

# 建國工程

CHIEN KUO CONSTRUCTION CO., LTD.

## Annual Report 2025

### 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 and Chinese versions, the Chinese version shall prevail.*

Taiwan Stock Exchange Market Observation Post System: <http://mops.twse.com.tw>  
Chien Kuo Construction Co. Ltd. 2025 Annual Report is available at: <http://www.ckgroup.com.tw>

Printed on March 31, 2026

**I. Names, Titles, Telephone Number and Email Address of the Company's Spokesperson and Deputy Spokesperson**

**Spokesperson**

Name: Ssu-Chia Kung

Title: Vice General Manager

Tel: 886-2-27849730

E-mail: [spokesman@ckgroup.com.tw](mailto:spokesman@ckgroup.com.tw)

**Deputy Spokesperson**

Name: Jing-Tsai Wang

Title: Manager, Finance Department

Tel: 886-2-27849730

E-mail: [spokesman@ckgroup.com.tw](mailto:spokesman@ckgroup.com.tw)

**II. Headquarters, Branches and Plant: No Branches and Plant**

Headquarters

Address: 20F, No. 67, Sec. 2, Dunhua S. Rd., Da'an District, Taipei City 106, Taiwan

Tel: 886-2-27849730

**III. Stock Transfer Agent**

Name: Yuanta Securities

Address: B1, No. 67, Sec. 2, Dunhua S. Rd., Da'an District, Taipei City 106, Taiwan

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

Tel: 886-2-25865859

**IV. Auditors**

Deloitte & Touche

Name: Li-Chun Chang, Wen-Chi Kuo

Address: 20F, No. 100, Songren Rd., Xinyi Dist., Taipei, 11073, Taiwan

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

Tel.: 886-2-27259988

**V. Overseas Securities Exchange**

None

**VI. Corporate Website: <http://www.ckgroup.com.tw>**

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# Chapter 1 Letter to Shareholders

Ladies and gentlemen:

In 2025, global inflation continued to moderate, while the vigorous development of emerging technology applications, such as artificial intelligence (AI), supported continued global economic growth. Domestically, demand for public infrastructure projects and the construction of large-scale commercial office and industrial facilities continues to be released, and Taiwan's construction industry is expected to maintain a steady growth momentum. In 2025, Taiwan's construction cost index recorded a slight year-on-year increase. Meanwhile, the persistent labor shortage resulting from demographic imbalance has kept construction costs at elevated levels. In addition, potential risks such as green inflation arising from the domestic implementation of carbon fees remain major challenges that the construction industry must address with prudence. At the same time, the government's policy execution regarding the target number of social housing units to be built will have a direct impact on the volume of social housing projects available for the Company to undertake. Furthermore, the combined effects of the central bank's credit controls and high mortgage interest rate policies have continued to suppress real estate investment demand. High housing prices have also led consumers to adopt a wait-and-see attitude, prompting developers to become more conservative in the pace of launching private residential projects. In addition, the international political and economic landscape remains subject to numerous uncertainties. In light of these circumstances, the Company has carefully assessed the situation and, with respect to the outlook for the construction industry in 2026, will continue to uphold a prudent and steady approach, progressing step by step while actively identifying and overcoming risks and challenges, and prudently planning the growth drivers for the Company's operations.

In 2025, the Company recorded consolidated revenue of NT\$7,095,608 thousand, representing a 16% increase from 2024. Net income after tax was NT\$903,642 thousand, up 33% year over year, with earnings per share of NT\$4.48. The following is a summary report of the Company's 2025 consolidated business results:

## (I) Operational Highlight

Unit: NT\$ Thousands

Item	2025	2024	Variance between the Two Periods	Growth
Operating revenue	7,095,608	6,120,883	974,725	16%
Operating costs	5,914,298	5,327,156	587,142	11%
Gross profit	1,181,310	793,727	387,583	49%
Operating expenses	450,864	401,773	49,091	12%
Net operating income	730,446	391,954	338,492	86%
Net non-operating income	371,339	419,025	(47,686)	(11%)
Net income before tax	1,101,785	810,979	290,806	36%
Net income after tax	903,642	681,757	221,885	33%

- ✓ In 2025, the Company's operating revenue and gross profit increased compared to 2024, primarily due to certain higher-margin turnkey social housing projects and commercial office and factory building projects being in a large-scale construction phase, as well as an expected increase in project completion margins.

## (II) Cash Flows and Profitability Analysis

### 1. Cash Flows

Unit: NT\$ Thousands

Item	2025
Net cash inflow from operating activities	2,653,424
Net cash outflows from investing activities	(518,625)
Net cash generated from financing activities	(599,833)
Effect of exchange rate changes on cash and cash equivalents	3,849
Net increase in cash and cash equivalents for the period	1,538,815
Cash amount - beginning of the year	810,986
Cash amount - end of the year	2,349,801

- ✓ Net cash inflow from the operating activities was mainly driven by this period's profitability.
- ✓ Net cash outflow from investment activities is primarily attributed to the increase in financial assets measured at fair value through profit or loss.
- ✓ Net cash flows used in financing activities were mainly due to repayment of long-term loans and cash dividends.

### 2. Profitability Analysis

Item	2025	2024	
Return on assets	9.0%	8.0%	
Return on equity	17.7%	13.9%	
Ratio of paid-in capital	Operating income	36.2%	19.4%
	Income before tax	54.7%	40.2%
Net profit margin	12.7%	11.1%	
Earnings per share (NT\$)	4.48	2.91	

- ✓ The increase in key financial ratios compared to the previous year was primarily attributable to improved profitability.

We uphold the core values of “Integrity, Optimization, Wellbeing and Harmony”, and are committed to operating with honesty and integrity. We cultivate a learning organization through a growth mindset, and continuously strives to keep pace with developments and pursue excellence in its areas of professional expertise. We have brought together a team of like-minded professionals to realize our corporate vision of “Intelligent Construction” and a “Sustainable Future” through structural innovation and long-term value creation. Leveraging our technological strengths, we drive improvements in quality and efficiency, while implementing sustainability principles through low-carbon and energy-saving technologies. Together, we embrace our corporate social responsibility, striving for harmony with the environment, and have built a new-generation construction team: Powered by technology, embracing social purpose and a humanistic aesthetic. The Company has been committed to implementing and further deepening ESG initiatives. In 2025, the Company was honored with a Top 5% ranking in the NT\$5 billion to NT\$10 billion market capitalization category in the 11th Corporate Governance Evaluation, as well as the Silver Award in Category 1 – Real Estate and Construction Industry of the 2025 TCSA Sustainability Report

Awards. In addition, the Zuoying Chongshi Social Housing Project undertaken by the Company received the Excellence Award in the 2025 Engineering Sustainability and Environmental Aesthetics Awards presented by the Chinese Institute of Civil and Hydraulic Engineering. Looking ahead to 2026, we will continue to maintain diversified business sources across public infrastructure projects, commercial office buildings, and residential developments. In addition to strengthening the Company's long-term competitive advantages through technological and automation-driven initiatives, including the development of low-carbon construction methods and patented technologies, the adoption of AI and big data to manage construction risks, and the continued use of technology-driven R&D, we will further promote a systematic management framework to comprehensively enhance architectural aesthetics and construction quality. Step by step, through continuous and progressive improvement, we will move steadily toward realizing our corporate vision of "Intelligent Construction, Sustainable Future."

Last but not least, may all shareholders

Peaceful and joyful

**Chairman: Chang-Shiou Wu**

## Chapter 2 Corporate Governance Report

### I Information on Directors, General Managers, Vice General Managers, Assistant Managers, and Heads of Departments and Branches

#### (I) Board of Directors

##### 1. Directors Information

Date of Book Closure: March 31, 2026

Title	Nationality or Place of Registration	Name	Gender Age	Date Elected (Inaugurated)	Tenure	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding currently		Shareholding by Nominee Arrangement		Experience (Education)	Positions Currently Held with the Company or Other Companies	Executives, Directors or Supervisors who are spouses or within two degrees of kinship			Note
							Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio			Title	Name	Relationship	
Chairman	Republic of China (R.O.C.)	Chien Hwei Investment Co., Ltd. Representative: Chang-Shiou Wu	Male 66-70	2024.06.18	3 years	2012.06.18 2012.06.18	46,011,532 0	18.25% 0.00%	37,769,225 242,000	18.73% 0.12%	0 1,280	0.00% 0.00%	0 0	0.00% 0.00%	PhD. Civil Engineering & Engineering Mechanics, University of Arizona (USA)	Chairman (corporate representative) and General Manager, CKTech Engineering Co., Ltd. Director (corporate representative), Golden Canyon Venture Capital Investment Co., Ltd. Director (corporate representative), Golden Canyon II Venture Capital Investment Co., Ltd. Director of Silver Shadow Holding Limited Director of Golden Canyon Limited Director of CK Asia Co., Ltd.	-	-	-	-
Vice Chairperson	Republic of China (R.O.C.)	Chi-Te Chen	Male 66-70	2024.06.18	3 years	1988.04.27	18,844,139	7.47%	15,075,311	7.48%	1,681,337	0.83%	0	0.00%	MBA, University of Santa Clara, (USA)	Director (corporate representative) of China Real Estate Management Co., Ltd. Chairman (corporate representative) of Golden Canyon Venture Capital Investment Co., Ltd. Chairman (corporate representative), Golden Canyon II Venture Capital Investment Co., Ltd. Director (corporate representative), CKTech Engineering Co., Ltd. Director of Silver Shadow Holding Limited Director of Golden Canyon Limited Director of CK Asia Co., Ltd. Chairman of Chien Hwei Investment Co., Ltd. Chairman of Jui Huei Trading Co., Ltd. Chairman of Deqing Investment Co., Ltd.	-	-	-	-

Title	Nationality or Place of Registration	Name	Gender Age	Date Elected (Inaugurated)	Tenure	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding currently		Shareholding by Nominee Arrangement		Experience (Education)	Positions Currently Held with the Company or Other Companies	Executives, Directors or Supervisors who are spouses or within two degrees of kinship			Note
							Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio			Title	Name	Relationship	
																Chairman (corporate representative) of Rock Publishing International Chairman of Chien Kuo Foundation for Arts and Culture Chairman of Chien Huei Cultural & Educational Foundation				
Director	Republic of China (R.O.C.)	Chung Cheng	Male 66-70	2024.06.18	3 years	2003.05.02	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Master in Electrical and Computer Engineering, University of California (USA) (USA) Master of Business Administration of Santa Clara University Bachelor, Department of Electrophysics, National Chiao Tung University	Chairman of China Real Estate Management Chairman (corporate representative), China Development Asset Management Co., Ltd. Director of Keyware Electronics Co., Ltd. Director (corporate representative) of VIVASOLIS Biotechnology Co., Ltd.	-	-	-	-
Director	Republic of China (R.O.C.)	Chu-Hsin Lee	Male, 66-70	2024.06.18	3 years	2009.06.16	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Bachelor of Electrical Engineering, National Chiao Tung University	Independent Director and Remuneration Committee Member, Qbic Technology Co., Ltd. Independent Director of China United Insurance Group Company Limited	-	-	-	-
Director	Republic of China (R.O.C.)	Chi-Hsin Chen	Male, 56-60	2024.06.18	3 years	2009.06.16	1,888,316	0.75%	1,635,652	0.81%	286	0.00%	0	0.00%	Department of Business of Kaohsiung Commercial and Industrial Vocational High School	Business Manager, Headway Group	-	-	-	-
Director	Republic of China (R.O.C.)	Chen-Ching Chen	Male 31-35	2024.06.18	3 years	2024.06.18	14,285,515	5.66%	11,428,412	5.67%	0	0.00%	0	0.00%	MBA, NYU Stern, USA	Director of Chia Hsin Cement Corporation Director (corporate representative) of Chia Hsin Property Management and Development Director (corporate representative), Wan Fu Venture Capital Co., Ltd. Chairman (corporate representative) of Chien Kuo Building Co., Ltd.	-	-	-	-

Title	Nationality or Place of Registration	Name	Gender Age	Date Elected (Inaugurated)	Tenure	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding currently		Shareholding by Nominee Arrangement		Experience (Education)	Positions Currently Held with the Company or Other Companies	Executives, Directors or Supervisors who are spouses or within two degrees of kinship			Note
							Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio			Title	Name	Relationship	
																Chairman (corporate representative) of Chien Bang Real Estate Development Co., Ltd. Director (corporate representative), CKTech Engineering Co., Ltd. Director (corporate representative), Golden Canyon Venture Capital Investment Co., Ltd. Director of Chien Ya (Shanghai) Information Technology Co., Ltd. Director of Silver Shadow Holding Limited Director of Golden Canyon Limited Director of CK Asia Co., Ltd. Supervisor of Deqing Investment Co., Ltd.				
Independent Director	Republic of China (R.O.C.)	Chin-Pao Tsai	Male, 66-70	2024.06.18	3 years	2018.06.29	0	0.00%	0	0.00%	0	0.00%	0	0.00%	M.S. in Accounting, National Chengchi University M.A., Graduate School of Law, National Chengchi University	Independent Director of ECOVE Environment Corporation Director of TIC Group Chairman (corporate representative) of Wonshida Development Industrial Co., Ltd. Director (corporate representative) of TransGlobe Life Insurance Inc. Director (corporate representative) of Orient Golf Co., Ltd.	-	-	-	-
Independent Director	Republic of China (R.O.C.)	Li-Hsing I	Male, 66-70	2024.06.18	3 years	2018.06.29	0	0.00%	0	0.00%	0	0.00%	0	0.00%	M.S. in Civil Engineering, University of Texas at Austin (USA)	Chairman, Citygreat Information Technology Co., Ltd. Adjunct Associate Professor, Department of Business Administration, National Taiwan University of Science and Technology Director, Hold Crown Company Limited Executive Director, Mahasati Meditation Taiwan	-	-	-	-
Independent Director	Republic of China (R.O.C.)	Tai-Sheng Yen	Female 71-75	2024.06.18	3 years	2024.06.18	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Bachelor of Business Administration, University of California, Fresno, USA	-	-	-	-	

## 2. Major institutional shareholders

March 31, 2026

Name of Institutional Shareholders	Major institutional shareholders	
	Shareholders	Shareholding Ratio (%)
Chien Hwei Investment Co., Ltd.	Chi-Te Chen	89.25%
	Shen-Yu Pang	9.64%
	Chen-Ching Chen	1.11%

3. If any major shareholder is a corporate/juristic person: Not applicable.

## 4. Directors Information

March 31, 2026

Criteria Name	Professional Qualifications and Experience	Independence Criteria (Note 1)												Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
		1	2	3	4	5	6	7	8	9	10	11	12	
Chien Hwei Investment Co., Ltd. Corporate representative: Chang-Shiou Wu	Former General Manager of Pei-Fon Co., Ltd., Shanghai Former General Manager of Ruentex Resource Integration Co. Ltd. Former General Manager of Ruentex Engineering & Construction Co. Ltd.			✓		✓	✓			✓	✓	✓		0
Chi-Te Chen	Former Chairman, Chien Kuo Construction Co., Ltd.	✓			✓		✓			✓		✓	✓	0
Chung Cheng	Former Independent Director, Chien Kuo Construction Co., Ltd.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	0
Chu-Hsin Lee	Former Independent Director, Chien Kuo Construction Co., Ltd. Former General Manager, Fubon Financial Holding Venture Capital Corporation	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	1
Chi-Hsin Chen	Former Supervisor, Chien Kuo Construction Co., Ltd.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	0
Chen-Ching Chen	Former Special Assistant, Chien Kuo Construction Co., Ltd.					✓	✓	✓	✓	✓		✓	✓	0
Chin-Pao Tsai (Note 2 and 3)	Former Vice Director of PwC Taiwan	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	1
Li-Hsing I (Note 2)	Former Consultant of BES Engineering Corporation Former General Manager, Chien Kuo Construction Co., Ltd. Former General Manager, Ruentex Construction Co., Ltd. Former General Manager, Pinghui Construction Co., Ltd. Former General Manager, Runan Electrical Engineering Co., Ltd. Former General Manager, Lisheng Construction Co., Ltd. Former General Manager, Pengfa Construction Co., Ltd. Former Associate Engineer, Deputy Division of RSEA Engineering Corporation	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	0

Name	Criteria Professional Qualifications and Experience	Independence Criteria (Note 1)												Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
		1	2	3	4	5	6	7	8	9	10	11	12	
Tai-Sheng Yen (Note 2)	Former Director & General Manager, Operations, Information and Human Resources, Citibank Asia Pacific Former General Manager & Director of Human Resources, Citibank Taiwan Former Senior Manager, Human Resources, FedEx Central and North Asia Former Director, Human Resources, Mobil North Asia Former Vice President of Human Resources, Asia-Pacific Consumer Financial Industry & Hong Kong Region, Bank of America Former Director, Human Resources, Avon Taiwan	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	0

#### Board Diversity and Independence

(I) Board Diversity: Please refer to II. Corporate Governance Report and III. Corporate Governance Operations, (III) Corporate Governance Implementation Status, Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and the Reasons, III. Composition and duties of the Board of Directors.

(II) Board Independence:

The Company has a total of 9 members on its 23rd Board of Directors, including 3 independent directors, accounting for 33.33% of the total number of directors. The three incumbent independent directors have submitted declarations of independence, which have been verified by the Corporate Governance Officer. These declarations comply with the requirements stipulated in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies." Among the Board members, only two hold employee status, accounting for 22.2% of the Board members, which is less than one-third of the total number of directors and does not affect the operation and decision making of the Board of Directors, which remains highly independent.

Among the Company's directors, there are a total of 2 seats held by individuals who have a familial relationship within the second degree of kinship, accounting for 22.2% of the total. As this does not constitute a majority, it complies with Article 26-3, Paragraph 3 of the Securities and Exchange Act. None of the Company's independent directors, nor any directors and independent directors, are related to each other by consanguinity or by second degree of kinship, and there is no such situation as provided in Article 26-3, Paragraph 4 of the Securities and Exchange Act.

Note 1: Please tick [✓] the corresponding boxes that apply to the directors or supervisors during the two years prior to being elected or during the term of office.

- (1) Not an employee of the Company or any of its associates.
- (2) Not a director or supervisor of the Company or any of its associates. The same does not apply, however, in cases where the person is an independent director of the Company, its parent company, or any subsidiary, as appointed in accordance with the Act or with the laws of the country of the parent or subsidiary.

- (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of outstanding shares of the Company or is ranked in the top 10 in shareholdings.
- (4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer as stated in (1) or any of the persons mentioned in (2) and (3).
- (5) Not a director, supervisor, or employee of a corporate shareholder who directly holds more than 5% of the total issued shares of the Company, or a top 5 shareholder, or a director or supervisor representative appointed by the Company in accordance with paragraph 1 or 2, Article 27 of the Company Act (excluding independent directors appointed by both the Company and its parent company, subsidiary or subsidiaries under the same parent company pursuant to this regulation or the local regulations).
- (6) Not directors, supervisors or employees of other companies controlled by the same person holding a majority of the company's director seats or voting shares of the company. (However, this restriction shall not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent).
- (7) Not directors (governors), supervisors or employees of other companies or institutions who are the same person or spouse as the chairperson, general manager or person holding an equivalent position of the company. (However, this restriction shall not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a company and its parent or subsidiary or a subsidiary of the same parent).
- (8) Not any director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the company (for a particular company or institution holds more than 20%, but not exceed 50%, of the company's issued shares, and the independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent, shall not be restricted by this provision.)
- (9) Not any professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT\$500,000, or a spouse thereof. However, members of the special committee on remuneration, public acquisition review, or merger and acquisition who perform their functions and powers in accordance with the provisions of the Securities and Exchange Act or Business Mergers and Acquisitions Act and other relevant regulations shall not be subject to this provision.
- (10) Not a spouse or a relative within the second degree of kinship of other directors.
- (11) Not having any of the circumstances as set forth in the subparagraphs of Article 30 of the Company Act.
- (12) Not elected in the capacity of the government, a juristic person, or a representative thereof, as provided in Article 27 of the Company Act.

Note 2: None of the following situations apply to the three independent directors:

- (1). He/She, his/her spouse, his/her second degree relative or other relatives are directors, supervisors or employees of the Company or other related companies.

- (2). The Company's shares are held by him/she, his/her spouse, his/her second degree of kinship, etc. (or by using the names of others).
- (3). Serve as a director, supervisor or employee who has a specific relationship with the Company (refer to Article 3, Paragraph 1, Sub-paragraphs 5~8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies).
- (4). Received compensation for business, legal, financial, and accounting services from the Company or its affiliates in the last 2 years.

Note 3: Chin-Pao Tsai, an independent director, has accounting expertise and is a certified public accountant in the Republic of China. He is the Former Vice Director of PwC Taiwan.

(II) Information on the General Manager, Assistant General Managers, Deputy Assistant General Managers, and the Supervisors of Departments and Branches

Date of Book Closure: March 31, 2026

Title	Nationality	Name	Gender	Date Elected (Inaugurated)	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Positions Currently Held with Other Companies	Managers who are a Spouse or a Relative Within Two Degrees of Kinship			Note
					Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio			Title	Name	Relationship	
General Manager	Republic of China (R.O.C.)	Mao-Sheng Kan	Male	2023.02.03	5,712	0.00%	0	0.00%	0	0.00%	Master of Construction Management, National Central University General Manager, Chien Kuo Construction Co., Ltd. Vice General Manager of Procurement Dept., Chien Kuo Construction Co. Ltd. Assistant Manager of Kedge Construction Co. Ltd.	-	-	-	-	-
General Manager of Aluminum Molding Business	Republic of China (R.O.C.)	Wen-Cheng Li	Male	2024.03.01	0	0.00%	0	0.00%	0	0.00%	Department of Civil Engineering, National Taiwan University	General Manager of Leader Construction Co., Ltd.	-	-	-	-
Vice General Manager	Republic of China (R.O.C.)	Kuan-Chun Chang	Male	2016.04.16	21,619	0.01%	2,400	0.00%	0	0.00%	Master of Civil Engineering, National Chiao Tung University San Ching Engineering Division Director of Yicheng Engineering Co., Ltd.	-	-	-	-	-
Vice General Manager	Republic of China (R.O.C.)	Wei-Pin Wang	Male	2020.11.16	0	0.00%	0	0.00%	0	0.00%	M.S., Department of Civil Engineering, National Taiwan University	-	-	-	-	-
Vice General Manager	Republic of China (R.O.C.)	Hsi-Chun Liu	Male	2021.04.16	0	0.00%	5,000	0.00%	0	0.00%	Master of Civil Engineering, Tamkang University Special Assistant to the Chairman, KENMEC Mechanical Engineering Co., Ltd. Assistant General Manager of Real Estate Department of Nan Shan Life Insurance Company, Ltd.	General Manager, Chien Kuo Building Co., Ltd. General Manager, Chien Bang Building Co., Ltd.	-	-	-	-
Vice General Manager	Republic of China (R.O.C.)	Sheng-I Yen	Male	2022.08.01	10,000	0.00%	0	0.00%	0	0.00%	Doctor of Department of Civil Engineering, National Chiao Tung University Project Manager of Ruentex Engineering & Construction Co. Ltd.	-	-	-	-	-
Vice General Manager	Republic of China (R.O.C.)	Chung-Fu Kuan	Male	2023.03.01	0	0.00%	0	0.00%	0	0.00%	Master, Department of Civil Engineering, National Taipei University of Technology	-	-	-	-	-

Title	Nationality	Name	Gender	Date Elected (Inaugurated)	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Positions Currently Held with Other Companies	Managers who are a Spouse or a Relative Within Two Degrees of Kinship			Note	
					Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio			Title	Name	Relationship		
Vice General Manager	Republic of China (R.O.C.)	Wan-Li Huang	Female	2023.08.01	0	0.00%	0	0.00%	0	0.00%	Department of Business Administration, Soochow University	-	-	-	-	-	
Vice General Manager	Republic of China (R.O.C.)	Ching-Yang Lu (Note 1)	Male	2024.02.16	179	0.00%	0	0.00%	0	0.00%	Department of Construction Engineering, National Taiwan Institute of Technology	-	-	-	-	-	
Vice General Manager	Republic of China (R.O.C.)	Kun-Fang Li (Note 2)	Male	2025.02.05	0	0.00%	2,000	0.00%	0	0.00%	M.S., Department of Civil Engineering, National Taiwan University	-	-	-	-	-	
Vice General Manager	Republic of China (R.O.C.)	Chia-Kai Liu (Note 3)	Male	2025.08.01	24,217	0.01%	0	0.00%	0	0.00%	Department of Civil Engineering, Tamkang University	-	-	-	-	-	
Vice General Manager	Republic of China (R.O.C.)	Ssu-Chia Kung	Female	2012.05.01	0	0.00%	0	0.00%	0	0.00%	Master of International Finance, University of Birmingham (UK) Associate Manager of Financial Planning Department of Far EasTone Telecommunications Co., Ltd. Manager of the Accounting Department of NCIC	Director of Chien Ya (Shanghai) Information Technology Co., Ltd. Supervisor (corporate representative) of Wan Chang Venture Capital Co., Ltd. Supervisor (corporate representative) of Golden Canyon Venture Capital Investment Co., Ltd. Supervisor (corporate representative), Golden Canyon II Venture Capital Investment Co., Ltd. Supervisor (corporate representative) of Chien Kuo Building), Chien Bang Real Estate Development Co., Ltd. Supervisor (corporate representative), Wan Fu Venture Capital Co., Ltd. Supervisor (corporate representative), CKTech Engineering Co., Ltd.	-	-	-	-	-
Assistant General Manager	Republic of China (R.O.C.)	Cheng-Te Chou	Male	2008.03.28	21,218	0.01%	0	0.00%	0	0.00%	MBA, San Diego State University (USA) Assistant General Manager, Auditing Office, Senao International Assistant General Manager, Auditing Office, Continental Engineering Group	-	-	-	-	-	

Title	Nationality	Name	Gender	Date Elected (Inaugurated)	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Positions Currently Held with Other Companies	Managers who are a Spouse or a Relative Within Two Degrees of Kinship			Note
					Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio			Title	Name	Relationship	
Assistant General Manager	Republic of China (R.O.C.)	Yue-Hsin Hsu (Note 4)	Female	2024.09.30	0	0.00%	0	0.00%	0	0.00%	Department of Accounting, National Taiwan University CPA, Taiwan Senior Assistant Manager, Accounting Department, International CSRC Investment Holdings Co., Ltd. Assistant Manager, Accounting Department, Makalot Industrial Co., Ltd. Accounting Manager, Trend Micro Incorporated Assistant General Manager Audit Department, KPMG Taiwan	-	-	-	-	-
Assistant General Manager	Republic of China (R.O.C.)	Feng-Yung Tsung (Note 5)	Male	2025.08.14	0	0.00%	0	0.00%	0	0.00%	Master's Degree, Accounting Group, Graduate Institute of Management, Yuan Ze University Senior Manager, Accounting Department, LCY Chemical Corp. Assistant Manager, Audit Department, Deloitte Taiwan	-	-	-	-	-
Assistant General Manager	Republic of China (R.O.C.)	Yu-Yun Lin	Female	2021.07.22	0	0.00%	0	0.00%	0	0.00%	Master of Business Administration, National Chengchi University Master of Law, Soochow University Passed the bar exam in Taiwan	-	-	-	-	-

Note 1: Ching-Yang Lu resigned in June 2025.

Note 2: Kun-Fang Li resigned in February 2026.

Note 3: Chia-Kai Liu was promoted to Vice General Manager in August 2025.

Note 4: Yue-Hsin Hsu resigned in August 2025.

Note 5: Feng-Yung Tsung was newly elected in August 2025.

Note 6: The Company does not have a Chairman and CEO or an equivalent position (top executive) held by the same person, spouses, or first-degree relatives.

## II Remuneration to Directors, General Managers, and Vice General Managers in the Most Recent Year

### (I) Remuneration Paid to General Directors and Independent Directors

Unit: NT\$ Thousands

Title	Name	Remuneration to Directors								(A+B+C+D) as a % of Net Income (Note 10)		Relevant Remuneration Received by a Director Who is Also an Employee of the Company						Total of (A+B+C+D+E+F+G) and as a % of Net Income (Note 10)		Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary or the Parent Company (Note 11)		
		Base Compensation (A) (Note 2)		Pension (B)		Director's Remuneration (C) (Note 3)		Business Execution Expenses (D) (Note 4)				Salary, Bonus, and Allowance (E) (Note 5)		Severance Pay (F)		Employee Compensation (G) (Note 6)						
		The Company	From companies in the consolidated financial statements (Note 7)	The Company	From companies in the consolidated financial statements (Note 7)	The Company	From companies in the consolidated financial statements (Note 7)	The Company	From companies in the consolidated financial statements (Note 7)	The Company	From companies in the consolidated financial statements (Note 7)	The Company	From companies in the consolidated financial statements (Note 7)	The Company	From companies in the consolidated financial statements (Note 7)	Amount in cash	Amount in stock	Amount in cash	Amount in stock		The Company	From companies in the consolidated financial statements
Chairman	Representative of Chien Hui Investment Co., Ltd.: Chang-Shiou Wu	600	600	-	-	9,055	9,055	20	20	9,675 1.07%	9,675 1.07%	17,401	17,401	-	-	16	-	16	-	27,092 3.00%	27,092 3.00%	-
Vice Chairperson	Chi-Te Chen	0	0	-	-	6,790	6,790	20	32	6,810 0.75%	6,822 0.75%	-	-	-	-	-	-	-	-	6,810 0.75%	6,822 0.75%	-
Director	Chung Cheng	240	240	-	-	4,528	4,528	14	14	4,782 0.53%	4,782 0.53%	-	-	-	-	-	-	-	-	4,782 0.53%	4,782 0.53%	-
Director	Chu-Hsin Lee	240	240	-	-	4,528	4,528	14	26	4,782 0.53%	4,794 0.53%	-	-	-	-	-	-	-	-	4,782 0.53%	4,794 0.53%	-
Director	Chi-Hsin Chen	240	240	-	-	4,528	4,528	14	14	4,782 0.53%	4,782 0.53%	-	-	-	-	-	-	-	-	4,782 0.53%	4,782 0.53%	-
Director	Chen-Ching Chen	240	240	-	-	4,528	4,528	22	29	4,790 0.53%	4,797 0.53%	-	1,867	-	-	-	-	16	-	4,790 0.53%	6,680 0.74%	-
Independent Director	Chin-Pao Tsai	960	960	-	-	-	-	36	36	996 0.11%	996 0.11%	-	-	-	-	-	-	-	-	996 0.11%	996 0.11%	-
Independent Director	Li-Hsing I	960	960	-	-	-	-	30	30	990 0.11%	990 0.11%	-	-	-	-	-	-	-	-	990 0.11%	990 0.11%	-
Independent Director	Tai-Sheng Yen	960	960	-	-	-	-	28	28	988 0.11%	988 0.11%	-	-	-	-	-	-	-	-	988 0.11%	988 0.11%	-

1. Please state the policies, systems, standards, and structure of independent directors' remuneration payment, and describe the relevance to the amount of remuneration according to their responsibilities, risks, and time of investment:  
The Regulations Governing Allocation and Payment of Remuneration to Directors was the basis for evaluation. Please refer to page 20 of this annual report for an explanation.

2. Except as disclosed in the above chart, the remuneration to directors received due to the services provided (such as acting as consultants to non-employees of the parent company/all companies in the financial reporting/transferring businesses, etc.) in the most recent year: None

### Range of Remuneration

Range of Remuneration Paid to the Company's Directors	Name of Director			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	From the Company (Note 8)	From companies in the consolidated financial statements (Note 9) H	From the Company (Note 8)	From companies in the consolidated financial statements (Note 9) I
Under NT\$1,000,000	Chin-Pao Tsai Li-Hsing I Tai-Sheng Yen	Chin-Pao Tsai Li-Hsing I Tai-Sheng Yen	Chin-Pao Tsai Li-Hsing I Tai-Sheng Yen	Chin-Pao Tsai Li-Hsing I Tai-Sheng Yen
NT\$1,000,000 (inclusive) ~ NT\$2,000,000 (exclusive)	-	-	-	-
NT\$2,000,000 (inclusive) ~ NT\$3,500,000 (exclusive)	-	-	-	-
NT\$3,500,000 (inclusive) ~ NT\$5,000,000 (exclusive)	Chung Cheng Chu-Hsin Lee Chi-Hsin Chen Chen-Ching Chen	Chung Cheng Chu-Hsin Lee Chi-Hsin Chen Chen-Ching Chen	Chung Cheng Chu-Hsin Lee Chi-Hsin Chen Chen-Ching Chen	Chung Cheng Chu-Hsin Lee Chi-Hsin Chen
NT\$5,000,000 (inclusive) ~ NT\$10,000,000 (exclusive)	Chi-Te Chen Representative of Chien Hui Investment Co., Ltd.: Chang- Shiou Wu	Chi-Te Chen Representative of Chien Hui Investment Co., Ltd.: Chang- Shiou Wu	Chi-Te Chen	Chen-Ching Chen Chi-Te Chen
NT\$10,000,000 (inclusive) ~ NT\$15,000,000 (exclusive)	-	-	-	-
NT\$15,000,000 (inclusive) ~ NT\$30,000,000 (exclusive)	-	-	Representative of Chien Hui Investment Co., Ltd.: Chang- Shiou Wu	Representative of Chien Hui Investment Co., Ltd.: Chang- Shiou Wu
NT\$30,000,000 (inclusive) ~ NT\$50,000,000 (exclusive)	-	-	-	-
NT\$50,000,000 (inclusive) ~ NT\$100,000,000 (exclusive)	-	-	-	-
NT\$100,000,000 or above	-	-	-	-
Total	9	9	9	9

Note 1: The name of directors shall be listed separately (for corporate shareholders, the names of such corporate shareholders and their representatives shall be listed separately), with their titles (Director or Independent Director) being listed separately, and the various payments shall be disclosed in aggregate.

Note 2: Refereed to the remuneration paid to directors in 2025 (including their salaries, duty allowance, severance payments, bonuses, and performance rewards).

Note 3: On March 11, 2026, the Board of Directors approved the directors' remuneration for 2025 in the amount of NT\$33,957 thousand. The amount was calculated in accordance with the Company's "Regulations Governing Allocation and Payment of Remuneration to Directors". Among the total, the amount to be received by corporate directors (Chien Hwei Investment Co., Ltd. and not paid to their respective representatives) totals NT\$9,055 thousand.

Note 4: Business expenses paid out to directors in 2025 (including transport, special expenses, various allowances, accommodation, vehicles, and provision of physical goods such as cars). In the case of the provision of housing, motor vehicles and other means of transport or exclusive individual expenses, the nature and cost of the assets provided, the actual lease payment or lease payment measured at fair market value, oil and other payments shall be disclosed. Excluding the company car and driver provided by the Company totaled NT\$2,288 thousand.

- Note 5: Referred to the remuneration paid to directors in 2025 who simultaneously held another position in the Company (as a General Manager, Vice General Manager, manager, or an employee), including salaries, duty allowances, severance payments, bonuses, performance rewards, transport fees, special expenses, various allowances, accommodation, and provision of physical items such as a car. In the case of the provision of housing, motor vehicles and other means of transport or exclusive individual expenses, the nature and cost of the assets provided, the actual lease payment or lease payment measured at fair market value, oil and other payments shall be disclosed. Excluding the company car and driver provided by the Company totaled NT\$1,559 thousand. The salary expenses recognized in accordance with IFRS 2 "Share-based Payment", including acquisition of employee stock option certificates and restricted stock awards (RSA), and participation in subscription of new shares in a capital increase by cash, shall also be accounted for as remuneration.
- Note 6: Referred to the employee compensation (including cash and stock) received by a director who simultaneously held another position in the Company (as a general manager, vice general manager, manager, and an employee) for 2025, disclose the amount of remuneration distributed to employees after being approved by the Board for the past year. For amounts that are unable to estimate, propose the distribution amount for the year based on the actual distribution made last year.
- Note 7: Total remuneration in various items paid out to the Company's directors by all companies (including the Company) listed in the consolidated statements shall be disclosed.
- Note 8: For the total remuneration in various items paid out to the Company's directors, the name of each director shall be disclosed in the corresponding range of the remuneration.
- Note 9: It is required to disclose the various remuneration in the aggregate paid by the Company and all consolidated entities to each director, whose name is also required to be disclosed in the range of remuneration to which they belong.
- Note 10: The Company's net income for 2025 was NT\$903,642 thousand; for those who have adopted IFRS, the term "net income" denotes the net income as stated on the standalone/individual financial statements for the most recent annual period.
- Note 11: a. Compensations received by the directors from other non-subsidiary companies invested by the Company or the parent company shall be disclosed in this column.  
b. Where a director has received compensation from an investee other than the Company's subsidiaries or the parent company, such remuneration shall be consolidated into column I of the Table of Remuneration Range, which column shall then be changed to the title of "Parent Company and All Reinvestment."  
c. Remuneration denotes the rewards, compensation (including compensation for an employee, a director and a supervisor) and related remuneration in connection with business expenses that are paid to one of the Company's directors who serves as a director, supervisor or manager for an investee other than the Company's subsidiaries or the parent company.

\* Since the contents of the remuneration disclosed in this table are different from the concept of income used in the Income Tax Act, the purpose of this table is for disclosure, not for taxation use.

## (II) Compensation Paid to General Managers and Vice General Manager

Unit: NT\$ Thousands

Title	Name	Salary (A) (Note 2)		Pension (B)		Bonus and special fee (C) (Note 3)		Profit Sharing- Employee Bonus (D) (Note 4)				(A+B+C+D) as a % of Net Income (%) (Note 8)		Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary or the Parent Company (Note 9)
		The Company	From companies in the consolidated financial statements (Note 5)	The Company	From companies in the consolidated financial statements (Note 5)	The Company	From companies in the consolidated financial statements (Note 5)	The Company		From companies in the consolidated financial statements (Note 5)		The Company	From companies in the consolidated financial statements	
								Amount in cash	Amount in stock	Amount in cash	Amount in stock			
General Manager	Mao-Sheng Kan	25,367	26,544	5,000	5,000	23,526	23,527	88	0	88	0	53,981 5.97%	55,159 6.10%	-
General Manager of Aluminum Molding Business	Wen-Cheng Li													
Vice General Manager	Kuan-Chun Chang													
Vice General Manager	Wei-Pin Wang													
Vice General Manager	Hsi-Chun Liu													
Vice General Manager	Sheng-I Yen													
Vice General Manager	Chung-Fu Kuan													
Vice General Manager	Wan-Li Huang													
Vice General Manager (Note 10)	Ching-Yang Lu													
Vice General Manager (Note 11)	Kun-Fang Li													
Vice General Manager (Note 12)	Chia-Kai Liu													
Vice General Manager	Ssu-Chia Kung													

### Range of Remuneration

Range of Remuneration Paid to the General Manager and Vice General Managers	Name of General Manager and Vice General Managers	
	From the Company (Note 6)	From companies in the consolidated financial statements (Note 7)
Under NT\$1,000,000	-	-
NT\$1,000,000 (inclusive)~NT\$2,000,000 (exclusive)	-	-
NT\$2,000,000 (inclusive)~NT\$3,500,000 (exclusive)	Wan-Li Huang Kun-Fang Li Chia-Kai Liu	Wan-Li Huang Kun-Fang Li Chia-Kai Liu
NT\$3,500,000 (inclusive)~NT\$5,000,000 (exclusive)	Wei-Pin Wang Kuan-Chun Chang Chung-Fu Kuan Sheng-I Yen Ssu-Chia Kung	Wei-Pin Wang Kuan-Chun Chang Chung-Fu Kuan Sheng-I Yen Ssu-Chia Kung
NT\$5,000,000 (inclusive)~NT\$10,000,000 (exclusive)	Mao-Sheng Kan Wen-Cheng Li Hsi-Chun Liu Ching-Yang Lu	Mao-Sheng Kan Wen-Cheng Li Hsi-Chun Liu Ching-Yang Lu
NT\$10,000,000 (inclusive)~NT\$15,000,000 (exclusive)	-	-
NT\$15,000,000 (inclusive)~NT\$30,000,000 (exclusive)	-	-
NT\$30,000,000 (inclusive)~NT\$50,000,000 (exclusive)	-	-
NT\$50,000,000 (inclusive) ~ NT\$100,000,000 (exclusive)	-	-
NT\$100,000,000 or above	-	-
Total	12	12

Note 1: The names of general manager and vice general managers shall be listed separately and the payments shall be disclosed collectively.

Note 2: Referred to the salary, duty allowances and severance payments paid to the general manager or vice general manager in 2025.

Note 3: Referred to the compensation paid to general managers or vice general managers, namely bonuses, performance rewards, transport fees, special allowances, other allowances, accommodation, provision of physical items such as a car, and other compensation for 2025. Excluding the company car and driver provided by the Company totaled NT\$0 thousand. The salary expenses recognized in accordance with IFRS 2 “Share based Payment,” including the acquisition of employee stock option certificates and restricted stock awards (RSA), and participation in subscription of new shares in a capital increase by cash, shall also be accounted for as remuneration.

Note 4: The Company, as resolved by the Board of Directors on March 11, 2026, approved employee compensation for 2025 in the amount of NT\$33,957 thousand. The distribution amounts are estimated and determined based on individual performance evaluations.

Note 5: Total compensations of various items paid out to this Company's general managers and vice general managers by all companies (including the Company) listed in the consolidated financial statements shall be disclosed.

Note 6: Names and the of the Company's general managers and vice general managers shall be disclosed in the range corresponding to the total of compensations paid to them. The names of the general manager and vice general managers shall also be disclosed in the proper compensation range.

Note 7: Total compensation of various items paid to every general manager and vice general manager of the Company by all companies (including the Company) listed in the consolidated financial statements shall be disclosed. The name of the general manager and vice general manager shall also be disclosed in the proper compensation range.

Note 8: “Net income” refers to the net income for 2025 amounted to NT\$903,642 thousand; for those who have adopted IFRS, the term “net income” denotes the net income as stated on the standalone/individual financial statements for the most recent annual period.

Note 9: a. Compensations of the Company's general manager and vice general managers received from investees other than the Company’s subsidiaries or the parent company shall be disclosed in this column.  
b. Where a general manager or vice general manager has received compensation from an investee other than the Company’s subsidiaries or the parent company, such compensation shall be consolidated into column E

of the Table of Remuneration Range, which column shall then be changed to the title of “Parent Company and All Reinvestment.”

- c. Compensation denotes the rewards, compensation ( including compensation for an employee, a director and a supervisor) and related compensation in connection with business expenses that are paid to one of the Company’s general manager or vice general manager who serves as a director, supervisor or manager for an investee other than the Company’s subsidiaries.

Note 10: Ching-Yang Lu resigned in June 2025.

Note 11: Kun-Fang Li resigned in February 2026.

Note 12: Chia-Kai Liu was promoted to Vice General Manager in August 2025, and the reported amount includes his compensation prior to the promotion.

\* Since the contents of the remuneration disclosed in this table are different from the concept of income used in the Income Tax Act, the purpose of this table is for disclosure, not for taxation use.

### (III) Names of Managers Who Distributed Employee Compensation and the Status of Distribution

December 31, 2025 / Unit: NT\$ Thousands

	Title (Note 1)	Name (Note 1)	Amount in stock	Amount in cash	Total	Total amount as percentage of net income (%)
Manager	General Manager	Mao-Sheng Kan	0	112	112	0.01%
	General Manager of Aluminum Molding Business	Wen-Cheng Li				
	Vice General Manager	Kuan-Chun Chang				
	Vice General Manager	Wei-Pin Wang				
	Vice General Manager	Hsi-Chun Liu				
	Vice General Manager	Sheng-I Yen				
	Vice General Manager	Chung-Fu Kuan				
	Vice General Manager	Wan-Li Huang				
	Vice General Manager (Note 3)	Ching-Yang Lu				
	Vice General Manager (Note 4)	Kun-Fang Li				
	Vice General Manager (Note 5)	Chia-Kai Liu				
	Vice General Manager	Ssu-Chia Kung				
	Assistant General Manager	Cheng-Te Chou				
	Assistant General Manager (Note 6)	Yue-Hsin Hsu				
	Assistant General Manager (Note 7)	Feng-Yung Tsung				
Assistant General Manager	Yu-Yun Lin					

Note 1: Individual names and titles shall be disclosed, whereas earnings distribution may be disclosed in the aggregate.

Note 2: The Company, as resolved by the Board of Directors on March 11, 2026, approved employee compensation for 2025 in the amount of NT\$33,957 thousand. The distribution amounts are estimated and determined based on individual performance evaluations. “Net income” refers to the net income for 2025 amounted to NT\$903,642 thousand; for those who have adopted IFRS, the term “net income” denotes the net income as stated on the standalone/individual financial statements for the most recent annual period.

Note 3: Ching-Yang Lu resigned in June 2025.

Note 4: Kun-Fang Li resigned in February 2026.

Note 5: Chia-Kai Liu was promoted to Vice General Manager in August 2025.

Note 6: Yue-Hsin Hsu resigned in August 2025.

Note 7: Feng-Yung Tsung was newly elected in August 2025.

- (IV) Separately compare and describe total remuneration, as a percentage of net income, as paid by the Company and by all companies included in the consolidated financial statements during the past 2 fiscal years to directors, supervisors, general managers, and vice general managers, and analyze and describe remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure.

Title	Ratio of Total Remuneration to Net Income, Which Remuneration Was Paid to the Company's Directors, Supervisors, General Managers and Vice General Managers by the Company and All Consolidated Entities (2024)	Ratio of Total Remuneration to Net Income, Which Remuneration Was Paid to the Company's Directors, Supervisors, General Managers and Vice General Managers by the Company and All Consolidated Entities (2025)
Director	6.47%	6.41%
Supervisor	0%	0%
General Manager and Vice General Managers	6.18%	6.10%

Policy, Standards, and Composition of Directors' Remuneration, Procedures for Determining Remuneration, and Its Linkage to Operating Performance and Future Risk Exposure:

1. Standards for directors' compensation

- (1) Pursuant to Article 23 of the Company's Articles of Incorporation, the amount of directors' compensation shall not exceed 3% of the profit for the fiscal year after deduction of the pre-tax profit and the amounts allocated for directors' and employees' compensation.
- (2) The Company's directors' compensation includes fixed remuneration and compensation. In addition to being determined with reference to the prevailing market levels of peer companies, it is also assessed based on each director's degree of participation in the Company's operations, the results of performance evaluations, and the Company's operating performance. The corresponding compensation allocation shall be determined in proportion to each director's period of service during the relevant year.

2. Performance evaluation

The payment of the Company's directors' compensation shall be handled in accordance with the "Regulations Governing Allocation and Payment of Remuneration to Directors", and shall be determined with due consideration to each director's level of participation in the Company's management and the value of his or her contribution.

- (1) Operating performance: Profit before tax for FY 2025 increased by 36% compared to the previous year, reflecting a significant improvement in operating performance.
- (2) Sustainable operation: In 2025, the Company ranked within the Top 5% in the NT\$5 billion to NT\$10 billion market capitalization category in the 11th Corporate Governance Evaluation. The Company also implemented initiatives such as low-carbon construction methods, intelligent management, and green procurement, successfully developing low-carbon, low-energy-consumption social housing projects and obtaining relevant certifications.

- (3) Independent directors, who also serve as members of functional committees such as the Audit Committee and the Remuneration Committee, are required to assume responsibilities related to committee discussions and resolutions; therefore, their fixed remuneration is slightly higher than that of general directors. In addition, independent directors do not participate in the distribution of director bonuses to ensure the fairness and independence of the remuneration policy.
  - (4) General directors are assigned different weighting factors based on the responsibilities associated with their positions (with the Chairman and Vice Chairman assigned relatively higher weights), and such weights serve as the basis for calculating individual allocation ratios.
  - (5) Weighted adjustment for tenure: Each director's compensation allocation ratio is weighted based on the proportion of his or her period of service during the fiscal year.
- Based on the above assessment, as the Company's operating performance in 2025 improved compared to the previous year, and the results of the directors' self-evaluation for 2025 were also higher than those of the prior year, the directors' compensation has been increased accordingly.

Policy, Standards, and Composition of Remuneration for the General Manager and Vice General Managers, Procedures for Determining Remuneration, and Its Linkage to Operating Performance and Future Risk Exposure:

1. The Company's salary structure consists of base salary and supplementary salary. The base salary is determined based on job title, job grade, educational background, professional experience, professional competence, and job responsibilities. It also takes into account the industry peer standards through a comprehensive evaluation to ensure market competitiveness and internal organizational fairness. The supplementary salary system adopts a floating mechanism, combined with the Balanced Scorecard (BSC) performance evaluation system introduced by the Company. It evaluates employees based on their overall annual performance across multiple dimensions, including financial performance, customer satisfaction, internal process efficiency, talent development, and sustainable development. Rewards and incentives are then issued accordingly to strengthen performance orientation and motivational effects.

A portion of the variable compensation for the Chairman, General Manager, and heads of business units is linked to ESG indicators, as follows:

Target Audience	Aspect	Performance Indicators	Items and Weightings
Chairman, General Manager, and Heads of Business Units	E	Environmental Sustainability	<ul style="list-style-type: none"> <li>• Low-carbon construction: method development, construction integration, and paperless management (3.5%)</li> <li>• Greenhouse gas inventory and verification (1%)</li> </ul>
	S	Social Sustainability	<ul style="list-style-type: none"> <li>• Occupational safety and health (4%)</li> <li>• Talent development: key talent retention and talent cultivation (1.5%)</li> </ul>
	G	Corporate Sustainability Governance	<ul style="list-style-type: none"> <li>• Operating performance (50%)</li> </ul>

2. To ensure the fairness and rationality of the performance evaluation and compensation system, the company will regularly review and adjust its compensation policies based on actual operational conditions and relevant regulatory requirements, striving to achieve the optimal balance between sustainable corporate development and risk management.

### III Implementation of Corporate Governance

#### (I) Implementation Status of the Board of Directors

1. In 2025, the Company held a total of 7 Board Meetings, attended (presented) by directors as listed below:

Title	Name (Note 1)	Number of Times of Attendance (Presence) in Person	Number of Attendances by Proxy	Attendance (Presence) Rate (%) (Note 2)	Note
Chairman	Representative of Chien Hwei Investment Co., Ltd.: Chang-Shiou Wu	7	0	100	-
Vice Chairperson	Chi-Te Chen	7	0	100	-
Director	Chung Cheng	6	1	86	Director Chang-Shiou Wu was authorized to attend on behalf of the meeting
Director	Chu-Hsin Lee	6	1	86	Director Chang-Shiou Wu was authorized to attend on behalf of the meeting
Director	Chi-Hsin Chen	7	0	100	-
Director	Chen-Ching Chen	7	0	100	-
Independent Director	Chin-Pao Tsai	7	0	100	-
Independent Director	Li-Hsing I	7	0	100	-
Independent Director	Tai-Sheng Yen	7	0	100	-

Other Required Disclosure:

- I. During the seven Board meetings held in 2025, all three independent directors attended in person.
- II. In case any of the following circumstances occurs at the Board Meeting, it is required to clearly specify the meeting date, meeting session, meeting content, opinions of all independent directors, and the Company's response thereto:
  - (I) Matters listed in Article 14-3 of the Securities and Exchange Act. The Company has established its Audit Committee; for details, please refer to the operations of the Audit Committee under Article 14-5 of the Securities and Exchange Act.
  - (II) Board resolution to which an independent director objects or for which an independent director has a qualified opinion, either in documentation or in writing, in addition to matters stated in the preceding subparagraph. Independent directors who attended the Board Meeting, either in person or by proxy, did not have any objection to or qualified opinion for any of the proposals.
- III. Implementation Status of Directors' Avoidance of Meetings Due to Conflicts of Interests:
  1. For the proposal to donate NT\$2 million to the Chien Kuo Foundation For Arts And Culture at the 6th Meeting of the 23rd Board of Directors, Vice-Chairman Chi-Te Chen abstained from the discussion due to the conflict of interests. Such a proposal was approved by all directors presenting as it had been proposed.
  2. At the 10th meeting of the 23rd Board of Directors, the proposals regarding the total distribution of year-end performance bonuses for employees in 2025 and the allocation of incentive bonuses for key talents were discussed. Chairman Chang-Shiou Wu and members of the management team recused themselves from the discussion and voting. Vice Chairman Chi-Te Chen acted as the chair of the meeting in place of the Chairman. The resolutions were unanimously approved by the remaining attending directors as proposed.
- IV. Measures taken to strengthen the functionality of the Board in the current and the latest year (e.g. enhancing information transparency), and implementation status:
  1. To strengthen supervisory functions and enhance management capabilities, the Company has established functional committees such as the Audit Committee, Remuneration Committee, Sustainable Development Committee, and Nomination Committee. Through these committees, the Company aims to reinforce the functions of the Board of Directors.
  2. All board members possess the knowledge, expertise, and skills required to fulfill their duties. The Company's management team regularly reports on the operational status to the Board of Directors, enabling board members to provide guidance and advice. Communication between board members and the management team is effective and collaborative. The accountants also periodically report to the Audit Committee and engage in private discussions with independent directors to confirm the effective implementation of risk control measures.
  3. In 2025, the Company convened seven Board of Directors meetings, two investor conferences, and one annual shareholders' meeting. In addition to disclosing key resolutions on the Market Observation Post System, the Company also published full video recordings of the shareholders' meeting and investor conferences on its official website (Latest News: <https://www.ckgroup.com.tw/zh-TW/news.html>), allowing investors to access and review the information at any time, thereby ensuring transparency of corporate management information.

Note 1: Where a director or a supervisor is a corporation, disclose the names of such a corporate shareholder and its representative.

Note 2: (1) Where a directors or a supervisor resigns before the end of the annual period, the note column shall be annotated with the date of resignation. Actual attendance (presence) rate (%) shall be calculated as at the number of times of attendance (presence) in person divided by the number of Board Meetings held during his/her term of service.

(2) Where an election of directors or supervisors is held before the end of the annual period, list the names of both the incoming and outgoing directors or supervisors in the note column with annotations specifying whether the directors or supervisors are outgoing, incoming or re-elected, as well as the date of the election. Actual attendance (presence) rate (%) shall be calculated as at the number of times of attendance (presence) in person divided by the number of Board Meetings held during his/her term of service.

## 2. Evaluation of the performance for the Board of Directors

Evaluation Cycle	Evaluation Period	Scope of Evaluation	Evaluation Method	Evaluation Content
Once a year	Each year in the first quarter, the performance evaluation of the Board of Directors for the preceding year is conducted. For example, in the first quarter of 2026, the performance for the period from January 1, 2025 to December 31, 2025 will be evaluated	Board of Directors, Individual Directors, Remuneration Committee, Audit Committee, Sustainable Development Committee, Nomination Committee	Internal self-assessment of the Board of Directors, self-assessment of Directors, and self-assessment of functional committee	The performance evaluation on the Board of Directors: Include the degree of participation in the operation of the Company, the quality of the decision-making of the Board of Directors, the composition and structure of the Board of Directors, the selection and continuous education of Directors, and internal control. The performance evaluation on individual Directors: Include the knowledge about the Company's objectives and tasks, the understanding of Director's liabilities, the degree of participation in the Company's operations, the internal relationship management and communication, the specialty and continuous education of Directors, and internal control. The performance evaluation on the Audit, Remuneration, Nomination and Sustainable Development committees: The degree of participation in the Company's operation, the cognition of the responsibilities of the functional committee, the quality of decision-making of the functional committee, the composition and selection of members of the functional committee, internal control.

(II) The operation status of the Audit Committee or the supervisors' participation in the operation of the board

1. Operation Status of the Audit Committee: The Audit Committee of the Company held a total of 5 meetings in 2025.
2. The main purpose of the operation of the committee is to supervise the following matters:
  - (1) Fair expression of the Company's financial statements.
  - (2) Appointment (Dismissal) of the Company's CPAs and their independence and performance.
  - (3) Effective implementation of internal control of the Company.

- (4) The Company's compliance with relevant laws and regulations.
  - (5) Management of the existing or potential risks of the Company.
3. The committee has power over the following matters:
- (1) The adoption of or amendments to the internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
  - (2) Assessment of the effectiveness of the internal control system.
  - (3) The adoption of or amendment to the procedures for handling financial or business activities of a material nature, such as acquisition or disposal of assets, derivatives trading, loaning of funds to others, and endorsements or guarantees for others, pursuant to Article 36-1 of the Securities and Exchange Act.
  - (4) Matters in which a director is an interested party.
  - (5) Asset transactions or derivatives trading of a material nature.
  - (6) Loans of funds, endorsements, or provision of guarantees of a material nature.
  - (7) The offering, issuance, or private placement of equity-type securities.
  - (8) The hiring or dismissal of a certified public accountant, or their compensation.
  - (9) The appointment or discharge of a financial, accounting, or internal audit officer.
  - (10) The annual financial report and the second quarterly financial report subject to audit by a certified public accountant.
  - (11) Other material matters as may be required by the Company or by the competent authority.
  - (12) Donation to related parties or major donations to non-related parties.
4. A total of 5 meetings (A) were held by the Audit Committee in the most recent year. The attendance of independent directors is as follows:

Title	Name	Actual Attendance (B)	Number of Attendances by Proxy	Attendance Rate (%) (B/A) (Note)	Note
Independent Director	Chin-Pao Tsai	5	-	100	-
Independent Director	Li-Hsing I	5	-	100	-
Independent Director	Tai-Sheng Yen	5	-	100	-

Other Required Disclosure:

I. In case any of the following circumstances occurs at the operation of the Audit Committee, it is required to clearly specify the Audit Committee meeting date, meeting session, meeting content, resolutions, content of the objections, reservations or significant recommendations of the Independent Directors, the resolution's discussion results by the Audit Committee and the Company's response thereto:

(I) Matters enumerated in Article 14-5 of the Securities and Exchange Act.

Date/Session	Meeting Content	Resolution Results	Company's Handling of the Opinions of the Audit Committee
2025/3/14 4th meeting of the 3rd term	The Company's 2024 Annual Business Report, Parent Company Only Financial Statements and Consolidated Financial Statements Discussion.	Audit Committee: Unanimously approved by all committee members	Board of Directors: Approved by all directors.

	<p>Proposal for the discussion on the change and appointment of the CPAs certifying the 2025 Company's financial statements.</p> <p>The Company's "Statement of Internal Control System" for 2024.</p> <p>The proposal to donate NT\$2 million to "Chien Kuo Foundation For Arts And Culture."</p> <p>The proposal to amend a portion of the Company's "Sustainable Development Best Practice Principles."</p> <p>The proposal for the discussion on providing endorsement guarantees for bank financing applications by our subsidiary, CKTech Engineering Co., Ltd., for investment purposes.</p> <p>Proposal for the Company's 2024 earnings distribution.</p>	present as it had been proposed. Submitted to the Board of Directors for resolution.	The directors have recused themselves from the discussion of the contents of the meeting and did not participate in the voting.
2025/5/13 5th meeting of the 3rd term	<p>The Company's 2025 (in the first quarter) consolidated financial statements discussion.</p> <p>Discussion on the application for engineering guarantee credit lines with four domestic financial institutions.</p>	Audit Committee: Unanimously approved by all committee members present as it had been proposed. Submitted to the Board of Directors for resolution.	Board of Directors: Approved by all directors.
2025/8/14 6th meeting of the 3rd term	<p>The Company's 2025 (in the second quarter) consolidated financial statements discussion.</p> <p>Proposal for the discussion on the change of the Company's Accounting Manager.</p> <p>Discussion on the amendment of the Company's Internal Control System.</p>	Audit Committee: Unanimously approved by all committee members present as it had been proposed. Submitted to the Board of Directors for resolution.	Board of Directors: Approved by all attending directors.
2025/11/13 7th meeting of the 3rd term	<p>The Company's 2025 (in the third quarter) consolidated financial statements discussion.</p> <p>Discussion on the Company's 2026 Audit Plan.</p> <p>Discussion on the amendments to the Company's Internal Control Operational Procedures.</p> <p>Discussion on the provision of endorsement and guarantee for bank credit facilities of the Company's subsidiary, CKTech Engineering Co., Ltd.</p>	Audit Committee: Unanimously approved by all committee members present as it had been proposed. Submitted to the Board of Directors for resolution.	Board of Directors: Approved by all directors.
2025/12/26 8th meeting of the 3rd term	<p>Discussion on the Company's hedging transactions involving derivative financial instruments.</p> <p>Discussion on the basis for determining the Company's internal carbon pricing.</p>	Audit Committee: Unanimously approved by all committee members present as it had been proposed. Submitted to the Board of Directors for resolution.	Board of Directors: Approved by all directors.
2026/3/11 9th meeting of the 3rd term	Proposal for the discussion on the 2025 Company's "Statement of Internal Control System."	Audit Committee: Unanimously approved by all	Board of Directors:

	The Company's 2025 Annual Business Report, Financial Statements and Consolidated Financial Statements Discussion.	committee members present as it had been proposed. Submitted to the Board of Directors for resolution.	Approved by all directors. The directors have recused themselves from the discussion of the contents of the meeting and did not participate in the voting.
	Proposal for the discussion on the Company's 2025 earnings distribution.		
	Proposal for the discussion on providing endorsement and guarantee for bank financing to our subsidiary, CKTech Engineering Co., Ltd., for investment purposes.		
	Proposal for the discussion on the appointment of the CPAs certifying the 2026 Company's financial statements.		
	Proposal for the discussion on donating NT\$3 million to "Chien Kuo Foundation For Arts And Culture."		
	Discussion on the partial amendments to the Company's "Procedures for Acquisition or Disposal of Assets."		
	Proposal to revise the Company's "Corporate Governance Best Practice Principles."		

(II) Apart from the preceding matters, any resolution that was not approved by the Audit Committee but approved by two-thirds of all directors: None.

II. The implementation of avoidance of conflicts of interest by independent directors shall clearly specify the name of the independent director, meeting content, reasons for avoidance of conflicts of interest, and their participation in voting: None.

III. Communication between independent directors, internal audit supervisors and CPAs (shall cover the critical matters, methods and results of the Company's financial and business conditions).

**(I) Communication policy between independent directors, internal audit supervisors**

Independent Directors engage with the internal audit supervisor through seminars and the Audit Committee. The internal audit supervisor reports on the status of internal audits to the Independent Directors at least once a quarter and provides written audit reports on the findings to the Independent Directors monthly. Should the urgency of the matter require it, meetings can be convened any time. The following table sets out the summary of subject matters for communication with the internal audit officers in 2025:

Date	Communication Content	Status
2024.10-2025.11	Audit report for October 2024 to November 2025.	The Audit Office regularly communicates the results of audit reports with the Audit Committee and reports them to the Board of Directors on a regular basis.
2025.3.14 The 4th meeting of the 3rd Audit Committee	This report outlines the implementation status of the audit plan for the period from October to December 2024. It includes a review of internal control deficiencies, follow-up on unresolved audit issues, and the approval of the 2024 internal control self-evaluation effectiveness report and the annual internal control statement.	The communication with the Independent Directors of the Company for the audit execution remains healthy.
2025.5.13 The 5th meeting of the 3rd Audit Committee	This report outlines the implementation of the internal audit plan from January to March 2025, including the status of internal control deficiencies, the progress of overdue follow-up items, and the tracking of unresolved audit findings.	The communication with the Independent Directors of the Company for the audit execution remains healthy.
2025.5.13 The 5th meeting of the 3rd Audit Committee	The independent director communicates with the audit supervisor independently for 20 minutes to discuss linking audit deficiencies to KPIs and related internal control matters.	The implementation and communication with the Independent Directors of the Company for the audit operations remains healthy.

2025.8.14 The 6th meeting of the 3rd Audit Committee	This report outlines the implementation of the internal audit plan from February to June 2025 and the follow-up status of internal control deficiencies.	The implementation and communication with the Independent Directors of the Company for the audit operations remains healthy.
2025.11.13 The 7th meeting of the 3rd Audit Committee	This report outlines the implementation status of the audit plan for the period from July to September 2025. It includes a review of internal control deficiencies, follow-up on unresolved audit issues, and the approval of the proposed audit plan for 2026.	The Independent Directors of the Company agreed to approve the 2026 Audit Plan. The communication of this meeting was healthy.
2025.11.13 The 7th meeting of the 3rd Audit Committee	The independent director communicates with the audit supervisor independently for 20 minutes to discuss matters related to the remediation of audit deficiencies.	The implementation and communication with the Independent Directors of the Company for the audit operations remains healthy.
2025.12.26 The 8th meeting of the 3rd Audit Committee	This report outlines the implementation status of the audit plan for the period from September to October 2025. It includes a review of internal control deficiencies, follow-up on unresolved audit issues.	The implementation and communication with the Independent Directors of the Company for the audit operations remains healthy.

**(II) Communication Policy between Independent Directors and CPAs**

Independent Directors and CPAs communicate through meeting. CPAs regularly report to the Independent Directors twice a year on the review and audit results of the financial statements, accounting estimates and other major issues, including changes to financial accounting standards and relevant securities and taxation regulations. CPAs may also initiate contact with independent directors as needed. The following table sets out the summary of subject matters for communication with the CPAs in 2025:

Date	Communication Content	Status
2025.3.14 The 4th meeting of the 3rd Audit Committee	The audit results of the 2024 consolidated financial statements, significant risks and key audit matters including potential management override of controls and the estimation of total costs for construction contracts, as well as the non-assurance services provided in 2024. Discussion on the change of the Company's CPA for the audit of the 2025 financial statements.	The overall communication between Independent Directors and the external auditors is healthy.
2025.3.14 The 4th meeting of the 3rd Audit Committee	The communication between Independent Directors and the CPAs has lasted for 25 minutes.	The overall communication between Independent Directors and the external auditors is healthy.
2025.11.13 The 7th meeting of the 3rd Audit Committee	Discussion on the Company's Q3 2025 consolidated financial statements, significant accounting estimates, the scope and methodology of the 2025 audit, the group audit strategy, analysis of long-term construction contracts, and regulatory updates.	The overall communication between Independent Directors and the external auditors is healthy.
2025.12.26 The 8th meeting of the 3rd Audit Committee	The CPAs briefed the independent directors on the firm's Audit Quality Indicators (AQI) for the year and the benchmarking report comparing scores with industry peers. The indicators included: (1) professionalism, (2) quality control, (3) independence, (4) supervision, and (5) innovation capability.	The overall communication between Independent Directors and the external auditors is healthy.
2025.12.26 The 8th meeting of the 3rd Audit Committee	The communication between Independent Directors and the CPAs has lasted for 30 minutes.	The overall communication between Independent Directors and the external auditors is healthy.

5. Supervisors' participation in the operation of the Board of Directors: Not applicable as the Company had established its Audit Committee and replaced the position of supervisors.

(III) Corporate Governance Implementation Status, Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”, and the Reasons Therefor

Item Assessed	Operation Status		Summary Description	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons Therefor
	Yes	No		
I. Has the Company established and disclosed its own corporate governance best practice principles based on the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies?	V		The Company's "Corporate Governance Best Practice Principles" was established and approved by the Board of Directors on May 11, 2015. The latest amendment was approved by the 11th meeting of the 23rd Board of Directors on March 11, 2026 and has been published on the Market Observation Post System and the Company's website.	No material deviations exist in that such principles has been revised pursuant to the latest version.
II. The shareholding structure of the Company and shareholders' interests				
(I) Does the Company establish an internal procedure for handling shareholder proposals, inquiries, disputes, and litigations? Are such matters handled according to the internal procedure?	V		(I) The Company has established a communication and complaint channel on its website ( <a href="https://www.ckgroup.com.tw/zh-TW/responsibility.html">https://www.ckgroup.com.tw/zh-TW/responsibility.html</a> ) to provide investors with contact channels for handling the aforementioned matters.	No significant deviation.
(II) Does the Company maintain a register of the major shareholders with controlling power, as well as a register of the ultimate controller of those major shareholders?	V		(II) The Company obtains the shareholder register through its stock affairs agent and conducts regular monitoring and review of changes in shareholding of directors and insiders through monthly reporting submitted before the 10th of each month.	No significant deviation.
(III) Does the Company establish and enforce the risk control mechanism and firewall mechanism between itself and its associates?	V		(III) The Company has established a control mechanism and firewall for its investee companies, with a dedicated person responsible for management. Such mechanism has been established in accordance with either the Company’s internal control system, internal audit system and related regulations and procedures, or laws and regulations.	No significant deviation.
(IV) Does the Company stipulate internal rules that prohibit company insiders from trading securities using information not disclosed to the market?	V		(IV) The Company has stipulated "Regulations Governing Insider Trading" that prohibit company insiders from trading securities using information not disclosed to the market. In addition, the Company periodically promotes awareness of the relevant laws and regulations prohibiting such trading activities.	No significant deviation.
III. Composition and responsibilities of the Board of Directors				
(I) Has the Board of Directors established a diversity policy, set specific management	V		(I) Policy on diversification: The Company advocates and respects the policy of diversity of directors to strengthen corporate governance and promote the sound development of the composition and	The proportion of female directors

Item Assessed	Operation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons Therefor																																																																																																													
	Yes	No	Summary Description																																																																																																														
objectives, and implemented the corresponding strategy?			<p>structure of the Board of Directors, and believes that the diversity approach will help to enhance the overall performance of the Company. Board members are selected on the basis of merit and should have industry-related skills and knowledge (e.g., business management, construction management, risk management, etc.). To strengthen the functions of the Board of Directors to achieve the desired objectives of corporate governance, Article 28 of the Company's "Corporate Governance Best Practice Principles" sets forth the diversity guidelines of the Board of Directors, including, but not limited to, the following two broad criteria. 1. Basic conditions and values: Gender, age, nationality and culture. 2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.</p> <p>The overall competence of the Board of Directors is as follows: 1. Operational judgment 2. Accounting and financial analysis 3. Management capability 4. Crisis management capability 5. Industry knowledge 6. International market perspective 7. Leadership capability 8. Decision-making capability 9. Venture capital investment.</p> <p>Specific management objectives and implementation status:</p> <table border="1"> <thead> <tr> <th rowspan="2">Title</th> <th rowspan="2">Name</th> <th colspan="3">Basic Composition</th> <th colspan="8">Professional Background</th> </tr> <tr> <th>Gender</th> <th>Employee Status</th> <th>Age</th> <th>Business Administration</th> <th>Financial Analysis</th> <th>Management</th> <th>Crisis and Decision-Leadership Knowledge</th> <th>Industrial Management</th> <th>Construction Management</th> <th>Risk Management</th> <th>Talent Management</th> <th>Venture Capital</th> </tr> </thead> <tbody> <tr> <td>Chairman</td> <td>Chang-Shiou Wu</td> <td>Male</td> <td>✓</td> <td>66~70</td> <td>✓</td> <td></td> <td>✓</td> <td>✓</td> <td>✓</td> <td>✓</td> <td>✓</td> <td></td> <td></td> </tr> <tr> <td>Vice Chairperson</td> <td>Chi-Te Chen</td> <td>Male</td> <td></td> <td>66~70</td> <td>✓</td> <td>✓</td> <td>✓</td> <td>✓</td> <td>✓</td> <td></td> <td>✓</td> <td>✓</td> <td>✓</td> </tr> <tr> <td>Director</td> <td>Chung Cheng</td> <td>Male</td> <td></td> <td>66~70</td> <td>✓</td> <td>✓</td> <td></td> <td>✓</td> <td>✓</td> <td></td> <td></td> <td>✓</td> <td></td> </tr> <tr> <td>Director</td> <td>Chu-Hsin Lee</td> <td>Male</td> <td></td> <td>66~70</td> <td>✓</td> <td>✓</td> <td></td> <td>✓</td> <td></td> <td></td> <td></td> <td></td> <td>✓</td> </tr> <tr> <td>Director</td> <td>Chi-Hsin Chen</td> <td>Male</td> <td></td> <td>56~60</td> <td>✓</td> <td>✓</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Director</td> <td>Chen-Ching Chen</td> <td>Male</td> <td>✓</td> <td>31~35</td> <td>✓</td> <td>✓</td> <td></td> <td></td> <td></td> <td></td> <td>✓</td> <td></td> <td></td> </tr> </tbody> </table>	Title	Name	Basic Composition			Professional Background								Gender	Employee Status	Age	Business Administration	Financial Analysis	Management	Crisis and Decision-Leadership Knowledge	Industrial Management	Construction Management	Risk Management	Talent Management	Venture Capital	Chairman	Chang-Shiou Wu	Male	✓	66~70	✓		✓	✓	✓	✓	✓			Vice Chairperson	Chi-Te Chen	Male		66~70	✓	✓	✓	✓	✓		✓	✓	✓	Director	Chung Cheng	Male		66~70	✓	✓		✓	✓			✓		Director	Chu-Hsin Lee	Male		66~70	✓	✓		✓					✓	Director	Chi-Hsin Chen	Male		56~60	✓	✓								Director	Chen-Ching Chen	Male	✓	31~35	✓	✓					✓			<p>has not yet reached one-third of the total number of board seats. Reason for explanation: Due to the specific characteristics of the industry, it is challenging to attract talent in a short period of time.</p> <p>Measures taken: Upon the completion of the current term of the Board of Directors, we will actively seek talent recommendations from various sources, including industry and academic institutions, to enhance corporate governance effectiveness and</p>
Title	Name	Basic Composition				Professional Background																																																																																																											
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Item Assessed	Operation Status												Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons Therefor				
	Yes	No	Summary Description														
			Independent Director	Chin-Pao Tsai	Male		66~70	✓	✓	✓			✓				implement our policy of board member diversity.
			Independent Director	Li-Hsing I	Male		66~70	✓			✓	✓	✓	✓			
			Independent Director	Tai-Sheng Yen	Female		71~75		✓					✓			
			<p>1. There were 9 members of the 23rd Board of Directors, including 3 independent directors. None of the directors have served more than three consecutive terms, and the independent directors account for one-third of the total board seats, ensuring the independence of the Board of Directors. Only 2 members concurrently hold Company employee status, accounting for 22.2%. The Board of Directors currently comprises one female director. The members of the Board of Directors are highly experienced in business management, and have relevant professional backgrounds, and possess the professional knowledge, skills and qualities necessary for the position of executive director; Among the nine core competencies, the Company focuses on three core areas: business administration, financial analysis and leadership decision-making. More than 50% of the Board members have core competence. Furthermore, with respect to crisis management, industry knowledge, construction management, and risk management, more than one-third of the Board members also possess these essential competencies.</p> <p>2. Other achievement status:</p> <ul style="list-style-type: none"> <li>◆ Independent directors who are members of the Board of Directors shall serve for a continuous period of not more than nine years: Achieved</li> <li>◆ No more than one half of the Independent Directors who are members of the Board of Directors shall serve no more than three consecutive terms: Achieved</li> <li>◆ The number of directors who are also employees of the Company is less than 1/3 of the number of directors: Achieved</li> <li>◆ The members of the Board are of the nationality, the age distribution of the Board members are 1 director aged 31-35, 1 director aged 56-60, 6 directors aged 66-70 and 1 director aged 71-75.</li> </ul> <p>The orientation, complementarity and implementation of diversity of directors already include and are superior to the standards set forth in the Company's "Corporate Governance Best Practice Principles". In the future, we will continue to revise our diversity policy in a timely manner depending on the operation, business model and</p>														

Item Assessed	Operation Status		Summary Description	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons Therefor
	Yes	No		
(II) In addition to the Remuneration Committee and the Audit Committee established according to law, has the company voluntarily established other functional committees?	V		<p>development needs of the Board of Directors, including but not limited to the standards of basic requirements and values, professional knowledge and skills, etc., to ensure that the members of the Board of Directors shall generally possess the necessary knowledge, skills and qualities to perform their duties. The Company is actively committed to gender diversity and fully recognizes the importance of a diverse board composition in achieving sustainable corporate development. During the 2024 board re-election, one female director was appointed. Although this complies with legal requirements, it still falls short of the one-third benchmark. The Company will continue to seek qualified candidates through multiple channels, including industry networks and academic institutions, while also cultivating internal talent through training. Our goal is to identify suitable female candidates for the next board election, thereby strengthening corporate governance and advancing our board diversity policy.</p> <p>(II) At the 8th meeting of the 22nd Board of Directors on November 11, 2022, the Company decided to establish the "Sustainable Development Committee" to integrate and promote sustainable development-related issues such as corporate governance, sustainable management, human rights protection, green engineering and investment, and social welfare, etc, and chairman shall be the convener of the committee, report to the Board of Directors periodically on the execution of annual policies and plans, the implementation process, and the outcomes achieved. Under the supervision and promotion of the Board of Directors, we will continue to promote the sustainable development, integrity management, and practice the company's core values. On March 13, 2024, it was resolved by the 15th meeting of 22nd Board of Directors to establish the "Nomination Committee" to nominate director candidates and review candidates for senior management positions, aiming to enhance shareholder activism and improve corporate governance. The Nomination Committee consists of three directors, of whom two are independent directors. Both the convener and the chair of the meetings are independent directors. In 2025, the Nomination Committee held its 2nd meeting of the 2nd term on December 31, with a 100% attendance rate.</p>	No significant deviation.

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(III) Has the Company established standards to measure the performance of the Board, and does the Company implement such annually? Are the results submitted to the Board of Directors and used as references for the Director Remuneration and the nomination for reappointment?	V		<p>Annual operation of the Nomination Committee:</p> <table border="1"> <thead> <tr> <th>Name of Member</th> <th>Identity</th> <th>Number of Times of Attendance (Presence) in Person</th> <th>Number of Attendance s by Proxy</th> <th>Attendance (Presence) Rate (%)</th> <th>Key Discussion Items</th> <th>Meeting Resolution</th> </tr> </thead> <tbody> <tr> <td>Li-Hsing I</td> <td>Convener/ Meeting Chair/ Independent Director</td> <td>1</td> <td>0</td> <td>100</td> <td rowspan="3">Report on the evaluation results of the Board performance and the independence assessment of independent directors for fiscal year 2025.</td> <td rowspan="3">The reported matters were acknowledged.</td> </tr> <tr> <td>Chin-Pao Tsai</td> <td>Member/ Independent Director</td> <td>1</td> <td>0</td> <td>100</td> </tr> <tr> <td>Chen-Ching Chen</td> <td>Member/ Director</td> <td>1</td> <td>0</td> <td>100</td> </tr> </tbody> </table>	Name of Member	Identity	Number of Times of Attendance (Presence) in Person	Number of Attendance s by Proxy	Attendance (Presence) Rate (%)	Key Discussion Items	Meeting Resolution	Li-Hsing I	Convener/ Meeting Chair/ Independent Director	1	0	100	Report on the evaluation results of the Board performance and the independence assessment of independent directors for fiscal year 2025.	The reported matters were acknowledged.	Chin-Pao Tsai	Member/ Independent Director	1	0	100	Chen-Ching Chen	Member/ Director	1	0	100	No significant deviation.
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(III) The Company has established a Regulations Governing Evaluation of Board Performance, which stipulates an external evaluation every three years. In October 2023, the Taiwan Investor Relation Institute was commissioned to conduct the external evaluation, covering the period from October 1, 2022, to September 30, 2023. The evaluation targets include the overall operations of the board and functional committees. It is expected that an external evaluation will be conducted again in October 2026. Evaluation Outcome: (1) The Board of Directors' performance evaluation has achieved an average score of 95.32, surpassing the set standard. (2) The Functional Committees' performance evaluation has achieved an average score of 94.72, surpassing the set standard. ■ After conducting on-site interviews, the Taiwan Investor Relation Institute has made the following recommendations: (1) The composition of the Sustainable Development Committee will be adjusted so that more than half of its members are independent directors. (2) The composition structure of the Board of Directors will incorporate gender diversity.																												

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			<p>(3) The number of independent directors on the Board has increased to over one-third of the total number of directors.</p> <p>(4) Develop an intellectual property management plan and implement the Taiwan Intellectual Property Management System (TIPS).</p> <p>(5) Publish the annual financial report verified by CPAs within two months after the end of the accounting year.</p> <p>In response to the above recommendations, the Company has implemented the following improvements:</p> <p>(1) The recommendations regarding gender diversity on the Board and the seat of independent director were addressed during the re-election of the 23rd Board of Directors of the Company.</p> <p>(2) The implementation of the Intellectual Property Management Plan has undergone relevant procedural discussions and adjustments. Efforts are being made to complete the verification of the management system in the short term.</p> <p>(3) Regarding the timing of the publication of the annual financial report, the Company will confirm the feasibility of the schedule with the CPAs and continue to review relevant internal operating procedures.</p> <p>The Company completed the 2026 first-quarter Board performance evaluation for fiscal year 2025. The evaluation covered directors who were still in office as of December 26, 2025. The evaluation covers the Board operation as a whole (including functional committees) and the performance of individual Board members. The evaluation was conducted by the team of corporate governance by means of an internal questionnaire.</p> <p>The internal performance evaluation on the Board of Directors:</p> <ul style="list-style-type: none"> <li>■ The measurement of the performance evaluation of the Board (including functional committees) includes five major dimensions: <ol style="list-style-type: none"> <li>(1) The extent to which they participate in the operation of the company.</li> <li>(2) Understanding of the responsibilities of the Functional Committee.</li> <li>(3) Improvement in the quality of decision-making in Functional Committee.</li> <li>(4) Composition of the functional committee and selection of members.</li> <li>(5) Internal control.</li> </ol> </li> <li>■ The measurement items of the performance evaluation of the Board made by Board members themselves comprise six major dimensions:</li> </ul>	

Item Assessed	Operation Status		Summary Description	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons Therefor																									
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(IV) Does the Company regularly evaluate the independence of CPAs?	V		<p>(1) Mastery of company goals and tasks.  (2) Cognition of directors' duties.  (3) The extent to which they participate in the operation of the company.  (4) Internal relationship management and communication.  (5) Selection and continuing education of directors.  (6) Internal control.</p> <p>■ Evaluation Outcome:  (1) Outcome of the self-conducted evaluation of overall Board performance:</p> <table border="1"> <thead> <tr> <th>Evaluation Dimension</th> <th>Score</th> <th>Evaluation Outcome</th> </tr> </thead> <tbody> <tr> <td>The extent to which they participate in the operation of the company.</td> <td rowspan="5">98.42</td> <td rowspan="5">Beyond the standard</td> </tr> <tr> <td>Improvement in the quality of Board decision-making.</td> </tr> <tr> <td>The composition and structure of the Board and various functional committees.</td> </tr> <tr> <td>Selection and continuing education of directors.</td> </tr> <tr> <td>Internal control.</td> </tr> </tbody> </table> <p>(2) The self-evaluation score of the Board members is 98.55, and the results all exceed the standard.  (3) The outcome of the self-conducted evaluation by Functional Committees are all beyond the standard.</p> <table border="1"> <thead> <tr> <th>Functional Committee</th> <th>Score</th> <th>Evaluation Outcome</th> </tr> </thead> <tbody> <tr> <td>Audit Committee</td> <td>98.79</td> <td>Beyond the standard</td> </tr> <tr> <td>Remuneration Committee</td> <td>97.54</td> <td>Beyond the standard</td> </tr> <tr> <td>Sustainable Development Committee</td> <td>100.00</td> <td>Beyond the standard</td> </tr> <tr> <td>Nomination Committee</td> <td>97.53</td> <td>Beyond the standard</td> </tr> </tbody> </table> <p>(4) The outcome of the above evaluation was reported to the Company's 11th meeting of the 23rd Board of Directors on March 11, 2026.</p>	Evaluation Dimension	Score	Evaluation Outcome	The extent to which they participate in the operation of the company.	98.42	Beyond the standard	Improvement in the quality of Board decision-making.	The composition and structure of the Board and various functional committees.	Selection and continuing education of directors.	Internal control.	Functional Committee	Score	Evaluation Outcome	Audit Committee	98.79	Beyond the standard	Remuneration Committee	97.54	Beyond the standard	Sustainable Development Committee	100.00	Beyond the standard	Nomination Committee	97.53	Beyond the standard	No significant deviation.
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			<p>(5) When selecting or nominating an independent director, the Company will accord to its selection as the outcome of evaluation of the performance of such an independent director.</p> <p>(IV) The Company's Audit Committee evaluates the independence and suitability of its CPAs on an annual basis. Having confirmed that the CPA has no financial interest or business relationship with the Company other than fees related to audit and tax matters, and the CPA's family members do not violate the independence requirement. Confirm that CPA and firms are on equal with or better than their peers in terms of experience and hours of training by referring to the AQI information. In addition, CPA continues to introduce digital audit tools to improve audit quality in the most recent year. The most recent annual evaluation results were resolved by the Audit Committee at its 8th meeting of the 3rd term on December 26, 2025, and its 9th meeting of the 3rd term on March 11, 2026. The results were subsequently submitted to the Board of Directors at its 10th meeting of the 23rd term on December 26, 2025, and its 11th meeting of the 23rd term on March 11, 2026, where the independence and suitability of the external auditors were duly approved.</p> <p>➤ Access the independence and competency</p> <p>1. Access the independence</p> <table border="1"> <thead> <tr> <th rowspan="2">Item</th> <th rowspan="2">Content</th> <th colspan="2">Evaluation Outcome</th> <th rowspan="2">Whether it is compliant with Independence Criteria</th> </tr> <tr> <th>Yes</th> <th>No</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>If the appointed CPA has a direct or material indirect interest in a matter that affects his or her impartiality and independence, he or she shall recuse himself or herself from the assignment.</td> <td>V</td> <td></td> <td>Yes</td> </tr> <tr> <td>2</td> <td>An audit, review, examination or opinion of the CPA on financial statements is important not only for formal independence, but also for substantive independence. Accordingly, members of the audit service team, other co-practicing CPAs, the firm and the firm's affiliates must maintain independence from the Company.</td> <td>V</td> <td></td> <td>Yes</td> </tr> <tr> <td rowspan="2">3</td> <td>The CPA maintains the spirit of independence with integrity, fairness and objectivity</td> <td rowspan="2">V</td> <td rowspan="2"></td> <td rowspan="2">Yes</td> </tr> <tr> <td>(1) Integrity: The CPA performs professional services with integrity and rigor, and is honest, open and fair in professional and business relationships.</td> </tr> </tbody> </table>	Item	Content	Evaluation Outcome		Whether it is compliant with Independence Criteria	Yes	No	1	If the appointed CPA has a direct or material indirect interest in a matter that affects his or her impartiality and independence, he or she shall recuse himself or herself from the assignment.	V		Yes	2	An audit, review, examination or opinion of the CPA on financial statements is important not only for formal independence, but also for substantive independence. Accordingly, members of the audit service team, other co-practicing CPAs, the firm and the firm's affiliates must maintain independence from the Company.	V		Yes	3	The CPA maintains the spirit of independence with integrity, fairness and objectivity	V		Yes	(1) Integrity: The CPA performs professional services with integrity and rigor, and is honest, open and fair in professional and business relationships.	
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				<p>(2) Fairness and objectivity: When performing professional services, the CPA maintains a fair and objective position and avoids bias, conflict of interest or interest that may affect professional judgment. A fair and objective position includes being impartial and exercising professional due diligence between the provision of information and the user.</p> <p>(3) Independence: CPA maintains an independent position, both formal and substantive, in performing and expressing an opinion on financial statements in an audit, review, examination or project review.</p>	V	Yes
			4	CPA independence is affected by self-interest, self assessment, defensiveness, familiarity, and coercion.	V	Yes
			5	A CPA's independence is affected by self-interest, meaning that he or she receives financial benefits from an audit client or has a conflict of interest with an audit client due to other interests. Reasons usually include:	V	Yes
				(1) Direct or substantial indirect financial interest with the CPA?	V	Yes
				(2) The firm is overly dependent on a single client's fee stream.	V	Yes
				(3) Has the CPA engaged in financing or certifying with the Company or directors?	V	Yes
				(4) Does the CPA have a close business relationship with the company?	V	Yes
				(5) Does the CPA consider the possibility of losing customers?	V	Yes
				(6) Does the CPA have potential employment relationship with the Company?	V	Yes
				(7) Does the CPA have contingent public expenses related to the examination of cases?	V	Yes
			6	(8) The discovery of material errors in the professional services reports previously provided by other members of the firm?	V	Yes
				An accountant's independence is affected by self assessment, which typically includes: (1) Does the CPA provide any non-audit services which may directly affect the audit work of the Company?	V	Yes

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				<p>(2) Does the CPA and members of the audit team currently or in the last two years directors, managers of the Company or positions that have a material impact on the audit?</p> <p>CPA independence is affected by defending, which means that members of the audit service team become defenders of the audit client's position or opinion, resulting in their objectivity being questioned. Normally includes:</p> <p>7 (1) Does the CPA broker audits of stocks or other securities issued by the Company?</p> <p>(2) Does the CPA act as an advocate for the Company or act on behalf of the Company in coordinating conflicts with other third parties?</p> <p>8 Familiarity affects the CPA's judgment of independence because the close relationship with the audit client's directors, and managers causes the CPA or audit service team members to be overly concerned with or sympathetic to the interests of the audit client. Situations that may have such an effect usually include:</p> <p>(1) Does the CPA have relationship with the directors, managers, or persons who have significant influence on the audit case?</p> <p>(2) Does a CPA who has discharged his or her duties as a director, supervisor, or manager of the Company within one year or more, or who has significant influence on the audit case.</p> <p>(3) Does the CPA receive gifts or special offers of significant value from the Company or directors, managers or major shareholders?</p> <p>9 The effect of coercion on an accountant's independence is when a member of the audit services team experiences or perceives intimidation from an audit client that prevents him or her from maintaining objectivity and clarifying professional doubts. Normally includes:</p> <p>(1) The client threatens to file a lawsuit.</p> <p>(2) Threaten to revoke an appointment in a non-audit case to force the firm to choose an inappropriate accounting policy for a particular transaction</p> <p>(3) Threaten to discharge the appointment or reappointment of audit cases.</p> <p>(4) Pressure on CPAs to improperly reduce the number of audits to be performed in order to reduce public expenses.</p>		<p>V Yes</p> <p>V Yes</p> <p>V Yes</p> <p>V Yes</p> <p>V Yes</p> <p>V Yes</p> <p>V Yes</p> <p>V Yes</p> <p>V Yes</p> <p>V Yes</p> <p>V Yes</p>

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IV. If the company is a publicly-listed company, does the company has sufficient qualified corporate governance personnel in place and assign a chief corporate governance officer, to handle matters relating to corporate governance	V			At the 22nd Board Meeting of the 11st session on May 10, 2023, the Board of Directors resolved at the meeting to appoint Yu-Yun Lin, Assistant General Manager, as the Head of Corporate Governance of the Company, who then summoned representatives from Legal Department, Audit Office, Secretary Office of the Board, and Public Relations Office to form the Corporate Governance Team. Yu-Yun Lin is qualified as a lawyer (Lawyer's Certificate	No significant deviation.																																																																	

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(including but not limited to providing directors and supervisors with materials necessary to perform their duties, assist directors and supervisors in legal compliance, handling matters in connection with the Board Meeting and the Shareholders' Meeting in accordance with laws and regulations, and prepare meeting minutes for the Board Meetings and the Shareholders' Meeting)?			<p>No. 104 Taichung No. 12093) and has served as the head of the Company's Legal Department for at least five years, which meets the qualifications required of a corporate governance officer. The terms of reference of the Head of Corporate Governance include, but are not limited to, the following:</p> <ol style="list-style-type: none"> <li>1. Assist Independent Directors and Directors in general in carrying out their duties, provide necessary information and arrange for further education of Directors.</li> <li>2. Assist in compliance with the procedures and resolutions of the Board of Directors and shareholders' meetings.</li> <li>3. The Board of Directors shall notify the directors of the proposed agenda of the meeting seven days in advance and provide information on the meeting. The Board of Directors shall be reminded in advance of any issues that require disqualification of directors' interests and shall complete the minutes of the Board of Directors' meeting within 20 days after the meeting. Provide the material required for the directors to perform their duties.</li> <li>4. Pre-registration of the date of the shareholders' meeting, preparation of the notice of the meeting, the meeting manual, and the minutes of the meeting within the deadline, and registration of changes in the articles of incorporation or re-election of directors in accordance with the law.</li> </ol> <p>In 2025, the Corporate Governance Officer completed continuing education courses, including executive compensation and ESG performance system design, strengthening climate-related disclosures to enhance corporate climate resilience, the current global economic and financial situation, and a corporate integrity workshop, totaling 15 hours. All training records have been duly filed in the Market Observation Post System. The Company will continue to pursue further training in corporate governance-related topics.</p>	
V. Does the Company establish communication channels between stakeholders (including but not limited to shareholders, employees, customers and suppliers), set up a stakeholder area on the Company's website, and respond appropriately to important corporate social responsibility issues of concern to stakeholders?	V		The Company has established a communication and complaint channel on its website ( <a href="https://www.ckgroup.com.tw/zh-TW/responsibility.html">https://www.ckgroup.com.tw/zh-TW/responsibility.html</a> ) to provide stakeholders with contact channels for addressing the aforementioned matters, and ensures timely and appropriate responses.	No significant deviation.
VI. Does the Company commission a professional shareholder services agency to handle matters in connection with the shareholders' meeting?	V		The Company appoints Yuanda Securities Co., Ltd. to deal with matters relating to the Shareholders' Meeting.	No significant deviation.

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VII. Information Disclosure				
(I) Does the company have a corporate website to disclose both financial standings and the status of corporate governance?	V		(I) The financial and corporate governance information of the Company is disclosed in the Investor Relations section of our official website: Report Download: <a href="https://www.ckgroup.com.tw/zh-TW/report.html">https://www.ckgroup.com.tw/zh-TW/report.html</a> Corporate Governance: <a href="https://www.ckgroup.com.tw/zh-TW/governance.html">https://www.ckgroup.com.tw/zh-TW/governance.html</a>	No significant deviation.
(II) Does the company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?	V		(II) The Company has established an English website to enhance information disclosure and has designated dedicated personnel in accordance with applicable regulations to be responsible for information collection and disclosure. In addition, suitable personnel have been appointed as the spokesperson and deputy spokesperson in compliance with regulatory requirements. The Company also posts materials from each investor conference on the Latest News section of its official website. The relevant links are as follows: English Website: <a href="https://www.ckgroup.com.tw/en">https://www.ckgroup.com.tw/en</a> Communication and Complaint Channels: <a href="https://www.ckgroup.com.tw/zh-TW/responsibility.html">https://www.ckgroup.com.tw/zh-TW/responsibility.html</a> Latest News: <a href="https://www.ckgroup.com.tw/zh-TW/news.html">https://www.ckgroup.com.tw/zh-TW/news.html</a>	No significant deviation.
(III) Does the company publish and report its annual financial report within two months after the end of a fiscal year, and publish and report its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline.	V		(III) The Company discloses and files its annual and first, second, and third quarter financial reports, as well as monthly operating results, within the required deadlines in accordance with regulations.	No significant deviation.
VIII. Is there any other important information to facilitate a better understanding of the Company's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies,	V		(I) Relevant information is updated regularly and posted on the Company's official website. The Company also provides an overview of the structure and members of the Board of Directors, and has established a "Communication and Complaint Channel" to facilitate communication with investors and stakeholders. (II) The situation of directors and supervisors of the Company for further training is declared on MOPS according to the prescribed time schedule. (III) The Company purchases directors' and senior managers' liability insurance annually. In addition to reporting to the Board of Directors, we also file the necessary disclosures on the Market Observation Post System.	No significant deviation.

Item Assessed	Operation Status		Summary Description	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons Therefor
	Yes	No		
and purchasing liability insurance for directors and supervisors)?			<p>(IV) Cultivation plan for succession of Board members and major management:  The Company pays attention to the implementation of the succession plan. In addition to its excellent working ability, the successor is in line with the Company's principle of conduct of "Integrity, Optimization, Well-being and Harmony" and its values, so as to create long-term value and make the Company sustainable. Senior management personnel are required not only to possess professional backgrounds and technical skills, but also to demonstrate competencies in organizational leadership, communication and collaboration, corporate operations, and problem-solving.  The Company's management talent development framework consists of four key dimensions:  The Company's succession planning mechanism is implemented based on the following four dimensions to ensure the rigor of the talent development process:</p> <ol style="list-style-type: none"> <li>1. Define talent profiles</li> <li>2. Identify high-potential talent</li> <li>3. Assess competency gaps</li> <li>4. Accelerate talent development and deployment</li> </ol> <p>Through relevant training programs for management representatives, annual departmental planning and execution reviews, and job rotations across functions, the Company cultivates strategic thinking abilities. Combined with the performance evaluation system, this approach effectively builds the Company's management talent pipeline.  Regarding Board succession planning, the Company annually organizes training programs covering management capabilities, professional competencies, corporate governance systems, and innovation and transformation capabilities. Through such professional training, participants are enabled to integrate and apply their learning to develop decision-making and judgment capabilities. Key reserve candidates are subsequently selected and future succession arrangements are approved through Board resolutions. Director Chen-Ching Chen, having completed the comprehensive training program mentioned above, was successfully elected to the 23rd Board of Directors during the 2024 board re-election, bringing new vitality to the Board. In addition, as the composition of the Board of Directors should reflect diversity, the number of directors concurrently serving as managers within the Company does not exceed one-third of the total board seats. In addition to cultivating our own director candidates, we extensively</p>	

Item Assessed	Operation Status		Summary Description	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons Therefor
	Yes	No		
			<p>solicit experts with industry experience, organizational management skills, crisis handling abilities, and expertise in various fields to implement our diversity policy.</p> <p>(V) Linkage between directors and managers performance evaluation and remuneration:</p> <ol style="list-style-type: none"> <li>1. Compensation paid to directors are determined in accordance with Article 18-1 of the Company's Articles of Incorporation, in which the Board is authorized to determine such remuneration by reference to the industry standard, as well as the extent to which directors participate in the management of the Company. If the Company records profits for the year, employee compensation is appropriated at 0.1% to 3% of pre-tax profit after deducting remuneration for directors and employees, and director remuneration is allocated at no more than 3% of such profit. The distribution is made to directors, managers, and employees. Of the employee remuneration referred to in the preceding paragraph, no less than 15% shall be allocated to base-level employees. The Company determines compensation based on each director's contributions during board meetings, their participation in operational decision-making, and the results of performance evaluations. Please refer to page 19 of this annual report.</li> <li>2. The payment of director remuneration is handled in accordance with Article 23 of the Company's Articles of Incorporation. The determination process follows the results of the Board performance evaluation and the "Regulations Governing Allocation and Payment of Remuneration to Directors." In addition to taking into consideration the Company's overall operating performance, industry-related risks, and future development trends, the remuneration of individual directors is determined based on different allocation weights reflecting the level of responsibility associated with their positions and their contribution value. Such allocation is further weighted according to each director's actual tenure during the fiscal year, thereby ensuring a substantive linkage between remuneration and each director's contribution to the Company's operating performance.</li> <li>3. The manager's compensation includes salary and bonus, where the salary is based on the industry standard as well as title, job grade, education, professional ability and responsibilities. The bonus is linked to the Balanced Scorecard (BSC) performance evaluation system introduced by the Company. It evaluates managers based on their overall annual performance across multiple dimensions, including financial performance, customer satisfaction, internal process efficiency, talent development,</li> </ol>	

Item Assessed	Operation Status		Summary Description	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons Therefor														
	Yes	No																
			<p>and sustainable development. Rewards and incentives are then issued accordingly to strengthen performance orientation and motivational effects. Furthermore, the criteria for evaluating corporate governance will be aligned with the responsibilities of each manager, utilizing the outcomes of the governance evaluation as a key benchmark for assessing managerial performance. This approach will facilitate the policy of linking managerial remuneration to ESG factors.</p> <p>A portion of the variable compensation for the Chairman, General Manager, and heads of business units is linked to ESG indicators, as follows:</p> <table border="1"> <thead> <tr> <th>Target Audience</th> <th>Aspect</th> <th>Performance Indicators</th> <th>Items and Weightings</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Chairman, General Manager, and Heads of Business Units</td> <td>E</td> <td>Environmental Sustainability</td> <td> <ul style="list-style-type: none"> <li>Low-carbon construction: method development, construction integration, and paperless management (3.5%)</li> <li>Greenhouse gas inventory and verification (1%)</li> </ul> </td> </tr> <tr> <td>S</td> <td>Social Sustainability</td> <td> <ul style="list-style-type: none"> <li>Occupational safety and health (4%)</li> <li>Talent development: key talent retention and talent cultivation (1.5%)</li> </ul> </td> </tr> <tr> <td>G</td> <td>Corporate Sustainability Governance</td> <td> <ul style="list-style-type: none"> <li>Operating performance (50%)</li> </ul> </td> </tr> </tbody> </table> <p>4. The performance evaluation and remuneration of directors and managers are reviewed by the Remuneration Committee and the Board of Directors to ensure fairness and reasonableness. The Company also periodically reviews its compensation system in a timely manner in response to actual operating conditions, market changes, and regulatory updates.</p> <p>(VI) Implementation status of risk management policies and risk measurement standards: The Company's risk management is overseen by the Audit Committee, and the Company has established the "Risk Management Policy and Operational Procedures." The overall implementation of risk management is reported to the Board of Directors at least once a year. In 2025, the reporting to the Board was conducted on December 26. The main operations of each risk management aspect have been disclosed on the Company's website: <a href="https://www.ckgroup.com.tw/storage/app/uploads/public/696/5bd/dfa/6965bddfa25df872586080.pdf">https://www.ckgroup.com.tw/storage/app/uploads/public/696/5bd/dfa/6965bddfa25df872586080.pdf</a></p> <p>(VII) Investor relations: The Company values shareholder opinions and has established a spokesperson system and an investor contact window to maintain communication channels with investors. For</p>	Target Audience	Aspect	Performance Indicators	Items and Weightings	Chairman, General Manager, and Heads of Business Units	E	Environmental Sustainability	<ul style="list-style-type: none"> <li>Low-carbon construction: method development, construction integration, and paperless management (3.5%)</li> <li>Greenhouse gas inventory and verification (1%)</li> </ul>	S	Social Sustainability	<ul style="list-style-type: none"> <li>Occupational safety and health (4%)</li> <li>Talent development: key talent retention and talent cultivation (1.5%)</li> </ul>	G	Corporate Sustainability Governance	<ul style="list-style-type: none"> <li>Operating performance (50%)</li> </ul>	
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Item Assessed	Operation Status		Summary Description	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons Therefor
	Yes	No		
			<p>more details, please refer to the Company website: <a href="https://www.ckgroup.com.tw/zh-TW/responsibility.html">https://www.ckgroup.com.tw/zh-TW/responsibility.html</a> Additionally, the Company holds two investor conferences annually and publishes the video recordings on the "Latest News" section of the Company website: <a href="https://www.ckgroup.com.tw/zh-TW/news.html">https://www.ckgroup.com.tw/zh-TW/news.html</a>. Moreover, we disclose significant information in compliance with regulations to enhance the timeliness and transparency of information disclosure, thereby safeguarding the interests of investors.</p> <p>(VIII) Employees rights: The Company regularly maintains the ISO45001 Occupational Health and Safety Management Standard. Additionally, we have established various regulations, including the "Human Rights Policy," "Whistleblowing Procedures," and "Ethical Corporate Management Best Practice Principles," to uphold employee rights. We also disclose information on our official website regarding the "Occupational Health and Safety Management System and 2025 Implementation Status." The details of other employee benefits can be found on the Company's website: <a href="https://www.ckgroup.com.tw/zh-TW/join.html">https://www.ckgroup.com.tw/zh-TW/join.html</a>.</p> <p>(IX) Employee Care: The Company places great importance on the safety and well-being—both physical and mental—of our employees. We provide regular health check-ups and comprehensive employee insurance, while also focusing on labor relations and ensuring equal employment opportunities. Please refer to page 104 of this annual report for the section "V. Labor Relations."</p>	
<p>IX. Please, based on the latest report of Corporate Governance Evaluation released by the Corporate Governance Center of TWSE, state the circumstances in which improvement has been made, and propose priorities and measures for those that have not yet improved.</p> <p>The most recently released results of the Corporate Governance Assessment by the Center for Corporate Governance are the 11th (2024) Corporate Governance Assessment, with specific improvements in 2025 as follows:</p> <ol style="list-style-type: none"> <li>In 2025, the Company uploaded the English-language version of its annual financial report to the Market Observation Post System 18 days prior to the annual shareholders' meeting.</li> <li>In 2025, the Company invested NT\$3.23 million in support of domestic cultural development, which has been disclosed on the Company's website under Sustainable Operation &gt;&gt; Implementation Status &gt;&gt; Social Engagement Programs and 2025 Implementation Status.</li> </ol>				

(IV) Where a company has established a remuneration committee, it is required to disclose the composition, duties and implementation status of such a committee.

The Company has established a Remuneration Committee. The composition, duties, and operational status of the 5th-term committee are as follows:

1. Information of Members of the Remuneration Committee

March 31, 2026

Title	Criteria Name	Professional Qualifications and Experience	Independence Criteria (Note 1)												Number of Other Public Companies in Which the Individual is Concurrently Serving as a Remuneration Committee Member
			1	2	3	4	5	6	7	8	9	10	11	12	
Independent Director	Chin-Pao Tsai	Has at least 5 years of work experience in the area necessary business of the Company Former Vice Director of PwC Taiwan	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	1
Independent Director	Tai-Sheng Yen	Has at least 5 years of work experience in the area necessary business of the Company Former Director & General Manager, Operations, Information and Human Resources, Citibank Asia Pacific Former General Manager & Director of Human Resources, Citibank Taiwan Former Senior Manager, Human Resources, FedEx Central and North Asia Former Director, Human Resources, Mobil North Asia Former Vice President of Human Resources, Asia-Pacific Consumer Financial Industry & Hong Kong Region, Bank of America Former Director, Human Resources, Avon Taiwan	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	0
Independent Director	Li-Hsing I	Has at least 5 years of work experience in the area necessary business of the Company Former Consultant of BES Engineering Corporation Former General Manager, Chien Kuo Construction Co., Ltd. Current Chairman, Citygreat Information Technology Co., Ltd. Former General Manager, Ruentex Construction Co., Ltd. Former General Manager, Pinghui Construction Co., Ltd. Former General Manager, Runan Electrical Engineering Co., Ltd. Former General Manager, Lisheng Construction Co., Ltd. Former General Manager, Pengfa Construction Co., Ltd. Former Associate Engineer, Deputy Division of RSEA Engineering Corporation	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	0

Independence Criteria: Three of the Company's Remuneration Committee members are all independent directors, accounting for 33% of the board members. None of the Company's directors, independent directors, or directors and independent directors are related to each other by consanguinity or by second degree of kinship, and there is no such situation as provided in Article 26-3, Paragraphs 3 and 4 of the Securities and Exchange Act.

Note 1: Please tick [✓] the boxes below each criterion if a member meets these conditions within two years prior to being elected and during his/her term of service.

- (1) Not an employee of the Company or any of its associates.
- (2) Not a director or supervisor of the Company or any of its associates. The same does not apply, however, in cases where the person is an independent director of the Company, its parent company, or any subsidiary, as appointed in accordance with the Act or with the laws of the country of the parent or subsidiary.
- (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of outstanding shares of the Company or is ranked in the top 10 in shareholdings.
- (4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer as stated in (1) or any of the persons mentioned in (2) and (3).
- (5) Not a director, supervisor, or employee of a corporate shareholder who directly holds more than 5% of the total issued shares of the Company, or a top 5 shareholder, or a director or supervisor representative appointed by the Company in accordance with paragraph 1 or 2, Article 27 of the Company Act (excluding independent directors appointed by both the Company and its parent company, subsidiary or subsidiaries under the same parent company pursuant to this regulation or the local regulations).
- (6) Not directors, supervisors or employees of other companies controlled by the same person holding a majority of the company's director seats or voting shares of the company. (However, this restriction shall not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent).
- (7) Not directors (governors), supervisors or employees of other companies or institutions who are the same person or spouse as the chairperson, general manager or person holding an equivalent position of the company. (However, this restriction shall not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a company and its parent or subsidiary or a subsidiary of the same parent).
- (8) Not any director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the company (for a particular company or institution holds more than 20%, but not exceed 50%, of the company's issued shares, and the independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent, shall not be restricted by this provision.)
- (9) Not any professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT\$500,000, or a spouse thereof. However, members of the special committee on remuneration, public acquisition review, or merger and acquisition who perform their functions and powers in accordance with the provisions of the Securities and Exchange Act or Business Mergers and Acquisitions Act and other relevant regulations shall not be subject to this provision.
- (10) Not a spouse or a relative within the second degree of kinship of other directors.
- (11) Not having any of the circumstances as set forth in the subparagraphs of Article 30 of the Company Act.

(12) Not elected in the capacity of the government, a juristic person, or a representative thereof, as provided in Article 27 of the Company Act.

2. Operations of the Remuneration Committee

(1) On June 18, 2024, the Company re-elected the 5th Remuneration Committee, with one member replaced and a total of three members appointed.

(2) Tenure of members of the committee of the current session: June 18, 2024, to June 17, 2027. A total of 2 Remuneration Committee meetings were held in 2025. The information and attendance of the members was as follows:

Title	Name	Actual Attendance	Number of Attendances by Proxy	Attendance Rate (%) (Note)	Note
Convener	Tai-Sheng Yen	2	0	100	Elected on June 18, 2024
Member	Chin-Pao Tsai	2	0	100	Re-elected on June 18, 2024
Member	Li-Hsing I	2	0	100	Re-elected on June 18, 2024

Other Required Disclosure:

I. In the case that the Board declines to adopt a recommendation of the remuneration committee, or that the Board modifies the same, it shall specify the date of the meeting, session, content of the motion, resolution by the board of directors, and the Company's response to the remuneration committee's opinion (e.g., the remuneration passed by the Board of Directors exceeds the recommendation of the remuneration committee, the circumstances and cause for the difference shall be specified): None.

II. Where there is any resolution of the Remuneration Committee to which a member objects, or on which a member has a qualified opinion, and such objection or qualified opinion is documented or reduced to a written statement, it is required to disclose the meeting date, meeting session, proposal content, opinions of all members and the response thereto: None.

III. Subject matters and resolutions of the Remuneration Committee of 2025 are as follows:

Date of Convention	Reason for Discussion	Resolution	Company's Handling of the opinions of members of the Audit Committee
2025/3/14 3rd meeting of the 5th term	I. Proposal of employee compensation amount in 2024. II. Proposal of director remuneration amount in 2024.	Approved by all members and reported to the Board.	Approved by all directors and by proxy present and implemented according to the meeting results.
2025/12/26 4th meeting of the 5th term	I. Propose the total amount of the year-end performance bonus for employees for 2025. II. Allocation of long-term incentive bonuses for key talent.	Approved by all members and reported to the Board.	The directors have recused themselves from the discussion of the contents of the meeting and did not participate in the voting.

(V) Implementation of Promoting Sustainable Development and Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons Therefor

Item Assessed	Implementation Status			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons Therefor
	Yes	No	Summary Description	
I. Does the Company establish a governance structure to promote sustainable development and set up a special (part-time) unit to promote sustainable development, which is authorized by the Board of Directors to be handled by senior management, and is supervised by the Board of Directors?	V		At the 8th meeting of the 22nd Board of Directors on November 11, 2022, the Company decided to establish the “Sustainable Development Committee.” This committee serves as the highest-level decision-making body for sustainable development within the Company, with the Chairman acting as the convener. Together with sustainability committee members and the management team, the committee reviews the Company’s core values and operational policies, formulates sustainable development policies and plans, and integrates and promotes issues related to corporate governance, sustainable management, human rights protection, green construction methods and investments, and social welfare. The committee reports to the Board of Directors periodically on the execution of annual policies and plans, the implementation process, and the outcomes achieved. Under the supervision and promotion of the Board of Directors, we will continue to promote the sustainable development, integrity management, and practice the company’s core values. The Board of Director’s supervision of sustainable development: The Sustainable Development Committee shall report periodically to the Board of Directors on the sustainable development policies, plans, and the results of sustainable development activities for the current year. The Board will review the feasibility of these policies and plans, continuously monitor the progress of their implementation, and provide guidance and adjustments as needed.	No significant deviation.
II. Does the Company conduct risk assessments on environmental, social and corporate governance issues related to the Company’s operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?	V		The Company conducts an annual stakeholder survey based on the principle of dual materiality. This process is overseen by the Sustainable Development Committee and its three functional subgroups, consisting of department heads from Corporate Governance, Human Resources Dep., Technology Dept., Procurement Dept., Quality Assurance Dept., Department of Safety and Health, Public Relations Office, and the Cybersecurity Center. These groups perform risk assessments on environmental sustainability, social harmony, and corporate sustainability issues relevant to the company’s operations. The assessments identify major risks related to the construction industry, information security, and climate change, and establish appropriate risk management policies. This process enables cross-departmental communication on risks and the adoption of cost-effective response strategies.	No significant deviation.

Item Assessed	Implementation Status		Summary Description	Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons Therefor
	Yes	No		
			Responsibility for implementing these strategies is assigned to designated units, which also conduct drills to address significant potential risks and report the results to the Board of Directors. For details of risk management, please refer to page 32-35 of the 2024 Sustainability Report.	
<p>III. Environmental Issues</p> <p>(I) Does the Company establish proper environmental management systems based on the characteristics of their industries?</p> <p>(II) Does the Company endeavor to improve energy use efficiency and use renewable materials which have low impact on the environment?</p> <p>(III) Does the company assess the potential risks and opportunities brought by climate changes, both for now and in the future, and take measures to cope with relevant issues?</p>	V	V	<p>(I) On July 1, 2024, the Chairman approved the revision of the Company's "Environmental Policy," reinforcing our core values and demonstrating our ongoing commitment to environmental protection. To enhance environmental awareness, promote resource recycling, eliminate environmental hazards, and sustainably manage ecological care, we aim to minimize our operational impact on the environment. On November 15, 2024, the British Standards Institution (BSI) confirmed the Company's compliance with the ISO 14001 Environmental Management System. The standard processes of the Environmental Management System have been incorporated into the Company's existing management guidelines. Through the procurement process, we aim to extend our influence to all partners within the supply chain. In 2025, the re-certification audit was completed on September 9 to ensure the effective operation of the Company's environmental management system.</p> <p>(II) The Company complies with the ISO 14001 Environmental Management System standards. The Department of Administrative General Affairs is in charge of the establishment of a management system responsible for resource allocation, recycling and reuse of various construction sites throughout the country, and continuously enhancing material and energy efficiency. The Procurement Dept. is primarily responsible for bulk material procurement. Under the premise of ensuring quality compliance, the Company is committed to prioritizing the procurement of green products and progressing toward a goal of 100% local sourcing.</p> <p>(III) From 2019 onwards, the Company will incorporate climate change into its risk management procedures, and assess the impact of climate change on business operations so as to development countermeasures. Please refer to page 96-101 of the 2024 Sustainability Report.</p>	<p>No significant deviation.</p> <p>No significant deviation.</p> <p>No significant deviation.</p>

Item Assessed	Implementation Status		Summary Description	Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons Therefor
	Yes	No		
(IV) Does the Company conduct statistics on the greenhouse gas emissions, water consumption, and total weight of waste for the past two years, and correspondingly formulate policies for greenhouse gas reduction, water use reduction, or other waste management?	V		<p>(IV) Since 2023, the Company has conducted greenhouse gas inventories in accordance with the ISO 14064-1 standard. In 2023, the inventory results revealed a total of 22,158.8142 tons of CO<sub>2</sub>e. Among them, Scope 1 amounted to 92.5278 tons of CO<sub>2</sub>e, accounting for 0.42%; Scope 2 totaled 449.7330 tons of CO<sub>2</sub>e, representing 2.03%; and Scope 3~6 totaled 21,616.5534 tons of CO<sub>2</sub>e, making up 97.55% of the total. The primary sources of emissions were upstream emissions from the procurement of materials (such as concrete and steel reinforcement). In 2024, the inventory results revealed a total of 139,025.7665 tons of CO<sub>2</sub>e. Among them, Scope 1 amounted to 97.9774 tons of CO<sub>2</sub>e, accounting for 0.07%; Scope 2 totaled 989.8641 tons of CO<sub>2</sub>e, representing 0.71%; and Scope 3~6 totaled 137,937.9250 tons of CO<sub>2</sub>e, making up 99.22% of the total. The primary source of emissions was upstream emissions from the procurement of materials (such as concrete and steel reinforcement). The greenhouse gas inventory results for 2023 and 2024 were verified and approved by a third-party organization, AFNOR ASIA LTD. Both Scope 1 and Scope 2 emissions received a reasonable level of assurance. The greenhouse gas inventory information for 2025 is scheduled to undergo verification in April 2026, with the certification expected to be obtained in June 2026. Therefore, relevant data are not yet available for disclosure.</p> <p>Note: The inventory boundary in 2023 covered the corporate headquarters office and three construction sites under development. In 2024, the boundary was expanded to include the corporate headquarters and eleven construction sites under development, resulting in a significant difference in carbon emissions. The inventory boundary for 2025 covers the corporate headquarters office and fifteen construction sites under development. The estimated water usage for the corporate headquarters building was 1,500.45 metric tons in 2024 and 1,341.13 metric tons in 2025. The total amount of waste generated by the Company is influenced by the progress of engineering projects and fluctuations in the number of projects. In 2024, the amount of construction waste was 4,645.11 tons, and municipal waste totaled 752.98 tons. In 2025, the construction waste was 5,144.02 tons, while municipal waste was 1,870.72 tons. The Company strictly adheres to the Ministry of Environment's policies regarding construction</p>	No significant deviation.

Item Assessed	Implementation Status		Summary Description	Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons Therefor
	Yes	No		
			<p>waste management. It entrusts qualified professional contractors with the responsibility of waste transportation and reporting operations, thereby ensuring effective monitoring of waste flow. Furthermore, there is a proactive initiative to promote waste classification and reduce the use of disposable containers, thereby encouraging resource recycling and minimizing waste.</p> <p>Note: The 2025 waste inventory data is expected to be finalized after ISO 14064-1 verification in April 2026; therefore, the figures are subject to adjustment.</p>	
<p>IV. Social Aspects</p> <p>(I) Does the Company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?</p>	V		<p>(I) To safeguard employees' fundamental human rights and create a secure workplace environment, the Company not only complies with domestic labor laws and regulations, but also refers to international conventions such as the United Nations Universal Declaration of Human Rights, the United Nations Global Compact, and the International Labour Organization Declaration on Fundamental Principles and Rights at Work in establishing its "Human Rights Policy," which serves as the guiding principle for both corporate management and employees.</p> <p>The scope of this policy extends to subsidiaries and group enterprises and organizations over which the Company has substantial control. Depending on the nature of each issue, the Human Resources Department, Department of Safety and Health, Information Technology Department, and Procurement Department serve as the responsible units, jointly implementing measures related to employment equality, occupational health and safety, information privacy, and responsible procurement.</p> <p>The Company conducts annual human rights due diligence. The process includes integration into management systems, risk identification and assessment, implementation of mitigation measures, and follow-up on outcomes. In 2025, the assessment covered the Company's operations in Taiwan, all employees, contractors, and customers. Material human rights issues identified included working hours management, prohibition of forced labor, occupational health and safety, and personal data privacy. In response, the Company has implemented risk mitigation measures such as occupational safety training, regular meetings of</p>	No significant deviation.

Item Assessed	Implementation Status		Summary Description	Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons Therefor																																										
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(II) Does the Company establish and offer proper employee benefits (including compensation, leave, and other benefits) and reflect the business performance or results in employee compensation appropriately?	V		<p>the Occupational Safety and Health Committee, and an Employee Assistance Program (EAP), to ensure the practical realization of human rights protection.</p> <p>Results of the 2025 Human Rights Due Diligence Assessment:</p> <table border="1"> <thead> <tr> <th>Organizational Scope</th> <th>Stakeholders</th> <th>Human Rights Issues</th> <th>Management Measures</th> <th>Assessment Tools</th> <th>Management Performance Indicators</th> <th>Responsible Department</th> </tr> </thead> <tbody> <tr> <td>Human Resources</td> <td>Employees</td> <td>1. Working hours 2. Forced labor 3. Equal pay for equal work 4. Child labor 5. Non-discrimination 6. Workplace harassment 7. Freedom of association</td> <td>1. Regular review of labor laws and strict compliance 2. 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(II) The Company has a comprehensive level of positions and salary system; it provides salaries more favorable than the standard within the industry for its employees. Based on the Company's annual operating performance, the Company links individual performance to compensation through the BSC performance evaluation process, providing year-end bonuses, performance bonuses, and festive bonuses for the three significant Chinese festivals. Additionally, the Company conducts two performance reviews annually, adjusting salaries based on each employee's performance. For details regarding employee welfare measures, please refer to page 104 of this annual report, "V. Labor Relations."																																														

Item Assessed	Implementation Status		Summary Description	Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons Therefor
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(III) Does the Company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	V		<p>(III) The Company sets its primary target as creating a carefree working environment. Except for passing the certification to ensure the compliance with the basic requirements under the domestic environmental regulations and international safety regulations, and the Company daily, every other week, monthly, quarterly, regularly conducts safety and hygiene education or promotion by the safety and health personnel or occupational care according to different positions of colleagues and suppliers labor, so as to ensure that all employees may fulfill the safety and hygiene work. In addition, the Company conducts medical checkups for employees every two years to ensure the physical and mental health and safety of each employee.</p> <p>To prevent unlawful workplace infringement, the Company has established a "Prevention Plan for Occupational Harassment and Illegal Workplace Infringement." In 2025, based on statistical analysis of workplace infringement hazard identification and risk assessment, the proportion of employees classified as medium risk or above was 1%. No incidents of workplace sexual harassment or workplace bullying were reported. Based on implementation experience, the Company also provides countermeasures such as the Employee Assistance Program (EAP) and promotional communications. In 2025, the EAP was utilized by 2 employees. Regarding sexual harassment prevention training, a total of 126 employees participated in 2025, accumulating 252 training hours.</p> <p>The Company has implemented and continues to execute the ISO 45001 Occupational Health and Safety Management System, which has been verified by BSI. The current validity period is from November 23, 2025, to November 22, 2028. The Company's headquarters is located in a commercial building equipped with comprehensive fire safety facilities. Additionally, we conduct fire drills and equipment inspections at least twice a year to maintain the effectiveness of the equipment. At each construction site, various fire prevention equipment is provided and clearly marked. Additionally, all hot work operations require prior approval before commencement. Safety personnel conduct daily inspections of the construction sites, paying particular attention to hot work activities. Furthermore, reminders are issued during the morning toolbox meetings to remind contractors to remain vigilant. Furthermore, each construction site conducts at least one annual fire emergency response drill. The Company did not experience any fire-related incidents in 2025.</p>	No significant deviation.

Item Assessed	Implementation Status		Summary Description	Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons Therefor
	Yes	No		
(IV) Does the Company provide employees with an effective training program respecting career competence development?	V		(IV) The Company places strong emphasis on talent development and sustainable growth, and has established a comprehensive training system. Training programs are designed according to different job levels and functional roles, covering orientation training, professional development, and managerial training. Orientation training focuses on corporate culture, occupational health and safety, and fundamental professional knowledge. Professional training enhances competencies in engineering technology, regulatory compliance, and quality management. Managerial training focuses on leadership, performance management, and risk control capabilities. Training participants include supervisors at all levels and all employees. Through a systematic and tiered training design, the Company continuously enhances employees' professional competencies and overall organizational competitiveness. For details on employee training results, please refer to page 104 of this annual report, "V. Labor Relations."	No significant deviation.
(V) Has the Company followed relevant laws, regulations and international guidelines for issues such as the customer health and safety, customer privacy, and marketing and labeling of its products and services and established related consumer or client protection policies and grievance procedures?	V		(V) The Company offers professional customer service and strictly complies with all relevant laws and regulations. To ensure the delivery of professional customer service, the following measures have been implemented: <ol style="list-style-type: none"> <li>1. The Company established a customer service line and disclosed the contact method on its website. Dedicated personnel would provide customer services to provide instant consultancy or dispute handling proposed by the corporate customers or end-consumers. They will explore the reason for the appeal content, provide instant corresponding disposals, and develop improvement strategies.</li> <li>2. All information provided by the client will be kept confidential in accordance with our contractual obligations. We also require that all employees and subcontractors with access to this information strictly adhere to confidentiality commitments.</li> </ol>	No significant deviation.
(VI) Does the Company formulate supplier management policies that require suppliers to follow relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights? How is the implementation?	V		(VI) The Company has established a stringent supplier selection assessment and evaluation operations from the core value of "integrity", standing on the principle of respect life and human rights, which require suppliers to provide documents of drawings, regulations, environmental, labor, safety and hygiene requirements for assessment. After the review, the dedicated unit would perform the contracting operations according to our procurement and contracting procedures. The	No significant deviation.

Item Assessed	Implementation Status			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons Therefor
	Yes	No	Summary Description	
			requirements on the environment, occupational safety, and human rights of the Company will be clearly stated in the contract, and such requirements will be listed as one of the fulfillment conditions. Furthermore, during the construction period, the Company would regularly conduct auditing to determine whether the supplier has executed according to the contract. In case of violations, corrective actions or contract termination may be enforced depending on the severity. Future collaboration with the supplier will also be determined based on their performance and the effectiveness of any corrective measures taken.	
V. Does the company refer to internationally recognized report preparation standards or guidance to prepare reports disclosing non-financial information of the Company, including Sustainable Development Report? Has the Company received assurance or certification of the aforesaid reports from a third party accreditation institution?	V		The Company publishes its governance information on the Market Observation Post System according to the law and sets a section exclusive for sustainable operation on the Company's website. The Company started preparing its CSR Report since 2019 and officially renamed as Corporate Sustainability Report in 2021, publicly disclosed information related to the corporate social responsibility of the Company, and prepared the sustainable report in accordance with GRI, TCFD, SASB and continued to improve the quality of disclosures made in the report. In 2024, the Company's sustainability report was completed and verified by the third-party verification organization AFNOR according to the AA1000 Assurance Standard (v3) and the Global Reporting Initiative (GRI) Sustainability Reporting Standards. The 2025 report will also undergo verification based on these standards.	No significant deviation.
<p>VI. If the Company has established the sustainable development policies based on the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies, please describe any deviation between the policies and their implementation:  The Company has established the "Sustainable Development Best Practice Principles" in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and the provisions have been revised and approved by the 6th meeting of 23rd session of Board of Directors on March 14, 2025, and there is no difference between the actual operation and the established policies.</p>				
<p>VII. Other important information to facilitate better understanding of the company's sustainable development practices:</p> <p>A. Specific Implementation Plans and Benefits for Promoting Sustainable Development in 2025 of the Enterprise:  In 2025, Golden Canyon II Venture Capital Investment Co., Ltd., a 100% subsidiary of the Company, participated in a cash capital increase of Changjia Energy Co., Ltd., a subsidiary under First Financial Holding Co., Ltd. The subscription amount was NT\$24.5 million. Changjia Energy Co., Ltd. primarily engages in solar photovoltaic renewable energy development, with a core corporate value of advancing green energy development through quality assurance and risk management. In 2025, the total electricity generation reached 3.39 million kWh. The company operates under a business model combining feed-in tariff sales to Taiwan Power Company and green electricity resale. The estimated carbon reduction in 2025 was approximately 1,437 metric tons of CO<sub>2</sub>.  Note: The 2025 estimated electricity emission factor is 0.424 kg CO<sub>2</sub>/kWh.</p> <p>B. Action plans and the implementation outcomes thereof of the corporate social responsibility for 2025:</p>				

Item Assessed	Implementation Status			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons Therefor
	Yes	No	Summary Description	
			<p>(I) Adhering to the philosophy of “Take from society, give back to society”, the Company always seeks to have an in-depth understanding of what the society needs, and actively assists social welfare communities and provides necessary assistance to the disadvantaged groups.</p> <ol style="list-style-type: none"> <li>1. Scholarship Plan of the Chung Yi Social Welfare Foundation: Regularly organize fundraising activities for nursery schooling and provide the necessary resources for social welfare organizations.</li> <li>2. Raised daily necessities for the social welfare units in need, e.g., festive food, such as moon cakes, for Chung Yi Social Welfare Foundation.</li> </ol> <p>(II) The Company provides employees with 2 days of paid volunteer leave each year to encourage employees to actively participate in charitable events.</p> <ol style="list-style-type: none"> <li>1. Arranged for colleagues to assist in execution of administrative affairs at The Garden of Hope Foundation; planned, in spring and autumn, to have colleagues accompany children of Chung Yi Social Welfare Foundation for an educational tour; provided volunteer human powers for The Garden of Hope Foundation; and other charitable events.</li> <li>2. In 2025, a total of 26 employee participations were recorded in volunteer services for the “Chung Yi Social Welfare Foundation,” contributing a total of 208 service hours. In addition, 9 employee participations were recorded in administrative volunteer services for the “Garden of Hope Foundation,” contributing a total of 68 service hours. From 2010 to the end of 2025, a cumulative total of 2,477 employee participations were recorded in charitable activities across the Company, with 10,382 hours dedicated to volunteer services.</li> </ol> <p>(III) Regular celebrations of birthday gatherings and occasional family days are held to bring employees closer to each other in a joyful atmosphere, and to eliminate communication barriers between employees, so as to facilitate the Company's business development and policy implementation.</p> <p>(IV) The Company donated to the “Feast for the Disadvantaged 30” event jointly organized by the Genesis Social Welfare Foundation and the Ren-An Foundation. In 2025, the Company contributed NT\$1,616,000 to support the “Planting Love New Year Gifts and Blessing Red Envelope” program, and also donated NT\$300,000 to the Huashan Social Welfare Foundation to assist with flood relief efforts in Guangfu Township, Hualien.</p> <p>(V) The Company has donated NT\$2,000,000 to co-produce the program "Not Just Kunqu" in collaboration with Philharmonic Radio Taipei. The program is broadcast every Sunday night at 9:00 PM on FM 99.70. Its content features young experts and scholars who explore the cultural connotations of traditional drama (qu) from the perspectives of literature, history, and art history, thereby enhancing the depth and breadth of the artistic brand. As of 2025, a total of 568 episodes have been broadcast.</p>	

➤ The implementation status of climate-related information

Item	Implementation Status
<p>1. Describing the Board of Directors and management's oversight and governance of climate-related risks and opportunities.</p> <p>2. Describing how the identified climate risks and opportunities affect the company's operations, strategies, and finances (short-term, medium-term, long-term).</p>	<p>1. The Company has integrated climate change issues into its comprehensive risk management framework. The Sustainable Development Committee provides regular reports on these issues to the Board of Directors, who oversee and manage them, as described below:</p> <ol style="list-style-type: none"> <li>(1) The Board of Directors considers climate-related issues such as the impact of unstable weather on project progress and the need to increase expenditure costs to address carbon emissions issues when discussing matters related to operating income, budget allocation, and project risk management.</li> <li>(2) With respect to risks arising from climate change, the Company's management obtains analytical information through internal meetings regarding climate-related regulations, technologies, and market demands. After consolidating the relevant information, the potential impacts on finance and business operations are assessed, and corresponding response measures are formulated. The results are then compiled and reported to the Sustainable Development Committee.</li> <li>(3) In response to the increased probability of extreme weather events due to climate change, management has instructed the engineering planning and technical units to incorporate climate impacts into engineering design calculations. This aims to enhance the resilience of buildings, establish technical differentiation for the company, and ensure the safety of residents.</li> </ol> <p>2. The Company's identified climate-related risks and opportunities and their impacts on business operations, strategy, and financial performance are described as follows:</p> <ol style="list-style-type: none"> <li>(1) Market risks and green procurement opportunities: In response to regulatory and market changes, customers may demand an increase in the use of green building materials and products with environmental certifications. The demand for green products in the market may be relatively scarce, and prices may be higher. If customers do not increase their budget, this could compress the profit margins for construction contractors. This represents a medium to long-term financial impact. In light of this, the Company adheres to the core principles of prioritizing quality and controlling costs throughout the entire process. Many projects in the past have voluntarily enhanced procurement standards. In 2025, the Company's green procurement amount totaled approximately NT\$132 million. In the future, the Company will continue to increase the volume of green procurement, seeking to stabilize costs by leveraging economies of scale. Additionally, we utilize smart management tools to streamline processes and effectively control execution costs. By implementing strict cash flow controls to maintain financial stability, we have been able to mitigate the impact of customer demand changes.</li> <li>(2) Policy and regulatory risks: Both domestic and international economic entities have established regulations regarding the "carbon" emitted during the production process. Measures to reduce carbon emissions to comply with regulations and any additional carbon fees or taxes incurred beyond regulatory limits pose a risk. In response, the Company has gradually implemented the ISO 14001 Environmental Management System and ISO 14064-1 Organizational-level Greenhouse Gas Inventory since 2023. This enables us to accurately monitor greenhouse gas emissions throughout the construction lifecycle and develop reduction plans accordingly. To strengthen climate change risk management and respond to the global net-zero transition trend, the Company established an internal carbon price of NT\$2,500 per ton of CO<sub>2</sub>e, which was approved by the Board of Directors in 2025. The Company will gradually incorporate carbon emission costs into its operational and investment decision-making processes to guide its low-carbon transition.</li> </ol>

Item	Implementation Status
<p>3. Describing the financial impact of extreme weather events and transition actions.</p> <p>4. Describing how the process of identifying, assessing, and managing climate risks is integrated into the overall risk management system.</p>	<p>(3) Green technology opportunity: Recognizing the technological shift demand brought by climate change, the Company seizes this opportunity by establishing a "Technology Development Department," becoming one of the few construction companies in the country dedicated to technical research and development. To date, the Company has obtained a cumulative total of 51 patents, including several low-carbon construction methods. For example, the SD550W method enables a reduction in the amount of reinforcing steel while maintaining structural strength through innovative techniques, thereby achieving material reduction and carbon reduction benefits. Investment in technology development results in increased long-term expenditures for the Company. However, the outcomes of such development not only facilitate technological differentiation, but also generate positive financial benefits through annual tax credits and enhanced business competitiveness.  Note: Please refer to pages 96 to 99 of the 2024 Sustainability Report for a detailed analysis of climate risks and opportunities identified by the Company.</p> <p>3. Extreme climate events such as high temperatures, strong winds, heavy rainfall, and typhoons may bring occupational safety risks and construction schedule risks to the construction industry. Occupational safety and health have always been the Company's top operational priority. To address risks arising from extreme climate conditions, the Company provides a high-standard occupational safety and health environment, emphasizing the protection of workers' health and safety. Relevant response measures include irregular health care visits and consultations by occupational health personnel, real-time monitoring of on-site temperatures at construction sites, and continuous observation of workers' physical conditions. When severe weather conditions occur, on-site construction activities will be suspended. Comfortable rest areas are also provided at construction sites, along with appropriate supplies based on weather conditions, to safeguard workers' health and safety. Although raising occupational safety and health standards may increase short-term operating costs, the Company has gained greater trust from project owners, resulting in increased project opportunities and revenue growth. From a long-term financial perspective, the overall impact is positive. In addition, abnormal climate conditions may delay the transportation of raw materials and construction progress, leading to increased costs and compressed profit margins. Therefore, in addition to maintaining smooth communication channels with suppliers, the Company holds an annual "Supplier Conference" to strengthen engagement with its suppliers. In 2025, the conference was held under the theme "Sustainable and Healthy Construction Sites," aiming to enhance close collaboration across the supply chain, better identify potential risks, and develop response measures in advance to mitigate potential impacts. Furthermore, the Company employs an intelligent management system to ensure stability in cash flow amidst varying construction progress across different sites. This system enables us to cope with delays in raw material deliveries and temporary halts in construction activities at certain sites, thus maintaining financial stability. Although such circumstances may increase short-term expenditures, they help mitigate the impacts of climate change and strengthen organizational resilience. In the long term, these measures are expected to generate positive financial returns.  Note: For a detailed analysis of climate-related risks, opportunities, and financial impacts, please refer to pages 98-99 of the Company's 2024 Sustainability Report.</p> <p>4. The Company enhances the risk awareness and identification capabilities of each department through training programs, continuously strengthening employees' awareness of climate change risks. Management also conducts periodic assessments of climate-related risks, establishes improvement targets in response to actual conditions, and has introduced the risk assessment framework recommended by the Task Force on Climate-related Financial Disclosures (TCFD). The Company is gradually aligning its practices with IFRS S2 by evaluating specific climate-related risk topics, analyzing</p>

Item	Implementation Status
<p>5. If utilizing scenario analysis to assess resilience to climate change risks, it should outline the context, parameters, assumptions, analysis factors, and key financial impacts employed in the analysis.</p>	<p>potential financial impacts, and implementing corresponding response strategies and measures. Functional teams have been established under the Sustainable Development Committee to review business operations and identify climate-related risks. These include analyses of direct or indirect impacts arising from extreme weather events, transition impacts caused by regulatory, technological, or market changes, as well as other social and human factors that may pose risks or opportunities to the Company's operations. The Company evaluates the potential impacts and develops corresponding response measures and control mechanisms for material factors. The analysis results are reported to management, and strategic plans addressing risks and opportunities are formulated as the core framework for climate action, with associated management costs and financial impacts estimated accordingly. In the event of environmental incidents, the Company has established investigation, corrective, and preventive mechanisms to ensure timely handling, follow-up improvements, and prevention of recurrence. Through continuous operation and both internal and external audits, the Company strengthens the effectiveness of its management systems and fulfills its commitment to environmental responsibility. Each functional team regularly reports its implementation status to the Sustainable Development Committee, while the Board of Directors oversees and supervises overall management. The most recent report on risk management operations was presented to the Board on December 26, 2025.</p> <p>5. The Company sets its context for analyzing resilience to climate risks based on Taiwan's National Determined Contribution (NDC). The goal is to reduce carbon emissions by 24% by 2030 and achieve net-zero emissions by 2050.</p> <p>(1) Risk parameters, assumptions, and analysis factors:  With regard to transition risks, the Company considers risk parameters such as carbon pricing mechanisms, carbon reduction requirements for public works, and energy efficiency regulations. The primary analytical factors include project cost structure, capital expenditures, and bidding competitiveness. The analysis assumes that carbon-related costs will increasingly be reflected in operating expenses, that sustainability and low-carbon requirements will become mandatory conditions for project tenders, and that regulatory requirements will continue to tighten.  In terms of physical risks, the Company considers parameters such as the frequency of extreme climate events and related construction progress and safety risks. The main analytical factors include project schedule management, workforce management, and insurance and maintenance costs. The analysis assumes that risks will continue to increase due to the intensification of extreme weather events, thereby raising the demand for enhanced project management and adaptation measures.</p> <p>(2) The primary financial impacts:  The "Carbon Fee Charging Rate" announced by the Ministry of Environment took effect on January 1, 2025, with a general rate of NT\$300 per ton of CO<sub>2</sub>e. Although the Company is not among the first entities subject to the levy, it has introduced an internal carbon pricing mechanism in consideration of the NDC reduction targets and the global net-zero trend. The initial internal carbon price has been set at NT\$2,500 per ton of CO<sub>2</sub>e, which will increase the Company's operating costs. According to the Company's 2024 greenhouse gas inventory results, Scope 1 emissions (direct greenhouse gas emissions) amounted to 97.9774 tons of CO<sub>2</sub>e, and Scope 2 emissions (indirect emissions from electricity consumption) amounted to 989.8641 tons of CO<sub>2</sub>e, totaling 1,087.8415 tons of CO<sub>2</sub>e. Based on the internal carbon price, the estimated additional financial expenditure would be approximately NT\$2.72 million. When sustainability and low-carbon requirements become mandatory conditions for project tenders, the relatively higher prices of green products are expected to increase construction costs. In addition, increasingly stringent regulatory requirements will necessitate further investment in human resources and related operational efforts.</p> <p>Note: The data for 2025 are still under inventory and verification.</p>

Item	Implementation Status
<p>6. If there is a transition plan to address climate-related risks, it should describe the plan's content, as well as the indicators and goals used to identify and manage physical risks and transition risks.</p>	<p>6. The Company has planned the following transformation plans to address the climate-related risks identified:</p> <p>(1) Market Risk — Green Procurement The Company will continue to expand the scope of green procurement and stabilize the prices of environmentally friendly products through joint procurement strategies. In addition, the Company will seek suppliers of low-carbon products and services and encourage existing suppliers to develop low-carbon construction methods and products, thereby promoting a green and low-carbon transformation across the supply chain. In 2025, the Company's green procurement amounted to approximately NT\$132 million, and these initiatives will continue to be promoted going forward.</p> <p>(2) Policy and Regulatory Risk — Internal Carbon Pricing In response to national policies and the global net-zero transition trend, the Company has introduced an internal carbon pricing mechanism. The preliminary internal carbon price has been set at NT\$2,500 per ton of CO<sub>2</sub>e. The monetization of carbon emissions may increase the Company's operating costs. In response, the Company will continue to implement carbon reduction measures at the headquarters and construction sites, such as adopting energy-efficient electrical appliances, setting timers and temperature controls for air conditioning, turning off lighting in unoccupied areas, and implementing a one-hour lights-off period during lunch breaks. Related carbon pricing policies are also under active review to ensure proper planning and effective implementation, thereby managing greenhouse gas risks and mitigating impacts on operating costs while maintaining the Company's profit margins.</p> <p>(3) Supply Chain Risk — Local Procurement and Supplier Management For major raw materials, the Company conducts procurement in advance after securing project contracts and prioritizes local sourcing to minimize exposure to price fluctuations during the project period. In 2025, the proportion of local suppliers was close to 100% (except for aluminum formwork procurement), demonstrating the Company's commitment to supporting domestic industrial supply chains and regional economic development. In addition, the Company utilizes an intelligent management system to monitor the progress of each project and maintains close communication with suppliers to manage potential delivery delays and develop response measures in advance, thereby reducing project risks and potential cost increases. Through the annual Supplier Conference, the Company further strengthens communication and partnerships within the supply chain. Through mutual encouragement and learning, the Company aims to work collaboratively with suppliers toward achieving net-zero across the industry supply chain. Efforts to enhance supplier communication and management will continue.</p> <p>(4) Occupational Safety Risk — Cold and Heat Stress for On-site Workers Due to Extreme Weather The Company conducts real-time temperature monitoring at construction sites and continuously observes the physical condition of workers. Rest areas are arranged for workers, and appropriate supplies—such as electrolyte beverages or ginger tea—are provided according to weather conditions to safeguard workers' physical health and safety.</p> <p>The Company's indicators and objectives are as follows:</p> <p>(1) We will continue to promote green procurement and aim to fully declare the eco-labeled products acquired by 2026.</p> <p>(2) By the second quarter of 2026, complete ISO 14064-1 greenhouse gas emissions verification for Scope 1 and 2 at headquarters and all construction sites, as well as partial verification for Scope 3 for the year 2025.</p> <p>(3) In 2026, conduct one supplier conference to enhance supply chain communication and partnership relationships, aiming to collectively move towards net-zero emissions across the industry chain through mutual encouragement and learning. Efforts to enhance supplier communication and management will continue.</p>

Item	Implementation Status
<p>7. If using internal carbon pricing as a planning tool, it should explain the basis for price determination.</p> <p>8. If there are climate-related goals set, it should explain the activities covered, greenhouse gas emission scopes, planning schedules, annual progress achieved, etc. If using carbon offsets or Renewable Energy Certificates (RECs) to achieve these goals, it should detail the source and quantity of the offset carbon emissions or the number of RECs used.</p> <p>9. The greenhouse gas inventory and assurance situation, along with reduction targets, strategies, and specific action plans.</p>	<p>(4) Continuously maintain occupational health and safety in the workplace according to the ISO45001 standard, with at least one occupational health visit or health awareness promotion conducted monthly.</p> <p>7. In 2025, the Company's Sustainable Development Committee approved the implementation of an internal carbon pricing policy in response to the government's carbon fee initiative (NT\$300 per ton of CO<sub>2</sub>e). Taking into account international trends, the potential for future increases, and benchmarking against peer companies—where internal carbon prices generally range from NT\$1,500 to NT\$3,000 per ton—the Company set its initial internal carbon price at NT\$2,500 per ton of CO<sub>2</sub>e. The policy was subsequently reviewed and approved by the Board of Directors on December 26, 2025.</p> <p>8. The climate change-related goals set by the Company are as follows: The Company has set its energy reduction targets based on fiscal year 2024 as the baseline year, with implementation commencing in 2025 as follows:</p> <p>(1) Short-term (1-3 years): Energy management and climate-related risks will be formally integrated into the overall risk management framework. The Environment and Green Technology Task Force is responsible for overall planning and execution. Implementation progress will be reviewed and tracked through annual meetings. The Company will continue to strengthen internal communication and training on energy conservation and carbon reduction to enhance employees' awareness of energy efficiency and climate risk issues, and gradually optimize energy usage behavior. The target is to reduce energy intensity by 2% compared with the baseline year.</p> <p>(2) Medium-term (3-8 years): Building on existing management mechanisms, the Company will further enhance climate risk identification and management practices. Based on practical implementation experience, energy management and climate-related issues will be progressively incorporated into the performance review and internal management processes of ongoing construction projects. The target is to reduce energy intensity by 5% compared with the baseline year.</p> <p>(3) Long-term (over 8 years): In compliance with domestic regulations and with ongoing attention to industry trends and international initiatives, the Company will continuously refine its energy management and climate risk policies. All ongoing construction projects will be gradually included in performance evaluation and management scope to better understand the potential impacts of climate change on operations and business development. The target is to reduce energy intensity by 10% compared with the baseline year.</p> <p>Note: Following a carbon audit, it was determined that the primary source of carbon emissions originates from our suppliers. Consequently, the Company has not planned to use carbon offsets or Renewable Energy Certificates (RECs) to achieve the related goals.</p> <p>9. The Company's greenhouse gas inventory and current implementation status have been disclosed in page 51, while reduction targets, strategies, and specific action plans will be disclosed according to the statutory schedule.</p>

(VI) Fulfillment of Ethical Corporate Management and Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons Thereof

Item Assessed	Operation Status		Summary Description	Deviations from the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons Thereof
	Yes	No		
<p>I. Establishment of ethical corporate management policies and programs</p> <p>(I) Does the Company establish the ethical corporate management policies approved by the Board of Directors and specify in its rules and external documents the ethical corporate management policies and practices and the commitment of the board of directors and senior management to rigorous and thorough implementation of such policies?</p> <p>(II) Does the Company establish a risk assessment mechanism against unethical conduct, analyze and assess on a regular basis business activities within its business scope which are at a higher risk of being involved in unethical conduct, and establish prevention programs accordingly, which shall at least include the preventive measures specified in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies?</p> <p>(III) Does the Company establish policies to prevent unethical conduct with clear statements regarding relevant procedures, code of conduct, punishment for violation, rules of appeal, and the commitment to implement the policies? And does the company regularly review and amend the above policies?</p>	V		<p>(I) In December 2019, the Company made the 3rd amendments to its “Ethical Corporate Management Best Practice Principles,” by which the directors, functional committee members, managers and all employees of the Company were required to abide, and continued to strictly review the relevant business in accordance with the principles.</p> <p>(II) The Company has set precautionary measures against unethical operating risks and promulgated such measures in management meetings, which measures include the prohibition of intellectual property rights infringement, the prohibition of bribing and bribery-taking, the prohibition of providing illegal political contributions, the prohibition of making improper charitable donations or sponsorships, the prohibition of employees providing or accepting unreasonable gifts, hospitality or other illegitimate benefits. In response to the aforementioned dishonest behavior, the Company has announced a whistleblower reporting channel on its official website. This allows whistleblowers to come forward and report dishonest behavior while ensuring their identities are kept confidential and protected. This serves as a mutual supervision mechanism to deter any notions of opportunism.</p> <p>(III) The Company has made a decision through its Board of Directors to establish guidelines, including the ” Code of Ethical Conduct” and the ” Whistleblowing Procedures.” These guidelines clearly define standards of behavior to prevent unethical conduct, along with disciplinary and grievance mechanisms. Regular integrity training and awareness programs are conducted for directors, members of functional committees, managers, and employees. Additionally, an electronic mailbox is provided for whistleblowing purposes to help prevent dishonest behavior. All relevant information will be disclosed on the Company’s website.</p>	<p>No significant deviation.</p> <p>No significant deviation.</p> <p>No significant deviation.</p>

Item Assessed	Operation Status			Deviations from the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons Thereof
	Yes	No	Summary Description	
<p>II. Implementation of Ethical Management</p> <p>(I) Does the Company assess the ethics records of whom it has a business relationship with and include business conduct and ethics-related clauses in the business contracts?</p> <p>(II) Does the Company set up a unit that is dedicated to or tasked with promoting the company's ethical standards and reports regularly (at least once a year) to the Board of Directors the implementation of the ethical corporate management policies and prevention programs against unethical conduct?</p> <p>(III) Does the Company establish policies to prevent conflict of interests, provide appropriate communication and complaint channels and implement such policies properly?</p> <p>(IV) Does the Company establish effective accounting systems and internal control systems to implement ethical corporate management and has its internal audit unit, based on the results of the assessment of the risk of involvement in unethical conduct, devise relevant audit plans and audit the compliance with the prevention programs accordingly or entrusted a CPA to conduct the audit?</p> <p>(V) Does the Company provide internal and external ethical conduct training programs on a regular basis?</p>	V		<p>(I) The Company collects the bank records of the person with whom it is corresponding and investigate their past dealings, and specifies in the procurement contract an ethics clause stating that contract parties must abide by the ethic management policy, and that where the counter-party involves in any unethical conduct, the Company may terminate or cancel the contract therebetween at any time.</p> <p>(II) The ethical management policy is specified both in the Articles of Incorporation and on the external websites of the Company and the business group. The Corporate Governance Team is responsible for formulating and supervising the implementation of the integrity management policies and prevention measures. A report is submitted to the Board of Directors on a regular annual basis. The most recent report to the Board was made on December 26, 2025.</p> <p>(III) The Company has set up an email-box for grievance-filing, as well as formulated its Code of Ethical Conduct, by which it conducts related business, prevents conflicts of interest, and averts unethical conducts such as pursuing ones own interest.</p> <p>(IV) In order to ensure the implementation of ethical management, the Company has established an effective accounting system and an internal control system, whose compliance is regularly audited by internal and external auditors. The internal auditor regularly communicates with the CPA on cross-risk comparison to ensure that the company' s business results conform to the principle of integrity.</p> <p>(V) 1. On December 10, 2025, the Company conducted the training program "Benchmark Excellence of the Chien Kuo Group: Core Values and Competency Standards," completing integrity and ethics training for 15 newly appointed managers. 2. In 2025, the Company held five sessions of new employee training. Each session included a 2-hour course covering corporate culture, ethical corporate management, and internal control promotion, totaling 100 training hours.</p>	<p>No significant deviation.</p> <p>No significant deviation.</p> <p>No significant deviation.</p> <p>No significant deviation.</p> <p>No significant deviation.</p>

Item Assessed	Operation Status			Deviations from the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons Thereof
	Yes	No	Summary Description	
			<p>3. A 1-hour “Lean Construction Monthly Meeting” training session on the whistleblower protection system was conducted in 2025.</p> <p>4. On August 19, 2025, the Company was invited by the Taipei City Government as a representative enterprise of the “Integrity and Sustainability Excellence Award” to participate in an integrity management exchange workshop, sharing practical approaches to integrity governance and system implementation.</p>	
<p>III. Implementation of the Whistle-blowing Mechanism</p> <p>(I) Does the Company establish specific whistle-blowing and reward systems, set up conveniently accessible whistleblowing channels, and designate responsible individuals to deal with the one being whistle-blown?</p> <p>(II) Does the Company establish the standard operating procedures for investigating reported misconduct, follow-up measures to be taken after the investigation, and related confidentiality mechanisms?</p> <p>(III) Does the Company adopt proper measures to prevent a whistle-blower from retaliation for his/her whistle-blowing?</p>	V		<p>(I) The Company’s Board of Directors approved the “Whistleblowing Procedures” on December 22, 2023, establishing reporting channels, operational procedures, and disclosure mechanisms on the Company’s official website and private cloud management platform. Depending on the nature of the complaint, reports are received and handled by different departments: the Audit Office, the Human Resources Department, or the Audit Committee. Employees or stakeholders may report violations of the Ethical Corporate Management Best Practice Principles via telephone, email, or anonymous mail, and may submit relevant supporting documents. The Company regularly reviews employee rewards and disciplinary actions in accordance with the “Employee Rewards and Punishment Regulation,” and relevant outcomes are disclosed on the internal website.</p> <p>(II)(III) Abiding by the Personal Information Protection Act, the Company has established a complaint and whistle-blowing system, which serves as multiple channels for whistle-blowing and processes for handling such reports. In addition to strictly maintaining the confidentiality of the whistleblower’s identity and report content, the Company ensures that the investigation results are communicated to the whistleblower within a specified timeframe. If the whistleblower disagrees with the outcome, an appeal mechanism is available. The Company also ensures that whistleblowers are not subject to any improper treatment or retaliation as a result of reporting.</p>	<p>No significant deviation.</p> <p>No significant deviation.</p>
<p>IV. Enhancing Information Disclosure</p> <p>Does the Company disclose the content and effectiveness of its established Ethical Corporate Management Best Practice Principles on its website and market observation post system?</p>	V		<p>The Company’s website publicly discloses its ” Ethical Corporate Management Best Practice Principles” and related information, please refer to <a href="https://www.ckgroup.com.tw/storage/app/uploads/public/695/b21/bd2/695b21bd28fd6947771667.pdf">https://www.ckgroup.com.tw/storage/app/uploads/public/695/b21/bd2/695b21bd28fd6947771667.pdf</a></p>	No significant deviation.
<p>V. If the Company has established the ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies, please describe any deviation between the policies and their implementation: None.</p>				

Item Assessed	Operation Status		Summary Description	Deviations from the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons Thereof
	Yes	No		
<p>VI. Other important information to facilitate a better understanding of the company's ethical corporate management policies (e.g., review and amend its policies):</p> <p>A. The Company has formulated the " Ethical Corporate Management Best Practice Principles" in accordance with the " Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" published by the FSC. The Board of Directors adopted the 3rd amendment on December 25, 2019 to review and amend the Principles at any time.</p> <p>B. Ethical Corporate Management Action Plan:</p> <ol style="list-style-type: none"> <li>1. The Company conducted the training program "Benchmark Excellence of the Chien Kuo Group: Core Values and Competency Standards," completing integrity and ethics training for 15 newly appointed managers. The program promoted the Company's core values—"Integrity, Optimization, Wellbeing and Harmony"—to enhance employees' understanding and practical implementation of these values, thereby strengthening and consolidating the concept of ethical corporate management within the organization.</li> <li>2. In the education and training courses for new employees, the Company publicizes to them the corporate culture and ethical management, which focus on the introduction of the core value of the enterprise and the implementation of its Ethical Corporate Management Best Practice Principles.</li> <li>3. Amended the Employees Work Rules to promote the implementation of the Ethical Corporate Management Best Practice Principles.</li> <li>4. Unobstructed employee communication channels, e.g., setting up the employee communication box and a dedicated specialist, and handling face-to-face communication meetings with employees.</li> <li>5. Since 2024, the Company has held an annual Supplier Conference to promote and implement its ethical corporate management philosophy. The 2025 Supplier Conference was held on August 20, 2025.</li> </ol> <p>C. Ethical Corporate Management Implementation:</p> <ol style="list-style-type: none"> <li>1. The training program "Benchmark Excellence of the Chien Kuo Group: Core Values and Competency Standards" was held on December 10, 2025, to promote the Company's core cultural values and management philosophy.</li> <li>2. In 2025, integrity education training for new employees was conducted, totaling 100 man-hours.</li> <li>3. The confidentiality of transaction information, the use of intellectual property rights, a commitment not to offer kickbacks and related corporate social responsibility clauses are included in procurement contract.</li> <li>4. For board meetings involving discussions on financial reports, all directors and insiders shall be notified 15 to 30 days in advance, during which period trading of the Company's stock is prohibited. This is in strict compliance with the Corporate Governance Best Practice Principles.</li> <li>5. The Legal Department conducts a comprehensive self-inspection of compliance with laws twice a year, and collaborates with the Audit Office on an as-needed basis to review and amend any procedural deficiencies, ensuring that the Company's operations remain fully compliant with applicable laws. In 2025, no significant legal violations were identified during the compliance self-assessment.</li> </ol>				

(VII) Other material information that may enhance understanding of the Company's corporate governance practices is disclosed as follows: None.

(VIII) Internal Control System Implementation Status

1. Statement of Internal Control System: Please refer to the Company's Internal Control Statement announcement on the Market Observation Post System, available under the following path: Single Company > Corporate Governance > Company Regulations/Internal Control. For your convenience, here is the URL:  
<https://mops.twse.com.tw/mops/#/web/t06sg20>
2. If CPA Was Engaged to Conduct a Special Audit of Internal Control System, Provide Its Audit Report: No occurrence, hence not applicable.

(IX) Major resolutions of Shareholders' Meeting and Board Meetings as at the most recent fiscal year and the current fiscal year up to the publication date of the annual report:

1. Major resolutions of the Shareholders' Meeting

Meeting Year	Meeting Time	Major Resolutions	Review of Implementation
2025	2025/6/13	<ol style="list-style-type: none"> <li>1. Passed the Company's proposal of the 2024 Business Report and Financial Statements.</li> <li>2. The Company's 2024 earnings distribution was approved.</li> <li>3. Passed the proposal to revise the Company's Articles of Incorporation</li> </ol>	<ol style="list-style-type: none"> <li>1. The 2024 earnings distribution proposal has been fully executed.</li> <li>2. Set July 9, 2025 as the ex dividend date; completed the distribution of cash dividends on July 31, 2025.</li> </ol>

2. Important resolutions of the Board of Directors for 2025 and the year up to March 31, 2026

Date	Session	Proposal
2025/3/14	6th meeting of the 23rd term Board of Directors	<ol style="list-style-type: none"> <li>I. The 2024 employee compensation amount was approved.</li> <li>II. The 2024 director remuneration amount was approved.</li> <li>III. The Company's 2024 "Statement of Internal Control System" was approved.</li> <li>IV. The Company's 2024 Annual Business Report, Parent Company Only Financial Statements and Consolidated Financial Statements were approved.</li> <li>V. The Company's 2024 earnings distribution was approved.</li> <li>VI. Passed the proposal for the discussion on the change and appointment of the CPAs certifying the 2025 Company's financial statements.</li> <li>VII. Passed the proposal to donate NT\$2 million to Chien Kuo Foundation For Arts And Culture.</li> <li>VIII. Passed the proposal to amend a portion of the Company's "Sustainable Development Best Practice Principles."</li> <li>IX. Approved matters relating to the date, place and subject matters of the 2025 Shareholders' Meeting.</li> <li>X. Approved matters relating to the rights of shareholders with more than 1% shareholding to propose a proposal.</li> <li>XI. Passed the proposal for the discussion on providing endorsement guarantees for bank financing applications by our subsidiary, CKTech Engineering Co., Ltd., for investment purposes.</li> </ol>

Date	Session	Proposal
2025/3/28	1st Extraordinary Meeting of the 23rd term Board of Directors	<ul style="list-style-type: none"> <li>I. Passed the proposal for the discussion on amendments to the Company's Articles of Incorporation.</li> <li>II. Passed the proposal for the discussion on the scope of the Company's grassroots employees.</li> </ul>
2025/5/13	7th meeting of the 23rd term Board of Directors	<ul style="list-style-type: none"> <li>I. The Company's 2025 (in the first quarter) consolidated financial statements discussion has been approved.</li> <li>II. The proposal for the Company to apply for engineering guarantee credit lines from four domestic financial institutions has been approved.</li> </ul>
2025/8/14	8th meeting of the 23rd term Board of Directors	<ul style="list-style-type: none"> <li>I. The Company's 2025 (in the second quarter) consolidated financial statements discussion has been approved.</li> <li>II. Passed the proposal for the discussion on the change of the Company's Accounting Manager.</li> <li>III. Passed the proposal for the discussion on the preparation of the Company's 2024 Sustainability Report.</li> <li>IV. Passed the proposal for the discussion on the amendment of the Company's Internal Control System.</li> </ul>
2025/11/13	9th meeting of the 23rd term Board of Directors	<ul style="list-style-type: none"> <li>I. The Company's 2025 (in the third quarter) consolidated financial statements discussion has been approved.</li> <li>II. Passed the proposal for the discussion on the provision of endorsement and guarantee for bank credit facilities of the Company's subsidiary, CKTech Engineering Co., Ltd.</li> <li>III. Passed the proposal of the Company's 2026 Audit Plan.</li> <li>IV. Passed the proposal for the discussion on the amendments to the Company's Internal Control Operational Procedures.</li> <li>V. Passed the proposal to amend the Company's 2024 Sustainability Report.</li> </ul>
2025/12/26	10th meeting of the 23rd term Board of Directors	<ul style="list-style-type: none"> <li>I. Passed the proposal for the discussion on the total amount of the year-end performance bonus for employees for 2025.</li> <li>II. Passed the proposal regarding the allocation of incentive bonuses for key talent.</li> <li>III. Passed the proposal regarding the budget allocation for employee travel.</li> <li>IV. Passed the proposal for the discussion on the Company's hedging transactions involving derivative financial instruments.</li> <li>V. Passed the proposal for the discussion on the basis for determining the Company's internal carbon pricing.</li> </ul>
2026/3/11	11th meeting of the 23rd term Board of Directors	<ul style="list-style-type: none"> <li>I. Passed the proposal of employee compensation amount for 2025.</li> <li>II. The 2025 director remuneration amount was approved.</li> <li>III. Passed the proposal to adjust the base salary of non-managerial employees by a specified amount.</li> <li>IV. Approved the Company's "Statement of Internal Control System" for 2025.</li> <li>V. The Company's 2025 Annual Business Report, Parent Company Only Financial Statements and Consolidated Financial Statements were approved.</li> <li>VI. Passed the proposal for the discussion on the Company's 2025 earnings distribution.</li> <li>VII. Passed the proposal for the discussion on providing endorsement and guarantee for bank financing to our subsidiary, CKTech Engineering Co., Ltd., for investment purposes.</li> </ul>

Date	Session	Proposal
		<p>VIII. Passed the proposal for the discussion on the change and appointment of the CPAs certifying the 2026 Company's financial statements.</p> <p>IX. Passed the proposal for the discussion on donating NT\$3 million to Chien Kuo Foundation For Arts And Culture.</p> <p>X. Passed the proposal to revise the Company's "Corporate Governance Best Practice Principles."</p> <p>XI. Passed the proposal for the discussion on the partial amendments to the Company's "Procedures for Acquisition or Disposal of Assets."</p> <p>XII. Approved the proposal for the discussion on matters relating to the date, place and subject matters of the 2026 Shareholders' Meeting.</p> <p>XIII. Approved the Company's proposal for the discussion on matters relating to the rights of shareholders with more than 1% shareholding to propose a proposal.</p>

- (X) Major contents of any dissenting opinions on record or stated in a written statement made by Directors or Supervisors against major resolutions of the Directors' Meeting in the most recent fiscal year and the current fiscal year up to the publication date of the annual report: None.

#### IV CPA Fees

Unit: NT\$ Thousands

Name of CPA Firm	Name of CPA	Audit Period	Audit Fees	Non-Audit Fees	Total	Note
Deloitte Taiwan	Li-Chun Chang Wen-Chi Kuo	2025.01.01- 2025.12.31	4,400	1,235	5,635	Non-audit fees encompass the following: audit reports related to the holding, measurement, and disposal of financial instruments by controlled foreign enterprises; repatriation of funds and tax refunds; transfer pricing reports; reviews of salary checks for non-executive positions; reimbursed expenses; and typing and printing services.

- (I) When the futures commission merchant changes its accounting firm and the audit fees paid for the financial year in which the change took place are lower than those paid for the financial year immediately preceding the change, the amount of the audit fees before and after the change and the reason shall be disclosed: None.
- (II) When the audit fees paid for the current financial year are lower than those paid for the immediately preceding financial year by 10 percent or more, the amount and percentage of and reason for the reduction in audit fees shall be disclosed: None.

**V Replacement of CPA:**

- (I) Former CPA: None.
- (II) The successor CPA: None.
- (III) Former CPA's written reply to article 10, subparagraph 6, item 1 and item 2-3 of the regulations: Not applicable.

**VI The Company's Chairman, General Manager, or Managers of Finance or Accounting Who Have Worked in the Firm of the CPA(s) or Its Affiliates within the Latest Fiscal Years: None.**

**VII Changes in Transfer or Pledge of Shares Made by Directors, Supervisors, Managers, and Major Shareholders Holding More Than 10% of the Company's Shares in 2025 and up to the Issuance Date of the Annual Report:**

- (I) Changes in Shareholding of Directors, Supervisors, Managers, and the Top 10 Major Shareholders:
  - A. Equity Transfer: Please refer to the information published by the Company on the Market Observation Post System under the following path: Single Company > Equity Changes/Securities Issuance > Equity Transfer Data Inquiry > Insider Shareholding Change Post-Report Announcement. For your convenience, here is the URL: [https://mops.twse.com.tw/mops/#/web/query6\\_1](https://mops.twse.com.tw/mops/#/web/query6_1)
  - B. Changes in share pledges: None.
- (II) Transfer of equity made by directors, managers, and the top 10 major shareholders with a counter-party who is a related party: None.
- (III) Pledge of equity made by directors, managers, and shareholders whose shareholding ratio more than 10% with a counter-party who is a related party: None.

## VIII Relationship Between the Top 10 Major Shareholders

Date of Book Closure: March 31, 2026

Name (Note 1)	Personal Shareholding		Spouse & Minor Shareholding		Combined Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within the Second Degree of Kinship (Note 3)		Note
	Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio	Title (or name)	Relationship	
Chien Hwei Investment Co., Ltd. Chairperson: Chi-Te Chen	37,769,225	18.73%	0	0.00%	0	0.00%	Stone Publishing, Deqing Investment	Chairman is the same person.	-
Chi-Te Chen	15,075,311	7.48%	1,681,337	0.83%	0	0.00%	Child Chen-Ching Chen	Relatives within second degree of kinship	-
Chen-Ching Chen	11,428,412	5.67%	0	0.00%	0	0.00%	Chi-Te Chen	Relatives within second degree of kinship	-
							Deqing Investment	Supervisor of the Company	
Chung-Ping Liu	9,000,000	4.46%	0	0.00%	0	0.00%	None	None	-
Rock Publishing Intl. Chairperson: Chi-Te Chen	7,578,226	3.76%	0	0.00%	0	0.00%	Chien Hwei Investment, Deqing Investment	Chairman is the same person.	-
Taiwan Cement Corporation Chairman: An-Ping Chang	6,017,788	2.99%	0	0.00%	0	0.00%	None	None	-
Deqing Investment Co., Ltd. Chairperson: Chi-Te Chen	5,728,000	2.84%	0	0.00%	0	0.00%	Chien Hwei Investment, Rock Publishing Intl	Chairman is the same person.	-
							Chen-Ching Chen	Supervisor of the Company	
Shengong Investment Co., Ltd.	5,000,000	2.48%	0	0.00%	0	0.00%	None	None	-
Chase escrow JP Morgan investment account	2,535,024	1.26%	0	0.00%	0	0.00%	None	None	-
HSBC (Taiwan) Custody Account for Morgan Stanley Investment Account	2,310,640	1.15%	0	0.00%	0	0.00%	None	None	-

Note 1: Please separately identify the names of the top 10 shareholders and, where the shareholder is a corporation, separately list the names of the corporate shareholder and its representative.

Note 2: The calculation of shareholding ratio should separately indicate the percentage of shares held under the person's own identity, under spouse, minor children, and by nominee arrangement.

Note 3: The relationships between the shareholders listed above, including juristic persons and natural persons, shall be disclosed in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

**IX Number of Shares Held and Combined Shareholding Ratio on the Same Investee by the Company, Directors, Supervisors and Managers of the Company, and the Entity Directly or Indirectly Controlled by the Company**

December 31, 2025

Unit: Share; %

Reinvestment	Investment of the Company		Investments of Directors, supervisors, managers and directly or indirectly controlled businesses		Portfolio investment	
	Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)
Silver Shadow Holding Limited	9,117,628	100%	0	0%	9,117,628	100%
Golden Canyon Limited	4,037,439	100%	0	0%	4,037,439	100%
Chien Kuo Building Co., Ltd.	8,100,000	100%	0	0%	8,100,000	100%
CKTech Engineering Co., Ltd.	7,000,000	100%	0	0%	7,000,000	100%
Golden Canyon Venture Capital Investment Co., Ltd.	40,100,000	100%	0	0%	40,100,000	100%
Golden Canyon II Venture Capital Investment Co., Ltd.	20,000,000	100%	0	0%	20,000,000	100%
Chien Bang Real Estate Development Co., Ltd.	2,750,000	55%	2,250,000	45%	5,000,000	100%
Leader Construction Co., Ltd.	2,500,000	100%	0	0%	2,500,000	100%

## Chapter 3 Funding Status

### I Capital and Shares

#### (I) Capitalization

Unit: NT\$

Month/ Year	Issue Price	Authorized Share Capital		Paid-in Capital		Note		
		Shares	Amount	Shares	Amount	Capitalization	Capital Increase by Assets Other than Cash	Others
1960.11	1,000	4,500	4,500,000	4,500	4,500,000	Establishment	None	None
1972.10	1,000	6,000	6,000,000	6,000	6,000,000	Cash increase by cash in the amount of NT\$1,500,000	None	None
1974.08	1,000	7,500	7,500,000	7,500	7,500,000	Cash increase by cash in the amount of NT\$1,500,000	None	None
1976.07	1,000	10,000	10,000,000	10,000	10,000,000	Cash increase by cash in the amount of NT\$2,500,000	None	None
1990.12	1,000	29,000	29,000,000	28,240	28,240,000	Cash increase by cash in the amount of NT\$18,240,000	None	None
1991.09	10	4,900,000	49,000,000	4,900,000	49,000,000	Cash increase by cash in the amount of NT\$20,760,000	None	None
1991.11	10	13,230,000	132,300,000	13,230,000	132,300,000	Capitalization of capital reserves in the amount of NT\$83,300,000	None	None
1992.08	10	19,183,500	191,835,000	19,183,500	191,835,000	Capitalization of earnings in the amount of NT\$59,535,000	None	None
1993.08	18.5	31,000,000	310,000,000	31,000,000	310,000,000	Capitalization of earnings in the amount of NT\$40,285,350 Capitalization of capital reserves in the amount of NT\$17,265,150 Cash increase by cash in the amount of NT\$60,614,500	None	Order Ref. No. (82) Taiwan-Finance-Securities - (1) - 30907
1995.06	10	37,000,000	370,000,000	37,000,000	370,000,000	Capitalization of earnings in the amount of NT\$46,500,000 Capitalization of capital reserves in the amount of NT\$13,500,000	None	Order Ref. No. (84) Taiwan-Finance-Securities - (1) - 37631
1997.08	12.5	81,000,000	810,000,000	48,000,000	480,000,000	Capitalization of earnings in the amount of NT\$25,900,000	None	Order Ref. No. (86) Taiwan-Finance-Securities - (1) - 52236

Month/ Year	Issue Price	Authorized Share Capital		Paid-in Capital		Note		
		Shares	Amount	Shares	Amount	Capitalization	Capital Increase by Assets Other than Cash	Others
						Capitalization of capital reserves in the amount of NT\$37,000,000 Cash increase by cash in the amount of NT\$47,100,000		
1998.04	10	81,000,000	810,000,000	54,000,000	540,000,000	Capitalization of earnings in the amount of NT\$48,000,000 Capitalization of capital reserves in the amount of NT\$12,000,000	None	Order Ref. No. (87) Taiwan-Finance-Securities - (1) - 29218
1999.06	10	81,000,000	810,000,000	60,000,000	600,000,000	Capitalization of earnings in the amount of NT\$54,600,000 Capitalization of capital reserves in the amount of NT\$5,400,000	None	Order Ref. No. (88) Taiwan-Finance-Securities - (1) - 55260
2000.06	10	81,000,000	810,000,000	68,360,000	683,600,000	Capitalization of earnings in the amount of NT\$77,600,000 Capitalization of capital reserves in the amount of NT\$6,000,000	None	Order Ref. No. (89) Taiwan-Finance-Securities - (1) - 49386
2002.07	10	81,000,000	810,000,000	76,700,000	767,000,000	Capitalization of earnings in the amount of NT\$83,400,000	None	Order Ref. No. Taiwan-Finance-Securities - (1) - 0910137023
2003.07 2003.08	14.5	130,000,000	1,300,000,000	112,000,000	1,120,000,000	Cash increase by cash in the amount of NT\$220,000,000 Capitalization of earnings in the amount of NT\$133,000,000	None	Order Ref. No. Taiwan-Finance-Securities - (1) - 0920134781 Order Ref. No. Taiwan-Finance-Securities - (1) - 0920130288
2004.09	10	168,000,000	1,680,000,000	128,800,000	1,288,000,000	Capitalization of earnings in the amount of NT\$168,000,000	None	Order Ref. No. Financial-Supervisory-Securities - (1) - 0930132035
2005.08	10	200,000,000	2,000,000,000	136,000,000	1,360,000,000	Capitalization of earnings in the amount of NT\$72,000,000	None	Order Ref. No. Financial-Supervisory-Securities - (1) - 0940127524
2006.08	10	200,000,000	2,000,000,000	150,500,000	1,505,000,000	Capitalization of earnings in the amount of NT\$145,000,000	None	Order Ref. No. Financial-Supervisory-Securities - (1) - 0950128621
2007.08	10	200,000,000	2,000,000,000	172,800,000	1,728,000,000	Capitalization of earnings in the amount of NT\$223,000,000	None	Order Ref. No. Financial-Supervisory-Securities - (1) - 0960034768

Month/ Year	Issue Price	Authorized Share Capital		Paid-in Capital		Note		
		Shares	Amount	Shares	Amount	Capitalization	Capital Increase by Assets Other than Cash	Others
2008.07	10	300,000,000	3,000,000,000	203,500,000	2,035,000,000	Capitalization of earnings in the amount of NT\$263,800,000 Capitalization of capital reserves in the amount of NT\$43,200,000	None	Order Ref. No. Financial-Supervisory-Securities - (1) - 0970032766
2009.07	10	300,000,000	3,000,000,000	232,782,114	2,327,821,140	Capitalization of earnings in the amount of NT\$292,821,140	None	Order Ref. No. Financial-Supervisory-Securities-Corporate-0980032911
2009.07	13	500,000,000	5,000,000,000	292,782,114	2,927,821,140	Cash increase by cash in the amount of NT\$600,000,000	None	Order Ref. No. Financial-Supervisory-Securities-Corporate-0980034517
2010.07	10	500,000,000	5,000,000,000	334,994,540	3,349,945,400	Capitalization of earnings in the amount of NT\$363,567,830 Capitalization of capital reserves in the amount of NT\$58,556,430	None	Order Ref. No. Financial-Supervisory-Securities-Corporate-0990034545
2011.06	10	500,000,000	5,000,000,000	360,119,131	3,601,191,310	Capitalization of earnings in the amount of NT\$251,245,910	None	Order Ref. No. Financial-Supervisory-Securities-Corporate-1000030069
2015.02	10	500,000,000	5,000,000,000	355,119,131	3,551,191,310	Capital reduction by means of retirement of treasury shares in the amount of NT\$50,000,000	None	Order Ref. No. Taiwan-Stock-Exchange - List Company - (1) - 10400022651
2015.05	10	500,000,000	5,000,000,000	345,119,131	3,451,191,310	Capital reduction by means of retirement of treasury shares in the amount of NT\$100,000,000	None	Order Ref. No. Financial-Supervisory-Securities-Trading-1040021134
2015.08	10	500,000,000	5,000,000,000	338,900,131	3,389,001,310	Capital reduction by means of retirement of treasury shares in the amount of NT\$62,190,000	None	Order Ref. No. Financial-Supervisory-Securities-Trading-1040031645
2015.11	10	500,000,000	5,000,000,000	337,900,131	3,379,001,310	Capital reduction by means of retirement of treasury shares in the amount of NT\$10,000,000	None	Order Ref. No. Financial-Supervisory-Securities-Trading-1040045983
2018.10	10	500,000,000	5,000,000,000	334,300,131	3,343,001,310	Capital reduction by means of retirement of treasury shares in the amount of NT\$36,000,000	None	Order Ref. No. Financial-Supervisory-Securities-Trading-1040041729

Month/ Year	Issue Price	Authorized Share Capital		Paid-in Capital		Note		
		Shares	Amount	Shares	Amount	Capitalization	Capital Increase by Assets Other than Cash	Others
2019.09	10	500,000,000	5,000,000,000	267,440,105	2,674,401,050	Cash decrease by cash in the amount of NT\$668,600,260	None	Order Ref. No. Financial-Supervisory-Securities-Corporate-1080329485
2020.05	10	500,000,000	5,000,000,000	257,440,105	2,574,401,050	Capital reduction by means of retirement of treasury shares in the amount of NT\$100,000,000	None	Order Ref. No. Financial-Supervisory-Securities-Corporate-1090343632
2022.07	10	500,000,000	5,000,000,000	252,000,105	2,520,001,050	Capital reduction by means of retirement of treasury shares in the amount of NT\$54,400,000	None	Order Ref. No. Financial-Supervisory-Securities-Corporate-1110349352
2024.09	10	500,000,000	5,000,000,000	201,600,084	2,016,000,840	Cash decrease by cash in the amount of NT\$504,000,210	None	Order Ref. No. Taiwan-Stock-Exchange - List Company - (1) - 1131803642

Unit: Share

Type of shares	Authorized Share Capital			Note
	Issued Shares	Un-issued Shares	Total	
Listed Common Shares	201,600,084	298,399,916	500,000,000	-

Note 1: The Company did not offer and issue securities by shelf registration.

(II) List of Major Shareholders

Date of Book Closure: March 31, 2026

Shareholder's name	Shares	Number of Shares Held	Shareholding Ratio (%)
Chien Hwei Investment Co., Ltd.		37,769,225	18.73%
Chi-Te Chen		15,075,311	7.48%
Chen-Ching Chen		11,428,412	5.67%
Chung-Ping Liu		9,000,000	4.46%
Rock Publishing Intl.		7,578,226	3.76%
Taiwan Cement Corporation		6,017,788	2.99%
Deqing Investment Co., Ltd.		5,728,000	2.84%
Shengong Investment Co., Ltd.		5,000,000	2.48%
Chase escrow JP Morgan investment account		2,535,024	1.26%
HSBC (Taiwan) Custody Account for Morgan Stanley Investment Account		2,310,640	1.15%

(III) Dividend Policy and Implementations

1. Dividend Policy in the Company's Articles of Incorporation:

In the event that there are any earnings after the annual final accounting, such earnings shall be utilized in the first place to pay for all taxes and duties as required by law and to make up for deficits of prior years. The remaining amount, if any, shall be appropriated in the following order:

- (1) Provide legal reserve pursuant to laws and regulations.
- (2) Provide (or reverse) special reserves pursuant to laws and regulations or for operating necessities.
- (3) The remaining balance, along with unappropriated earnings of prior years, shall be proposed by the Board of Directors for earnings distribution, which shall then be resolved by the shareholders' meeting.

The Company's dividend policy shall take into account the environment and growth of the industry, long-term financial plans and optimization of shareholders' equity. Cash dividends to be appropriated shall not be less than 10% of the total dividends to be appropriated for the year.

2. The Company's dividend policy is determined by the Board of Directors based on its operating conditions, capital requirements, capital expenditure budget, internal and external environmental changes, and the interests of shareholders. The Company's dividend policy pursues a stable dividend distribution. Since 2015, dividends have all been distributed in cash at least NT\$0.5 per share every year. Without other special circumstance, the dividend of the Company shall be paid not less than 50% of the new distributable earnings of the current year, and the principle is to pay cash dividends.

3. Proposal of dividend distribution awaiting the resolution of the Shareholders' Meeting in the current year

The 2025 Earnings Distribution Proposal, which was determined as the following table at the Board Meeting held on March 11, 2026, will be conducted in accordance with relevant regulations after it has been approved by the Shareholders' Meeting to be held on May 29, 2026.

Unit: NT\$

Item	Amount
Undistributed earnings - beginning	1,160,173,921
Profit after tax for the year	903,642,005
Remeasurement of defined benefit plans recognized under retained earnings	1,709,937
Amount of net profit after tax for the period plus items other than net profit after tax for the period included in the undistributed earnings of the year	905,351,942
Reversal of special reserve in accordance with the law (10%)	(90,535,194)
Distributable earnings - ending	1,974,990,669
Distribution items	
Cash dividends to shareholders at NT\$3.3 per share	(665,280,277)
Undistributed earnings - ending	1,309,710,392

(IV) The Impact of Stock Dividend Issuance on Business Performance and Earnings per Share: Not applicable.

(V) Remuneration for employees and directors

1. Stated percentage and scope of remuneration paid to employees and directors in the Articles of Incorporation:

If the Company generates a profit for the year, employee remuneration shall be allocated at a rate of 0.1% to 3% of the profit after deducting directors' and employees' remuneration, and directors' remuneration shall not exceed 3% of the profit after such deductions. However, if the Company has accumulated losses, an amount sufficient to cover such losses shall be retained in advance.

Of the employee remuneration referred to in the preceding paragraph, no less than 15% shall be allocated to base-level employees. Employees' compensation shall be distributed in stocks or in cash to employees of subsidiaries who meet certain criteria and control, which are stipulated by the Board of Directors being authorized to do so.

2. The accounting treatment for the discrepancy between the actual distributed amount and the estimated amount of remuneration to directors and supervisors and compensation to employees, or of the compensation to employees paid in shares: In case a discrepancy exists between the actual distributed amount and the estimated distribution amount, such

a discrepancy is accounted for as a change in accounting estimates and will be adjusted to the financial statements for the following year.

3. Compensation or remuneration approved by the Board of Directors:
    - (1) Compensation or remuneration paid to employees and directors in the forms of cash or shares. If the actual amount differs from the estimated amount in the year of recognition, disclose the differential amount, and reasons and responses therefor:

The Company's Board of Directors approved that, for fiscal year 2025, employee compensation shall be appropriated at 3% of pre-tax profit after deducting remuneration for directors and employees, amounting to NT\$33,957 thousand, and director remuneration shall also be appropriated at 3% of pre-tax profit after such deduction, amounting to NT\$33,957 thousand. The approved amounts are equal to the estimated figures for fiscal year 2025.
    - (2) The amount of any employee compensation distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax net income stated in the parent company only financial reports or individual financial reports for the current period and total employee compensation: Not applicable.
  4. The actual distribution of employee and director compensation for the previous fiscal year (with an indication of the number of shares, monetary amount, and stock price, of the shares distributed), and, if there is any discrepancy between the actual distribution and the recognized employee or director compensation, additionally the discrepancy, cause, and how it is treated:
    - (1) The Company distributed NT\$25,369 thousand as employee compensation and NT\$25,369 thousand as remuneration to directors for 2024.
    - (2) If there is any discrepancy between that amount and the estimated figure for the fiscal year these expenses are recognized, the discrepancy, its cause, and the status of treatment shall be disclosed: No Deviation.
- (VI) Repurchase of Shares by the Company: None.
- II Issuance of Corporate Bonds: None.
- III Issuance of Preferred Shares: None.
- IV Issuance of Depository Receipts: None.
- V Issuance of Employee Stock Options:
- (I) The annual report shall disclose unexpired employee stock options issued by the company in existence as of the date of publication of the annual report, and shall explain the effect of such options upon shareholders' equity: None.
  - (II) The annual report shall disclose the names of top-level company executives holding employee stock options and the cumulative number of such options exercised by said executives as of the date of publication of the annual report. The annual report shall also disclose the names of the top 10 employees holding employee stock options with a subscribable amount reaching NT\$30 million, along with the cumulative number of options exercised by these ten employees, as of the date of publication of the annual report: None.

- VI Employee Restricted Stock Awards (RSA):
- (I) For all new RSA for which the vesting conditions have not yet been met for the full number of shares, the annual report shall disclose the status up to the date of publication of the annual report and the effect on shareholders' equity: None.
  - (II) Names and acquisition status of managerial officers who have acquired new RSA and of employees who rank among the top ten in the number of new RSA acquired, cumulative to the date of publication of the annual report: None.
- VII Status of New Share Issuance in Connection with Mergers and Acquisitions:
- (I) Where, during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, the company has completed any issuance of new shares in connection with a merger or acquisition or with acquisition of shares of any other company: None.
  - (II) Where the Board of Directors has, during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, adopted a resolution approving any issuance of shares in connection with a merger or acquisition or with acquisition of shares of any other company: None.
- VIII Implementation of the Capital Utilization Plan: None.

## Chapter 4 Operational Highlights

### I. Business Contents

#### (I) Business Scope

##### 1. The Company mainly engages in:

###### (1) Engineering service

###### A. Residential Building Construction

The Company is deeply engaged in the market of exquisite construction projects. We will continue to strengthen our project management to provide our customers with excellent quality, perfect and high-quality services, and to create long-term relationships of mutual trust and benefit with our customers as our ultimate goal.

###### B. Factory Office and Office Buildings

To increase the diversity of the company and to flexibly adjust to the market trend, and to increase the proportion of business acquisition in the commercial and factory office market, in order to avoid the shortage of business source due to the change of the residential market. In addition to completing the Phase IV New Construction Project of Fab 18 at TSMC's Southern Taiwan Science Park, the Fox Automation Technology Plant Construction, and the Fubon Changchun Duplex Office Building, the Company has expanded its presence in the factory-office and commercial office building markets since 2022. In 2023, the Company undertook projects including the Nan Shan Life Shalun Cultural and Creative Park and the Cathay Industries Research and Development Center. In 2024, it was awarded the new parking facility construction project at the Nanshan Tamsui Shalun Park. In 2025, the Company further secured projects such as the Taoyuan Tongde Commercial Complex Building and the architectural works for Phase I of the development area in front of Taoyuan High Speed Rail Station. The Company will continue to uphold its commitment to quality and excellent service while actively deepening its presence in target markets. It will also expand its construction business in areas such as green energy technology plants, factory-office buildings, cloud data center facilities, and logistics warehouse facilities.

###### C. Public Facility Construction

The Company's involvement in the construction of large-scale public facilities has a long history, from the early phase of construction of incinerators, TRA New Zuoying Station, and the auxiliary buildings of highspeed railway stations, to the construction of the main structure, internal utility and air-conditioning projects of National Kaohsiung Center for the Arts (Weiwuying).

###### D. Mechanical and Electrical Engineering

The Company has established a subsidiary, CKTech Engineering Co., Ltd. (formerly Fast Dragon International Electrical Engineering Co., Ltd.). On December 17, 2025, the company name was officially changed to CKTech

Engineering Co., Ltd. (hereinafter referred to as CKTech Engineering). CKTech Engineering primarily undertakes the parent company's turnkey mechanical and electrical engineering projects and commercial and factory-office building projects, while also supporting the company's business operations and project management activities. Under this integrated operating principle, CKTech Engineering continues to strengthen its capabilities in mechanical and electrical design and planning, system integration, and coordinated construction execution, thereby enhancing the overall competitive advantage of Chien Kuo Construction. The Company continued to deepen the usage of BIM to review, design, and output construction drawings, integrates various types of professional construction, either horizontally or vertically, during the course of construction, reduces construction interface conflicts and specifies responsibilities, so as to ensure the quality of the project, to achieve the objectives of the owners and users.

E. Construction on a Turnkey Basis

With years of experience in contracting private housing projects, we have been in the government housing subcontracting market for many years, and our completed public housing projects, taking over the public residence have both received the Golden Quality Award for Public Works and the Golden Security Award. At present, in addition to using the technologies learned by National Kaohsiung Center for the Arts, such as sloping roof, acoustics and other patented technologies, the patented technologies developed by technology development, such as BIM automatic modeling, customized FM system, point cloud machine and camera drone, are included in the creative feedback items of the turn-key project, to show the differentiation of enterprises and improve the competitiveness of the turn key basis. Under the effects of global warming and air pollution cause environmental damage, in response to the friendly construction industry, we will introduce "energy-saving" and "carbon-reducing" methods in the construction. For example, in terms of energy-saving, we will introduce energy-saving building design in the turnkey projects as much as possible, such as green building label, building energy efficiency certification, and intelligent building label, solar power recycling, rainwater recycling, elevator power regeneration and other design concepts and equipment application; in terms of carbon-reducing, we will make good use of the system aluminum formwork to replace traditional formwork, which can effectively reduce the use of wood and can be recycled multiple times to effectively achieve the goal of green-friendly construction. In addition to its current participation in the turnkey social housing market, in 2025 the Company undertook projects such as the New Office Building Project at the Huaguang Special Zone 3 Site commissioned by the Ministry of Economic Affairs. Through involvement in turnkey projects for commercial office buildings and public infrastructure, the Company has further diversified its turnkey project experience and enhanced its ability to meet evolving market demands.

(2) Investment Business

The Company has developed short-, medium- and long-term investment plans to improve the efficiency of capital utilization and to pursue income and enhance asset appreciation potential in a more prudent manner.

2. Planned New Products (Services)

(1) Engineering service

The Company aims the individual projects at customers who are business groups, for which the Company will provide budget assessment and construction planning, and with which the Company will establish long-term partnerships. The Company also engages with major domestic consulting firms in early-stage planning and budget assessments, while expanding its client base in factory-office and commercial office building sectors. By offering shortened construction schedules, value engineering methods, and energy-efficient, low-carbon construction techniques, the Company aims to deliver the most beneficial solutions for its clients.

(2) Mechanical and Electrical Business

CKTech Engineering primarily supports the parent company's operations. In line with organizational development, it continues to recruit highly qualified professionals to enhance value differentiation. It provides integrated value-added services across the entire construction system and extends the life cycle of buildings through comprehensive facility management. By combining our expertise in electrical and mechanical turnkey contracting with design integration and construction planning, we aim to differentiate ourselves from competitors, enhance the overall value of construction, and explore new markets in mechanical and electrical engineering moving forward.

(3) Construction Business

In line with urban renewal and redevelopment policies, we are actively selecting excellent residential locations for joint development, and expanding our diversification into commercial real estate.

(4) Aluminum Formwork Business

Develop a proprietary formwork configuration process that integrates aluminum and wood hybrid materials, expanding the application scope of aluminum formwork. In addition, introduce and develop aluminum formwork fixing methods suitable for SRC structures, thereby broadening the range of building types that can be constructed and enhancing the Company's flexibility and capability in undertaking projects.

(II) Industry Overview

1. Industry Status

(1) In the real estate market, construction costs have undergone significant adjustments over the past five years due to increases in labor and material expenses. While the prices of major construction materials stabilized in 2023, the shortage of labor is expected to persist and continue to affect the industry. At the same time, market

products have been influenced by government measures to curb housing speculation and by the international economic environment. In addition, the central bank's policy to lower loan-to-value ratios has created funding gaps for investors, thereby reducing the likelihood of real estate investment.

(2) Plant Market and Commercial Office Building Market

As the global pandemic gradually stabilizes and the tourism industry and international supply chains start to recover, opportunities for investment and development in commercial offices and hotels have increased from 2023 to 2026.

(3) Public Construction Market

Looking at the overall political and economic development in Taiwan, in order to ease the impact of housing construction industry, in addition to the existing social housing projects, the demand for public welfare construction and the development of commercial office buildings along the MRT lines has increased. However, public construction budgets typically require approval from local councils or central authorities, which can take six months to a year. By the time approvals are secured, inflation may have driven up prices, leading to repeated failed bids for public construction projects. In order to solve the situation of delayed bidding, government gradually tend to attract investment in advance, and multiple reference industry demand and market conditions, which is bound to be desirable forward expectations.

2. Industry characteristics

(1) Influenced by the government's financial policy and major public construction programs

Whenever the government changes its financial policy or reveals plans to launch major public construction, the development and the gross profits of the construction industry immediately have significant growth, fully reflecting its influence on the construction industry.

(2) High risk due to price fluctuations

During the course of construction, it is susceptible to factors such as market prospects, commodity prices and inflation. In recent years, the construction industry has been affected by the increase in commodity prices and wages, causing cost fluctuations that are difficult to manage. Risk is high under the contractual terms and costs that require the construction be completed on time.

(3) Regional and labor-intensive industries

Since most of the construction process of the construction project relies on manpower to complete, the construction industry is a labor-intensive industry. The labor of the construction industry is engaged in manual labor on a daily basis, hence the turnover rate of personnel is high and difficult to control. In addition, it is often necessary to cooperate with local subcontractors to seek local personnel, equipment and materials support. Therefore, regionality will affect costs.

(4) A wide variety of technicians

Completion of construction requires participation of a wide variety of technicians, such as: Rebar workers, formworkers, welders, and electricians and plumbers. There is a wide variety of technicians and the management interface is complex. In addition, BIM technology has been introduced in recent years. As a digital integral technology tool for civil engineering, construction, and electromechanical systems, BIM relies on personnel with professional knowledge in construction and information to solve various problems encountered in the whole life cycle.

(5) Strong relevance between industries

The construction industry is highly correlated with industries such as cement, steel, machinery, transportation and consultancy companies. Market fluctuations in various industries will also directly impact the construction industry.

(6) Poor working environment

The construction process is more dangerous than that in general workplaces. Work is affected by the climate, and the probability of occurrence of on-site occupational incidents that endanger personal safety is high.

3. Relevance between the upstream, midstream and downstream

The Company is in the construction industry and the downstream (user) construction industry complement each other. The upstream of the supply chain mainly consists of raw materials such as steel, gravel, earth, cement, aluminum, crude oil, and metals. Except for sand and gravel, Taiwan has to rely on imports, so the impact will be influenced by the fluctuation of the international situation. Since 2021, ready-mixed concrete has been affected by sand and crude oil, and the price has increased one after another, resulting in an increase of more than 30% in the past three years. However, by the end of 2022, some raw materials reached peak price levels. As a result, construction material prices in 2024 are expected to remain stable, with only modest increases.

In the midstream chain, the raw materials are mainly processed to provide the construction industry with finished products for construction or assembly, and the cost impact is mainly on raw materials and manpower. Although the cost of manpower is not raw materials, the construction industry is one of the industries that cannot be assembled by fully automatic machines and cannot rely on machinery to replace manpower. At most, systematic formwork and steel reinforcement are used to reduce the use of manpower, but they cannot be completely replaced. Therefore, labor shortage will seriously affect the midstream and downstream related industries.

In the downstream chain, there are government agencies, private enterprises, construction companies, and consumers who commission the construction. However, the construction industry is part of the midstream and downstream chain and still relies on the professional division of labor, including building planning and design, construction, construction manufacturers, and the construction of building materials, decoration, materials, electrical and mechanical, and sanitary equipment required for interior decoration after the completion of the building structure.

#### 4. Development trend

##### (1) Develops towards large, exquisite, and smart

In recent years, under the requirements of large-scale projects, high complexity of design, high housing prices, high technical standards and exquisite decoration requirements, large-scale builders are more qualified to participate, hence BIM (Building Information Model) is introduced. As an integrated construction interface, BIM has the professional competitive advantage of improving construction technology, and can meet customer needs. In addition, the Company will strengthen cost and schedule control and establish early warning and risk assessment mechanism, to step into another trend in the construction market. Having the fastest and latest smart management or R&D system will create a brand advantage in the market.

##### (2) The government bidding model is shifting towards adopting the most advantageous tender or turnkey model

In recent years, the government has continued to actively promote major public construction, of which the bidding has been encouraged to adopt the most advantageous tender to avoid the sacrifice of construction quality due to bidding. Therefore, public construction has become the battleground for large-scale construction companies. In order to avoid the phased outsourcing, in which the project quality can not be connected, more and more turnkey cases have appeared. The government hopes to integrate all the teams through a single contact window, and to activate government's assets throughout the life of the building.

##### (3) Adjust the construction business model in line with environmental changes

Land, the material for the construction industry, has become rare. Therefore, the scale of business, human capital allocation and capital utilization need to be adjusted in line with the changes in the environment, for the purpose of steady development. This year, we will develop the regional land with future potential, track redevelopment zones with major construction themes, proper position plans, and pursuing public urban renewal and joint development initiatives integrated with mass transit systems.

##### (4) Strategic cooperation between the upstream and downstream

Construction management greatly values interface integration. In order to facilitate the progress of construction, most construction companies have long-term partnerships with their professional coordinating suppliers. In preparing a tender, it works with the professional coordinating suppliers to improve the chance of winning the bid; after winning the bid, the project will be handed over to the professional coordinating suppliers who have assisted in the preparation of the tender, thereby shortening the running-in period of the two parties. To make the project on schedule with high quality.

##### (5) The government actively promotes the introduction of BIM technology to major public construction

In recent years, in addition to the governments of Taipei City and New Taipei City who have recognized the trend of BIM technology, other county and city

governments have also begun to plan to introduce BIM to major public construction, and explicitly request that delivery standards and related matters may be specified on the tender documents at the same time. At present, BIM system has become one of the necessary tools in all public construction, which further demands that BIM can not be conducted in an outsourced manner but by a construction company having BIM capability, and that BIM be introduced to all phases (design, construction, warranty, and property management).

(6) Highly volatile prices, unable to grasp price risk, trending toward price index adjustment

Since 2020, shortages of labor and the impact on aggregate supply have led to substantial price increases in major construction materials such as reinforcing steel, formwork, and ready-mixed concrete. Beginning in 2021, the industry also faced a sharp rise in international metal prices. As a result, not only did structural material costs continue to increase, but wages for masonry work as well as prices of aluminum materials and stainless steel used in construction also rose accordingly, with even larger increases. This situation made it extremely difficult for contractors to bear the risks associated with rising construction costs. Although prices have stabilized since 2023, in order to better manage project development risks, project owners have gradually introduced measures such as price index adjustment mechanisms or adopted cost-plus contract models to increase contractors' willingness to participate in construction projects.

5. Competition is intensifying

The number of domestic construction companies registered was about 20,000, of which 3,300 are classified as Grade A contractors. About 90% of them belonged to small and medium-sized enterprises, lacking a stable financial structure and sufficient engineering staff. The Company was established in 1931. So far, with its abundant technicians and professional team, it has accumulated rich construction experience and its mastery of the project progress and quality has been recognized by the owners. The Company is a competitive supplier in the industry. We expect to develop the aluminum molding business in the factory office market to meet the needs of existing competitors and to address the needs of owners in terms of schedule and cost.

(III) Technology and R&D Overview

1. Engineering service

(1) Development of new techniques and patented techniques.

In line with the trend of low-carbon construction, our project for affordable housing actively utilizes a new construction method featuring high-strength reinforced concrete, aiming to reduce the use of steel reinforcement and achieve carbon emission reduction targets in construction. Among these, the SD550 new construction method has been approved for several years. In addition to internal use, it has been licensed to multiple industry peers and has received widespread positive feedback. The SD690 construction method utilizes higher-strength reinforced concrete, providing improved carbon reduction benefits for super high-rise buildings. The revised version of this

new method has now been approved. Improving the efficiency of steel reinforcement construction is another key development focus. A new technique for seismic stirrup reinforcement of beams, which can address the issue of difficult construction due to the dense steel reinforcement in the shear zone of beams. Multiple innovative stirrup designs and construction sequences have been patented in several countries. The patented method for systematic beam-column structures effectively addresses the issue of rebar collision in the beam-column joint area. Whether the main reinforcement of the beam or column maintains the same spacing or double spacing, the beam's main reinforcement only needs a uniform horizontal offset to completely avoid interference with the column's main reinforcement. The latest development is a patented modular construction method for beam reinforcement cages, in which reinforcement bars are first assembled into unitized modules and then hoisted and combined on site. A full-scale structural test has been completed, and the new construction method is currently undergoing evaluation, with its feasibility having been confirmed.

(2) Enhancement of automation in operational methods

The digitization of engineering inspections has been a primary focus of development in recent years. Initially, an innovative map-oriented application was created to meet the self-inspection needs at construction sites. Subsequently, a one-click generation feature was implemented to compile inspection maps, photographs, and self-inspection forms into a comprehensive self-inspection report. Finally, a management webpage was developed to visualize the analysis results of defect data. BIM automation is a crucial objective in the digital development landscape, establishing a programmatic operational model for converting 2D pipeline modeling into 3D for various water systems. Furthermore, to facilitate the implementation of the mechanical and electrical lines pre-cutting method, each project necessitates the creation of hundreds of 3D assembly drawings. All drawings are generated swiftly through the use of automated programs in conjunction with construction models.

(3) MIS application

Implementing ERP as the core system for enterprise processes, integrating business processes such as finance, accounting, procurement, project management, and supply chain operations, to achieve real-time monitoring and querying of information. P6 is a commonly used project scheduling software in the construction industry. Based on on-site feedback, construction information is continuously updated to revise the project schedule calculations, providing decision-makers with references to adjust schedules and improve any delays. BI is a data visualization tool that aggregates all system information to assist managers in accelerating decision-making speed. It also develops predictive models to provide managers with alertness. The Business Information System represents a recent development focus. It facilitates the rapid initial valuation of incomplete information projects by employing data analysis methods for bundled cases, thereby minimizing the risk of subjective misjudgment.

(4) Acoustic technology application

Based on the acoustic construction technology acquired during the construction of the National Kaohsiung Center for the Arts (Weiwuying), the Company applied for related patents, and combined the important functions of other buildings, such as fireproof, vibration isolation, etc., which will be introduced into general construction. The Company enhances the quality of its indoor sound environment according to the usage of different buildings, and establishes its image as a professional acoustic technology provider.

(5) Special curved surface application

Based on the special modeling construction technology acquired during the construction of the National Kaohsiung Center for the Arts (Weiwuying), the Company applies for related patents. By combining CAD/CAM/BIM analysis technology, the Company improves the applicability of metal materials in the outer shell or as a special decorative object. It also considers to integrate the energy-saving design with the sunshade design of a building.

(6) Introduction of point cloud and aerial photography technology applications

With the ongoing advancements in point cloud software and hardware technology, the application of point clouds in quality inspection at construction sites is expanding. This includes quantity estimation for extensive areas of uneven surfaces, 3D modeling of entire sample houses, and the evaluation of flatness following the grouting of basement slabs. Aerial photography technology is commonly employed to periodically document the construction status of new projects. When integrated with high-performance computers and specialized software, it can be used to create 3D models of construction sites, allowing business and design departments to plan and evaluate more accurately.

(7) Introduction of Low-Carbon Assessment Technology in Architecture

In accordance with the national low-carbon development strategy, each design phase of the integrated project will include assessments for low-carbon building labeling and building energy efficiency labeling, with the aim of achieving low-carbon objectives at the most reasonable cost.

2. R&D Results

(1) R&D project results and application status of projects in progress

The research and development direction is divided into three main axes, including construction technology refinement, construction management automation and customer service refinement. The following table shows the results for 2025:

Table 2025 R&D Project Results

Item	Explanation	Category
Patented modular beam reinforcement cage construction method	This patented method involves decomposing beam reinforcement cages into multiple smaller modules. These modules are pre-assembled in a non-construction area and then transported to the required floor level using small-scale transportation equipment. Finally, they are assembled into a complete reinforcement cage on site. This patented technique can significantly improve the productivity of reinforcement works. However, the application of this technology requires the use of specially designed external stirrup caps. A full-scale physical trial has already been completed, and the Company will continue to advance and further challenge the implementation of this new construction method.	Construction technology refinement
Systems for quality assurance, and safety and health APP	With the self-examining map as the core and the purpose of automatically generating self inspection reports, we develop a self inspection app for product safety and security to help engineers complete key self-inspection items for specific projects. The self-examining map is similar to google map in that it can mark the missing location and show the improvement status, and further link to related photos. In order to reduce the internal work burden of engineers, the self-test report generator is customized for each work. As long as the on-site self-test program is executed by the self-test App, the self-test report can be generated with one click before returning to the computer of the Tokyo Electric Engineering Co., Ltd.	Construction Management Automation
Automated 3D assembly drawings for fire protection piping systems	Due to the increasingly severe shortage of construction labor, certain low-skill mechanical and electrical work items are being executed through a model where engineers supervise and coordinate foreign labor. To reduce the difficulty for foreign workers in interpreting traditional construction drawings, 3D assembly drawings are adopted to replace conventional 2D shop drawings. However, the production of assembly drawings is highly time-consuming and labor-intensive. Therefore, an automated program has been developed to reference construction BIM models and rapidly generate large volumes of assembly drawings. This not only significantly reduces drafting time but also ensures the accuracy and completeness of the drawings.	Construction Management Automation
Low carbon label assessment	The Company has developed BIM-based evaluation technologies for both low-carbon buildings and building energy efficiency. For low-carbon building evaluation, carbon-related information is manually embedded into relevant BIM components during the modeling process. With the support of a self-developed plug-in, embodied carbon assessment results can be calculated immediately. For energy efficiency evaluation, carbon emission data of mechanical and electrical equipment can be manually input during BIM modeling, or automatically embedded via a custom-developed plug-in. With the assistance of another proprietary plug-in, operational carbon emission assessment results can then be generated.	Customer Service Refinement

(2) Patent

As of the end of 2025, the Company has accumulated 51 domestic and foreign patents, and the year, name and country of the patent announcement are listed below.

Table Announcement of Patent

Announcement Year	Patent Title	Country
5 patents in 2016	Metal roof structure	Republic of China
		China
	Composite door panel and soundproof door employing such panel	Republic of China
		China
	Soundproof door	Republic of China
3 patents in 2017	Soundproof door	China
	Ceiling structure	Republic of China
		China
6 patents in 2018	Steel and reinforced concrete structure	Republic of China
		China
	Confined structure	Republic of China
		China
	Water guiding system under stone floor	Republic of China
	Water filtration air system	Republic of China
5 patents in 2019	Water guiding system under stone floor	China
	Water filtration air system	China
	Molding support system	Republic of China
	Dehazing system	Republic of China
		China
1 patent in 2020	Construction frame system	Republic of China
4 patents in 2021	Construction frame system	China
	Construction Material Delivery Methods	Republic of China
	Structural end reinforcement system	Republic of China
	Graphical representation of transcoding methods and devices	Republic of China
13 patents in 2022	Measurement support system	Republic of China
		China
	Construction survey method	Republic of China
	Quality testing system and is method	Republic of China
	Obtain information method and system instantly	Republic of China
	Structural end reinforcement system	China
Stirrup module and manufacturing method of beam reinforcement system (I780946)	Republic of China	

Announcement Year	Patent Title	Country
	Stirrup module and manufacturing method of beam reinforcement system (I775642)	Republic of China
	Steel cage module and manufacturing method of beam reinforcement system	Republic of China
	Stirrup module	China
	Stirrup module of beam reinforcement system	China
	Steel cage module	China
	REBAR CAGE MODULE FOR BEAM REINFORCEMENT SYSTEM AND MANUFACTURING METHOD OF BEAM REINFORCEMENT	United States
1 patent in 2023	Systematic beam-column structure and its method (I798030)	Republic of China
7 patents in 2024	Systematic beam-column structure and its method (I836915)	Republic of China
	Stirrup module and manufacturing method of beam reinforcement system (1839186)	Republic of China
	Stirrup module and manufacturing method of beam reinforcement system (1840198)	Republic of China
	Framework Method for Reinforcement Systems	Republic of China
	Method, device, and computer program product for generating structural diagrams integrating information	Republic of China
	Formwork system and wall structure formed therewith	Republic of China
	Beam-column joints and architectural structures incorporating the same	Republic of China
6 patents in 2025	STIRRUP MODULE FOR BEAM REINFORCEMENT SYSTEM AND MANUFACTURING METHOD OF BEAM REINFORCEMENT SYSTEM(I2276103)	United States
	STIRRUP MODULE FOR BEAM REINFORCEMENT SYSTEM AND MANUFACTURING METHOD OF BEAM REINFORCEMENT SYSTEM (I2221786)	United States
	梁補強システム用あぶみグループ及び梁補強システムの製造方法	Japan
	Framework Method for Reinforcement Systems	Republic of China
	Formwork system and wall structure formed therewith	Republic of China
	Beam-column joints and architectural structures incorporating the same	Republic of China

#### (IV) Short and Long Term Business Development Plans

##### 1. Short-term Plan - Implementation of Quality Assurance, Deeply Plough Construction Technology

The core of the construction industry is to ensure that every project in building construction undergoes rigorous construction management, that correct and rationalized construction techniques are implemented, and that consistent standards are required in every professional environment of the project, and ultimately to deliver the expected quality of results. One of the most important and basic missions is to provide a safe and

hygienic working environment for all employees. Since 2015, Chien Kuo Construction strictly requires quality and safety and health management of engineering works, and in recent years, the Company has repeatedly won various quality and safety and health awards, showing remarkable results. In addition to the implementation the product security, deeply root the professional technology is also an important part of the sustainable business, cope with the changes in environment by using continuous deep cultivation and innovation construction technology, which can improve the competitiveness of enterprises in the market, Chien Kuo Construction will continue to commit to the system aluminum molding to increase the competitiveness and advantage in structural template technology in 2024.

2. Medium and Long-term plans: Construction cost technology, green construction, differentiation technology and exquisite brand image

(1) Continue to develop differentiated technologies of the Company and maintain long-term competitiveness

In addition to continuing to deepen BIM technology and applying patents for metal casing and acoustics products, in the future, we will gradually introduce various differentiated technologies, such as FM system embedded with BIM, point cloud combined with a model for online house visiting, BIM rapid modeling, and camera drone inspection, etc., and introduce them into the general construction business, and apply them in the construction and development, thereby creating the advantage of the Company different from other construction companies.

(2) Improve the Company's intelligent technology

Combine BIM technology with FM technology for subsequent property management; possess, develop and deepen a rapid integration system capable of performing equipment maintenance, inspection, and review of the completion drawing; in addition to the existing point cloud system for electronic processing of existing pipelines and scanning of sample house to provide for property management in the future, use a camera drone to collect existing information for modeling to serve as a reference for the architects in designing, and thereby developing the architecture that suits the local surroundings the most.

(3) Enhancement of the cost technology of the construction period

After ensuring the high standard of project quality and safety and hygiene, the Company promotes the mastery of the key technology of project duration and cost, and does the basic work of service provider to build up the competitiveness of the Company in the market. The first priority of cost control is to ensure that the schedule is kept under control, from the support of the company's back-office departments to the on-site work of the construction site, which has an interlocking effect on the schedule. We also develop aluminum mold business to increase the efficiency of formwork construction and effectively reduce the work rate of masonry finishing to reduce the required construction time.

The Company has established a fixed mechanism to regularly review the operational processes of the Company's back-office departments to improve back-office operation time; fully utilize the web platform to accelerate communication timeliness and operational efficiency; utilize system tools to help analyze the reasonableness of the schedule and propose improvement or alternative solutions for key items; and implement value engineering assessments to achieve the goal of shortening the work schedule. To ensure that the project progress can be completed on time, the Company continues to introduce cost control, review and reduce unnecessary transaction costs, utilize alternative work methods, introduce new technologies, reduce material losses and change the logistic procurement mode, so that costs can be reasonably controlled.

(4) Introduce green construction and create corporate ESG

The environment is suffering from the effects of global warming and air pollution. In response to the friendly construction industry, we will introduce "energy-saving" and "carbon-reducing" methods in the construction. For example, in terms of energy-saving, we will introduce energy-saving building design in the turnkey projects as much as possible, such as green building label, solar power recycling, rainwater recycling, elevator power regeneration and other design concepts and equipment application; in terms of carbon-reducing, we will make good use of the system aluminum formwork to replace traditional formwork, which can effectively reduce the use of wood and can be recycled multiple times to effectively achieve green-friendly construction management. For this purpose, we have established the Aluminum Mold Division to carry out the systematic use of aluminum molds, and to centralize and integrate the work schedule of each site for deployment, so that aluminum molds can be used efficiently and economically.

(5) Improve the feasibility of turnkey operations and develop exquisite turnkey operations

Apply the integrated design capability currently provided for public constructions in building development case for private enterprise, so as to provide efficient and suitable design solutions so that the owner can save the cumbersome procedures of design and construction subcontracting and obtain the most advantageous design.

(6) Operation standardly, audit regularly

The Company has established a fixed mechanism to regularly review the operational processes of the Company's back-office departments to improve back-office operation time; fully utilize the web platform to accelerate communication timeliness and operational efficiency; utilize system tools to help analyze the reasonableness of the schedule and propose improvement or alternative solutions for key items; and implement value engineering assessments to achieve the goal of shortening the work schedule. To ensure that the project progress can be completed on time, the Company continues to introduce cost control, review and reduce unnecessary transaction costs, utilize alternative work methods, introduce new technologies, reduce material losses and change the logistic procurement mode, so that costs can be reasonably controlled.

(7) Differentiation technology and exquisite brand image

The expected new generation of construction team must have different technologies from other construction team to create a unique competitive advantage and ensure that the company will not fall into the cycle of price competition in the market. The scope of technology development includes four major research areas: (1) the advancement and application of BIM technology throughout the full life cycle of construction projects; (2) the application of acoustic technologies in building engineering, including related material applications and the development of acoustically optimized residential spaces; (3) the development of MIS for construction project management; and (4) the application and development of metal materials in architectural façade structures and forms. The Company plans to engage in collaboration discussions with strategic partners and invest in experimental trials, implementation, and validation programs. After three to five years of research and development, the goal is to create proprietary engineering technologies and innovative construction materials, thereby establishing a premium service brand for the Company.

(V) Intellectual Property

1. Strategies and Targets of Intellectual Property

With the development of the times, the knowledge-based economy has replaced the labor-intensive economy as the mainstream of today's generation. Taiwan has Patent Act gives the inventor a period of time to protect the rights and interests of innovative research and development technologies, and the right to restrict others from using, selling or manufacturing them during the period. The Company has patent approval since 2016 and has accumulated 44 patents passed. The objectives of the patent application stage are described as follows:

(1) Short term goals - to enhance the advanced image of the company and limit the use of competitors

Become a new generation construction team that is technology-based, social-cared, and humanistic-aesthetics-oriented. The Company's vision is to have a certain number of patents, which is a means to create an image of technology. The government is actively promoting the upgrading of the construction industry with reference to Industry 4.0, and the public sector is paying more attention to the technology of construction plants year by year. In order to win the owner's favor when bidding, it is necessary to continuously reveal new technologies. Innovative technologies that meet the criteria for new construction method applications may be supported by commissioning top universities to conduct large-scale experiments to obtain certification. For those that do not require such certification, patent protection will be sought instead.

(2) Medium-term goal - to increase the threshold for entry into the industry

The government project bids reveal patents and new technologies, and have another far-reaching purpose of "raising industry standards" in addition to gaining the favor of owners. Past experience has demonstrated that innovative ideas from the industry

can be adopted by clients and incorporated into their requirements after being publicly available for several years. Promoting innovative technologies and patents is a proactive strategy that shifts the company from a reactive to a leading position, mitigates the impact of rising industry standards on operations, and widens the technological gap with industry peers.

(3) Long-term goal - to create new business models

In addition to restricting the industry, a good patent can also create profits by means of technology transfer. To be profitable, the patent itself must be industry-critical and unique, and the inventor usually has a leading position in the industry. The only way to get closer to this goal is to continue to innovate and accumulate patents, and to actively interact with leading academics and industries.

2. Intelligent Property Management Model

(1) Innovations and Development

- A. Incentives to encourage innovative ideas.
- B. Through industry-academia collaboration, we explore the feasibility of R&D, and those with good results will be further converted into patents.

(2) Patent Implementation Method

- A. The Information Technology Department receives innovative ideas from company personnel.
- B. Evaluate whether to apply for a patent at a technology development meeting.
- C. Appoint a patent company to conduct patent search and application.
- D. The Technology Development Department is responsible for the annual patent maintenance.

In principle, a patent for a new type shall be maintained for at least six years and a patent for an invention shall be maintained for at least nine years, and the maintenance period may be extended as appropriate for patents with derivative interests.

(3) Intellectual Property Risk Response

The intellectual property dispute is a kind of highly professional litigation. After receiving the external information, the company staff should inform the corporate affairs staff as soon as possible, and the legal director and the R&D director should form a task force and invite the patent law firm to discuss the countermeasures together.

3. Patent infringement response strategies

As patent litigation is common in the technology industry, technology companies will train their reverse engineering staff to devote manpower and time to decipher whether they are being infringed. Fortunately, there are few patent lawsuits in the domestic manufacturing industry, and it can be seen that the domestic industry adopts a roundabout policy rather than rash use of patent barriers, or the patent layout is not tight enough to achieve the effect of containment. At this stage, we need to promote our patents in public to reduce the

chance of misuse by our peers, and then we need to listen to the development direction of other companies to evaluate the possibility of infringement when we communicate with the public.

## II. Market, Production and Sales

### (I) Market analysis

#### 1. Geographic areas where main products (services) are sold (provided):

Projects undertaken by the Company mainly locate in northern and southern Taiwan.

#### 2. Market share

The domestic construction market is huge, but the market share of each construction company is very low. The Company possesses an integrated construction team, rich construction experience, excellent construction quality, BIM technology pioneer, and technology research and development abilities. We will integrate the application of the patented smart technology with the construction or turnkey business and introduce corporate ESG in the future. These favorable competitive conditions will help in the Company winning construction contracts and thereby gaining further market share.

Unit: NT\$100 million

Year	Total turnover of the construction industry	The total turnover of the Company's construction services	Market share
2021	30,732	53	0.17%
2022	35,996	51	0.14%
2023	38,754	42	0.11%
2024	43,553	61	0.14%
2025	46,979	71	0.15%

Data source: Ministry of Finance - Financial Statistics Database (number of profit-making businesses and sales).

#### 3. Future supply and demand situation and growth

##### (1) Supply side

Concerning the government's ongoing public works investment plans, the government will gradually opt for the most advantageous tender and a turnkey model, and will incorporate all aspects of conditions of a construction company into the scope of contractor selection, which no longer gives priority to low costs in consideration. Therefore, the market advantage for large-scale construction companies, which have been operating steadily, is increasing. On the private construction side, large consortium, the life insurance industry and factory office business will account for a considerable portion. As the builders are restricted by government policy, a sluggish housing market and impact of raw materials, the profits of developers are significantly squeezed. Also, small-to-medium construction companies had entered the competition for construction outsourcing, leading to more intense competition. In the context of the ongoing labor shortage in the market, the use of system-based construction methods will be increased to mitigate the impact of labor shortages.

(2) Demand side

- A. In line with the overall political and economic development in Taiwan, the government will actively push forward various major national infrastructure projects. Major construction projects under planning for outsourcing include social housing projects in the six special municipalities, the circled MRT system around the Taipei Metropolitan Area, cultural and creative industries, social housing, urban landscape reconstruction, and airport activation projects. However, due to the central bank's housing market regulation policies, the supply in the real estate market is anticipated to experience slowed growth in the short term.
- B. Major construction projects under planning for outsourcing include public housing projects in the six special municipalities, the circled MRT system around the Taipei Metropolitan Area, cultural and creative industries, social housing, urban landscape reconstruction, and airport activation projects.
- C. The logistics factory office to respond to the epidemic brought about by the residential economy, will promote the construction of plant-office complex building to cope with the China-US trade deadlock has activated the market. Subsequently, the scientific parks and large industrial parks in various places are expected to see increasing demands for construction of plants.
- D. BOT projects, where private capital is encouraged to participate in the public construction, gradually enter the construction phase after execution of several agreements. However, whether the capital can be raised for subsequent BOT projects depends on whether the preferential policy offered by the government is able to arouse investors' confidence.

(3) Systematic method will replace traditional method trend:

In the trend of aging population, labor replacement methods will be the future trend, the market has started to use system formwork to reduce the need for formworkers, modular steel lacing will also improve the efficiency of workers, the future will gradually lead to modular building design, so that the structure and even bathroom equipment using pre-cast modules to reduce the need for on-site construction.

4. Competitive niche

(1) Experienced and excellent construction quality

The Company has a long history of establishment and has accumulated a considerable amount of technical capabilities and professional experience. From the early construction of reservoirs, tunnels and roads, to participation in exquisite residences, high-tech plants, hospital buildings and public construction projects such as large-scale arts and cultural centers in recent years, the Company has been highly regarded. The Company aims to compete in the markets of high-end residential buildings, commercial buildings, and public construction works.

(2) Corporate image

The Company, which has been established for long, has acquired ISO certifications, as well as TOSHMS certification for its dedication to implementing environmental protection and occupational safety and health at the construction site. Such certifications help in customers' recognition of the Company's corporate image. In recent years, the Company has enhanced its corporate brand image by dedicating to developing innovative technology and improving the intelligent and technological process. In recent years, the Company has actively integrated ESG principles into its corporate management. In 2025, it was honored with recognition in the Top 5% of the NT\$5-10 billion market capitalization category in the 11th Corporate Governance Evaluation, as well as a Silver Award in Category 1 of the Real Estate and Construction sector under the 2025 TCSA Sustainability Report Awards. Looking ahead, the Company will continue to advance along the path of corporate sustainability and further strengthen its ESG initiatives.

(3) Financial ability

The construction industry is greatly affected by changes in the economy and public construction projects, hence the fluctuation in business sales and performance is inevitable. However, the Company has a steady financial structure that frees us from the effects of the sluggish economy.

(4) Construction management system informationization

Informationization of systems of the construction industry is generally insufficient, whereas that of the Company regarding administrative affairs and construction affairs is mature, which is a relatively competitive niche compared with other construction companies. The Company has completed its 7-1 process control, smart management of safety and health, BIM (Building Information Modeling), systematic construction methods (including aluminum formwork and column reinforcement), and technological innovation of construction drawings, etc., with the system of integrated planning and the system of construction process still advancing.

(5) A construction company mastering multiple construction technology

Integrate by means of cultivating and inducing talents and with a strategy of Taiwan-based, civil engineering as major, and mechanical and electrical engineering as supplementary. Exploit funding advantage and forge a market segmentation by means of professionalization and centralization, so as to improve competitiveness and create higher added value.

5. Favorable factors and unfavorable factors for future development and corresponding measures

(1) Favorable factor

A. Due to the customer's gradual emphasis on construction quality and construction technology, it favors a comprehensive construction company that specializes in construction engineering technology and has a corporate image and performance.

- B. The government continues to compile a large number of public construction budgets to support the construction market.
  - C. In recent years, the Greater Taipei area has been promoting urban construction, contributing to development and utilization of urban land and the development of domestic real estate.
  - D. Concerning the application of BIM and APP management system in both the demassification market respecting general residence and in the construction phase respecting construction management and planning, the Company has no direct or comparable competitors. Moreover, The Company is experienced in executing complex projects, pioneers the execution of BIM in public construction, capable of developing customized service for owners, has the ability to implement fully, and has model-building capability of higher quality, which together constitutes a favorable factor for BIM development.
- (2) Unfavorable factors
- A. Judging from the fierce competition in the construction contracting market, the uncertainty of the fluctuations in the prices of raw materials and building materials and the shortage of professional contractor and engineers, profit margins for construction contractors will not significantly recover.
  - B. The housing market has returned to fundamentals. The high purchase burden and low transaction volume will suppress the growth of the housing market.
  - C. In view of the reduction in the private construction market, it is expected that the construction companies within the industry will most probably compete with low rate.
- (3) Countermeasures
- A. Target market strategy
 

In the face of fierce competition in the construction industry, the Company targets key customer segments within its niche market, such as top-performing listed construction companies, large conglomerates, and builders qualified for large-scale government public buildings and major development projects. The Company aims to upgrade its technical capabilities and attract new talent to introduce advanced technologies. Additionally, the Company is expanding into new market segments, including urban renewal, joint construction, vibration isolation, green energy, green buildings, smart buildings, hospitals, and commercial real estate. And strengthen customer service with professionalism and quality to establish a stable source and customer base.
  - B. Establish good construction quality and reputation
 

Adhere to the Company's core values of "integrity" and establish a good construction quality and reputation. The Company, which has a long stood as a listed company, will make good use of financial advantages and build customer confidence in the Company.

- C. Strengthen the accumulation of professional and technical experience  
Through diversified construction projects, accumulate various construction experiences, establish core competitiveness of long-term operation, upgrade the technical capabilities to improve the past or existing complex construction methods, such as the development of aluminum mold business and innovative work methods, and introduce new technical talents, so as to achieve the goal of technological optimization and technological expansion to reduce costs and improve competitiveness.
- D. Increase cost competitiveness  
Strengthen organizational effectiveness, strengthen cost control to reduce costs, expand partnerships with reputable suppliers, and maintain profit margins. Enhance added value and open up new markets through brand management.
- E. Strategic alliance  
Obtain the following advantages through a strategic alliance, either an industry alliance or a horizontal alliance:
- (A) Professional combination: Strive for and complete the target market performance.
  - (B) Knowledge transfer process: In addition to improving professional integration capabilities, strengthen self-management ability.
  - (C) Risk sharing: Share risks such as costs under the uncertainty of the business environment.

(II) Usage and Manufacturing Processes for the Company's Main Products

Product item	Important use	Production process
Residential project, technology plant, public building, medical building, business building, turn-key case.	Project requirement for providing operating activities, residence.	<p>Construction: Product production process</p> <ol style="list-style-type: none"> <li>1. Ordinary Contracted Construction Business Development → Estimation Work → Submit a Tender (Bargaining) → Win a Bid and Sign an Agreement → Construction Budget → Construction Plan → Purchase of Materials, Machine Tools, Manpower Arrangement → Construction Management → Completion Process → Review after Completion.</li> <li>2. Construction on a Turnkey Basis Business Development → Evaluation Work → Preliminary Design → Estimation Work → Submit a Tender (Competition) → Win a Bid and Sign an Agreement → Basic Design and Detail Design → Construction Budget → Construction Plan → Purchase of Materials, Machine Tools, Manpower Arrangement → Construction Management → Completion Process → Review after Completion.</li> </ol>

(III) The Supply Status of the Major Raw Materials:

The main raw materials for construction work, including steel (structure), concrete, cement, sand and gravel, metal materials, and professional contracting work, are currently in normal supply and demand. However, in response to price fluctuations, we will use the contract mode of price index adjustment or cost plus compensation to the owner.

(IV) List of principal suppliers and clients in the last two years

1. Customers and suppliers who have accounted for more than 10% of the total amount of purchase and sales in the last two years

Unit: NT\$ Thousands

Item	2024				2025			
	Name	Amount	Ratio to net annual sales (%)	Relationships with the issuer	Name	Amount	Ratio to net annual sales (%)	Relationships with the issuer
1	Customer A	2,825,814	46.17	None	Customer A	3,226,237	45.47	None
2	Customer B	823,722	13.46	None	Customer B	973,658	13.72	None
3	Customer C	750,003	12.25	None	Customer D	958,177	13.50	None
4	Customer D	710,056	11.60	None	Others	1,937,536	27.31	None
	Others	1,011,288	16.52	None				
	Net sales	6,120,883	100.00		Net sales	7,095,608	100.00	

Note 1: Reasons for fluctuations: The Company primarily operates in the construction services industry. Changes in sales customers are mainly driven by the commencement and completion timing of contracted projects, which results in corresponding variations over time.

2. List of principal suppliers (including subcontractors) and clients in the last two years

Purchase from suppliers does not exceed 10% of the total purchase over the past two years.

III. Number of Employees Employed for the Two Most Recent Fiscal Years and the Current Fiscal Year Up to the Date of Publication of the Annual Report

March 31, 2026

Year		2024	2025	Current year up to March 31, 2026
Number of Employees	Direct labor	381	475	493
	Indirect labor	192	192	183
	Total	573	667	676
Average age		43.28	42.17	42.45
Average service years		4.67	4.32	4.36
Academic distribution ratio	Doctor	0.7%	0.6%	0.6%
	Master	17.28%	15.74%	15.8%
	College	51.48%	50.98%	48.4%
	Senior high school	10.99%	11.54%	12.7%
	Lower than Senior high school	19.55%	21.14%	22.5%

IV. Environmental Expenditure

(I) Losses incurred due to environmental pollution in the most recent fiscal year and up to the date of publication of this annual report:

Unit: NT\$ Thousands

Date	Official Letter No.	Violation of provisions	Violation of regulations contents	Amount
2024/6/27	Order Ref. No. New-Taipei-Environment-Inspection-41-114-030915	Article 27, Waste Disposal Act	Improper handling of slurry resulted in contamination of drainage ditch	2.4
2024/12/4	Order Ref. No. Waste-40-114-010014	Article 27, Waste Disposal Act	Road pollution	4.8
2024/12/17	Order Ref. No. Waste-41-114-010526	Article 27, Waste Disposal Act	Road pollution	2.4
2025/1/3	Order Ref. No. Waste-40-114-020070	Article 27, Waste Disposal Act	Failure to properly manage and pay attention to environmental maintenance	6
2025/1/8	Order Ref. No. New-Taipei-Environment-Inspection-30-114-050003	Article 18 of the Water Pollution Control Act	Improper cleaning and maintenance of sedimentation basins	63.5
2025/3/7	Order Ref. No. Waste-40-114-030124	Article 27, Waste Disposal Act	Failure to properly manage and pay attention to environmental maintenance	6
2025/5/5	Order Ref. No. Environment-Inspection-Waste-Disposition-Penalty-114062460	Article 27, Waste Disposal Act	Failure to properly remove standing water led to mosquito larvae breeding	6
2025/5/9	Order Ref. No. Waste-40-114-050027	Article 27, Waste Disposal Act	Failure to properly manage and pay attention to environmental maintenance	6
2025/6/9	Order Ref. No. New-Taipei-Environment-Inspection-30-114-100001	Article 18 of the Water Pollution Control Act	Improper handling of slurry resulted in contamination of drainage ditch	77
2025/6/12	Order Ref. No. Environment-Cleaning-Waste-Disposition-Penalty-114062728	Article 27, Waste Disposal Act	Failure to properly remove standing water led to mosquito larvae breeding	6
2025/10/7	Order Ref. No. New-Taipei-Environment-Inspection-23-114-110004	Article 62, Air Pollution Control Act	Improper handling of soil and rocks resulting in dust dispersion	10
2025/12/19	Order Ref. No. Waste-40-115-020025	Article 27, Waste Disposal Act	Failure to properly clean up during construction works	6
2025/12/24	Order Ref. No. Noise-22-114120437	Article 9 of the Noise Control Act	The construction noise exceeds the permissible limit of 67 decibels	36
2026/1/21	Order Ref. No. New-Taipei-Environment-Inspection-23-115-030005	Article 23, Air Pollution Control Act	Failure to install or maintain dust-proof netting as required	24.1
Total				256.2

(II) Countermeasures taken and possible expenditures:

1. Noise:

Countermeasure: A portion of the projects (e.g., diaphragm wall construction, concrete grouting works) required continued operation, which lasted till the night and resulted in the penalties. In addition to maintaining good relationships with neighbors, it is necessary to control the progress of the project and reduce nighttime construction.

Possible expenses: No materially additional expenses.

2. Environmental pollution (road):

Countermeasure: Set up a car wash station at the entrance and exit. Vehicles may leave the site only after cleaning the tires and the car body at the car wash station; the entrance and exit of the gate is designated to be the responsibility area for the security personnel; Strengthen the inspection of access control and cleaning operation of the vehicles at the gate; and improve the cleanness of the road by spreading water thereon.

Possible expenses: No materially additional expenses.

3. Environmental sanitation (mosquito larvae control):

Countermeasure: Implement proper removal of standing water. Strengthen inspections of areas within construction sites that are prone to water accumulation, such as elevator shafts, basement pits, discarded tires, plant pot trays, and depressions in construction tarpaulins. Promptly eliminate accumulated water and conduct regular application of larvicide to suppress mosquito larval growth.

Possible expenses: No materially additional expenses.

V. Labor Relations

(I) List any 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:

1. Employee benefit plans

Benefits	Welfare Benefits
Flexible working hours	Provides a flexible working hours system to assist employees in arranging their start and end times flexibly according to work demands and personal life balance, thereby enhancing work efficiency and employee satisfaction.
Employee Stock Ownership Trust	To strengthen employee cohesion and commitment, the Company has established an Employee Stock Ownership Trust program. The Company provides matching contributions equivalent to the amount contributed by employees, encouraging long-term holding of Company shares, the accumulation of personal wealth, and the sharing of operating results.
Group insurance subsidies for employees and their dependents	The company subsidizes employees and their spouses and children to participate in group insurance, including life insurance, accident insurance, work-related injury insurance, group accident medical insurance, cancer insurance, and hospitalization medical insurance, providing basic protection for employees and their families.

Benefits	Welfare Benefits
Welfare Fund	An Employee Welfare Committee was established that allocates benefits funds according to regulations for various welfare measures and activities, aiming to increase employee well-being and cohesion. <ul style="list-style-type: none"> <li>• Lunar New Year, Dragon Boat Festival, and Mid-Autumn Festival cash gifts are provided for the three major traditional holidays</li> <li>• Marriage gifts</li> <li>• Maternity gifts</li> <li>• Birthday gifts</li> <li>• Hospitalization and bereavement condolence payments</li> </ul>
Education scholarships and subsidies for employees' children	Provides scholarships and financial aid for employees' children to support family education expenses substantively and encourage children to focus on their studies with peace of mind.
Corporate private movie screening	Organize irregular private movie screening events to enhance camaraderie among colleagues and improve their sense of happiness and belonging.
Employee library	Establish a dedicated library resource space exclusively for employees, offering a diverse range of book lending services (with approximately 850 volumes regularly updated and replaced). Employees are able to take home old books from the collection to encourage continuous learning and knowledge exchange.
Organization subsidy	The Company encourages employees to form diverse clubs and interest groups (such as sports, arts and cultural, and volunteer groups). A yearly subsidy of NT\$5,000 is provided to promote employees' physical and mental well-being as well as cross-departmental interaction.
Employee travel subsidies	A travel subsidy of NT\$6,000 is provided annually to help employees relax and achieve a better work-life balance.
Health check-ups and preventive care	Regularly schedule free health check-ups for employees and provide consultations with professional physicians to help employees monitor their health status and reduce health risks. The Company also employs a full-time registered nurse who provides health and wellness information, continuously cares for employees' well-being, and offers health-related advice.
Quarterly birthday party	Organize employee birthday celebrations quarterly to create a warm and friendly workplace atmosphere and strengthen emotional connections among colleagues.
Paid volunteering leave	Encourage employees to participate in public welfare by providing two days of paid volunteering leave annually, supporting employees in fulfilling corporate social responsibility.
Employee Assistance Program (EAP)	Introduce professional consulting resources to provide employees and their families with psychological counseling, and legal and financial assistance services to help colleagues manage work and life stress.
Quarterly departmental meal subsidy	Subsidize departmental meal expenses quarterly to encourage positive communication and team camaraderie among departments, thereby enhancing organizational cohesion.
Unpaid maternity and parental leave	<ul style="list-style-type: none"> <li>• Prenatal checkup leave, (paternity/maternity) leave, and unpaid parental leave (applicable to both male and female employees) are provided</li> <li>• A lactation room is also available on-site</li> </ul>

## 2. Insurance Planning

All employees of the Company are enrolled in labor insurance and national health insurance in accordance with legal requirements. In addition to the mandatory insurance, the Company also provides group insurance as part of its broader insurance plan. This offers employees additional protection for workplace safety and includes a comprehensive group insurance package, covering life insurance, accident insurance, accident medical

insurance, hospitalization medical insurance, cancer insurance, and occupational injury compensation.

### 3. Health Care Planning

The Company is committed to supporting the physical and mental well-being of its employees. In addition to providing regular free health check-ups, the Company also arranges for professional physicians to visit monthly, offering employees the opportunity to consult on any abnormal findings and receive health advice. Additionally, the company employs full-time nurses who continuously monitor the health of employees, providing immediate health consultations and basic medical assistance to ensure that staff receive proper healthcare while on the job.

To support the overall well-being of employees, the Employee Assistance Program (EAP) was officially introduced, in partnership with professional organizations. This program helps employees effectively address personal issues that may affect their work performance, while also supporting the company in managing related challenges that impact employee productivity. Through this program, the Company aims to establish a more comprehensive support system, fostering a healthy, stable, and efficient work environment.

To further enhance employee health awareness, the Company regularly organizes health-themed seminars and wellness activities. These initiatives aim to disseminate the latest health information, promote sound health management practices, and assist employees in cultivating healthy lifestyle habits. Through these diverse health initiatives, the Company is dedicated to fostering a health-friendly work environment that comprehensively protects the physical and mental well-being of employees, thereby enhancing their overall quality of work and life.

Planning and Implementation of Employee Healthcare Initiatives:

#### (1) Prevention and Health Promotion

##### A. Institutionalization of Regular Employee Health Check-Ups

- ◆ Implement complimentary health check-ups for employees in compliance with regulations.
- ◆ Based on the inspection results, we offer follow-up actions and recommendations.

##### B. Monthly On-Site Professional Medical Consultation Services

- ◆ Schedule regular on-site consultations with physicians at the office location.
- ◆ Assist employees in interpreting their health examination results and provide recommendations regarding diet, lifestyle, and disease prevention.

##### C. Establishment of Dedicated Nurse

- ◆ The Company has appointed a dedicated nurse to be stationed at the office.
- ◆ Offer prompt health consultations and essential medical services.
- ◆ Proactively monitor the physical and mental well-being of employees, and regularly document and report on subsequent actions taken.

- (2) Implementation of the Employee Assistance Program (EAP)
  - A. In 2024, the Company signed a partnership agreement with an external professional psychological organization.
  - B. Establish psychological counseling resources and anonymous channels.
  - C. Execution Method:
    - ◆ Employees can independently access confidential consultations via the online appointment platform.
    - ◆ Offer complimentary consultation services for employees regarding mental health, work-related stress, emotional management, and family issues.
- (3) Establishment of an Employee-Exclusive Rest Station
  - A. Establishment of a dedicated relaxation area for employees in the office: A Rest Station designed to help employees relieve stress during work breaks.
  - B. Establish a health station for employees to measure blood pressure, temperature, weight, and other health metrics. Additionally, provide recreational items along with leisure tables and chairs.
- (4) Irregular Health Seminars and Promotional Campaigns
  - A. Management of the Three Highs Diet (Hypertension, Hyperglycemia, Hyperlipidemia).
  - B. Promote a diet low in oil and sodium, regular physical activity, smoking cessation, and a reduction in sugar intake.
  - C. Winter Warmth and Cardiovascular Health, etc.
  - D. Internal promotional campaigns will be conducted quarterly, with timing varying based on weather conditions or relevant topics. Announcements will be posted on the employee website.

4. Employee continuing education and its implementation

In order to improve the quality of work and provide opportunities for employees to pursue continuous training, the Company has established employee training regulations, encouraged employees to continue their education, and provided training subsidies for continuous education.

5. Employee training and implementation status

In 2025, a total of 236 sessions covering 90 training courses were conducted, with a cumulative training duration of 14,435.7 hours. The total number of training attendances reached 3,874 person-times, and total training expenses amounted to NT\$491,780.

Gender	Male			Female		
	Employee Category	Total hours (hours)	Number	Average hours (hours per person-time)	Total hours (hours)	Number
Management	5,410.9	111	48.7	1,209	23	52.6
Non-Management	4,262.4	145	29.4	3,553.4	109	32.6
Total	9,673.3	256	37.8	4,762.4	132	36.1

6. Pension system and implementation situation

The Company has established a “Supervisory Committee of Workers’ Retirement Fund” to provide for the contribution, payment and management of labor retirement reserves. It has also established Employee Retirement Plans in accordance with the Labor Standards Law to protect employees' rights and interests. The Company makes a monthly contribution equal to 2% of the monthly salary of employees who have opted for the old pension system to the retirement reserves, deposited in a designated account with the Trust Department of Bank of Taiwan. Employees who qualify for the criteria may apply to the Supervisory Committee of Workers’ Retirement Fund in accordance with relevant regulations.

From July 1, 2005 onwards, the Company also makes a monthly contribution equal to 6% of the monthly salary of employees who have opted for the new pension system to the individual retirement account of employees in accordance with the Labor Pension Act.

To enhance employees’ retirement security, the Company has implemented an Employee Stock Ownership Trust program to strengthen employee cohesion and improve retirement benefits. Employees are encouraged to build long-term shareholding positions in the Company through a savings mechanism, thereby sharing in the Company’s operating results. Employees participating in the program may voluntarily allocate a specified amount each month, and the Company will provide corresponding rewards based on the allocation ratio. This initiative aims to assist employees in accumulating assets and to promote mutual growth between the Company and its employees. In 2025, employees participating in the stock ownership trust accounted for 58% of all domestic employees.

7. Labor-management cooperation

The Company attaches great importance to the opinions of employees, and has set up a dedicated employee feedback and grievance channel, including an email and phone hotline, encourage them to participate in the provision of suggestions, so as to understand their opinions on the management system and the welfare system, which may be rendered as a reference for future improvement. Consequently, the relationship between employers and employees has been harmonious so far.

8. Secure employees rights and interests

In order to protect the rights and interests of employees, improve the lives of employees, and enhance diverse channels for labor-management communication, the Company has established the Labor-management Committee according to law, which is responsible for coordinating matters concerning employment, improvement in labor conditions, and welfares. Each quarter, we conduct focus group interviews with supervisors and colleagues, along with orientation meetings for new employees, to gain insights into everyone's needs and suggestions for improvement.

9. Employee opinion survey

Chien Kuo Construction values employee development and is committed to building a sustainable workplace for talent retention. To gain a deeper understanding of employees’ needs and work experiences, the Company conducts an annual employee satisfaction

survey. Through the systematic collection of employee feedback, the effectiveness of current management systems and the working environment is reviewed, serving as an important basis for continuous improvement of human resources policies and the workplace environment.

Target Audience	All employees																				
Survey Dimensions	Management and communication, compensation and benefits, colleague relationships, job scope, personal development, corporate core values, sustainable operations, employee engagement, and overall satisfaction assessment																				
Coverage Rate	70.5%																				
Overall Satisfaction Score	4.8 (on a scale of 1 to 6, where 1 is the lowest and 6 is the highest)																				
Survey Results	<table border="1"> <caption>Survey Results Data</caption> <thead> <tr> <th>Category</th> <th>Score</th> </tr> </thead> <tbody> <tr> <td>Management and Communication</td> <td>5.1</td> </tr> <tr> <td>Compensation and Benefits</td> <td>4.5</td> </tr> <tr> <td>Colleague Relationships</td> <td>4.8</td> </tr> <tr> <td>Job Scope</td> <td>4.8</td> </tr> <tr> <td>Personal Development</td> <td>4.4</td> </tr> <tr> <td>Corporate Core Values</td> <td>5.1</td> </tr> <tr> <td>Sustainable Operations</td> <td>5.2</td> </tr> <tr> <td>Engagement</td> <td>4.8</td> </tr> <tr> <td>Overall</td> <td>5.0</td> </tr> </tbody> </table>	Category	Score	Management and Communication	5.1	Compensation and Benefits	4.5	Colleague Relationships	4.8	Job Scope	4.8	Personal Development	4.4	Corporate Core Values	5.1	Sustainable Operations	5.2	Engagement	4.8	Overall	5.0
Category	Score																				
Management and Communication	5.1																				
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Job Scope	4.8																				
Personal Development	4.4																				
Corporate Core Values	5.1																				
Sustainable Operations	5.2																				
Engagement	4.8																				
Overall	5.0																				
Solution	<ul style="list-style-type: none"> <li>• Optimization of performance management system: Restructure the performance appraisal process and implement a continuous performance feedback mechanism. A weekly task-based evaluation system will be introduced, along with multi-level communication to ensure regular observation and discussion of employees' work behaviors.</li> <li>• Alignment of career development and compensation: Through precise performance appraisal interviews and coaching, employees' professional competitiveness will be enhanced, thereby supporting the implementation of a competitive compensation and reward system and achieving a win-win outcome between talent development and corporate value.</li> </ul>																				

#### 10. Workplace diversity

The Company regards talent as its most essential sustainable competitive advantage and is committed to creating a diverse, respectful, and safe work environment. In accordance with its Human Rights Policy and relevant internal management systems, the Company has clearly defined principles for recruitment, performance evaluation, training, and promotion to ensure that no discrimination occurs on the basis of gender, age, race, nationality, place of birth, physical or mental condition, ability, religion, marital status, or any other status, thereby upholding equality and respect. In addition, the Company has established workplace ethics and employee conduct regulations, including the Ethical Corporate Management Best Practice Principles, Code of Ethical Conduct, and Sexual

Harassment Prevention Measures and Disciplinary Actions, to protect employee rights and maintain a safe and friendly working environment.

Implementation status in 2025:

- (1) The Company employed a total of 667 full-time employees, comprising 524 male employees and 143 female employees. The overall gender ratio remains male-dominant due to the nature of the construction industry; however, the proportion of female employees has continued to increase in recent years. The Company is also progressively increasing the proportion of female managers and is committed to promoting and implementing a gender-friendly workplace.
- (2) The workforce includes 4 employees with disabilities and 5 Indigenous employees.
- (3) The age distribution of newly hired employees is as follows

Age Distribution	Proportion
Under 30 years old	29.3%
30 years old (inclusive) to 50 years old	60.2%
Over 50 years old (inclusive)	10.5%

- (4) Female supporting (pregnancy, childbirth and child-rearing):

The Company encourages childbearing and provides a fertility welfare fund of NT\$3,000 per child, which is distributed once after application. There is no limit on the number of children. The Company open a lactation room and related facilities for colleagues using. Give colleagues family care leave, so it is convenient to take care of children at home. Eligible colleagues with school-age children can apply for a maximum of NT\$10,000 of education allowance per semester. Provide a perfect system of child care stay and leave according to the needs of raising children, the company also encourages employees to return to the workplace.

- (II) List any loss sustained as a result of labor disputes in the most recent fiscal year, and during the current fiscal year up to the date of publication of the annual report, disclose an estimate of losses incurred to date or likely to be incurred in the future, and indicate mitigation measures being or to be taken:

As at 2025 and the current year up to the publication date of the annual report, the Company did not suffer any losses arising from material labor disputes, and maintained a good relationship with employees.

## VI. Information Security

- (I) The Company has engaged an external team of cybersecurity professionals to implement a 24/7 cybersecurity monitoring system. This system will monitor potential cybersecurity incidents in real-time and report any anomalies, thereby mitigating the risk of losses resulting from cybersecurity events. As of 2025 and up to the publication date of this annual report, the Company has not experienced any material information security incidents.

- (II) Policy of Information Security:

The Company has established the "Cyber Security Management Regulations" and formulated related management measures to ensure the confidentiality, completeness and availability of

the information assets. For additional resources that assist in understanding information security policies, please visit the Company's website: <http://www.ckgroup.com.tw/zh-TW/governance.html>

The Company's information security policy face the following aspects:

Institution establishment: Formulate information security policies and standardize information security management measures

Set software and hardware: Set software and hardware related to information security

Strengthen the awareness of information security: Build awareness of all colleagues

- (III) The Company established the "Cybersecurity Center" in 2023, with one cybersecurity manager and one cybersecurity personnel appointed. Additionally, we have disclosed our information security policies on the corporate governance page of the investor section on the Company's website. Designated personnel are responsible for planning, designing, and managing cybersecurity measures to ensure the stable operation of information systems, minimize cybersecurity incidents, and enhance data protection.

Please refer to [Information Risk Management] of [13. Other Material Risks and Countermeasures] on page 124 of this annual report for the Company's Information on Security Policy and Specific Measures and Plans on Information Security Management.

- (IV) The outcomes of the Company's information management program are as follows:

Item	Specific Achievements
Conduct an Annual Cybersecurity Health Check	In 2025, the Company engaged a professional cybersecurity service provider to conduct social engineering drills, thereby strengthening cybersecurity defense measures and enhancing the protection capabilities of information systems.
Cybersecurity Education and Training	In 2025, each cybersecurity staff member received 12 hours of training. Additionally, training sessions were conducted based on the results of social engineering drills, with a total of 90 participants.
Promotion of Cybersecurity Awareness	In 2025, a total of 12 promotional activities were conducted.
Cybersecurity Inventory and Audits	In 2025, inspections were conducted twice, once in the first half and once in the second half of the year. Since 2020, the total number of individuals undergoing inspections each year has consistently exceeded 100.
Establishment of Computer-Based Anti-Hacking Tools	All computers have been fully installed as of 2025.

## VII. Important Contracts

The contracting parties, major content, restrictive clauses, and the commencement dates and expiration dates of supply/distribution contracts, technical cooperation contracts, engineering/construction contracts, long-term loan contracts, and other contracts that would affect shareholders' equity, where said contracts were either still effective as of the date of publication of the annual report, or expired in the most recent fiscal year

Type of contracts	Party	Commencement date	Main contents	Restrictions
Construction contract	National Housing and Urban Regeneration Center	2021.11-2027.03	Social Housing New Construction General Contracting Project in Dingxin Section, Tucheng District, New Taipei City	None

Type of contracts	Party	Commencement date	Main contents	Restrictions
Construction contract	Cathay Real Estate Development Co., Ltd.	2022.12-2026.06	New Construction of Assembled Residence in Jiguan Di Section, Eastern District, Tainan	None
Construction contract	LONG-YOUEN CO., LTD.	2023.01-2027.07	New Construction of Assembled Residence in Ruanqiao Section, Beitou District, Taipei	None
Construction contract	Department of Urban Development, Taipei City Government	2023.03-2028.06	New Construction of Social Housing in Jinhua Section, Da'an District, Taipei	None
Construction contract	Department of Urban Development, Taipei City Government	2023.03-2026.03	New Construction of Social Housing in Chang'an Section, Zhongshan District, Taipei	None
Construction contract	Cathay Industrial Research and Design Center Co., Ltd.	2023.04-2026.06	Industrial Research and Development Center New Construction Project in Changchun Section, Zhongshan District, Taipei	None
Construction contract	Nan Shan Life Insurance Company, Ltd.	2023.06-2026.02	New Construction Project for Cultural and Creative Special Zone in Wanggaolou Section, Tamsui District, New Taipei City	None
Construction contract	National Housing and Urban Regeneration Center	2023.07-2028.04	Social Housing New Construction General Contracting Project in Zuobei Section, Zuoying District, Kaohsiung City	None
Construction contract	Genesis Social Welfare Foundation	2023.08-2028.09	New Construction of the Hualien Branch Office in Fuguo Section, Hualien City, Hualien County	None
Construction contract	National Housing and Urban Regeneration Center	2024.01-2027.12	Social Housing New Construction General Contracting Project in Yongfu Section, Tucheng District, New Taipei City	None
Construction contract	Bannan Realty Co., Ltd.	2024.03-2029.07	Residential New Construction Project in Bannan Section, Zhonghe District, New Taipei City	None
Construction contract	Urban & Rural Development Department, New Taipei City Government	2024.03-2030.05	Social Housing New Construction General Contracting Project in Sanchong Section, Sanchong District, New Taipei City	None
Construction contract	Hong Pu Real Estate Development Co., Ltd.	2024.05-2029.03	Residential Buildings New Construction Project in Sixin Section, Xindian District, New Taipei City	None

Type of contracts	Party	Commencement date	Main contents	Restrictions
Construction contract	National Housing and Urban Regeneration Center	2024.07-2029.08	Social Housing New Construction General Contracting Project in Zhongshan Section, Taishan District, New Taipei City	None
Construction contract	Nan Shan Life Insurance Company, Ltd.	2025.01-2026.12	New Construction Project for Shalun Park and Parking Lot in Wanggaolou Section, Tamsui District, New Taipei City	None
Construction contract	LONGYUAN CO., LTD.	2025.01-2028.09	New Construction Project for Commercial Buildings in the Tongde Section, Taoyuan District, Taoyuan City	None
Construction contract	Ministry of Economic Affairs	2025.08-2030.07	Turnkey construction project for a new office building in the Jinhua Section, Da'an District, Taipei	None
Construction contract	Cathay Life Insurance Company, Ltd.	2025.08-2032.03	Architectural construction project in the Qing-Sheng Section development area, Zhongli District, Taoyuan City	None

## Chapter 5 Review and Analysis of Financial Position and Financial Performance, and Risk Matters

### I. Financial Position

Unit: NT\$ Thousands

Item \ Year	2025	2024	Difference		Analysis and description of changes
			Amount	%	
Current assets	8,721,844	6,162,344	2,559,500	41.53	1
Property, plant, and equipment	87,424	141,333	(53,909)	(38.14)	2
Intangible assets	25,944	19,080	6,864	35.97	-
Other assets	2,188,395	2,749,234	(560,839)	(20.40)	3
Total assets	11,023,607	9,071,991	1,951,616	21.51	-
Current liabilities	5,069,667	3,371,056	1,698,611	50.39	4
Non-current liabilities	701,325	765,326	(64,001)	(8.36)	-
Total Liabilities	5,770,992	4,136,382	1,634,610	39.52	-
Stock	2,016,001	2,016,001	0	0	-
Additional paid-in capital	187,308	187,308	0	0	-
Retained earnings	2,933,009	2,461,097	471,912	19.17	-
Other equity	116,297	271,203	(154,906)	(57.12)	5
Shareholders' Equity	5,252,615	4,935,609	317,006	6.42	-

(I) The changes The changes exceed 20 and the amount of change reaches NT\$10 million:

1. Increase in current assets: Mainly due to an increase of NT\$2.65 billion in cash inflows generated from operating activities, and a decrease of NT\$430 million resulting from cash dividend distribution during the current period. In addition, assets held for sale increased by NT\$460 million, primarily due to reclassification from investment property under non-current assets.
2. Decrease in property, plant and equipment: Mainly attributable to continued depreciation of aluminum formwork equipment purchased in prior years.
3. Decrease in other assets: Mainly due to the reclassification of NT\$460 million from investment property to assets held for sale, as well as a decrease of NT\$50 million in U.S. dollar-denominated corporate bonds held, affected by foreign exchange fluctuations.
4. Increase in current liabilities: Mainly due to the progress of construction execution and billing of various projects, resulting in an increase of NT\$1.58 billion in contract liabilities.
5. Decrease in other equity: Mainly due to a reduction in exchange differences arising from translation of financial statements of foreign operations.

(II) Countermeasure plan in the future: Not applicable.

## II. Financial Performance

Unit: NT\$ Thousands

Item \ Year	2025	2024	Difference		Analysis and description of changes
			Amount	%	
Net operating revenue	7,095,608	6,120,883	974,725	15.92	-
Operating costs	5,914,298	5,327,156	587,142	11.02	-
Gross profit	1,181,310	793,727	387,583	48.83	1
Operating expenses	450,864	401,773	49,091	12.22	-
Operating income	730,446	391,954	338,492	86.36	-
Non-operating income and expenses	371,339	419,025	(47,686)	(11.38)	-
Profit before tax of continuing operations	1,101,785	810,979	290,806	35.86	-
Income tax expense	198,143	129,222	68,921	53.34	2
Net income	903,642	681,757	221,885	32.55	-

- (I) The changes exceed 20 and the amount of change reaches NT\$10 million:
1. Increase in gross profit: Mainly attributable to certain turnkey social housing projects and commercial/industrial building projects being in a phase of intensive construction during the current period.
  2. Increase in income tax expense: Mainly due to an increase in profit before tax.
- (II) Forecast of Sales Volume in the Following Year, Basis for Such Forecast, the Possible Impact from Such Forecast on the Company's Future Finance and Business, and the Response Plan: None.

## III. Cash flows

- (I) Analysis of Cash Flow Changes for the Most Recent Year

Unit: NT\$ Thousands

Cash amount - beginning of the year (January 1, 2025)	Net cash inflow resulting from operating activities	Net cash outflow from investing and financing activities	Effect of exchange rate changes on cash and cash equivalents	Cash amount - end of the year (December 31, 2025)	Remedial measures for expected cash inadequacy	
					Investment plan	Financial plan
810,986	2,653,424	(1,118,458)	3,849	2,349,801	-	-

1. Operating activities: Net cash inflow of NT\$2,653,424 thousand, mainly attributable to current-period profitability and advance payments received for construction projects under contract.
2. Investing activities: Net cash outflow of NT\$518,625 thousand, primarily due to an increase in financial assets measured at fair value through profit or loss.
3. Financing activities: Net cash outflow of NT\$599,833 thousand, mainly due to the distribution of cash dividends.

## (II) Improvement plan for insufficient liquidity and cash flow analysis for the next year

Unit: NT\$ Thousands

Cash amount - beginning of the year (January 1, 2026)	Net cash inflow resulting from operating activities	Net cash outflow from investing and financing activities	Amount of remaining cash (December 31, 2026)	Remedial measures for expected cash inadequacy	
				Investment plan	Financial plan
2,349,801	379,328	(164,080)	2,565,049	-	-

## 1. Analysis of changes in cash flows in 2026:

- (1) Operating activities: Net cash inflow of NT\$379,328 thousand, mainly generated from operating activities.
- (2) Investing and financing activities: Net cash outflow of NT\$164,080 thousand, primarily due to the impact of cash dividend distributions.

## 2. Measures to address cash shortfalls and liquidity analysis: No cash shortfall occurred in 2026.

## IV. Major Capital Expenditures in the Most Recent Fiscal Year and Their Effects on the Company's Finance and Business

## (I) Material capital expenditures and sources of funds

Unit: NT\$ Thousands

Planned item	Actual or expected source of funds	Actual or expected completion date	Total funds required	Actual or scheduled use of funds				
				2022	2023	2024	2025	2026
Land development	Own funds	2026	30,000	-	-	-	-	30,000

## (II) Expected probable benefits: This fund is used to obtain land for investment in the construction of residential buildings and commercial office buildings for sale in order to obtain profits and to increase corporate value.

## V. Reinvestment Policy for the Most Recent Fiscal Year, the Main Reasons for the Profits/Losses Generated Thereby, the Plan for Improving Reinvestment Profitability, and Investment Plans for the Coming Fiscal Year

Unit: NT\$ Thousands

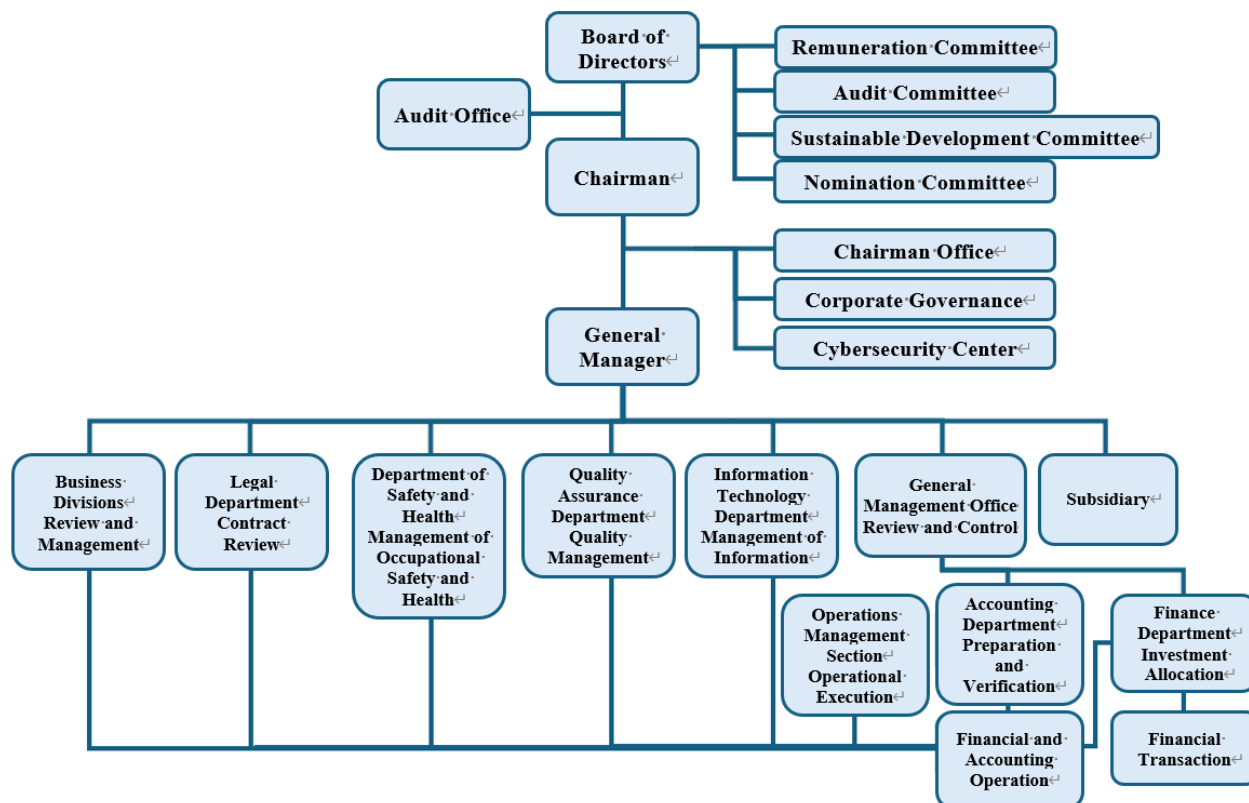
Corporation Name	Recognition of investment gains and losses in 2025	Investment policy	Main reason for such profit or loss	Improvement plan	Investment plan for the coming year
Golden Canyon Limited	106,272	In addition to the investment income from the construction of upstream and downstream subsidiaries, the Company's investment strategy will include financial market investment in 2020 in order to increase capital utilization income.	In 2025, the U.S. Federal Reserve continued its interest rate cuts. The Company prudently allocated investments into investment-grade U.S. dollar-denominated corporate bonds, as well as balanced equity and bond-	In response to the uncertainties in the global economic environment arising from the reciprocal tariff policies proposed by President Trump, which continued to affect both economic conditions and liquidity, the	Allocate and adjust in line with the overall capital utilization and investment plan of the Group at home and abroad
Silver Shadow Holding Limited	101,164				

Corporation Name	Recognition of investment gains and losses in 2025	Investment policy	Main reason for such profit or loss	Improvement plan	Investment plan for the coming year
			related risk assets, thereby appropriately managing interest income and investment returns from funds.	Company maintained strict control over downside risks in its capital allocation and adopted a cautious approach in response to these developments.	
Golden Canyon Venture Capital Investment Co., Ltd.	189,834	In response to government policies, the Company repatriated overseas funds and invest in important domestic fields and industrials. In 2020, the Company began to layout industrial venture capital business, investing in important domestic fields and industries, towards the strategic purpose of industrial upgrading.	The fluctuation influence of fair value evaluation of reinvested company stock price.	Track closely.	According to the overview of the industry and the competitiveness, industry foreground of the target company, industrial prospects, layout continuously.
CKTech Engineering Co., Ltd.	46,272	In alignment with the Company's future strategic development, mechanical and electrical turnkey engineering will be leveraged to enhance the overall added value of construction projects.	By integrating design coordination and construction planning within mechanical and electrical turnkey engineering, the Company aims to strengthen value differentiation.	The Company will continue to develop and actively seek new clients to improve operational performance.	In line with the Group's strategy, the Company will continuously evaluate opportunities to expand into new markets for mechanical and electrical engineering in the future.

VI. Analysis and Assessment of Risk Matters for the Most Recent Fiscal Year and the Current Fiscal Year Up to the Publication Date of the Annual Report

(I) Management organization structure and function

1. Organization



2. Risk management function

(1) Internal Control System

In accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies" of the Taiwan Financial Supervisory Commission, the Company's internal control system was developed and approved by the Board of Directors based on the continuous adjustments to the organizational structure, the various stages of project implementation within the industry, and the relevant standard operating procedures. Department heads and responsible personnel of each business unit implement relevant operational controls in accordance with their respective duties, job descriptions, and internal standard operating procedures. This ensures that the internal control mechanisms of all departments are effectively executed and continuously optimized to enhance operational efficiency.

The Board of Directors has established an independent audit function staffed with professional internal auditors, responsible for executing the annual audit plan and conducting special audits as assigned by senior management. In accordance with regulations, the Audit Office regularly carries out the approved annual audit plan, including compliance audits and assessments of internal control implementation effectiveness. It also follows up on identified deficiencies and improvement plans until completion, thereby ensuring the effectiveness of the internal control system and its operational processes. The Audit Office provides both regular and ad-hoc reports to the Chairman, the Audit Committee, and the Board of Directors.

## (2) Risk Assessment

Through various risk identification tools and consolidated risk analysis, senior management conducts risk identification and assessment at different stages of each project. A risk and opportunity classification control analysis matrix is utilized to establish corresponding action and improvement plans, which are then tracked and managed through follow-up action items. Operational risks and improvement measures identified across departments are monitored through operational management meetings, cross-department coordination meetings, and contractor coordination meetings. Routine meetings are also used to address unexpected incidents, ensure continuous tracking, and confirm that identified potential risks are effectively eliminated or reduced to an acceptable level. Through established internal standard operating procedures, as well as on-site inspections conducted by the Department of Safety and Health, the Company verifies that responsible employees and contractors fully comply with occupational safety and health requirements across all construction activities, thereby reducing occupational hazard risks in high-risk operations. In line with project stages and progress, the Quality Assurance Department regularly conducts quality audits on project works and reports construction deficiencies and work performance scores through internal systems to responsible supervisors for monitoring progress and quality. Any identified quality issues are continuously tracked until corrective actions are completed, thereby enhancing overall quality management effectiveness. Each business unit and responsible personnel also conducts an annual internal control self-assessment to review compliance with internal control procedures. Feedback regarding on-site operational risks and previously unidentified potential issues is collected and addressed through coordination and communication, enabling process optimization, improvement of control mechanisms, and elimination of latent risks in construction workflows.

## (3) Job Responsibility Allocation

Based on the strategic objectives established by each business division, the organizational structure of each department, and defined job responsibilities, duties are allocated through standardized operational processes and management procedures. In accordance with the Company's internal authorization matrix and control mechanisms, department heads guide employees in decision-making, consolidation, and information sharing through operational management authority and coordination meetings. Cross-departmental meetings are further utilized to enhance communication and coordination, build consensus on decisions that best serve the Company's interests, and improve operational execution efficiency.

The Legal Department is responsible for reviewing contract terms related to bidding, contracting, and construction execution. It clarifies and resolves ambiguous clauses and potential high-risk provisions, and provides recommendations or revised wording favorable to the Company prior to submission for approval. Final contracts are executed upon approval and seal authorization by the Chairman. The Department of

Safety and Health conducts on-site inspections based on actual construction progress, ensuring compliance with occupational safety and health requirements. It tracks and manages identified safety deficiencies until corrective actions are completed. The Quality Assurance Department performs ongoing quality audits and inspections of construction work items in accordance with project schedules. It also monitors and follows up on identified quality deficiencies and corrective actions. The Operations Management Section of the Accounting Department analyzes and monitors project costs and construction progress, identifies causes of delays or cost variances, consolidates findings, and implements follow-up control measures for improvement. The Information Technology Department supports the resolution of IT-related management issues and system operational problems. The Accounting Department is responsible for verifying accounting documents related to progress billing, reviewing vouchers, and preparing accounting entries. The Finance Department reviews and supervises financial receipts, payments, and cash flow management, as well as financial transactions and investment activities. It conducts analysis, provides professional recommendations, and reports to the responsible management.

In accordance with the annual audit plan approved by the Board of Directors, the Internal Audit Office periodically conducts audits across various operational cycles, including routine process and financial audits, subsidiary oversight, ad hoc project audits, and annual internal control self-assessments. Audit reports, identified deficiencies, and follow-up status are regularly submitted to the Audit Committee and the Board of Directors.

(II) Implementation of risk policies and assessment criteria:

1. Risk policy:

The Company establishes a risk management mechanism to develop corresponding strategies and hedging measures for various types of contracted construction projects and different stages of project execution. Through implementation action plans and improvement measures, identified potential risks are mitigated. In addition, project budgets and target gross profit margins are controlled within the Company's defined risk appetite to ensure the successful achievement of operational objectives. Based on its operational characteristics, the Company formulates risk management policies, risk control mechanisms, and internal operational standards for each business unit as compliance guidelines. Through managerial responsibility structures and routine operations, identified construction risks can be effectively reduced or transferred. Responsible personnel implement business strategies and internal control requirements, conduct operational risk assessments, and carry out reporting on construction progress and cost control. Potential risks are effectively mitigated through processes such as occupational safety and health management, quality assurance, contract management, legal review, operational collections, project management, progress billing and valuation, as well as investment and credit management, thereby ensuring that risks are maintained within a controllable range.

2. Risk management operations:

The Company continues to comply with applicable laws and regulations by regularly updating its internal control system and timely adjusting internal standard operating procedures. Through routine departmental meetings, operational management meetings, management platform reports and dashboards, as well as cross-functional coordination meetings, business unit heads ensure effective implementation of engineering operations and construction plans, along with corrective and improvement measures, to address internal control deficiencies and strengthen preventive and corrective actions.

In accordance with the annual audit plan approved by the Board of Directors, the Internal Audit Office regularly conducts audits of various operational cycles and routine financial processing activities, and also performs ad hoc special audits as directed by senior management. Audit reports accurately present audit findings, identified deficiencies, and corresponding improvement plans. Responsible department heads are required to propose corrective actions and expected completion timelines. These improvement plans are tracked and monitored until they are completed on time and with the required quality, and all disclosures are filed and announced in accordance with regulatory requirements.

(III) Analysis and Assessment of Risk Matters

1. Impact on the Company's profit and loss due to changes in interest rates, exchange rates, and inflation, and the future countermeasures:

(1) Impact: Changes in interest rates have a significant effect on interest income.

Unit: NT\$ Thousands

Factors	Financial Statements Item	2025		2024	
		Amount	%	Amount	%
Interest Rate	Interest revenue	85,338	1.20	123,649	2.02
Interest Rate	Interest expenditure	3,623	0.05	3,228	0.05
Changes in exchange rate	Exchange gains and losses	(22,963)	(0.32)	11,273	0.18
Revenue	Operating revenue	7,095,608	100.00	6,120,883	100.00

Although the U.S. Federal Funds Rate has fluctuated, the Company has mitigated the direct impact of interest rate changes on its profit and loss through dynamic asset allocation and rolling adjustments.

Countermeasures: The Company optimizes its asset allocation by adjusting equity and bond mutual funds as well as investment-grade U.S. dollar corporate bonds, thereby reducing the impact of subsequent interest rate cuts.

(2) Impact: The significant fluctuation in the price of raw materials and building materials will reduce operating margins.

Countermeasures: The Company relies on strengthening its clout in procurement and outsourcing, supplemented by improving the estimation ability to submit a tender, so as to carry out the pre-purchase for primary building materials once confirmed our successful bid to fix the risk of price fluctuation, in the hope to acquire favorable material procurement and business contracts.

2. The policies to engage in high-risk, high-leverage investments, lending funds to others, endorsements and guarantees, and the transactions of derivative products, the main reasons for profits and losses, and the future countermeasures:

Impact: None. The Company does not engage in high-risk, highly leveraged investments. The policy on loaning funds to others and making endorsement/guarantee is in line with the Company's Operational Procedures for Loaning of Funds and Making of Endorsements/Guarantees, and has not incurred any material profit or loss. The derivative transactions were carried out in accordance with the Company's "Procedures for Acquisition and Disposal of Assets" and the related controls, and the Company does not engage in derivative transactions.

Countermeasures: Not applicable.

3. Future research and development plans and projected R&D investment expense:

In 2015, the Company proposed a new-generation construction strategy, of which the purpose is to become more technological, electronic, automatic, and different, and to improve the core construction competitiveness. In 2017, the preparatory work was conducted, and in 2018, the Technology Dept. was officially established. It focuses on application of information and telecommunication technology, the development of professional information software and tools, the development of new construction techniques, and innovations in low-carbon building. The R&D budget has been consistently allocated each year, and dedicated R&D talents are recruited. Personnel will be added into in the future in accordance with the operating status of the Company, in the hope to have a stable development, and edge towards Construction 4.0 of smart construction.

Table: Research and Development Budget of the Technology Dept. for the Recent Three Years

Year	2024	2025	2026
R&D expense	9.76 million	9.88 million	7.37 million
R&D manpower	7 People	7 People	6 People

4. The impact of changes of important domestic and foreign policies and laws on the Company's finance and business, and the countermeasures:

No significant impact.

5. The impact of changes in technologies and industries (including information security) on the Company's finance and business, and the countermeasures:

Impact: No significant impact.

Countermeasures against information security risk: Establish an information security incident response team to assign tasks and conduct drills as planned. In the event of an incident, a security professional is appointed to assist in controlling the disaster. After confirming the exclusion of the incident, we start the information system restoration.

6. The impacts of changes of corporate image on the company's crisis management and the countermeasures:  
Impact: Since the establishment, the Company has adhered to the principle of ethical management as the basis of business management, and established a good corporate image. We have maintained good partnerships with employees, customers and suppliers. Therefore, there is no impact on corporate crisis management due to changes in corporate image.  
Countermeasures: We will continue to implement the value of “Integrity, Optimization, Well-being and Harmony” and operate steadily.
7. Anticipated benefits of mergers and acquisition, possible risks, and countermeasure:  
Impact: None.
8. Expected benefits and potential risks of any plant expansion and response measures  
Impact: The Company's main business is construction contracting service, and hence there is no need to expand the plant.  
Countermeasures: Not applicable.
9. Risks and countermeasures for the concentration of purchase and sales:  
Impact: The Company's main business is construction contracting, and there is no concentration in purchase (purchasing materials and construction subcontracting) and sales (clients of the projects contracted for).  
Countermeasures: Not applicable.
10. The impact on the Company, and risks arising from major exchange or transfer of shares by directors, supervisors or major shareholders with over 10% of shareholdings, and the countermeasures:  
Impact: None.  
Countermeasures: Not applicable.
11. The impact on the Company, and risk due to changes in managerial authority, and the countermeasures:  
Impact: None.  
Countermeasures: Not applicable.
12. Litigation or non-litigation incidents:
  - (1) The construction of the National Kaohsiung Center for the Arts (Weiwuying) (hereinafter referred to as the Project) contracted by the Company was completed on December 16, 2016 and accepted on November 16, 2018, and is being operated by the National Kaohsiung Center for the Arts (Weiwuying) (hereinafter referred to as the Weiwuying Center for the Arts). The warranty period of the non-building structures in the project expired on November 16, 2020. The "Weiwuying" has been opened to the public and the performance schedule is intensive, and hence, the Company had to coordinate the inspection schedule with the Weiwuying Center for the Arts. However, Weiwuying Center for the Arts had been making many unreasonable requests for repairs, causing delays in the inspection schedule. On this

basis, Weiwuying Center for the Arts refused to reimburse the warranty joint guarantee certificate provided by the Company for NT\$96,003 thousand. To fulfill the warranty obligation of the contract, the Company still cooperated with the inspection and repair without any interruption. The Company considered that this action of the Weiwuying Center for the Arts was not in accordance with the contract and violated the principle of fairness and reasonableness. Therefore, on March 21, 2022, the Company submitted a proposal for mediation to the Complaint Review Board for Government Procurement, Public Construction Commission, Executive Yuan. The final mediation meeting was held on August 9, 2022, and the members of the mediation committee indicated that they would consider various situations and propose a mediation proposal. On April 13, 2023, the Company received mediation proposals. However, the Weiwuying Center for the Arts responded by rejecting the mediation proposals. As a result, our company filed for arbitration on July 3, 2023, in accordance with the law. On August 12, 2024, we received the arbitration ruling, which required our company to provide an additional warranty joint guarantee letter for NT\$10,368 thousand. The Weiwuying Center for the Arts then returned the warranty joint guarantee letter amounting to NT\$96,003 thousand.

- (2) Regarding the aforementioned project, the Weiwuying Center for the Arts asserted that there are still unresolved warranty defects. On October 23, 2023, they filed a lawsuit with the Kaohsiung District Court to forfeit the warranty joint guarantee letter of NT\$96,003 thousand and requested the Company to cover the repair cost of NT\$17,939 thousand. However, since the joint warranty guarantee of NT\$96,003 thousand had already been returned to the Company pursuant to the arbitral award mentioned above, the Weiwuying Center for the Arts filed an amendment to its claim, changing the requested amount to NT\$96,724 thousand. The case is currently being heard by the Kaohsiung District Court. It is difficult for the Company to predict the outcome before the judgment is made.

13. Other material risks and countermeasures:

(1) Information risk management

A. Purpose of Information Security:

Ensure the accuracy and integrity of our internal information management, the reliability and security of our hardware, software, and peripheral operating environment, maintain information security, reduce information security risks, and meet the needs of our continued normal operations.

B. Information security risk management framework:

The Cybersecurity Center is responsible for information security, which is responsible for "planning, promotion, auditing, education and promotion" and is responsible for the implementation of information security prevention, crisis notification and crisis handling mechanisms, as well as the maintenance, management and version control of information security regulations. The Audit Office is the supervisory unit for information security monitoring and is

responsible for "supervision", following up on the implementation of corrective and preventive measures.

C. Specific management measures of information security:

Type	Information security features	Explanation	Related Operations
Authority Management	Confidentiality	Personnel account and management measures of authority management	1. Personnel account privilege management audit 2. Periodic check of personnel account permissions
Access control	Confidentiality	Control measures for personnel access to internal and external systems	1. Internal and external access control measures 2. Operation behavior track record analysis
External threats	Availability Completeness	Computer virus and malware protection measures	1. Virus protection and malware detection 2. Information security awareness and education for email usage 3. Firewall and email filtering system updates and enhancements
System availability	Availability Completeness	Disposal measures in case of system service interruption	1. Data backup measures, on and off-site backup and offline backup mechanism 2. Regular disaster recovery drills

(2) Climate change risk

Since the onset of global industrialization, greenhouse gas emissions have continuously increased, accelerating climate change. This has led to abnormal weather patterns, a shorter frequency between natural disasters, and the recurring occurrence of extreme droughts and heavy rainfall in various regions. These changes have heightened uncertainty and risks, with "carbon" being identified as the underlying cause. To achieve the net-zero target by 2050, international efforts to reduce carbon emissions and implement related policies are underway. The European Union plans to officially launch the Carbon Border Adjustment Mechanism (CBAM) in 2026, which will impose carbon tariffs on exported goods, directly impacting their costs. At the same time, businesses' operating costs will also be affected, with carbon pricing mechanisms playing a key role in driving carbon reduction. Carbon tax prices vary across countries due to differences in the entities being taxed, policy directions, and market mechanisms. However, as global demands for carbon reduction continue to intensify, carbon tax prices are expected to rise steadily, gradually becoming a key driver of carbon reduction efforts.

Taiwan is expected to begin carbon fee reporting and payment in May 2026, with an initial rate of NT\$300 per metric ton, which will be gradually increased in phases in the future. In response to national policies and global trends, the Company has implemented an internal carbon pricing mechanism, setting an initial internal carbon price of NT\$2,500 per ton of CO<sub>2</sub>e. In recent years, the Company has also actively integrated concepts of green buildings, healthy

buildings, and smart buildings into its technology development. These efforts aim to improve energy efficiency, serve as a focus of industry-academia research, and reduce the impacts of climate-related risks and opportunities on business operations. The Company's Environmental Team regularly communicates with and understands the management needs of the business. Climate indicators and goals for the Company's management include greenhouse gas emissions, energy usage, and green building. These will continue to be developed according to the Environmental Team's implementation schedule. The Company's technical department is actively involved in exploring and assisting management in evaluating and making decisions on issues related to climate and environmental change. Furthermore, it continues to research and develop green construction techniques to help clients improve their green building ratings, reduce the impacts of climate change, and enhance positive outcomes while minimizing negative effects. During the design phase, the turnkey project is included in the overall analysis of green energy. The construction process adopts environmentally friendly and energy-saving designs and materials, in accordance with the highest national standards for low-carbon building requirements. Additionally, customer needs are taken into consideration, with the goal of reducing carbon emissions from the design stage and implementing energy-saving and carbon reduction policies. This commitment reflects our dedication to environmental protection and corporate social responsibility.

The Company owns the patented method for reinforcing bars, SD550W and SD690. This method combines high-strength steel bars with high-strength concrete to reduce the quantity of steel bars required in columns and beams. The ground floor and first floor of the building, which are expected to experience the highest stress, can reduce the amount of main reinforcement by 24%~64% while maintaining the same structural strength, achieving an indirect reduction in carbon emissions. Additionally, the Zuoying Chongshi Anju social housing project and Tucheng Dingfu social housing has implemented an aluminum formwork system instead of traditional wooden formwork. The smooth metal surface of the aluminum formwork eliminates the need for plastering and can be reused 300 to 400 times. By using aluminum formwork instead of wooden formwork, Zuoying social housing has reduced carbon emissions by approximately 1,025 tons, as certified by the LBCA. Chien Kuo Construction will continue to promote this practice based on the experience gained from these two projects, gradually replacing traditional wooden formwork and contributing to environmental protection and fulfilling corporate social responsibility.

VII. Other Important Issues: None.

## Chapter 6 Special items

- I. Information on Associates
  - (I) Consolidated Business Report of Associates: Please refer to the Company on the Market Observation Post System by navigating to Single Company > Electronic Document Download > Affiliated Enterprises Three Reports Announcement Information. For your convenience, here is the URL: [https://mopsov.twse.com.tw/mops/web/t57sb01\\_q10](https://mopsov.twse.com.tw/mops/web/t57sb01_q10)
  - (II) Consolidated Financial Statements of Associates: Please refer to the Company on the Market Observation Post System by navigating to Single Company > Electronic Document Download > Financial Reports Announcement. For your convenience, here is the URL: [https://mops.twse.com.tw/mops/#/web/t57sb01\\_q1](https://mops.twse.com.tw/mops/#/web/t57sb01_q1)
  - (III) Consolidated Business Report of Associates: Not applicable.
- II. Private Placement of Marketable Securities in the Most Recent Fiscal Year and the Current Fiscal Year Up to the Publication Date of the Annual Report: None.
- III. Other Required Disclosures: None.
- IV. Occurrence of Matters Having Material Impact on Shareholders' Equity or the Company's Securities Price as Prescribed in Article 36, Paragraph 2, Subparagraph 2 of the Securities and Exchange Act in the Most Recent Fiscal Year and the Current Fiscal Year up to the Publication Date of the Annual Report: None.