bring relevant business opportunities, and will be followed up depending on the plan's actual progress.

In the high-tech field, riding the "China plus one" and "Taiwan plus one" trends, CTCI has made great gains in advanced technology factory construction opportunities in the Southeast Asia in recent years. Moreover, it has quickly established its track record in such factory constructions. Looking forward to 2025, CTCI will not only continue to provide services to the assembling plant clients whom CTCI has long worked with, but will also aim for construction opportunities in India, given that a number of subsidy programs for major Taiwanese semiconductor investments have been approved by the Indian government, and that a number of international data center operators have continued to announce their investment plans in India. In recent years, CTCI has become experienced in tech facility construction in Thailand and Malaysia, and will continue to target mature process semiconductor wafer factories, packaging and testing factories, printed circuit board factories, and data center business opportunities in this region.

d. Middle East

The energy market in the Middle East is undergoing rapid transformation, focusing on three major areas: petroleum-to-chemical projects, large-scale natural gas development projects, and energy structure transformation. These projects are not only a response to the changes in global energy demand, but also underscore the important role the region plays in the global energy landscape.

The petroleum-to-chemicals project is one of the most important strategies that the state-owned oil companies in the Middle East have adopted to increase their value. These projects will expand the petrochemical production capacity in the region by improving the crude oil value chain and processing oil into higher value-added chemicals, thereby meeting the growing global market demand for such products.

As the global demand for cleaner energy increases, natural gas is seen as an ideal alternative energy source due to its lower carbon emission characteristics. Against the backdrop of global carbon reduction, demand for natural gas has shown a steady upward trend, especially in Europe, where demand is strong, while the Asian market has also maintained growth, making natural gas resources from the Middle East highly important across the global energy landscape. Natural gas is not only a vital pillar of energy exports, but also plays a pivotal role in achieving energy diversification and economic stability in nations across the Middle East.

Given continued adjustments in the global energy structure, the Middle East is also accelerating its energy transformation, which is not only a necessary measure to cope with global climate change, but also an important strategy for the Middle East's long-term planning in the global energy market. As nations convene for climate conferences such as COP28, the global demand for low-carbon technologies and sustainable energy is increasing. Oil companies in the Middle East region have begun to transform to low-carbon energy and actively invest in emerging energy, such as carbon capture and storage technology, green hydrogen, and blue ammonia.

To sum up, the Middle East is not only rich in business opportunities in the traditional refining and petrochemical sense, but also has huge potential in energy transformation and net zero emissions. These important projects will become the focus of CTCI.

CTCI has established a solid foundation in the Middle East market and is capable of carrying out large projects valued at over USD 2 billion. With CTCI's project execution success in the past in the Qatari market and the current RLP ethane cracking EPC project, the Company has secured a formidable market position. CTCI is also actively participating in Qatar Energy's potential project bidding to further consolidate its influence in the local market. In addition, CTCI is carrying out Aramco's LTC project in Saudi Arabia, marking the Company's return to the Saudi market after the COVID-19 epidemic,

and laying the foundation for more potential business opportunities in the future.

Looking ahead, based on its solid market foundation in Saudi Arabia and Qatar, CTCI will continue to expand its business in other Middle East nations and North Africa, further strengthening its market presence.

e. The USA

With President Donald Trump back in the White House, the Republican Party's consistent support for traditional fossil fuels heralds in possible major changes in American energy and industrial policies. The Trump administration will prioritize fossil fuels and ease regulations on key industries, for example, by adjusting or canceling carbon emission standards and related environmental protection regulations, as well as reviewing emission policies of the former Biden administration. At the same time, the Trump administration is promoting domestic oil and gas exploration and production by speeding up the permitting process. This series of policy changes is expected to bring new business opportunities to the market.

On the other hand, as President Trump's 2.0 tariff policy takes effect, many Taiwanese tech component and AI server manufacturers are evaluating land purchase in the United States to set up manufacturing parks, as a way to increase the proportion of their products "made in the USA". Texas, which is close to Mexico and has an independent power grid, is often the prime choice for such park sites. CTCI's US operations—CTCI Americas, based in Houston, Texas—has full understanding of factory construction regulations and supply chains thanks to long-term local operations and the Group's experience in tech factory planning. CTCI Americas has formed a team to contact potential customers to discuss collaborative opportunities. In recent years, the U.S. has seen a large number of semiconductor wafer fabs being built, yet due to the lack of experience of local turnkey contractors in plant-building, they are often unable to meet construction schedules. Such customers have begun to contemplate working with Taiwanese turnkey contractors that have sufficient experience in tech factories and international plant construction. CTCI, which also received invitations, will closely track related opportunities.

D. Competitive Advantage

The Company has been engaged in the industry for more than 40 years and recognized as tier one international EPC company with solid track records worldwide. To overcome competition around the world, the Company tries to leverage resources on a global basis. By setting up 50 subsidiaries and branches in more than 10 countries, the Company develops engineering talents at competitive costs. Besides, the Company seeks strategic partners, on project basis, not only with other EPC companies but also critical equipment vendors (e.g. producer of generator) to jointly bid project for enhancement of competitiveness.

The Company is constantly trying to reinforce capability of project execution by soliciting a global logistics for cost down, and strengthening project risk management as well.

E. Advantages and Disadvantages for Long-Term Development & Corresponding Strategies

(A) Advantages

a. Opportunities in the domestic market are increasing and the supply chain of high-tech chemicals is booming

The government is actively promoting new investment plans, including large enterprises such as CPC and Taipower, which have gradually introduced investment projects. Private power plants are also progressively starting their initiatives. Several general planning reports of metro projects listed in forward-looking infrastructure development plan has been completed. Waste to energy projects keep proceeding step by step. Wastewater reclamation and seawater desalination business opportunities are increasing to ensure the water resources. The Company's ability to grasp local resources is better than that of foreign manufacturers, the opportunities for domestic projects to be obtained are relatively high. In addition, TSMC has actively deploying new factories in Taiwan, and the domestic and international semiconductor supply chains are also investing and setting up factories in line with this business opportunity.

b. Bidding for mega projects with professional capabilities

The Company has accumulated sufficient reputation and achievements in the domestic oil refining, petrochemical, power plant, infrastructure transportation construction, incinerator, steel mill and environmental engineering industries for many years, and can be regarded as is the tier one EPC Company in Taiwan. At the same time, with the accumulated strength, it has been recognized by the owner as a qualified large-scale project turnkey manufacturer, enjoying an oligopolistic competitive advantage in the high-end market. The Company has given priority to designated cooperation partners for foreign company to enter the domestic market, so it has an absolute advantage in the fight for large-scale domestic projects. In recent years, the Company has entered the international market with outstanding achievements in project execution, its visibility has doubled, and it has been recognized by international owners. It stands out from other internationally renowned engineering companies and successfully won many international large-scale projects.

c. Entering into Overseas Markets with Strategic Partners

With the successful strategic alliances, the Company now has world-class patented processes and techniques at its disposal. These advantages will not only serve existing projects, but can also be utilized globally such as the U.S., China, Thailand, Vietnam, India, Singapore, Malaysia, Indonesia and the Middle East. The Company will integrate all the available resources to expand globally.

d. Strengthening Competitiveness through Global Resources Management

Overseas affiliates such as subsidiaries in the U.S., China (Beijing, Shanghai), Thailand, India, Vietnam, etc. have contributed significantly to the projects carried out in domestic and overseas markets. The ability of these engineers in these subsidiaries have raised significantly throughout the execution process. These subsidiaries will continue to serve the Company favorably in the years to come with low cost and work efficiency advantages. In recent

years, the Company has further integrated the resources of overseas affiliated companies and domestic affiliated companies to the greatest extent, taking advantage of the synergistic advantages of localization and specialization of subsidiaries, differentiated competitors, and provided customers with more diversified services.

(B) Disadvantages & Corresponding Strategies

Item	Corresponding Strategies
Severe competition from other EPC companies	<p>The Company plans to do the following to increase its chances of winning projects:</p> <ul style="list-style-type: none">• Strengthen project management capabilities and cost control to reduce the chance of repeated revisions.• Enhance the intensity of risk management and control and refine the management and control mechanism• Technical Improvement: Innovative R&D Center process transformation and innovation to develop processes and technologies that enhance execution efficiency and cost savings to improve competitiveness.• Talent Cultivation: By expanding our global presence and combining local resources, we are actively moving toward cultivating global and diverse talent.
Fluctuations in commodity prices	<p>The Company controls its risks through enhanced control mechanisms:</p> <ul style="list-style-type: none">• Shortening design timeframe, better control of procurement supply quantities and shipment schedule.• Multiple hedging mechanisms to reduce the associated risks to the minimum. Purchasing commodity swaps to lock-in the prices of basic materials required such as copper and nickel.• Arranging long-term supply contracts with suppliers. Enhancing relationships with major equipment manufacturers.• To reduce the procurement costs of the projects, actively seeking for low cost regional suppliers with stable quality.
Difficulties in executing overseas projects	<ul style="list-style-type: none">• The Company has established a risk management committee to monitor and control all the relevant risks at both the project and the corporate levels.• Better integration of local resources and cost control for higher efficiency.

4.2.2 The Company's Main Services Purposes and Service Sequences

The Company's main services are EPC and consulting-oriented, including all sorts of professional services such as feasibility study, design, equipment supply, equipment fabrication, construction services, construction management, commissioning, and maintenance.

A. Main Services and Purposes

- (A) Refinery/Petrochemical: For the manufacturing of oil-related and petrochemical products.
- (B) Utilities: Nuclear power plants, gas power plants, oil/coal power plants, steam/electricity co-generation, renewable energy.
- (C) Infrastructure: MRT system, high speed railway, etc.
- (D) Environmental: construction and operation of waste incinerators, waste treatment, water treatment, air pollution prevention, environmental impact assessment, river training works.
- (E) General Industry: Steel manufacturing plant, storage and docking facilities.
- (F) High tech and bio-related: electronic plant, battery plant, pharmaceutical plant, electronic grade chemical manufacturing plant etc.

B. Service Sequences

Feasibility study and initial design → Engineering → Procurement → Construction → Construction Management → Commissioning
→ Service and Maintenance

4.2.3 Major Materials Used and Supply Status

- A. Commodities: specially-formed steel, steel plates, steel rods, cement, various pipes and accessories, electricity cables, and special paints. These materials are sourced by qualified suppliers in the region close to the project job sites.
- B. Equipment: Most of the professional equipment such as reaction furnaces, tanks, heat exchangers and heating furnaces are supplied by specialized companies throughout the world.

4.2.4 Major Suppliers and Clients

A. Major Clients (each commanding 10%-plus share of annual order volume) Information for the Last Two Calendar Years

Unit : TWD thousands

Item	2023				2024			
	Company Name	Amount	%	Relation with Issuer	Company Name	Amount	%	Relation with Issuer
1	Company H	3,122,433	3	None	Company H	19,133,941	16	None
2	Company N	16,924,790	16	None	Company N	3,503,810	3	None
3	Company T	16,843,984	16	None	Company T	18,650,360	15	None
4	Company O	10,431,365	10	None	Company O	16,352,790	14	None
5	Others	56,204,629	55	None	Others	62,283,716	52	None
	Total	103,527,201	100		Total	119,924,617	100	

Reasons for the change: The Company recognizes the revenue based on the progress of the project. The project of Company N has gradually been completed, hence recognizing a decrease in engineering revenue compared to the previous year. The project undertakings of Company H 、Company T and Company O are gradually unfolding, leading to an increase in the revenue amount.

B. Major Suppliers Information for the Last Two Calendar Years: Not Applicable.

4.3 Human Resources

4.3.1 The information about employees employed for the most recent two fiscal years and up to the date of printing of the annual report

Year		2023	2024	As of February 28 th , 2025
Number of Employees	Permanent employee	2,512	2,521	2,503
	Contract employee	639	732	714
	Total	3,151	3,253	3,217
Average Age		42	42.3	42.2
Average service seniority		10.73	10.67	10.92
Number of employees at each level of educational degree	Doctor	17	19	19
	Master	1,431	1,445	1,438
	Bachelor	1,587	1,660	1,653
	Senior High School	103	116	92
	Senior High School below	13	13	14

Certification details of employees whose Jobs are related to the Release of the Company's Financial Information:

Certification	Number of Employees
Certified Internal Auditor (CIA)	3
Test of the Enterprise Internal Control Basic Ability	2
Certified Public Accountant (ROC)	7
Certified Public Accountant (USA)	2

4.3.2 Work Environment and Occupational Safety and Health

A. HSE Policy Statement

CTCI's HSE policies' focus is on "Insist on Safety". It applies to the due diligence process at our operation bases, project sites, products services, distribution logistics, and merger & acquisition processes. We require all employees and workers to abide by HSE policies and procedures on entering its plant facilities. The policy is also communicated to our suppliers and JV partners, to ensure a safe working environment and protect the health of employees and workers. In alignment with global sustainability trends, we have reinforced our focus on environmental issues and committed to advancing energy management, reducing greenhouse gas emissions, and protecting aquatic ecosystems, all while pursuing the sustainable development of our core businesses. Our HSE policy is regularly reviewed by the Board of Directors and signed by the Chairman, General Manager, and BU heads, reflecting our commitment to HSE and sustainable development. (For the CTCI HSE Policy Statement, please refer to <https://www.ctci.com/www/ctci2022/upload/page/PG45-F15.pdf>)

Creating a safe, comfortable and environmentally friendly workplace has always been the CTCI's core value. Prioritize in providing a safe and secure workplace. To strengthen the HSE awareness of all employees and contractors, CTCI frequently organizes various HSE activities and training, including publishing an open letter from senior management, holding site promotion, competitions, and lectures, and conducting excellent HSE projects and personnel selection activities, etc., to encourage colleagues and contractors participate actively, built up safety culture. In addition, we continue to review and optimize HSE activities to ensure the HSE management system is feasible, thereby enhancing its effectiveness.

B. HSE Organization setting

CTCI set up the department of HSE as a first-class unit to provide a safe workplace for our colleagues and achieve the goal of zero incidents. Therefore, the HSE Management Department is responsible for drafting, planning, promoting and supervising the HSE management matters of CTCI and guides the implementation of various departments, projects and related group alliances, and regularly measures the performance of various HSE management, and supervises and ensures the effectiveness of the implementation of the HSE management of each project unit, so as to prevent the reduction of occupational injuries and ensure the goals of safety and health of workers and maintaining environmental resources.

C. HSE Management System

As the world's "Most Reliable" engineering service team, CTCI not only delivers top-tier engineering technology and services to customers but also prioritizes worker safety and health. We are committed to establishing an internationally recognized HSE management system. CTCI achieved ISO 14001 Environmental Management System and ISO 45001 Occupational Safety and Health Management System certifications as early as 2006. In 2008, we further obtained the Taiwan Occupational Safety and Health Management System (TOSHMS) certification. We continue to share our accumulated experience and insights with the domestic industry.

In 2018, CTCI aligned with international standards and became a pioneer in the global engineering industry by being among the first to achieve certification under the updated ISO 45001 standard. In 2019, we further obtained CNS 45001 certification, becoming the first engineering company in Taiwan to earn dual management system certifications. This achievement is the result of our team's collective efforts. We also continuously monitor and maintain our management systems to ensure their ongoing effectiveness.



- ISO 14001 Environmental Management System certificate, the validity period is from 10 June, 2023 until 10 June, 2026.



- ISO 45001 Occupational Safety and Health Management Systems certificate, the validity period is from 10 June, 2023 until 10 June, 2026.



- CNS 45001 Taiwan Occupational Safety and Health Management Systems, the validity period is from 10 June, 2023 until 09 June, 2026.

D. HSE Management Operation

CTCI HSE management system is a management method and strategy. It solves the problems related to HSE with order, objectives and methods. It adopts the logic of Deming management mode: Plan, Do, Check and Act (PDCA) which covers design, procurement, construction, commissioning, emergency response and the first headquarters office buildings. In addition, CTCI has formed the "Occupational Safety and Health Committee", and the Committee has 15 members, with the EMO president serving as the chairman of the committee. 6 are representatives from the labor side. Routine meetings are held every three months. Prior to each meeting, we would distribute the BBS (Behavior-Based Safety) survey to understand the levels of employee awareness in HSE-related information. In the survey, the employees can make suggestions to the Company on HSE matters. Furthermore, to

the spirit of continuous improvement of the HSE management system. The quarterly HSE performance and audit review meeting was chaired by each business units' heads, to review the achievement of HSE performance and the results of quarterly audits. In addition, they propose specific and feasible improvement plans for various defects and problems as well as required to be implemented by relevant units to reduce potential HSE risks and provide the best working environment for all workers. The HSE management department also reports the implementation results, critical tasks, and improvement actions of HSE on the board of CTCI regularly to ensure that the overall HSE management is implemented in the correct direction.

E. HSE Training

To decrease the occurrence of occupational hazards, all relevant personnel need to receive educational training for work-related hazard prevention and regulations from local government. The training courses must be completed prior to being stationed at a project site. In order to widely promote CTCI employees and the subcontractors to obtain occupational safety card, CTCI has planned to conduct occupational safety card training on the construction site and has applied for the training unit of the "Taiwan occupational safety card." According to statistics, in 2024, domestic project sites conducted 137 occupational safety card training. The participants reached 3,380, including CTCI employees, subcontractors, and the migrant workers on-site.

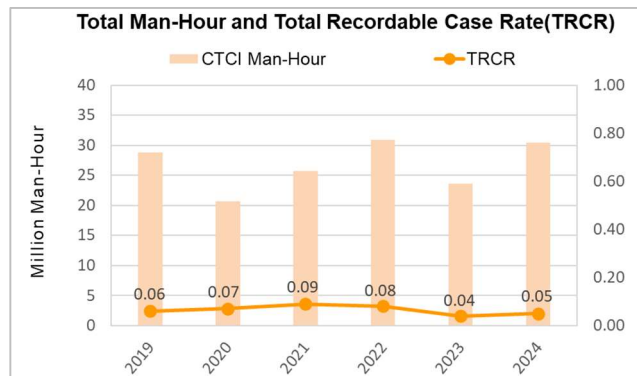
In addition, following the draft amendment to the Occupational Safety and Health Act, we assessed its impact, formulated corresponding countermeasures, and assigned personnel to attend the amendment briefing to grasp the key points of the revision. To ensure that construction and HSE personnel can quickly adapt to the new regulations, we organized a lecture at headquarters on the "Key Revisions to the OSH Law," delivered by an industry expert.

F. HSE Risk Assessment

CTCI's HSE risk assessment procedure was established according to ISO 45001, ISO 14001 management systems and as per the principles of ISO 31000. The Administration & General Services Department and HSE contact personnel of respective departments would participate in the HSE risk assessment at the first HQ building on an annual basis. Improvements or regulatory measures are proposed for risks and opportunities. Risk evaluation during project execution is carried out at the start of the project and re-evaluated on an annual basis till its end. When there are changes in construction methods, equipment, or procedures, major worker-safety related incidents or abnormal improvements to HSE, then the corrective measures would be proposed and hazard and risk need to be identified and assessed again. The HSE assessment and improvement results of HSE were included in the enterprise risk management issues, and the President presided over the review of the "Executive Risk Management Committee Meeting".

G. Statistical analysis of occupational injury

CTCI is an international engineering company. According to the requirements of customers of international engineering projects, the statistics of occupational injury mainly adopts the Total Recordable Case Rate (TRCR)^{Note 1} which published by the Occupational Safety and Health Administration (OSHA) of the US Department of Labor is the statistical basis. The causes of occupational injuries are analyzed and the implementation improvement plan is proposed, including cross-unit or systemic issues which are the focus of management.

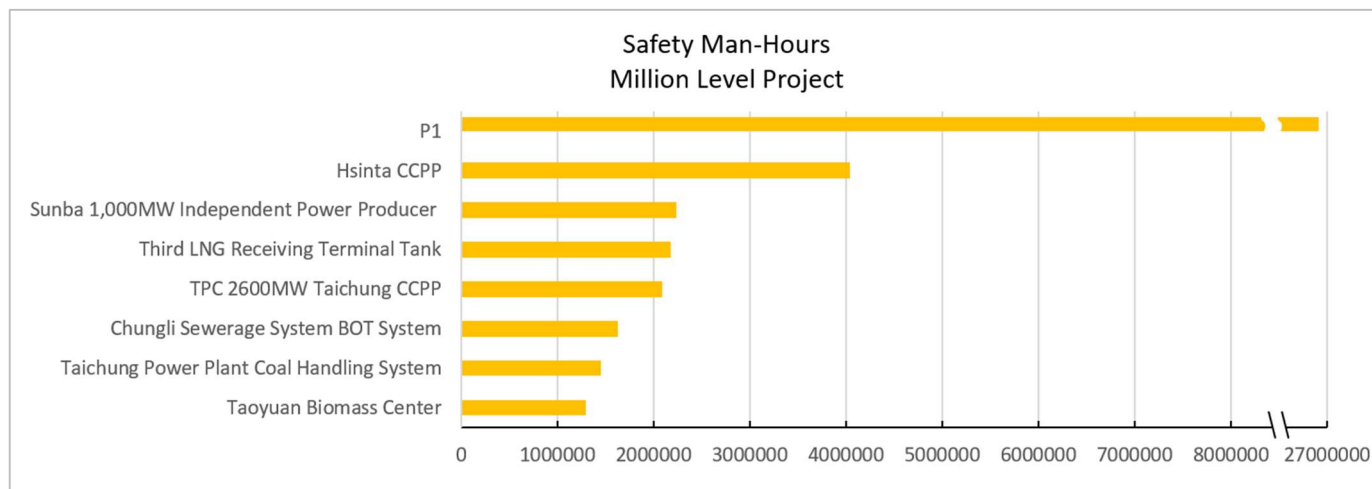


Note 1: Total recordable case rate, $TRCR = \frac{\text{Total recordable cases}}{\text{Total hours worked}} \times 200,000$

H. HSE Specific Effectiveness

In 2024, CTCI continued to work hard in HSE. The outstanding results are summarized as follows:

- (A) Among the 15 large-scale projects under construction in 2024 (with a contract value of more than 6 billion), 8 projects exceeded more than 1 million safe man-hours. The remaining projects still continue to accumulate safe man-hours due to the progress of the project or the long construction period:



- (B) The First Headquarters Building the total of Safe Man hours from January 18, 2007, to December 31, 2024, have reached 68,390,914 hours.
- (C) In the 2024 Dow Jones Sustainability Index (DJSI) evaluation, CTCI maintained excellent performance in the "Occupational Safety and Health" category.
- (D) "Micron Fab 11 CUB 6 & CUB 7" project was awarded the Honorable Mention of the 2024 Golden Safety Award for Excellent Engineering from the Ministry of Labor.
- (E) CTCI was awarded the 2024 Exemplary Enterprise Award for Sustainable Healthy Workforce from the Occupational Safety and Health Administration (OSHA).
- (F) "CPC Talin Tank P8" project was awarded the Excellent Contractor for Construction Site Environmental Protection from the Environmental Protection Bureau of Kaohsiung City Government in 2024.
- (G) "Taichung LNG Receiving Terminal Regas" project was awarded 2nd in the first half and 1st in the second half of 2024 for the client Taipower's Excellent Safety Contractor Evaluation.
- (H) "CPC Talin Tank P4-1" project was awarded 2nd place in the 2024 Excellent Safety and Environmental Contractor Award from the client CPC Corporation.
- (I) "Micron Fab 11 CUB 6 & CUB 7" project was awarded the Excellent Engineering Contribution Award from the client.
- (J) "Sunba 1,000MW Independent Power Producer" project was awarded the 2024 Outstanding Occupational Safety Performance Award from the client Sunba Power Plant.
- (K) "Qatar RLPP" project was awarded the Excellent Safety Contractor from the client Chevron Phillips Chemical.
- (L) "Microsoft TPE05" project was awarded a certificate for achieving the 1.5 million Safe Man hours milestone from the client Microsoft.
- (M) "Micron Fab 11 CUB 6 & CUB 7" project was awarded a certificate for achieving the 600,000 Safe Man hours milestone from the client Micron.

I. Implementation Status of Employee Health, Safety, and Workplace Environmental Protection Measures:

The comprehensive health management for employees includes three core aspects: health checkup, health promotion, and health risk management, so that the three aspects can be integrated with each other and improve the cycle dynamically Journey.

CTCI has hired 10 full-time nurses, 3 contracted occupational health physicians, 2 contracted physiotherapy practitioners and 10 visually impaired massages. The main purpose is to build a safe workplace and protect the health of employees.

Through the health examination data and employee health care data, the incidence and impact of injuries and illnesses are analyzed, the health risks of CTCI employees are identified, and corresponding mitigation measures are formulated according to the low, medium and high risk levels.

Completed 1,152 health examination abnormal tracking, 134 cancer screening, 286 health lectures (31,070 participants), 12 migrant worker education advocacy, and 13 healthy weight loss education advocacy.

4.4 Environmental Protection Expenditure

As the Company belongs construction and engineering technology service industry, CTCI's workplace divides into the first headquarters building and a project site, as detailed below:

- A. The first headquarters building: We regularly promote and announce within the Company to remind colleagues to develop energy-saving habits and establish an energy-saving corporate culture. We inspect and record energy consumption status every night, regular maintenance of building equipment, and immediate replacement of faulty parts. The energy conservation and waste reduction measures for 2024 are as follows:
 - (1) Replace two larger-displacement business hybrid vehicles to smaller ones to improve energy efficiency and reduce carbon emissions.
 - (2) To promote energy conservation and carbon reduction, we encourage colleagues to use bicycles for commuting. Colleagues only need to register to use motorcycle parking spaces, without having to draw lots or pay parking space rental fees.
 - (3) We have promoted the replacement of hand soap in the headquarters building with green procurement certified hand washing mousse. According to statistics, this can effectively save water resources without affecting the cleaning effect.
 - (4) Comprehensively update the classification labels of four-category trash cans, and promote classified recycling of paper containers; weigh general garbage and resource recycling garbage on each floor daily, and publish statistics every month.
- B. Project site: Most of the operations are carried out in the industrial zone. During the construction process, all the cooperating subcontractors are required to implement the relevant environmental protection measures such as air, water, waste and soil to comply with environmental protection regulations. Each project site has fully communicated with local stakeholder about the approach and improvement matters in advance, with the most significant appeal not to affect the daily life of residents, and proper handling has occurred so far.

4.5 Labor Relations

4.5.1 Employee benefit plans, continuing education, training, retirement systems, and the status of their implementation, and the status of labor-management agreements and measures for preserving employees' rights and interests

A. Employees' benefits

(A) Labor insurance

- a. The Company's employees are enrolled in the labor insurance program pursuant to laws.
- b. The labor insurance premium includes the premium of the insurance against ordinary incident and occupational disaster. 70% of the insurance premium for ordinary incident will be borne by the Company, 20% thereof borne by the insured, 10% thereof borne by the government. The insurance premium for occupational disaster will be borne by the Company in full.

(B) National health insurance

- a. The Company's employees and their dependents are enrolled in the national health insurance program pursuant to laws.
- b. The payable national health insurance premium shall be subject to the government's relevant requirements.

(C) Group insurance

- a. The Company's employees are entitled to the additional group insurance purchased by the Company from the life insurance company externally.
- b. The Company's employees will be enrolled in the group insurance program immediately on the hiring date. The group insurance covers life insurance and accidental injury insurance 、 medical insurance, which will be borne by the Company in full.
- c. The Company's employees and their dependents may select the medical care insurance programs at their sole discretion, and 50% of the insurance premium will be borne by the Company.

(D) Annual bonus

The Company will allocate the incentive bonus subject to the annual operation overview, and will grant the bonus with respect to individual performance, attendance record and seniority in accordance with the relevant operating procedure.

(E) Workers' Welfare Commission

The Company establishes the Workers' Welfare Commission pursuant to laws, and allocates the welfare fund periodically. The colleagues may elect the commission members openly, and organize tours and club activities and give birthday coupons and festival gifts, subsidies and consolation money periodically.

(F) Incentive payment for shareholding trust

To support the employees' shareholding committee incorporated by employees and encourage employees to save funds and hold the Company's shares permanently, the Company specially agrees that the colleagues who have been enrolled in the employees' shareholding committee may be granted the incentive payment on a pro rata basis subject to the fund allocated on a monthly basis.

(G) Employee health care and promotion

Through the health examination report, it was found that the three highs were the most common chronic conditions among employees.

The theme of 2023 Health Management was ' Sugar reduction and health improvement ', the goal is to strengthen the staff's knowledge on sugar intake and related diseases through case management, multimedia and physical education courses. 124 hyperglycemia employees were included in case management and follow-up; Published 9 blood sugar related health education articles and two physical education sessions.

In 2024, a series of health education columns on weight loss will be designed, including various topics such as weight loss concepts, food selection, cooking skills, eating out guides, food logs, exercise and weight loss, and the role of sleep and social support in weight loss, and a total of 13 health education articles related to weight loss will be published.

CTCI is actively establishing a superior healthy working environment and promoting workplace health enhancement measures. We continued to maintain certifications such as Healthy Workplace, AED Safe Site, and Excellent Breastfeeding Room.

B. Top Management advanced studies

(A) EMBA

Title	Name	Course Name	Status
Vice Chairperson of Management Strategy Committee	Michael Yang	EMBA, National Taiwan University of Science and Technology, Taiwan	Graduated in Jan. 2008
President	Ming-Shyan Lee	EMBA Program, National Sun Yat-sen University, Taiwan	Graduated in Jan. 2012
Executive Vice President	T.C. Li	EMBA, National Taiwan University, Taiwan	Studying
Executive Vice President	Shih-Wei Chung	EMBA, National Taiwan University, Taiwan	Graduated in Jan. 2014
Senior Vice President	Min-Lin Lee	EMBA, National Taiwan University of Science and Technology, Taiwan	Studying
Vice President	Ai-Chen Ho	EMBA Program in Finance, National Taiwan University, Taiwan	Graduated in Jun. 2010
Vice President	Gino Tsai	EMBA Program, National Taiwan University, Taiwan	Graduated in May 2012
Vice President	Evan Chen	EMBA Program, National Taiwan University, Taiwan	Graduated in Mar. 2020
Vice President	Sam Kao	EMBA Program, National Cheng Chi University, Taiwan	Studying
Vice President	Joanne Ho	EMBA Program, National Cheng Chi University, Taiwan	Graduated in Jan. 2020
Vice President	Anthony Hsu	EMBA Program, National Cheng Chi University, Taiwan	Studying
Vice President	Jeffrey Ho	EMBA, National Taiwan University of Science and Technology, Taiwan	Studying
Vice President	Chin-Yuan Chiu	EMBA, National Taiwan University of Science and Technology, Taiwan	Studying
Vice President	Yu-Hung Su	EMBA, National Sun Yat-sen University, Taiwan	Studying
Financial Officer	Melissa Liu	EMBA, National Taiwan University, Taiwan	Studying

(B) Top Management program

Title	Name	Course Name	Status
Vice Chairperson of Management Strategy Committee	Michael Yang	Executive Management Training Program, National Taiwan University, Taiwan	During the period of Mar. to Jun. 2013
President	Ming-Shyan Lee	Participated in Advanced Executive Program for Senior Manager of National Taiwan University, Taiwan	During the period of May 2009 to Jan. 2010

Title	Name	Course Name	Status
Executive Vice President	T.C. Li	Participated in Advanced Executive Program for Senior Manager of National Taiwan University, Taiwan	During the period of Jun. 2011 to Feb. 2012
		Executive Management Training Program, National Taiwan University, Taiwan	During the period of Apr. to Jul. 2013
Executive Vice President	Tiger Tsai	Participated in Advanced Executive Program for Senior Manager of National Taiwan University, Taiwan	During the period of Jun. 2011 to Feb. 2012
Executive Vice President	Shih-Wei Chung	Executive Management Training Program, National Taiwan University, Taiwan	During the period of Apr. to Jul. 2013
Senior Vice President	Min-Lin Lee	Participated in Advanced Executive Program for Senior Manager of National Taiwan University, Taiwan	During the period of May 2009 to Jan. 2010
		Executive Management Training Program, National Taiwan University, Taiwan	During the period of Apr. to Jul. 2013
Senior Vice President	Vincent Liu	Participated in Advanced Seminar on General Management of National Taiwan University, Taiwan	During the period of Sep. 2009 to Mar. 2010
		Participated in Advanced Executive Program for Senior Manager of National Taiwan University, Taiwan	During the period of Jun. 2011 to Feb. 2012
Vice President	Paul Wu	Executive Management Training Program, National Taiwan University, Taiwan	During the period of Mar. to Jun. 2013
Vice President	Gino Tsai	Executive Management Training Program, National Taiwan University, Taiwan	During the period of Apr. to Jul. 2013
Vice President	Ai-Chen Ho	Top Management Training Course by National Taiwan University, Taiwan	During the period of Apr. to Jul. 2013
Vice President	Sharon Chiang	Top Management Training Course by National Taiwan University, Taiwan	During the period of Apr. to Jul. 2013
Vice President	Jenq-Shyong Chung	Top Management Training Course by National Taiwan University, Taiwan	During the period of Apr. to Jul. 2013
Vice President	Evan Chen	Participated in Advanced Seminar on General Management of National Taiwan University, Taiwan	During the period of Feb. 2009 to Jun. 2009
		Participated in Advanced Executive Program for Senior Manager of National Taiwan University, Taiwan	During the period of Dec. 2009 to July 2010
Vice President	Forest Lin	Participated in Advanced Executive Program for Senior Manager of National Taiwan University, Taiwan	During the period of May 2009 to Jan. 2010

C. Employees' training

The Company establishes the workers' training system in accordance with the Company's view, mission and long-term business objectives, and plans the training development blueprint for various professional areas and job ranks. In addition to enhancing the workers' professional ability, the Company also works hard to train their multi-departmental integration professional ability. The training programs include traditional lecturing courses, and also OJT, Lesson & Learnt, e-Learning and knowledge database in order to upgrade the employees' knowledge about the know-how and skill, language, computer, management and leadership. As of June 2010, the Company started to perform the Mentor & Mentee (M&M) plan with respect to new employees in order to assist new employees to adapt to the enterprise culture and rapidly acquire the professional attitude and ability required by independent operation through structured (professional guidance) and non-structured (environmental adaption) one-on-one instruction. We found the "CTCI University in 2020, clinging on to two goals: Pass on experiences and foster sustainable growth.

"CTCI University" is founded to introduce our employees to a sound, comprehensive, and professional career training program, encouraging them to strive for excellence and attain global vision, so that they can become globalized talents with diversified outlooks. By doing so, it raises our Group's overall business agility and ensures our future victories in the face of transforming business landscapes and fierce industrial competitions world wide.

The Company's personnel committee will recommend excellent colleagues to take on-the-job advanced studies in domestic and foreign colleges/universities on a yearly basis, and will offer them the chance to co-work with staff of foreign engineering companies on a non-scheduled basis, so as to upgrade their expertise and solidify their international competitive ability.

The employees' training costs will be TWD20.73 million approximately per year. The average training hours will be more than 73.06 hours per person/year (260,462 hours/3,565 persons). The various training hours and costs are specified as following:

Type	Number of class	Total number of attendees	Total hours (hour)	Total costs (TWD)
Orientation training	262	5,718	13,397	141,530
Competence training	2,191	83,263	197,492	9,174,857
Management training	90	3,714	5,615	7,689,800
General knowledge training	115	27,173	41,798	926,960
Self-development training	12	12	2,160	2,802,580
Total	2,670	119,880	260,462	20,735,727

- (A) Orientation training: Including the introduction to the overview, work rules and QHSE management regulations of the Company, Orientation, and Mentor & Mentee (M&M) plan;
- (B) Competence training: College of Engineering, CTCI University conduct the specialty training programs by instructing the employees and offering the employees with the chance to practice subject to the nature of work, the Company's business needs or requirements under contracts and laws, and have employees participate in the actual operation adequately to upgrade their competence;

- (C) Management training: College of Leadership, CTCI University arranges the management programs subject to the Company's status and development needs, and makes the programs available to the various departments' management.
- (D) General knowledge training: College of General, CTCI University plans general knowledge training programs together with relevant units in accordance with the employees' training policy, objective and strategy, and make the programs available to the whole employees;
- (E) Self-development training: Including English comprehension training arranged in order to upgrade the colleagues' international language ability, and on-the-job advanced studies in domestic and foreign colleges/universities to advance employees' competence; The operations related to the employees' training programs shall be conducted in accordance with the "CTCI Employee Training Management Procedure" and "CTCI Employee's Professional Competency Assessment and Management Procedure".

D. Retirement system and implementation thereof

The Company enforces the workers' retirement rules pursuant to the Labor Standard Law and allocates the pension reserve on a monthly basis. The rules are outlined as following:

- (A) All of the Company's employees shall comply with the rights and obligations defined in the workers' retirement rules.
- (B) The Company allocated the pension reserve equivalent to 5% of the total salary on a monthly basis before the end of September 2002, and 6.5% thereof after October 2002. The pension reserve will be deposited to the exclusive account maintained at the Bank of Taiwan. As of July 2005, the Company has executed the new system according to the employees' will and choice, and allocated the pension fund according to the Labor Pension Act.
- (C) Payment of pension fund: The Company paid the pension fund pursuant to the Labor Standard Act or Labor Pension Act pursuant to laws subject to the employees' choice as of Jul. 1, 2005.
- (D) The Company has the supervisory committee of workers' retirement reserve fund that meets quarterly.

E. Other important agreements

- (A) The Company is engaged in the engineering service and possesses qualified personnel, a definite management philosophy, and a well-founded management system. In addition to the ordinary organization and system, the communication channels also include employees' forums and labor and employer meetings held on a scheduled or non-scheduled basis, and installation of a suggestions box, so as to establish common consensus and a harmonious relationship between the employees and employer through the various channels.
- (B) The Company is engaged in the business where the Labor Standard Law may apply and, therefore, it shall operate in accordance with the Labor Standard Law.
- (C) Written undertaking for non-disclosure, non-competition and intellectual property right to secure the going concern, protect the group members' interest and complete the corporate governance, the Company amends the "written undertaking for non-disclosure and copyright & patent right" to the "written undertaking for non-disclosure, non-competition and intellectual property right" and hopes that all employees may comply with the undertaking. All employees of CTCI and its domestic affiliates and overseas companies have already signed the undertaking.

4.5.2 Loss suffered by the Company due to dispute between labor and employer in the most recent fiscal years

The Company is used to valuing the employees' benefits and calling a labor and employer meeting and welfare committee meeting on a quarterly basis, and also installs the suggestions box to make a two-way communication channel available to employees. Therefore, the relationship between labor and employer is harmonious and no dispute over labor has arisen in the past. No material loss or punishment has been suffered by the Company due to dispute between labor and employer in the past three years. In the future, the Company will continue to adhere to the same principle and solidify the relationship between labor and employer further.

4.5.3 Guidelines for ethical conduct

1.0 Purpose

Guidelines for ethical conduct ("the Guidelines") are adopted to assist CTCI to foster a corporate culture of ethical management, preventing employees taking advantage of their positions in exchange for improper benefits.

2.0 Scope

These Guidelines are applicable to CTCI employees, subsidiaries, and other institutions or juridical persons which are substantially controlled by CTCI ("business group").

3.0 Definition

3.1 Vendor: Including suppliers, third parties and subcontractors.

3.2 Family: Employee and their spouse and relatives within three degrees of consanguinity.

3.3 Confidential information: Including all CTCI methods, techniques, processes, programs, or other information that can be used for production, sale or business operation.

3.4 Intellectual property: Including all CTCI patents, trademarks, copyrights and trade secrets.

4.0 Responsibility

4.1 Human Resource Department: Establish guidelines of ethical conduct and accept accusations.

5.0 Operation Procedure

5.1 Gift receiving norm

5.1.1 If CTCI is the Party A in contract:

A. Shall not ask for, expect or receive any money and goods gifted by the downstream vendor (Party B in contract) having existing contractual relationship or might establish cooperation relationship with CTCI, including but not limited to: cash, coupon, present, entertainment ticket, fruit, food, liquor, tea, stationery, travel hospitality, commodity discount coupon, membership card, painting and other properties or preference in personal shopping.

B. But under general social etiquette and custom circumstances below, the gift may be received when not affecting the specific rights and obligations:

- a. The gift is the souvenir distributed extensively and with the Logo of gifting company, such as calendar, notebook, pen drive, card case, tie, tie clip etc. or other management or inspirational books.
- b. When being invited to dinner party or other communicative activities, CTCI employee has reported to the supervisor (*Notes) and been approved in advance.

* Notes: the supervisor of CTCI is the head of BU, the supervisor of subordinate unit is the President, so is the other companies under the Group.

5.1.2 If CTCI is the Party B in contract:

For the present gifted to our company by Party A's customer (landlord) and partner of our company, dinner party or other communicative activities, it may be accepted with prior report to the supervisor (*Notes).

* Notes: the supervisor of CTCI is the head of BU, the supervisor of subordinate unit is the President, so is the other companies under the Group.

5.2 Preventing conflicts of interest

CTCI employees are allowed to conduct personal investments and other business activities under the limitation of following requirements, in order to avoid conflicts of interest between employee and CTCI, which may further affect the loyalty of such employee:

5.2.1 Avoid personal gain during business operations:

- A. CTCI employees shall not participate in business operations if business relationship appears between CTCI and their family.
- B. CTCI employees shall not directly or indirectly accept any improper benefits when conducting business operation.

5.2.2 Avoid part-time job and/or competing with CTCI:

- A. CTCI employees shall not accept other company's employment during tenure.
- B. Direct or indirect relationship with competitors shall be avoid, including part-time/full-time employment and contractor of companies in the same business, CTCI's clients or vendors, CTCI's competitors and its supplier.
- C. Effects on CTCI clients and/or vendors lead to disadvantage of CTCI shall not occur.

5.2.3 The measures of relatives' employment of related industries:

- A. To avoid disadvantaging CTCI and conflicting with interests of CTCI, CTCI employees shall not sharing confidential information with their relatives who is employed by a company in the related industries, and their companies as well.
- B. CTCI employees shall proactively submit to Human Resource Department in written form if his/her relatives hold a business relationship with CTCI.

5.2.4 CTCI employees shall submit to Executive Management Office in advance if he/she is a director of the board, supervisor or consultant of a company in the related industries, excluding those of CTCI affiliates.

5.3 Protection of business confidentiality and intellectual property rights

5.3.1 All types of documents and information shall not be altered or modified by CTCI employees.

5.3.2 CTCI employees shall not discuss their work with non-CTCI employees and leak confidential information which has not been revealed by CTCI to others.

A. The article above is still valid after resigning or retiring.

5.3.3 Before CTCI patent or confidential information is revealed, CTCI employees shall not disclose it in any ways, including disclosing it in CTCI. The disclosure in CTCI should be authorized or assigned, and the disclosure out of CTCI should be done after subscribing the contract of confidentiality.

5.4 Fair trade with vendors

5.4.1 Vendor selection

A. Vendors shall be fairly selected based on the technical specification, quality, duration and business requirements with the most competitive price. CTCI employees shall not choose vendors with preference and ignore CTCI's interests.

B. Employees participating in vendor selection shall avoid doing any activity that might be seen as the cause for vendor selection result.

C. Employees participating in vendor selection shall not provide any information relating to the contract or proposal to irrelevant third parties.

D. CTCI's goals in procurement are "Best price, suitable quality, and prompt delivery". CTCI employees should assist our vendors to accomplish the quality and quantity of their products or services.

5.4.2 Dealing with vendors

A. CTCI employees should treat all vendors in positivity, fairness, and politeness.

B. CTCI employees shall not disclose confidential information to vendors.

C. CTCI employees should avoid contacting vendors due to non-business-related affairs.

5.5 Steps to determine the ethicalness of behavior

5.5.1 Ethical Decision Making

When CTCI employees have concerns about their own acts, or find anyone has suspected unethical behavior within CTCI, employees should take the following steps:

A. Assess that if there is any adverse effect to CTCI, other people, and yourself, due to the behaviors, according to the section 5.2 in Guideline.

B. Taking action after assessing the above statement, and should be noted the following principles:

- a. The action plan shall comply with laws and regulations.
- b. The action plan shall meet CTCI's policies.
- c. CTCI's employees may consult ethic-responsible department before deciding to take the action.

5.5.2 Questions to consider

When CTCI employees are faced with a situation not stated in this Guideline, the following questions may help them decide the right course of action:

- A. Am I personally uncomfortable about the course of action?
- B. Would I be unwilling or embarrassed to tell my family, friends, or coworkers?
- C. Could someone's life, health, safety, or reputation be endangered by my action?
- D. Would such action damage CTCI's reputation if it appears on the news?
- E. Would I be regret of such action?

5.6 Reporting and disciplinary procedures for violation

5.6.1 Disciplinary system

- A. CTCI employees shall acknowledge the rules and their obligations. Employee violates the Codes of Ethical Conduct shall be reviewed by the Rewards and Punishment Committee, and penalized according to "CTCI Employees Reward and Punishment Regulations". Employees who are in significant violation of this Conduct may be subject to disciplinary action up to and including termination of the labor contract.
- B. Apart from being penalized according to the CTCI internal rewards and punishment related policies, CTCI may conduct civil or criminal lawsuit based on the severity of violation.

5.6.2 Reporting system

- A. CTCI employees who discover any violation of this Conduct or other unethical activities shall report under their real name or anonymously according to "Accusation Management Regulations".
- B. Reporter shall provide specific descriptions and relevant evidences on the concerned person, matter, time, place and object for further investigation.

Reporting channels including:

Online reporting (<https://www.reportnow.com.tw/ctci>) and email (ctci@reportnow.com.tw).

- C. The reporting channel stated above is run by an independent third-party service provider to ensure the unethical activities being reported is conveyed truthfully. CTCI promise to keep the confidentiality of reporters' identity, protecting reporters from inappropriate disciplinary actions due to their whistle-blowing.
- D. CTCI may not conduct investigation or further action if reporters could not provide descriptions and relevant evidences on the concerned person involved. Such reporters may be penalized for malicious complaints.

4.6 Cyber security management

Modern enterprises use IT systems extensively. In order to maintain corporate governance and reduce operational risks, companies must develop complete information security measures to protect the Company's important information assets in order to pursue sustainable business. Faced with the challenges of new-type technology and business model transformation, the Company will adhere to the protection of customers' important intellectual assets and strengthen the reliability and quality of project execution to enhance customer trust. And in line with the owner's requirements or laws and regulations, such as the Business Secrets Act, the Personal Data Protection Act, and the Information and Communication Security Management Act.

The main possible potential security threats include:

- Fraudulent groups use Business Email Compromise (BEC) to trick employees into remittances or transactions.
- Commercial spy or competitors use hacking technology to continuously infiltrate internal hosts and steal internal corporate data.
- Criminal groups combined with hackers to distribute maliciously linked content through emails, newsletters, social media app, and communications software, so that victim computer data is encrypted and abducted, requiring high ransom.
- Hackers use the Internet to launch a large number of connection requests to block the Company's normal network operations.
- Internal employees use illegal software or copy company confidential information to their portable storage devices, resulting in the loss of data.
- Natural disasters and man-made disasters cause information hardware and software or damage, resulting in service interruption or data loss.

For these security threats, CTCI officially began risk management by introducing ISO 27001 standards in 2014, and obtain certification regularly. The certificate is valid from December 24 2023 until October 31 2025. We also joined Taiwan information security information sharing organization "CERT/CSIRT" in 2021. Committed to reducing the probability and impact of risk occurrence and enhancing the Company's ability to continue operations. At the same time, various security measures are introduced to carry out risk management and control in response to the above-mentioned major security threats, including items as below.

- Continue to conduct social engineering attack simulation exercises and provide training on security education to enhance employees' awareness of email security.
- The client installs anti-virus and supervision agent, blocks the connection of the USB storage device as well as the permission to install the software by user. Provide personal cloud service to backup user's important information.
- For the network layer, CTCI introduces Chunghwa Telecom's information security cloud service, combined with a firewall, to control the traffic and applications of the network. Development of intranet protection and database access monitoring and management mechanism.
- Protect file confidentiality through a sensitive file management system and disk encryption technology.
- Centralized management of the host, establishment of the server room control and environment monitor mechanism. Perform data backups on a regular basis and perform disaster recovery drills each year.
- Regular internal and external audits to improve the operation of the information security system.
- To reduce the risk of data leaking and the net attack launched by a hacker, we implement a security control for wireless connection of user's computer. These devices cannot connect to personal AP (usually shared by mobile phones) within the office building.
- Implement email filtering and auditing system to reduce the risk of email use.
- Import external experts to perform cyber security evaluation. Through the integrated security assessments to identify the weakness in information architecture and enhance the protection.
- Implement a network security client for endpoints that protects remote employees, regardless of their location. The firewall protection can be consistently deployed for remote access, ensuring the security of company computers.
- Deploy the Managed Detection and Response service in order to discover and respond to threats in time. It protects confidential documents and critical assets, ensuring business continuity and stability, and enhancing operational resilience.

The WAF service (Web Application Firewall) was implemented in 2024 to protect the website applications from malicious attacks and ensure the normal operation of the Company website. CTCI understands that in the management of security risks, it is necessary to continue to improve with the practice of PDCA. The promotion and implementation of the security management to support the sustainable operation and development of various businesses within the Group is also an important cornerstone for the CTCI IT in the new century.

For better understanding of the Company's information security policy, please refer to CTCI's Policy Statement website for more details:

<https://www.ctci.com/www/ctci2022/upload/page/PG45-F3.pdf>

4.7 Important Contracts

Agreement	Counterparty	Period	Major Contents	Restrictions
EPC	CPC Corporation	2025/01/02 2030/01/16	CPC Talin LNG Receiving Terminal Tank Project, EPC	According to contract content stipulation
EPC	Ras Laffan Petrochemicals	2024/09/17 2027/08/17	RLP 30,000MT Ethylene Storage Tank Project(L/S), EPC, Qatar	According to contract content stipulation
EPCK	Kuo Kuang Power Co., Ltd	2024/09/01 2028/12/31	KKPC 1200MW Power Plant Project, Phase II, EPCK	According to contract content stipulation
EPCK	Northern Region Water Resources Branch, Water Resources Agency, Ministry of Economic Affairs.	2024/06/01 2027/12/31	WRA Hsinchu 100,000 CMD Seawater Desalination DBO Project, EPCK	According to contract content stipulation
EPC	China General Plastics Corporation	2024/01/02 2026/02/28	CGPC Toufen PVC Plant Revamping Project, EPC	According to contract content stipulation
EPsCm	Chiayi City Government Environmental Protection Bureau	2024/01/01 2027/12/31	CYCG 500 TPD Chiayi Waste to Energy BOT project, EPsCm	According to contract content stipulation
EPC	Southern Taiwan Science Park Bureau	2023/12/14 2026/04/01	STSP 80 TPD Solid Waste Treatment Center Expansion Project, EPC	According to contract content stipulation
EPC	CPC Corporation	2023/10/06 2025/07/26	CPC Talin Plant RDS3 Restoration Project, EPC	According to contract content stipulation
EPC	SAFC Hitech Taiwan Co., Ltd.	2023/09/26 2025/03/31	Merck SAFC Kaohsiung Advanced Material Project - TSA, EPC	According to contract content stipulation
EPC	CPC Corporation	2023/05/01 2025/10/31	CPC Talin Plant H2 Project, EPC	According to contract content stipulation
EPC	Micron Technology Taiwan, Inc.	2023/03/22 2024/12/22	Micron F11 CUB 6&7 Project, EPC	According to contract content stipulation
EPC	CPC Corporation	2023/01/15 2027/05/15	CPC Talin Tank Farm VOC & Utility (PKG IV-1) Project, EPC	According to contract content stipulation
EPC	Hon Hai Precision Industry Co., Ltd.	2022/12/31 2024/10/31	Hon Hai Li-Battery Plant Project, Kaohsiung Ho Fa Industrial Park, EPC	According to contract content stipulation
EPC	Ras Laffan Petrochemicals	2022/12/15 2026/08/15	QE/CPChem - Petrochemical Complex Project, EPC, Qatar	According to contract content stipulation
EPC	CPC Corporation	2022/11/01 2025/09/15	CPC Talin Tank Farm 2 Cryogenic Tanks and Receiving Facilities Project (PKG-VIII), EPC	According to contract content stipulation

Agreement	Counterparty	Period	Major Contents	Restrictions
EPC	CHIMEI CORPORATION	2022/06/01 2024/06/30	CHIMEI Tainan Revamping Work, EPC	According to contract content stipulation
EPC	Department of Rapid Transit Systems Taipei City Government, SEMPO	2021/11/01 2031/12/31	DORTS, Taipei Circular Line North and South Section E&M System, AFC and Trackwork Project, EPCK	According to contract content stipulation
EPC	PT Chiyoda International Indonesia	2021/08/12 2024/08/15	PTFI MS Project, EPsCm	According to contract content stipulation
EPC	SUN BA Power Corporation	2021/07/01 2024/06/30	Sun Ba Power Combined Cycle Power Plant Project, Phase II, EPCC	According to contract content stipulation
Procurement & Construction	Futsu Construction Co., Ltd.	2021/03/01 2026/12/12	Taoyuan Metro Green Line GC03 MEP Project	According to contract content stipulation
EPC	CPC Corporation	2021/01/15 2024/07/06	CPC Talin Tank Farm 41 Tanks PKG-7 Project, EPC	According to contract content stipulation
EPC	CPC Corporation	2020/12/15 2024/12/31	CPC Talin Tank Farm Utility & Offsite PKG-2 Project, EPC	According to contract content stipulation
EPC	Taiwan Power Company	2020/09/03 2028/05/01	TPC Taichung Combined Cycle Power Plant Project, EPCC	According to contract content stipulation
EPC	Taiwan Power Company	2020/09/03 2028/02/01	TPC Hsinta Combined Cycle Power Plant Project, EPCC	According to contract content stipulation
EPC	Taiwan Power Company	2020/07/01 2025/11/30	TPC Taichung LNG Regas Project, EPCC	According to contract content stipulation
EPC	CPC Corporation	2020/02/08 2024/04/30	CPC 3 rd LNG Receiving Terminal Regas Project, EPC	According to contract content stipulation
EPC	CPC Corporation	2018/11/21 2024/08/30	Taiwan CPC Third LNG Receiving Terminal Tank EPC Project	According to contract content stipulation
BTO	Kaohsiung City Government	2018/10/31 2035/10/30	Taiwan KCG 33,000 CMD Linhai WWRU BTO Project	According to contract content stipulation
BOT	Taoyuan City Government	2018/08/13 2043/08/12	Taoyuan City Biomass Energy Center BOT Project	According to contract content stipulation
EPC	Department of Rapid Transit Systems Taipei City Government, SEMPO	2018/06/12 2027/06/30	Taipei MCT Wanda Line System E&M Phase 1 Project (EPCC)	According to contract content stipulation
BTO	Kaohsiung City Government	2016/08/22 2033/08/21	Taiwan KCG 45,000 CMD WWRU BTO Project	According to contract content stipulation
BOT	Taoyuan City Government	2016/08/19 2054/08/18	TYCG 156,800 CMD Chungli Sewerage System BOT Project	According to contract content stipulation

V. Review of Financial Conditions, Financial Performance, and Risk Management

5.1 Analysis of Financial Status

5.1.1 Analysis of Financial Status

Unit: TWD thousands

Item \ Year	2024	2023	Difference		Remark
			Amount	%	
Current Assets	75,162,402	81,028,738	(5,866,336)	(7.24)	
Property, Plant and Equipment	13,935,793	14,263,868	(328,075)	(2.30)	
Intangible Assets	1,319,242	1,134,882	184,360	16.24	
Other Assets	34,358,328	14,211,683	20,146,645	141.76	Note 1
Total Assets	124,775,765	110,639,171	14,136,594	12.78	
Current Liabilities	74,455,526	75,074,406	(618,880)	(0.82)	
Non-current Liabilities	25,651,870	12,785,902	12,865,968	100.63	Note 2
Total Liabilities	100,107,396	87,860,308	12,247,088	13.94	
Equity attributable to owners of the parent	19,646,302	18,026,264	1,620,038	8.99	
Capital Stock	8,121,700	8,036,397	85,303	1.06	
Capital Surplus	6,516,072	5,464,774	1,051,298	19.24	
Retained Earnings	6,665,779	6,208,499	457,280	7.37	
Other equity interest	(1,645,414)	(1,671,571)	26,157	(1.56)	
Treasury stocks	(11,835)	(11,835)	0	0	
Non-controlling Interest	5,022,067	4,752,599	269,468	5.67	
Total Equity	24,668,369	22,778,863	1,889,506	8.29	

Note 1: Other assets increased due to the second-tier subsidiary, CTCI Americas Inc. (“CTCI Americas”), received a notification letter from the owner on October 21, 2024, claiming that there were defects in CTCI Americas’s construction project, the completion of construction was delayed, and the owner terminated the contract of the project with CTCI Americas starting from this date. CTCI Americas has discontinued its work in relation to the project. On October 22, 2024, the Group appointed a legal counsel to issue a legal opinion on the unilateral termination of the contract by the owner, and considered that the contract had been improperly terminated as the owner did not comply with the notification and improvement procedures as stipulated in the contract. The Group is of the opinion that CTCI Americas has complied with the owner’s design requirements, and the construction work had been accepted by the owner at each stage. As there were no defects in the construction project and delays in the completion of the construction as stated in the letter from the owner, it was inappropriate for the owner to terminate the contract arbitrarily. The Group had replied to the owner in writing. The Group received a notification letter from the owner on November 20, 2024, expressing its intention to continue negotiating with the Group. However, as of February 27, 2025, both parties are still in the ongoing negotiation. The Group completed the filing of a Mechanic’s Lien to protect the Company’s rightful interests on November 26, 2024. Accordingly, the amounts expected to be collected in more than one year were classified as long-term receivables.

Note 2: Non-current Liabilities increased due to an increase in long-term borrowings.

5.1.2 The evaluation basis of the balance sheet valuation items

Item	B/S valuation item	Evaluation reference	Evaluation basis
1	Monetary assets denominated in foreign currency	Spot rate on balance sheet date	Compute exchange gain or loss based on the spot rate.
2	Financial assets and liabilities at fair value through income statements	Fair market value on balance sheet date	Evaluate based on the fair market value.
3	Allowances for doubtful accounts	Historical records and credit references	The recognition and valuation of allowance-for-bad-debts are based on the controlling credit risks of our clients which are categorized such as excellent customers, general customers, individual assessment customers, etc. A certain percentage of allowances for bad debts are determined according to the valuation of aging of accounts receivable in each category. Note: The accounts receivables from related parties are not subject for allowances-for-bad-debts. However if special credit risk prevails, the allowance for bad debts will be evaluated according to the risk.
4	Allowances for inventory valuation and obsolescence losses	Not applicable to the Company	Not applicable to the Company.

5.2 Analysis of Financial Performance

5.2.1 Analysis of Financial Performance

Unit: TWD thousands

Item \ Year	2024	2023	Difference		Remark
			Amount	%	
Operating Revenue	119,924,617	103,527,201	16,397,416	15.84	
Operating Costs	(113,326,658)	(98,169,881)	(15,156,777)	15.44	
Gross Profit	6,597,959	5,357,320	1,240,639	23.16	Note 1
Operating Expenses	(2,267,450)	(2,078,361)	(189,089)	9.10	
Operating Income	4,330,509	3,278,959	1,051,550	32.07	Note 1
Non-operating Income and expenses	49,131	222,736	(173,605)	(77.94)	Note 2
Profit before Income Tax	4,379,640	3,501,695	877,945	25.07	Note 1. Note 2
Income Tax Expense	(1,444,724)	(646,369)	(798,355)	123.51	Note 3
Non-controlling Interest	(992,533)	(964,010)	(28,523)	2.96	
Income attributable to owners of the parent	1,942,383	1,891,316	51,067	2.70	

The analysis of the differences:

Note 1: Operating revenue and operating costs increased, due to the increase in new contracts, and start gradually in construction.

Note 2: Compared to 2023, the decrease in consolidated non-operating income and expenses in 2024 is mainly due to an increase in finance costs.

Note 3: Income tax expense increased, due to profit before income tax increased.

5.2.2 Mainly attributed factors of predetermined sales volume in the next year and anticipated sales volume increasing and decreasing

In order to expand the basis of business and sustainable operation and provide customers with services to improve performance, 2025 will continue to promote the combination of R&D innovation and business. In addition to the continuous strengthening of manpower and technology, it is also committed to enhancing the effectiveness of internal and external cooperation, complete quality and industrial safety management, maintaining the Group's "most reliable" brand spirit, and pursuing "professionalism, integrity, teamwork, innovation" Corporate philosophy, creating profits and value for shareholders.

5.3 Analysis of Cash Flow

5.3.1 Cash Flow Analysis for the Past 2 Year

Item \ Year	2024	2023	Difference ratio (%)
Cash Flow Ratio (%)	(8.80)	3.95	(322.78)
Fund Flow Adequacy Ratio (%)	40.50	102.74	(60.58)
Cash Re-investment Ratio (%)	(17.57)	1.90	(1,024.74)

Explanation to changes:

1. Cash flow ratio decreased due to cash outflow from operating activities increased.
2. Fund flow adequacy ratio decreased due to cash outflow from operating activities increased.
3. Cash re-investment ratio decreased due to cash outflow from operating activities increased.

5.3.2 Analysis of Cash Liquidity

The cash outflow of Year 2024 is TWD 6,288.319 million. The cash balance in the end of the year is TWD 21,116.61 million. Cash liquidity is fine.

5.3.3 Analysis of Cash Liquidity for the Coming Year

Unit: TWD thousands

Cash Balance at Beginning for the Year	Expected Net Cash Flow from Operating Activities	Expected Cash Inflow (Outflow)	Expected Cash Surplus (Deficit)	Leverage of Expected Cash Deficit	
				Investment Plans	Investment Plans
21,116,610	6,106,064	(3,488,172)	17,628,438	-	-

1. Analysis of change in cash flow in Year 2025:

- (1) Operating activities: Backlog leads to cash inflow.
- (2) Investing activities: The expected cash outflow is mainly due to new business investment.
- (3) Financing activities: The expected cash outflow is mainly due to cash dividends to investors.

2. Liquidity analysis and remedial measures against cash deficit: None.

5.4 Major Capital Expenditure Items: None.

5.5 Investment Policy in the Most Recent Year, Main Causes for Profits or Losses, Improvement Plans and the Investment Plans for the Coming Year

The Company has established subsidiaries in China, Thailand, Malaysia, Vietnam, India, the Middle East, the United States, Singapore and Indonesia; branches in United Arab Emirates and Qatar; CTCI Indonesia representative office. In accordance with strategy of development of U.S.A, the possibility of enlargement investment in US market is under evaluation recently. To strengthen global market position, CTCI would keep assessing overseas markets and future growth, and expand its global footprints timely to enhance the international competitiveness.

5.6 Analysis of Risk Management

5.6.1 Effects of Changes in Interest Rates, Foreign Exchange Rates and Inflation on Corporate Finance, and Future Response Measures

A. Interest rate

Unit : TWD thousands

Item	2024	2023
Interest Income	598,781	352,899
Interest Expense	1,192,480	748,734
Investment Gain on Money Market Fund	93,520	64,633
Sales	119,924,617	103,527,201
Net Income before Tax	4,379,640	3,501,695

Besides deposits, the Company invests inactive money mainly in money market funds, which highly correlate with market interest rates. However, the investment gain on money market fund is not credited to interest income but to gain on disposal of investment. Therefore, to analyze the effects of changes in interest rates should consolidate interest income/expense and gain on disposal of money market fund. Due to the Central Bank raise the interest rate and the devaluation of TWD in 2024, the funds originally deposited in USD and money market funds denominated in TWD, which cause the total interest income and investment gain on money market fund increase by TWD 274,769 thousand over 2023. The consolidated interest expense of 2024 increase by TWD 443,746 thousand over 2023, mainly due to because the increase in corporate bonds and bank loans of the Company. For inactive money, the Company will continue to look for higher-yield financial products with safety and proper liquidity to achieve the purpose of earning stable investment profits.

B. Foreign exchange rates

Unit : TWD thousands

Item	2024	2023
Net Foreign Exchange Gain/Loss(A)	77,739	28,681
Sales (B)	119,924,617	103,527,201
Net Income before Tax (C)	4,379,640	3,501,695
A/B(%)	0.06	0.03
A/C(%)	1.78	0.82

The business line of CTCI includes engineering design, procurement, fabrication, construction, supervision, project management, test & commissioning and environmental protection. All business work can be separated into two parts as domestic projects and overseas projects according to its location. For cash-in side, domestic projects are usually signed in New Taiwan dollar, and sometimes in other foreign currencies; overseas projects are usually signed in US dollar and local currency. For cash-out side, the currencies of payment are usually decided by service location or procurement region. Therefore, the Company must keep appropriate foreign assets and liabilities to operate general activities. Thus the appreciation or depreciation of major currencies, like US dollar, Japanese Yen, and Euro, will influence foreign exchange profit/loss of the Company.

To lower the influence on changes in foreign exchange rates, the Company adopts natural hedge strategy, including contracts in different currencies or asking multiple-currency contracts to cover major payment in different currencies. For other FX exposure, the Company also has concrete methods to hedge the risks. Thus, the changes in foreign exchange rates little affect the income of the Company.

According to above table, the ratios of foreign exchange profit/loss to sales and net income before tax are slight. That means the changes in foreign exchange rates have limited influence on the sales and net income before tax. The concrete methods to hedge FX risks are as below,

- a. To know well update trends of major currencies, and adjust FX position timely.
- b. To create internal hedge effect by netting foreign receivables and payables.
- c. For payment in foreign currencies, to forecast the direction of payment currencies and analyze the potential profit and loss of foreign exchange, and then choose leads or lags strategy to hedge FX risks and achieve the goal of saving costs.
- d. In order to allocate optimal capital position, to open foreign currency deposit accounts to collect foreign income and convert it into New Taiwan dollar or other strong currencies based on actual cash flow demand or FX tendency.
- e. To use forward contracts or other tools to hedge FX risks.

C. Inflation

Item	2024	2023
CPI	107.81	105.51
Annual Change of CPI(%)	2.18	2.49
Construction Cost Indices	111.40	109.23
Annual Change of Construction Cost Indices(%)	1.99	1.74
Profit margin(%)	5.50	5.17

Source : Directorate General of Budget, Accounting and Statistics, Executive Yuan (DGBAS)/ Base year 2021.

Due to the industry nature of the Company, the analysis of inflation should be referred to not only CPI but also Construction Cost Indices.

The Consumer Price Index (CPI) in 2024 reached 107.81, with an annual growth rate of 2.18%, marking the third consecutive year above 2%. However, the rate of increase has moderated for two consecutive years. The main factors driving CPI growth include climate impacts, geopolitical uncertainties affecting food and fuel prices, service price rigidity, and utility rate adjustments.

Looking ahead, the Taiwan Institute of Economic Research forecasts that domestic demand will remain the key driver of economic growth in 2025, while net external demand is expected to improve. Although economic performance is projected to stay stable domestically and gradually recover externally, a higher base period may result in a lower growth rate compared to 2024, with GDP estimated at 3.15%. Global economic conditions remain mixed—the U.S. and China face consumption and investment challenges, while Europe and Japan are expected to rebound. Additionally, emerging markets (Southeast Asia, South Asia, Africa, and Latin America) are anticipated to perform better than in 2024. International institutions generally predict that global economic growth in 2025 will be similar to 2024, while global trade growth is expected to improve, benefiting Taiwan's export sector.

The 2024 Construction Project Price Index increased by 1.99% year-on-year, reflecting a rise from 2023. Public construction funding exceeded NTD 780 billion, with an execution amount of approximately TWD 739.2 billion, the highest in 17 years, achieving an execution rate of over 93%. Investments covered key areas such as transportation, economic development, and water resources, supporting essential infrastructure projects. In 2025, Taiwan will continue to advance major construction projects steadily, ensuring their effective implementation.

The Company will do the best to take potential inflation and raw material prices into account during whole project period in bidding stage. However, the profits will still be eroded once the price increase is more than expected. The Company will continue to watch price changes closely and reflect them to project contract quotation simultaneously; furthermore the Company also executes derivatives to hedge operational risks from potential inflation.

5.6.2 Policies, Main Causes of Gain or Loss and Future Response Measures with Respect to High-risk, High-leveraged Investments, Lending or Endorsement Guarantees, and Derivatives Transactions

The Company is devoted to develop EPC service business and does not engage in high-risk and high-leveraged investment. As for lending to others, guarantees and derivatives transactions all are executed according to the Company's "Rules Governing Procedure for Loaning of Funds", "Rules Governing Procedure for Making of Endorsements or Guarantees" and "The Procedure for Acquisition and Disposition of Assets".

5.6.3 CTCI enhance our core competitiveness by self-research development, introduce new technologies and techniques, strengthen the professional skill and form a competitive advantages in order to achieve one of the future business strategies. The Future Research & Development Projects and Corresponding Budget are as follows:

A. Current Project Progress (as of February 28th, 2025), Budget and Estimated Time to Finish

Item	Project Name	Current Progress(%)	Budget	Estimated Time to Finish
1	Artificial Intelligence Research and Developmen	18	27,300,000	2025.12.31
2	Intelligent AI for Heat Exchanger Design	35	5,500,000	2025.12.31
3	Application of AI in Automatic Fire Pipeline Hydraulic Calculation	17	3,200,000	2025.12.31
4	Process Automation and New Technology Research and Development	18	10,000,000	2025.12.31
5	Procurement Process Automation	20	950,000	2025.12.31
6	Digital Twin for Maintenance Management (3D Maintenance)	17	6,000,000	2025.12.31
7	AWP Self-Management	17	800,000	2025.12.31
8	CTCI Digital Twin Development	30	7,000,000	2025.12.31
9	iSchedule Development	25	450,000	2025.12.31
10	Tag Platform 2.0 Developmen	19	550,000	2025.12.31
11	Intelligent Application Development for Turnkey Projects	16	8,500,000	2025.12.31
12	Large Pipeline Cleaning Robot Development Phase III	23	3,300,000	2025.12.31
13	Pipeline Flange Bolt Tightening Robot Improvement	25	2,050,000	2025.12.31
14	Preservation APP New Features and System Optimization	23	2,000,000	2025.12.31
15	Engineering Research and Development Service	17	2,250,000	2025.12.31

B. Risk Management of RD

There are various risks in the RD process, and the only way to minimize RD risks throughout the RD life cycle is to understand the relevant RD risks in advance and improve the ability to manage risk prevention. CTCI conducts risk management in terms of technology, talent and intellectual property rights to avoid operational risk factors that may arise from the RD process.

- Technology risk management – Conduct annual professional capabilities and technology inventories, develop the next year's RD plan to cultivate professional skill, and always pay attention to market dynamics and technological advances in order to avoid insufficient innovation due to market or technological factors.
- Talent risk management – the RD director and RD engineers work out an individual development (IDP) to encourage self-learning and self-improvement every year, and to avoid problems such as brain drain, talent shortage and talent training, which may affect the progress and quality of RD projects and lead to poor RD efficiency.

- c. Intellectual property risk management – follow the Company's intellectual property rights management guidelines and confidentiality agreement management guidelines to instill the concept of intellectual property rights in RD personnel to avoid intellectual property rights infringement and failure to protect intellectual property rights, which may affect the RD investment and sustainable business development of the enterprise.

5.6.4 Effects of and Response to Changes in Policies and Regulations Relating to Corporate Finance and Sales: None.

5.6.5 Effects of and Response to Changes in Technology (including Information Security Risk) and in Industry Relating to Corporate Finance and Sales:

Losses due to major information security incidents in 2024 and up to the date of publication of the annual report: None.

5.6.6 The Impact of Changes in Corporate Image on Corporate Risk Management, and the Company's Response Measures: None.

5.6.7 Expected Benefits from, Risks Relating to and Response to Merger and Acquisition Plans: None.

5.6.8 Expected Benefits from, Risks Relating to and Response to Factory Expansion Plans: Not Applicable.

5.6.9 Risks Relating to and Response to Excessive Concentration of Purchasing Sources and Excessive Customer Concentration:

CTCI provides engineering consultancy and professional EPC lump sum turn-key services. To ensure the supply of materials/equipment required for construction, we maintain good relationships with suppliers. The supply chain is extensive and comes from all over the world. Products which are procured by Company depend on requirements from customers and projects, without fixed procurement items. Purchasing method is conducted through open bidding with three or more qualified suppliers to ensure procurement flexibility. In order to avoid excessive customer concentration, our products and services are spread across many regions, including Taiwan, India, the United States, China, the Middle East, South East Asia, etc., and diversified development is not limited to a single field, the main business by Industry covers hydrocarbon, advanced technology, environment, incinerator, power, LNG, general industry, transportation and other fields, and continues to expand the participation in green, low-carbon, environmental projects.

5.6.10 Effects of, Risks Relating to and Response to Large Share Transfers or Changes in Shareholdings by Directors, or Shareholders with Shareholdings of over 10%

In case of directors or Shareholders with Shareholdings of over 10% of the Company's common share transferring a major quantity of share or changed hands, it might cause fluctuated security price and the possibility of changing directors. The shares transaction of the Company's insiders will report to competent authority by related regulations. There are no large share transfers or changes in shareholdings from last year to the report printed date.

5.6.11 Effects of, Risks Relating to and Response to Changes in Control over the Company: None.

5.6.12 Litigation or Non-Litigation Matters (expressed in thousands of New Taiwan dollars)

- A. On March 31, 2014, CTCI has entered into the building construction undertaking agreement with Oriental Petrochemical (Taiwan) Co., Ltd. and Dayu Mechanical Engineering Co., Ltd. (hereinafter referred as “Dayu”) for the prefabricated installation construction of the above ground piping in 19 districts of Oriental Petrochemical (Taiwan) Co., Ltd. Guanyin Second Field PTA LINE 3 plant project which was owned and undertaken by Oriental Petrochemical (Taiwan) Co., Ltd. CTCI generally assumed all rights and obligations of Oriental Petrochemical (Taiwan) Co., Ltd. arising from the agreement. Due to the adjustment in the details of the work, CTCI has entered into a supplement to the agreement with Dayu on November 18, 2014 to extend the construction period to December 31, 2015. Subsequently, due to Dayu’s manpower shortage seriously, CTCI sent a legal warning letter to Dayu on May 9, 2016 to terminate the agreement. On May 20, 2019, Dayu filed a civil complaint against CTCI, asserted that it suffered the damage caused by CTCI’s delay in starting the construction for 5 months and failure in fulfilling contractual obligations such as not completing the infrastructure on schedule, and therefore claimed for the amount of TWD 120,771 thousand which were the total of retentions, unpaid construction payment, safety and health management fee, profit management fee and night entry assess fee paid on behalf CTCI, and Dayu has changed the claimed amount to TWD 117,176 thousand. CTCI asserted that the prescription of Dayu’s claims had expired and if the court considers the claims had not expired, then CTCI is also entitled to offset the claims with its damages due to Dayu’s reason to re-subcontract causing additional amount of TWD 75,007 thousand and Dayu’s delay penalty amounting to TWD 22,520 thousand. The judge summoned the witnesses of both parties to clarify whether CTCI committed that it was in debt to Dayu when Dayu went to CTCI to negotiate the project payment of the disputed construction in 2017, and also to clarify the reasons for the overdue completion of the disputed construction and the amount Dayu is entitled to claim in accordance with the progress of the project. This case is currently under trial in Taipei District Court. The judgement has been rendered on December 27, 2023, the action and the provisional execution filled by Dayu have been dismissed by the court, and the action’s cost shall be burdened by Dayu, therefore, Dayu has filed an appeal and reduce the claim amount to TWD 37,183 thousand. This case is currently under trial.
- B. The plaintiff, Pao An Fire Equipment Co., Ltd. (hereinafter referred as “Pao An”), a subcontractor of CTCI mainly undertaking the “fire protection engineering of Taipower Talin Power Plant’s main plant”, made a claim by filing payment order against CTCI on February 2020. Pao An asserted that there were an outstanding final payment and an additional construction payment in a total of TWD 82,411 thousand. After CTCI filed the objection, this case is currently under trial in Taipei District Court. During the trial, Pao An further extended the statement of the claim and requested CTCI to pay a total of TWD 96,559 thousand. CTCI asserted that since the construction is not completely accepted by the owner and therefore the final payment hasn’t met the requirements. As for the additional construction cost Pao An demanded, the amount has been confirmed by both parties’ engineers shall be a few million dollars only. Since Pao An needs to pay the penalty for delayed completion, and Pao An also needs to pay the loss arising from the uncompleted works which it shall performed and CTCI handled it by itself finally after CTCI’s notification, CTCI has no obligation to pay Pao An after offsetting the penalty and CTCI’s damage. With respect to Pao An’s claim for a third additional construction cost, CTCI has provided the relevant supporting evidences to the court, stating that the relevant items have been verified by both parties on-site and there are corresponding unit price in the original contract. Thus, the amount verified by CTCI shall prevail, and other items for which Pao An has proposed for additional construction cost are within the scope of the original contract, Pao An is not entitled to claim for additional construction cost. As for the extension of time for completion claimed by Pao An, CTCI asserted that the application should be submitted to CTCI within the deadline in accordance with the stipulation of the contract, otherwise, Pao An is not entitled to claim for additional construction cost and extension of time for completion. CTCI claimed that the additional contract

price shall be deducted by 5% of the total contract price in accordance with the disputed construction contract, therefore CTCI is entitled to claim offset by 5% of the total contract price (TWD 7,050 thousand) due to the additional contract price claimed by Pao An that had not been deducted before. The judgement has been rendered on March 15, 2024, the action and the provisional execution filed by Pao An have been dismissed by the court, and the action's cost shall be burdened by Pao An. Therefore, Pao An has filed an appeal. The two parties failed to reach a settlement in the Taiwan High Court due to the large gap, the case is currently under trial.

- C. The subsidiary, CTCI Smart Engineering Corp., has entered into an electrical and mechanical contract with RPTI International Ltd. (RPTI) on behalf of the joint venture by RSEA Engineering Corp. and CTCI Smart Engineering Corp. for partial permanent work of electrical and mechanical engineering. However, as RPTI International Ltd. was behind schedule, it agreed that CTCI Smart Engineering Corp. hire others to carry out the pending construction. In addition, because RPTI was unable to perform the air conditioning construction as stated in the contract, CTCI Smart Engineering Corp. revoked the air conditioning construction, and re-contract out to Jehng Long Engineering Corp. The aforementioned construction expenses for hiring others and for working on the terminated construction and losses were expected to be paid using RPTI's estimated assessment amount and retention payment. However, RPTI filed a lawsuit with the Taiwan Taipei District Court, alleging improper deduction by CTCI Smart Engineering Corp. and requesting construction payment of TWD 72,024 thousand along with an interest at 5% per annum from November 28, 2007 until the date of repayment. The case was still in trial and CTCI Smart Engineering Corp. filed a counter-claim on August 8, 2008, alleging RPTI's estimated assessment amount and retention amount were insufficient to cover all payables, and requesting payment of TWD 94,569 thousand. The amount of TWD 22,947 thousand of the requested payment of TWD 94,569 thousand shall be paid along with an interest at 5% per annum from July 16, 2008 until the date of repayment, while the remaining request amount shall be paid along with an interest at 5% per annum from the date when RPTI receives the transcription of counter-complaint until the date of repayment. RPTI expanded its claim to request a payment of TWD 111,079 thousand along with an interest. On April 27, 2015, Taiwan Taipei District Court rendered a judgement (Year 2008, Zian-Zi No. 21, Civil case) that CTCI Smart Engineering Corp. needs to pay RPTI an amount of TWD 84,305 thousand which comprises of TWD 72,574 thousand along with an interest at 5% per annum from November 28, 2007 and of the remaining TWD 11,731 thousand along with an interest at 5% per annum from December 15, 2010 until the date of repayment. RPTI's remaining appeal and CTCI Smart Engineering Corp.'s counter-claim were refuted. CTCI Smart Engineering Corp. disagreed with the verdict and filed an appeal with the Taiwan High Court in the prescribed time, asking for rejection to RPTI's claim and judgment of the counter-claim. The counter-claim is requesting RPTI to pay an amount of TWD 75,166 thousand which comprises of TWD 22,947 thousand along with an interest at 5% per annum from July 16, 2008 and of remaining TWD 52,218 thousand along with an interest at 5% per annum from August 9, 2008 until the date of repayment. RPTI filed an incidental appeal requesting CTCI Smart Engineering Corp. to pay another amount of TWD 7,092 thousand along with an interest at 5% per annum from November 28, 2007 until the date of repayment. Taiwan High Court rendered the judgement on August 30, 2017. Refuted the verdict above and commanded that RPTI needs to pay CTCI Smart Engineering Corp. TWD 57,899 thousand along with an interest at 5% per annum from August 9, 2008 until the date of repayment. RPTI appealed to the Supreme Court during the legal period because they disagreed with the judgement. The Supreme Court rendered the judgement that the verdict Taiwan High Court rendered was void and reverted the case back to the Taiwan High Court for a retrial. During the retrial, the judge gave explicit instructions that CTCI Smart Engineering Corp. should obey the tenor sent by the Supreme Court and amend the statement of payment request to the statement of creditor's rights confirmation request, the statement declares that RPTI needs to pay CTCI Smart Engineering Corp. an amount of TWD 57,899 thousand which comprises of TWD 22,947 thousand along with an interest at 5% per annum from July 16, 2008 and of remaining TWD 34,952 thousand along with an interest at 5% per annum from August 9, 2008 until the date of repayment.

and they would be included in the Group's claim in bankruptcy. On March 10, 2020, the Taiwan High Court refuted the verdict by voiding it (except for the confirmed part) again and the rendered the judgement whereby RPTI is required to pay CTCI Smart Engineering Corp. an amount of TWD 48,144 thousand along with an interest at 5% per annum from August 9, 2008 until the date of repayment. RPTI appealed to the Supreme Court during the legal period because they disagreed with the judgement while CTCI Smart Engineering Corp. did not. On April 11, 2021, the Supreme Court refuted the verdict by voiding the aforementioned judgement from the Taiwan High Court in the first retrial again according to the Year 2021, Tai-Shang- Zi No. 136, Civil judgement and reverted the case back to the Taiwan High Court for another retrial. On July 5, 2022, the Taiwan High Court rendered a judgement for the dismissal of the appeal of CTCI Smart Engineering Corp. (that is, maintaining the judgement in the first retrial). CTCI Smart Engineering Corp. disagreed and filed an appeal with the Supreme Court within the prescribed period. The Supreme Court refuted the verdict by voiding the aforementioned judgement from the Taiwan High Court in the second retrial again as indicated in Year 2022, Tai-Shang-Zi No. 2547, Civil judgement. According to CTCI Smart Engineering Corp.'s appointed lawyers, the case was remanded to the Taiwan High Court, and the case number is Year 2024, Chong-Shang-Geng-San-Zi No. 116, Shan-Gu.

5.6.13 Risk management organization framework

For steady growth and development of company, and to grasp on and respond to various risks, whether from internal or external, we have set up "Risk Management and Control Office" for facilitating efficient risk management and supervising related businesses, as well as establishing a risk management culture.

A. Organization chart



*Risk Management Representatives are assigned

B. Responsibility

(A) Risk Management Executive Committee

The Risk Management Executive Committee is the major monitoring mechanism for risk management of the Company, its members mainly include President and Head of Executive Management Office, Business Operations and EPC Operations, President is the Chairman of committee, and the convener is Chief Risk Officer (CRO).

Major responsibilities are as follows:

- Approve risk management policy and rules of the Company;
- Examine risk management report and strategy of the Company, and improvement plan;
- Supervise execution of risk control measure and improvement plan, communicate and deliver risk management affairs with and to all employees;
- Examine and assess the effectiveness of risk management measure and ask relevant unit to propose improvement plan.

(B) Risk Management and Control Office

To ensure continuous effectiveness of risk management mechanism.

Major responsibilities are as follows:

- Establish and promote CTCI Group risk control management mechanism and culture;
- Regularly risk detection and control;
- Promote and coordinate risk management related activities;
- Summarize and submit the risk management report, real time report and other works related to risk management;
- Convene risk management review meeting.

(C) Audit Department

The Audit Department uses the risk assessment results as a reference for drafting the annual audit plan.

(D) Risk Management Representative

Company sets several risk management units in accordance with the functions and each unit designates risk management representative to undertake relevant affairs and contact windows. Roles and responsibilities of risk management representative are as follows:

- Promote the supervision, identification and management of significant risks on behalf of risk management units;
- Summarize and prepare risk registers and improvement plan of the risk management unit, as well as monitor the execution of improvement plan and review the plan regularly;
- Collect and monitor significant risk event and evaluate the impact;
- Report significant risk and relevant improvement plan to Head of Business Operations and provide a copy to the unit of risk management secretary service;
- Deliver the notice of risk management to members of the unit.

(E) All employees

Comply with company policy, perform duty in accordance with the R&R, implement relevant operations of risk management, and report to the supervisor immediately in case of a risk.

5.6.14 Other Major Risks

(A) Monitored risks and responses

CTCI attaches importance to the risk of Cyber Security, Operation, HSE, Quality and Climate and Nature, it also continues to supervise the execution of risk control measure and improvement plan.

Risk Description		Actions Planning
Cyber Security	Cyber Attacks	<ul style="list-style-type: none"> • CTCI is the first in the domestic engineering industry to leading-in ISO 27001 successfully, and continue to inspect and maintain the certificate every year. In 2024, it has passed SGS's surveillance audit. • Continue adopt Managed Detection & Response (MDR) to establish a around-the-clock cybersecurity protection system supplied by the service providers. • Carry out the external inspection of information security regularly. • Continue advancing defense of E-mail, and extending protection to mobile user in order to establish an always-on secure connection. • A web application firewall has been added to protect the website from attacks. • Conducting e-mail social engineering exercises quarterly and having training classes of information security to enhance the cognition of information security for staffs. • To cooperate with external companies of Chunhwa Telecom, Trend Micro and Microsoft Taiwan to strengthen the protection and monitoring of network. Also make the technique to be alliance.
Operation	Insufficient Project Key Talent	<ul style="list-style-type: none"> • For specific positions, engage global engineering headhunting firms to find suitable candidates. • Implement an employee referral program to encourage staff to recommend talented individuals. • Regularly review and identify qualified EPCO staff and reassign suitable individuals to project key positions. • Accelerate Talent Development: Regularly conduct workshops featuring practical courses taught directly by Division/Department heads; facilitate cross-disciplinary and diversified learning through project execution to accelerate the development of core skills.

Risk Description		Actions Planning
	Insufficient Contract Amount	<ul style="list-style-type: none"> Improving core competitiveness, including petrochemical products and domestic and foreign Natural Gas-related business opportunities, incinerators and Gas-Fired Power Plants. Adjusting business strategies and strengthen efforts to capture Energy Transition business opportunities: Carbon Restocking, Blue Hydrogen/Ammonia, Renewable Fuels, Electronic Grade Specialty Chemicals projects, Energy Storage, Wind power (onshore and offshore Substations) Geothermal and so on. Adjusting bidding strategies, differentiate competitors, and increase competitiveness: <ul style="list-style-type: none"> Enhance price competitiveness through the group's multiplication of synergistic resources, AI applications and digital innovation. Create brand premium through ESG. Flexibly use smart tools to solve customers' pain points in building factories and improve customer stickiness.
	Risks of the Israel-Palestine Conflict on Middle East Operations	<ul style="list-style-type: none"> Ongoing Projects: <ul style="list-style-type: none"> Closely follow up with payment status to ensure milestone/progress payments are made as approved. Enhance oversight of JV project profits to ensure profit distribution is handled according to milestones. Sign long-term contracts with freight forwarders and detail controlsupplier's delivery schedules to minimize the impact of Red Sea shipping restrictions on freight costs and project schedules. Potential Project and Strategies: <ul style="list-style-type: none"> Follow the projects in the relatively politically and economically stable "Gulf Cooperation Council (GCC)" region. Select the projects carefully: Use Gate Review to monitor critical items to identify major risks in contracts and bids and formulate corresponding strategies. Expand or diversify supply chains to mitigate the impact of geopolitical risks on project execution.
HSE	Fatal accidents can impact project progress and the Company's reputation	<ul style="list-style-type: none"> Site Heat Stress Prevention: <ul style="list-style-type: none"> Enhance heat hazard protection measures on-site by adding shaded rest areas and providing drinking water or electrolytes. Contractors are required to improve task assignments and management for workers with high health risks. Increase the frequency of Emergency Response Drills and training focused on Heat Stress Prevention. Fall precautions: <ul style="list-style-type: none"> Improve change of construction frame management, including complete fall prevention measures during dismantling and supervision of PPE use. Conduct interview and drill for workers who often violate the rules, and share lessons learned with other projects. Strengthen the safety awareness training of migrant workers: For the migrant task, edit the Thai-version of training videos and continue to promote it everyday before work, in the rest area, and during commuting. Continue weekday/holiday audits and the BU head will hold the nonconformities finding review meeting quarterly to supervise the improvement.

Risk Description		Actions Planning
Quality	Operation without following the procedures	<ul style="list-style-type: none"> To enhance the SOP Updates Seminar: emphasizing the main control points in training materials, expanding the attendees, focusing the feedback from colleagues. Recording the video training materials of quality regulation requirements of Public Construction Work, awareness of project management procedures, and Lesson Learned, etc. to enhance the awareness of colleagues. Quarterly analyze the major audit findings, and incorporate these findings into the main check items of PQM's routine check in next quarter, and review the check results weekly for improvements.
Climate and Nature	Customers may spend less on high Carbon missions investment	<ul style="list-style-type: none"> Set up an energy transition strategy team to search for transition opportunities, such as green hydrogen/ammonia and carbon capture and reuse (CCUS) business opportunities. Collaborated strategically with leading international companies to pursue domestic and international projects in CCS, blue hydrogen/ammonia, and renewable fuels. Continued to integrate the net-zero EPC completion rate into the EPC Operation's KPIs to enhance green transformation efforts and capabilities.

(B) Sensitivity analysis and stress testing

The Company values internal and external issues and the risks and opportunities they may present to the Company's ongoing operations. The responsible unit regularly collects new information and submits it to the responsible authority for identification and discussion of important issues. Critical issues are evaluated to determine connections and impacts to important risk items. The Company conducts sensitivity analysis and stress testing to assess how critical issues' key attributes and variables impact its operations, providing helpful information for decision-making. The Company carefully analyzed and evaluated the risks associated with various financial and non-financial material issues. The Company's risk-bearing capacity remained strong in the face of internal and external environmental changes, as demonstrated by the positive results of the sensitivity analysis and stress tests.

Risk Description	Summary of Sensitivity Analysis and Stress Testing Scenarios	Impact Evaluation upon Occurrence of Risk	Stress Test Results
Financial Risk	The impact of project accounts receivable deviation from schedule on the Company's cash flow	Operating Cash Flow	Pass
Operational Risk	The impact of geopolitical uncertainty on the Company's business	Award of bid in specific countries	Pass
Legal Risk	The impact of U.S. tariff policy changes on construction contractual rights	Schedule and cost of the project	Pass
Accounting Risk	The impact of Global Minimum Tax (GMT) on the tax burden of the CTCL Group	Consolidated profit after income tax of the CTCL Group	Pass

Risk Description	Summary of Sensitivity Analysis and Stress Testing Scenarios	Impact Evaluation upon Occurrence of Risk	Stress Test Results
Cyber Security Risk	The impact of serious cyber security incidents on operation.	System recovery time	Pass
Supply Chain Risk	The impact of global supply chain volatility and uncertainty on project execution	Cost and Profit	Pass

(C) Emerging risks

CTCI attaches great importance to the possibility of emerging risks, therefore emerging risk is being incorporated into the risk management cycle. Through the systematic management system, CTCI continues to identify emerging risks, and focuses on changes in the global environment. CTCI not only launches control measures for emerging risks that may arise, but also looks for opportunities from possible future trends. CTCI sorts external risk issues arised and identifies the emerging risks that are highly relevant to CTCI. This are "The Risk of Global Supply Chain Volatility and Uncertainty" and "The Risk of Geopolitical Uncertainty Causing Changes in Client's Investment Decisions". For above-mentioned emerging risks, potential impacts have been well evaluated and the risk mitigation action plans have been developed for preventing potential impacts accordingly.

5.7 Other Important Information: None.

VI. Special Disclosure

6.1 Summary of Affiliated Companies

Please refer to the Market Observation Post System (MOPS)

Website : https://doc.twse.com.tw/server-java/t57sb01?step=1&colorchg=1&co_id=9933&year=&mtype=K&isnew=true

6.2 Private Placement Securities in the Most Recent Year: None.

6.3 Other Supplementary Information: None.

6.4 Material Event Impact on Shareholders' Equity or Share Price in Recent Years until the Annual Report being published: None.



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