

 An AI-Empowered Company 

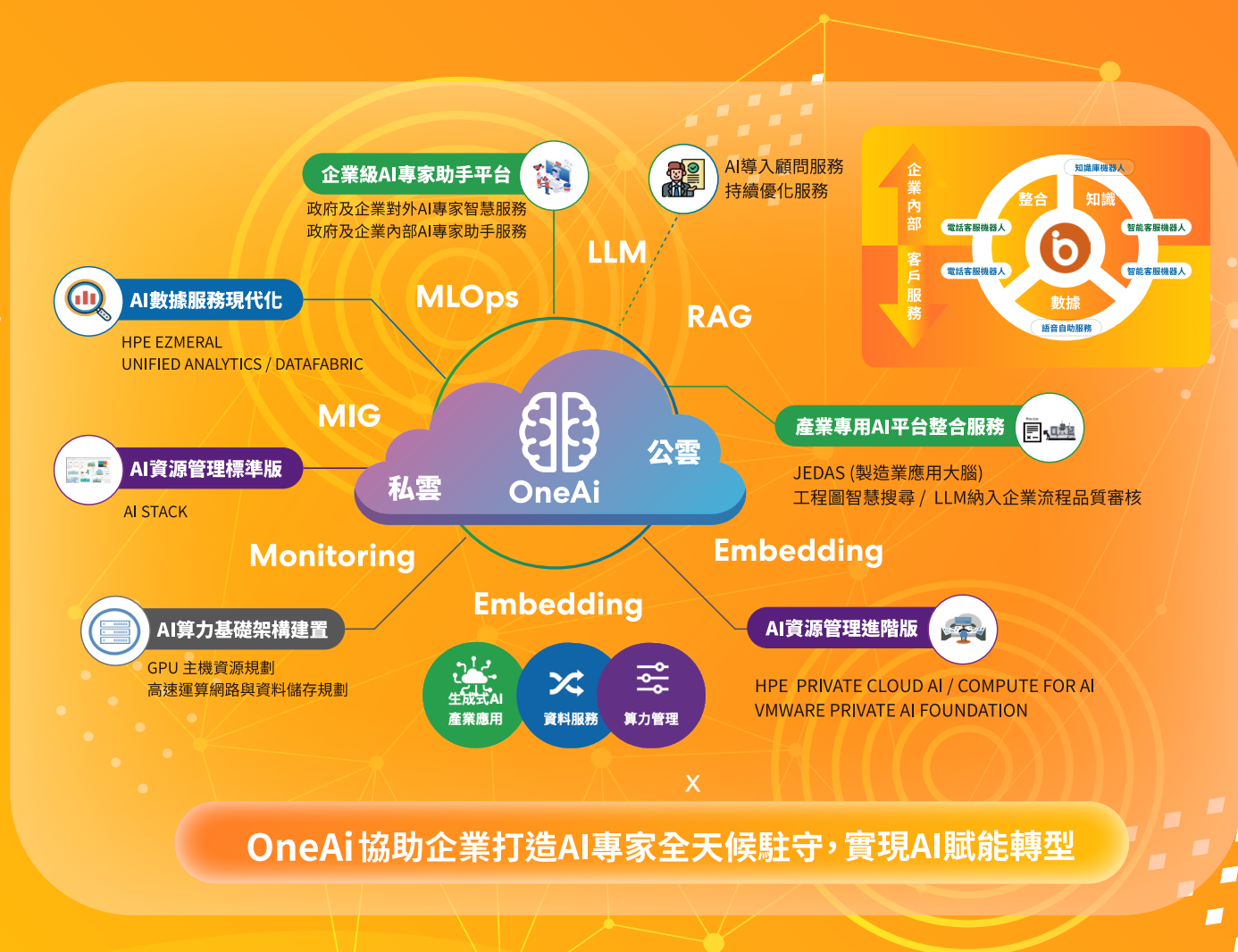
**tsti** ( TWSE: 8099 )  
Tatung System Technologies Inc.

**2024**  
**Annual Report**

Printed on March 31, 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: <https://mops.twse.com.tw>  
Tatung System Technologies Inc. Annual Report is available at: <https://www.etatung.com>

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**E 、Trading venues for the listing and trading of overseas securities and the methods of obtaining information**

Trading venue name : No overseas securities listed for trading  
Information inquiry method : None

**F 、Company Website**

<https://www.etatung.com>

*This year's annual report has been prepared in accordance with the Financial Supervisory Commission's (FSC) "Regulations Governing Information to be Published in Annual Reports of Public Companies." The content has been streamlined accordingly. Information that has been simplified or omitted is still accessible to investors through the Company's official website, the Market Observation Post System (MOPS), and the Company's financial statements.*

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## One. Letter to Shareholders

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Dear Shareholders:

In recent years, TSTI has been leveraging advanced digital technologies to assist governments and enterprises in achieving sustainable and digital transformation. The company has been innovating digital solutions to help enterprises advance towards environmental protection, social responsibility, and corporate governance goals related to ESG (Environmental, Social, and Governance). In recent years, the company has positioned itself as an ACE SI (a professional IT system integration company specializing in three key areas: AI, Cloud, and ESG), aiming to assist enterprises in digital transformation, innovate business models, enhance operational efficiency, and decision analytics, aspiring to become their best dual-axis transformation partner.

In 2025, the sales team will continue promoting the company's modernized data center, comprehensive AI solutions, cybersecurity, and integrated communication solutions. Additionally, the company will expand into modern work and smart surveillance while forming strategic alliances with industry ecosystem partners and product manufacturers. Leveraging the all-encompassing OneService professional offering, we aim to deliver outstanding customer success and experience.

Internally, AI empowerment will be implemented to enhance operational efficiency, driving the company toward becoming a leading provider of integrated solutions for both sustainability and digital transformation. We remain committed to sustained revenue and profit growth, fostering a multi-win ecosystem with our customers and partners.

With the continued support of our shareholders and directors, along with the dedication of all our employees, we aim to achieve sustained growth and create greater value for all our shareholders.

### I. 2024 Business Report

#### (I) Results of the business plan

In fiscal year 2024 (Year 113), the Company reported consolidated net operating revenue of NT\$3,930,226 thousand, representing a 5.97% decrease compared to fiscal year 2023. The standalone net operating revenue was NT\$3,265,495 thousand, reflecting a 10.36% decline year-over-year. The consolidated operating profit was NT\$218,507 thousand, an increase of 2.69% from the previous year, while the standalone operating profit was NT\$201,397 thousand, up 4.69% compared to fiscal year 2023. Consolidated profit before tax for 2024 amounted to NT\$250,177 thousand, with earnings per share before tax of approximately NT\$2.82. Net profit after tax was NT\$204,368 thousand, resulting in after-tax earnings per share of NT\$2.31.

Unit: NTD thousands

Item	Consolidated (tsti and subsidiaries)			Separate (tsti)		
	2024	2023	Change %	2024	2023	Change %
<b>Net operating revenue</b>	3,930,226	4,179,561	(5.97%)	3,265,495	3,642,838	(10.36%)
<b>Operating cost</b>	2,976,825	3,252,121	(8.47%)	2,420,368	2,818,233	(14.12%)
<b>Gross profit</b>	953,401	927,440	2.80%	845,127	824,605	2.49%
<b>Operating expense</b>	734,894	714,667	2.83%	643,730	632,230	1.82%
<b>Operating benefit</b>	218,507	212,773	2.69%	201,397	192,375	4.69%
<b>Net profit before tax</b>	250,177	231,840	7.91%	246,170	226,355	8.75%
<b>Net profit after tax</b>	204,368	188,136	8.63%	204,368	188,136	8.63%

Overview of significant business performance:

### **I. Business Performance –**

#### **1. Awards and Sales Achievements for Major Agency Brands in 2024:**

- AVAYA: Awarded FY24 The Best Performance Partner; Named FY23 Best Partner
- HPE: Recognized as FY24 Best Partner
- HPE Aruba: Named FY24 Aruba Champion Partner
- HPE: Honored with FY24 Excellence Partner, AI Innovation Award, and Aruba Excellence Partner
- HPE: Awarded FY24 2H Storage Sales Excellence Award
- Dell Technologies: Achieved 2024 Titanium Partner status
- Check Point: Named 2023 Best Technology Partner
- Dell Technologies: Awarded 2023 Best Core Storage Reseller
- Fortinet: Honored with 2023 Outstanding Performance Award
- HPE Aruba: Recognized as FY23 Aruba Champion Partner of the Year

#### **2. Quality and Service Excellence**

##### **Sustainability & Supplier Recognition:**

- Recognized as an outstanding supplier in Fubon Financial Holdings' 2024 Sustainability Evaluation
- Yuanfa Financial Holdings 2024 A-Grade Excellent Supplier – Sustainability Excellence Award
- Taiwan Mobile – Best Carbon Reduction Partner Award

##### **Service Excellence & Industry Recognition:**

- Recognized as a 2024 CIO Taiwan Elite Vendor in the Elite Vendor Outstanding Service Provider category (4th consecutive year)
- Awarded 2024 CSEA Outstanding Customer Service Award – Best AI System Provider
- tiCARE Remote Healthcare Solution won Bronze in the CISA 2024 Young Generation Golden Award – Aging Technology Category
- Honored with Platinum in the 17th Annual Taiwan Corporate Sustainability Awards for Sustainability Report

##### **Certifications & Government Recognition:**

- Maintained ISO 20000 and ISO 27001 professional quality certifications
- Registered under the Ministry of Digital Affairs for AI, IT Services, and Cybersecurity service capabilities

By continuously optimizing our operations and service management through certifications and awards, we are committed to building a robust IT service ecosystem and fostering a highly competitive digital environment for our customers.

### 3. Operations Processes and Cybersecurity Protection:

To enhance internal operational efficiency and security, we are committed to the continuous digital optimization of our business processes. A data center has been established, featuring four core capabilities: data aggregation and integration, data refinement and processing, service visualization, and value realization. These capabilities allow departments to rapidly reuse data to meet various processing demands, reduce management costs, support front-end innovation, accelerate development processes, and ultimately realize business value.

Additionally, we collect internal data related to finance, human resources, and assets to strengthen performance management. We have introduced robotic process automation (RPA) to improve process automation and efficiency, and leveraged AI technologies to launch an enterprise AI assistant, which enhances employee experience and administrative service performance.

Under the new normal of hybrid work, we have adopted Microsoft cloud office solutions and integrated mobile communication software, enabling employees to collaborate efficiently and flexibly—whether working on-site or remotely.

To ensure the security of cloud applications, we have implemented identity lifecycle management mechanisms for employees and partners, gradually moving toward a zero-trust infrastructure. In response to the evolving landscape of cyber threats, we have deployed an automated threat exposure management platform, which plays a critical role in real-time ("during") and post-incident ("after") threat response, providing 24/7 protection against cyberattacks.

These measures not only strengthen internal operations but also enhance the security of cloud applications, effectively mitigating the risks associated with remote work and maintaining a high level of data protection. This contributes to greater cybersecurity resilience across the organization.

### 4. Employee Learning and Growth

Employee learning and development are fundamental to the company's long-term success. In 2024, we strengthened our learning infrastructure by launching diverse learning platforms and professional development programs to enhance employees' technical expertise and leadership capabilities. These initiatives include: Professional Skills Development Program, Leadership Development Program, Digital & Innovation Capability Training and Employee Growth Support Program.

Looking ahead to 2025, we will continue investing in employee learning and career development, leveraging innovative and diversified training models to help employees unlock their full potential and achieve greater success in their careers.

### 5. Employee Well-being and a Thriving Workplace

As we drive business growth and innovation, we firmly believe that our employees are the cornerstone of our competitive advantage. We are dedicated to fostering a healthy and fulfilling work environment, ensuring that employees feel valued and supported. As our

company scales and market dynamics evolve, we place even greater emphasis on employee well-being, aiming to enhance overall job satisfaction and loyalty for a mutually beneficial workplace.

In 2024, we introduced a new Employee Experience Management Solution, conducted employee engagement and satisfaction surveys, and for the first time, launched a workplace culture and human rights assessment. These efforts have enabled us to gain deeper insights into employee needs while further shaping our corporate culture.

Additionally, we actively encourage employees to participate in community service initiatives and support sports clubs, promoting both physical and mental well-being. Our commitment to employee health was recognized with a Corporate Sports Certification from the Sports Administration, underscoring our dedication to building a positive and active workplace culture.

## **II. Subsidiary – Chyun Huei Commercial Technologies Inc.**

Chyun Huei Commercial Technologies Inc. adopts an OT SI (Operational Technology System Integration) strategy, offering a comprehensive range of products, solutions, and consulting services in the OT sector. By complementing the ICT SI business model of its parent company, SynBright focuses on rapid project delivery through OT channel products, software, and professional digital output solutions. With this approach, the company continues to expand its market presence and drive sales growth.

## **III. Subsidiary – Tsti Technologies (Shanghai) Co., Ltd.**

In addition to collaborating with its parent company on ICT system integration projects for Taiwanese enterprises across the Taiwan Strait, Tsti Technologies (Shanghai) Co., Ltd. is actively exploring innovative product solutions for agency representation. By offering differentiated and competitive solutions and services, the company aims to establish new business models and market positioning.

## **IV. Subsidiary – TISNet Technology Inc.**

TISNet Technology Inc. continues to drive revenue growth through the distribution of software, focusing on cybersecurity products, professional services, and cloud services. The company has obtained the Ministry of Economic Affairs' Industrial Development Bureau's "Cybersecurity Service Agency Capability Registration", and is actively negotiating for the agency rights of cybersecurity products.

The company remains focused on six key areas of cybersecurity services: (1)Cybersecurity Testing Services (2)Account Security Protection (3)Document Security Protection (4)Data Security Protection (5)Ransomware Defense (6)Cybersecurity Talent Training. By providing professional services in these areas, the company aims to capture new business opportunities in the cybersecurity sector.

**(II) Implementation status of budget: This is not applicable because the Company did not make the financial forecast public in 2024.**



**(III) Analysis of revenue and profitability**

Item	Consolidated		Separate	
	2024	2023	2024	2023
<b>Current ratio (%)</b>	186.80%	165.55%	183.57%	156.67%
<b>Debt to assets ratio</b>	49.50%	53.76%	46.14%	51.52%
<b>Return on equity</b>	13.74%	12.98%	13.74%	12.98%
<b>Gross profit</b>	24.26%	22.19%	25.88%	22.64%
<b>Net Profit margin</b>	5.20%	4.50%	6.26%	5.16%
<b>EPS after tax</b>	2.31	2.12	2.31	2.12

**(IV) Research and development:**

Key Innovations and R&D Focus for 2024

1. Language Understanding and Generation System Enhancement Plan:

The focus of innovation and research in 2024 is on integrating Generative AI to build a Retrieval-Augmented Generation (RAG) framework. This will enhance the technical foundation of Darsci Technology's proprietary robots and deepen domain-specific applications. The development will target intelligent service platforms for marketing, customer service, and internal knowledge, setting them apart from traditional knowledge management tasks. This initiative will assist clients in quickly adopting robotic services to improve efficiency and service delivery.

2. Smart Restroom 2.0 - Environmental and Sustainability Focus:

Leveraging IoT technology, the Smart Restroom 2.0 project aims to achieve intelligent management in restroom environments. By combining artificial intelligence and big data analytics, the system will collect and analyze user behavior data to optimize user experience and improve energy efficiency. Additionally, the development of water-saving technologies and the use of eco-friendly materials will reduce water consumption and environmental impact. The integration of an intelligent monitoring system will predict and identify maintenance needs, reduce energy waste, and extend equipment lifespan, embodying true environmental sustainability.

## **II. External Competitive Environment, Regulatory Environment, and Overall Business Environment**

In 2024, the global economy exhibited dual disparities across regions and industries. The economic performance in the U.S. and Europe was better than initially expected compared to 2023, while Japan and China underperformed. Taiwan benefited from the demand for artificial intelligence (AI) and emerging technologies, resulting in an estimated economic growth rate of 4.3%, exceeding expectations. Looking ahead to 2025, uncertainties in the global economy have increased due to former U.S. President Trump's various reform policies. Additionally, challenges persist in China's economic recovery. Major international forecasting agencies, such as S&P Global, estimate that the global economic growth rate will be around 2.51%. Given the uncertain global political and economic environment, Taiwan is expected to leverage the resurgence in demand for electronic products, as well as the expanding applications of high-performance computing and AI, along with adjustments

in national economic and trade policies. The estimated economic growth rate for Taiwan in 2025 is forecasted to be 3.22% by the Chung-Hua Institution for Economic Research (CIER) and 3.42% by the Taiwan Institute of Economic Research (TIER).

In the ICT industry, the Market Intelligence & Consulting Institute (MIC) under the Institute for Information Industry has forecasted major ICT industry trends for 2025, highlighting AI's significant influence across industries. According to Gartner's 2025 technology trends report, future technological development will focus on three key areas: opportunities and challenges of AI, breakthroughs in computing technology, and new forms of human-machine collaboration. IDC predicts that global AI spending will reach \$227 billion by 2025 and exceed \$19.9 trillion by 2030, creating a new AI-driven economy. Furthermore, IDC outlines five key trends for Taiwan's ICT market in 2025: (1) The next wave of GenAI development—expanding into multimodal and multi-model applications. (2) The expansion of edge IT infrastructure driven by GenAI, boosting cloud market growth. (3) The acceleration of MDaaS (Managed Data as a Service) through edge computing and AI devices. (4) A new era of cybersecurity—AI BOM (Bill of Materials) and cryptographic agility. (5) AI-driven carbon emissions management becoming a mainstream trend, with "green collar" talent gaining prominence.

### III. Overview of 2025 Business Plan

To address these industry trends, our company has established key strategic plans and operational priorities for 2025:

#### (I) Establishing a Collaborative Framework Across Subsidiaries:

1. **Strategic Focus on Seven Core Areas:** AI, Cybersecurity, Modern Data Center (Modern DC), Modern Work, Unified Communications & Collaboration (UC&C), Smart Surveillance and OneService. Our organization is divided into eight major business units: System Integration Business Group, OneService Business Group, ICT Integration Business Group, OneCloud & Pre-sales Business Group, Digital & Sustainability Business Group, Digital Finance Business Group, Smart Edge Solutions Business Group, and the Central & Southern Area Business Group. These units operate as independent profit centers while fostering cross-departmental collaboration. In the new fiscal year, we will emphasize resource optimization and talent development to align with future market trends. Through this new organizational structure, we aim to unite all partners, drive higher operational performance, and solidify our market position under the strategic direction of "AI-Driven, Dual-Axis Transformation."
2. Expanding the Reach of Subsidiary Companies:
  - Chyun Huei Commercial Technologies Inc. will focus on offering comprehensive OT solutions and consulting services, covering asset management, workstations, barcode printers, and wide-format printers. The company will expand sales by integrating NVIDIA-powered AI inference platforms, Zebra barcode scanners, and machine vision solutions to become a leading AIoT partner in smart manufacturing.
  - TISNet Technology will leverage its ISP/IDC service operations while expanding into system and website development, value-added cloud services, and enterprise cybersecurity compliance. It will focus on six major cybersecurity services: security testing, account security protection, document security, data security, ransomware defense, and cybersecurity training.
  - TSTI Technologies (Shanghai) will continue establishing partnerships with cybersecurity software vendors, acting as an agent for their products in China. By introducing innovative

solutions, the company aims to boost revenue and profit margins, expand its market presence, and attract new customer segments.

3. Collectively, TSTI and its subsidiaries have established a comprehensive collaborative framework that advances in eight strategic directions: ICT system integration, network and information security, comprehensive AI solutions, value-added digital transformation applications, professional services, distribution operations, cloud services, and international business. This multifaceted approach aims to enhance overall corporate competitiveness and expand market presence.

## (II) Strategic Focus and Sustainable Growth

### 1. Deepening Key Client Engagement (Power Accounts) and Expanding Large-Scale Projects

- Assigning dedicated Account Managers, Pre-Sales Consultants, and Customer Success Managers to actively support digital transformation initiatives. Utilizing six core solutions and OneService to meet client needs for AI-driven innovation and enhance revenue growth.

### 2. Strengthening Domain-Specific System Integration (Domain SI) Development

- **Digital Finance:** Offering comprehensive OneAI solutions, microservices container platforms, big data analytics, data governance, intelligent communications, AI-driven customer service, and cybersecurity solutions. Partnering with customers, Dashike, and third-party developers to create an industry ecosystem and deliver innovative solutions.
- **Smart Manufacturing:** Helping enterprises leverage AIoT and big data platforms for production line data collection and real-time monitoring. By integrating ERP and MES systems with AI/ML data analysis, we improve production efficiency and quality. AI + RPA (industry RPA) solutions will be deployed to enhance productivity and reduce error rates.
- **Smart Healthcare:** Providing ten smart healthcare solutions, including big data analytics, next-generation HIS container platforms, telemedicine, e-commerce procurement, energy management, and smart restrooms. We will continue developing data integration platforms based on FHIR standards for cross-hospital data exchange.

### 3. AI-Driven Sustainability and Innovation

- Each unit within the Digital Sustainability Business Group will have dedicated R&D teams focused on AI applications and ecosystem partner integration. Accelerating the productization of proprietary software to replicate successful industry applications and expand market reach, enhancing profit margins and revenue diversification.

### 4. Innovative Application Deployment

- Developing hybrid cloud solutions, including IaaS, PaaS, SaaS-based Cloud SI and MSP operations. Expanding proprietary and third-party software sales, covering AI cybersecurity, ESG AIoT business intelligence, energy management, AI-driven customer service applications, and smart healthcare solutions.

## (III) Enhancing Internal Digital Management and Talent Development

To improve operational efficiency and quality, the Company is committed to digitizing various workflows and integrating multiple information systems. By leveraging our existing AI technology—specifically the ibo.ai text-based customer service chatbot—we have further integrated a generative enterprise AI assistant, seamlessly connecting it with our customer service system. This integration enables smoother and more intelligent information flows, thereby enhancing internal service quality and improving customer satisfaction.

To ensure talent development keeps pace with organizational growth, we have effectively linked performance evaluation, competency development, and knowledge transfer through mechanisms such as talent identification systems, KPI implementation frameworks, internal job rotation programs, performance coaching, and technical knowledge transfer initiatives.

We continue to promote a range of initiatives centered on employee health and well-being, including physical and mental wellness programs, flexible work arrangements, family and childcare support, employee benefits and incentives, as well as a caring and inclusive corporate culture. Our corporate values—Proactivity, Service, Co-creation, and Mutual Prosperity—are actively reinforced to encourage teamwork and mutual support. These efforts aim to foster a diverse and inclusive work environment, strengthen long-term employee engagement, and drive sustainable growth in revenue and profitability.

#### **(IV) Future Development Direction of Company Software Development**

Our R&D efforts this year focus on deepening applications across various industry sectors by integrating advanced digital technologies—including artificial intelligence (AI), big data analytics, and microservices architecture—into the financial, manufacturing, service, and healthcare domains. Key innovation priorities include the development of AI expert assistants for diverse industries, advancements in AI-driven customer service, and the promotion of digital health and smart healthcare solutions.

### **IV. Future Company Development Strategy**

The Company remains committed to its core values of Innovation, Service, Teamwork, and Integrity in its relationships with employees, suppliers, customers, and shareholders. Each year, we pursue steady and balanced operations with the goal of achieving long-term growth in revenue and profitability.

In response to evolving industry demands and rapid technological advancements, we will continue to strengthen our capabilities in advanced technologies and invest in the development of market-oriented proprietary software products. At the same time, we are rapidly expanding our hybrid cloud service offerings and actively cultivating partnerships within the ACE industry ecosystem. We also evaluate investment opportunities in complementary businesses to enhance the agility of our operating model and deepen integration across the external industrial value chain.

These efforts aim to enhance our capabilities in infrastructure solutions, customer service, and integrated software sales, positioning the Company as a leading provider of ICT integrated services. Our vision is to become the most competitive provider in Taiwan of comprehensive AI solutions and a driving force for dual digital and sustainable transformation.

Best Regards

Chairman Chun-Lung Wu

## Two. Corporate governance

### I. Information on Directors, Independent Directors, Chief Executive Officer, Vice President, Assistant VP, and Officers of Departments and Branches

#### (I) Directors and independent directors

##### 1. Informaion on directors and independent directors

March 31, 2025 Unit: shares; %

Title	Nationality or country of registration	Name	Gender Age	Date elected/ appointed	Term of office	Date first elected	Shares held when elected		Current shares held		Current shares held by spouse or minor children		Shares held in the names of others		Educational background and experience	Concurrent posts in tsti or other companies	Other officers, directors, or supervisors in a spousal relationship or within the second degree of kinship		
							Number of shares	Percentage	Number of shares	Percentage	Number of shares	Percentage	Number of shares	Percentage			Title	Name	Relationship
Chairman	R.O.C.	Tatung Company	-	2024/5/28	3 years	2000/4/26	38,386,499	43.34	38,386,499	43.34	-	-	-	-	-	-	-	-	-
	R.O.C.	Tatung Company Representative: Chun-Lung Wu	Male 71–80 years old	2024/5/31	3 years	2024/5/31	-	-	-	-	-	-	-	-	Honorary Doctor of Business, Chinese Culture University Hsing Kuo High School Chairman of Jun Investment International Co., Ltd. Chairman of Hsin Yeomg An Cable TV Co., Ltd. Chairman of Ta Yang Cable Television Co., Ltd.	Vice Chairman of Tatung Company Chairman of Tatung Asset Development Company Chairman of Jungroup Fashion Boutique Co., Ltd. Chairman of Junbao Construction Co., Ltd. Chairman of Ma Shen Kai Ruei Co., Ltd. Chairman of Yongxin Multimedia Co., Ltd. Chairman of Chih Sheng Investment Co., Ltd. Chairman of Taipei Industry Corporation Director of Chung Chia Energy Development Co., Ltd. Director of Edora Park Co., Ltd. Director of Global Bio & Investment Co., Ltd. representative of He Cao Foundation	None	None	None

Title	Nationality or country of registration	Name	Gender Age	Date elected/ appointed	Term of office	Date first elected	Shares held when elected		Current shares held		Current shares held by spouse or minor children		Shares held in the names of others		Educational background and experience	Concurrent posts in tsti or other companies	Other officers, directors, or supervisors in a spousal relationship or within the second degree of kinship		
							Number of shares	Percentage	Number of shares	Percentage	Number of shares	Percentage	Number of shares	Percentage			Title	Name	Relationship
Director	R.O.C.	Tatung Company	-	2024/5/28	3 years	2000/4/26	38,386,499	43.34	38,386,499	43.34	-	-	-	-	-	-	-	-	-
	R.O.C.	Tatung Company Representative: Kuan-Ling Lai	Female 51-60 years old	2024/5/28	3 years	2024/5/28	-	-	-	-	-	-	-	-	Doctor of Mechanical Engineering, Kun Shan University Mster of Mechanical Engineering, Kun Shan University COO of Tatung Company President and director of Hsin Yeong An Cable TV Co., Ltd. President and director of Ta Yang Cable Television Co., Ltd. Assistant Professor of Mechanical Engineering Department of Kun Shan University	Special assistant to vice chairman of Tatung Company CIO and Special assistant to chairman of Tatung Asset Development Company Director of Elitigroup Computer Systems Co., Ltd. Director of Jun Investment International Co., Ltd. Representative of Corporate Director of Junbao Construction Co., Ltd. Supervisor of Ma Shen Kai Ruei Co., Ltd. Director of Edora Park Co., Ltd. Director of Tha Cao Foundation Director of Leadwell Foundation Representative of Corporate Director of Taipei Industry Corporation Representative of Corporate Director of Chih Sheng Realty Co., Ltd	None	None	None
	R.O.C.	Tatung Company Representative: Yuan-Chung Hsin	Male 61-70 years old	2024/5/28	3 years	2024/5/28	-	-	-	-	-	-	-	-	Master's Degree in Finance, Ming Chuan University Department of Industrial Engineering, Feng Chia University Head of Greater China Eures Exchange Chief Representative, Beijing Representative Office, Deutsche Börse Group Deputy Head of China Business Department, Deutsche Börse Group	Chairman, Tatung Sustainable Development Singapore Holdings Pte. Ltd. Director, Taiwan Carbon Credit and Digital Economy Development Association	None	None	None
	R.O.C.	Tatung Company Representative: Pei-Chun Lu	Female 31-40 years old	2024/7/12	3 years	2024/7/12	-	-	-	-	-	-	-	-	LLM, National Chung Cheng University Director, Tatung Forever Energy Co., Ltd. Director, Forward Electronics Co., Ltd. Director, Legal Affairs Division, Tatung Company Lawyer	Corporate Governance Officer & General Counsel of Tatung Company Director & General Counsel of Tatung Asset Development Company Director of TISNet Technology Inc. Director of Tatung Medical & Healthcare Technologies Co., Ltd. Director of Chyun Huei Commercial Technologies Inc. Director of Tsti Technologies (Shanghai) Co., Ltd.	None	None	None

Title	Nationality or country of registration	Name	Gender Age	Date elected/ appointed	Term of office	Date first elected	Shares held when elected		Current shares held		Current shares held by spouse or minor children		Shares held in the names of others		Educational background and experience	Concurrent posts in tsti or other companies	Other officers, directors, or supervisors in a spousal relationship or within the second degree of kinship		
							Number of shares	Percentage	Number of shares	Percentage	Number of shares	Percentage	Number of shares	Percentage			Title	Name	Relationship
Director	R.O.C.	Twinbot Fintech Consultants Limited	-	2024/5/28	3 years	2021/8/19	5,889,000	6.64	5,889,000	6.64	-	-	-	-	-	-	-	-	-
	R.O.C.	Twinbot Fintech Consultants Limited Representative: Kuan-Chih Tseng	Male 41-50 years old	2024/5/28	3 years	2021/8/30	-	-	-	-	-	-	-	-	Department of Psychology, Soochow University Chairman, Amoledcorp	Chairman, MobiGreen Data Technology Co., Ltd. Chairman, MobiGreen Advertising Co., Ltd. Chairman, MobiSmart Travel Agency Co., Ltd. Chairman, MobiFlash Delivery Co., Ltd. Chairman, MobiRobot Co., Ltd.	None	None	None
Corporate Director	R.O.C.	Tai Sheng Ocean Development Co., Ltd.	-	2024/5/28	3 years	2024/5/28	15,000	0.01	15,000	0.01	-	-	-	-	-	-	None	None	None
	R.O.C.	Shih-Hung Yang	Male 31-40 years old	2024/6/4	3 years	2024/6/4	-	-	-	-	-	-	-	-	Information Management of National Chung Hsing University	Director, Taiyu Network Communication Co., Ltd.	None	None	None
Independent Director	R.O.C.	Jung-Ying Tai	Female 31-40 years old	2024/5/28	3 years	2024/5/28	-	-	-	-	-	-	-	-	Department of Accounting and Information Systems, Asia University Bookkeeper, Hsiang Yang CPAs Firm	Section Chief, Finance Department, Hsing Tai Industrial Co., Ltd.	None	None	None

Note 1: On May 28, 2024, the company conducted a complete re-election of its directors. Chairman Bo-Yen Shen, Directors Chiu-Chan Hsu, Pei-Chun Lu, Tzu-Hao Chao, Independent Director Ying-Hwang Yang, and Independent Director Maw-In Tsai stepped down. The new directors are Kuan-Ling Lai, Yuan-Chung Hsin, Po-Jen Hsiao, Director of Tai Sheng Ocean Development Co., Ltd., Independent Director Yi-Cheng Shih, and Independent Director Jung-Ying Tai.

Note 2: On May 31, 2024, Director Wen-Hung Huang underwent a change (the legal representative director assigned a new representative). Director Chun-Lung Wu was newly appointed.

Note 3: On June 4, 2024, the Director of Tai Sheng Ocean Development Co., Ltd. appointed Shih-Hung Yang as the representative director.

Note 4: On June 6, 2024, Director Chun-Lung Wu was approved by the Board of Directors to serve as the Chairman.

Note 5: On July 12, 2024, Director Po-Jen Hsiao underwent a change (the legal representative director assigned a new representative). Director Pei-Chun Lu was newly appointed.

Note 6: On September 6, 2024, Independent Director Yi-Cheng Shih resigned.

Note 7: On October 9, 2024, Independent Director Huang-Chi Yeh resigned.

## 2. Major shareholders of the corporate shareholder

March 29, 2025

Name of corporate shareholder	Major shareholders of the corporate shareholder	
	Names of major shareholders	Shareholding ratio (%)
Tatung Company	San Ya Investment Co., Ltd.	7.26%
	Rowda Capital Co.	4.89%
	Elitegroup Computer Systems Co., Ltd.	3.75%
	Chun-Lung Wu	3.51%
	Tatung Company	3.23%
	Tatung University	3.21%
	Wen-Yi Zheng	2.96%
	Xin-Tatung Investment Consulting Ltd.	2.23%
	Bei-chi Investment Co., Ltd.	2.00%
	Jia-Jia Zheng	1.79%
Twinbot Fintech Consultants Limited	Jet Heritage Capital Limited (BVI)	100%
Tai Sheng Ocean Development Co., Ltd.	Hsing Tai Industrial Co., Ltd.	100%

## 3. Major Shareholders of the major shareholders in the table above that are corporate shareholders

March 29, 2025

Name of corporate entity	Major shareholders of the corporate entity
San Ya Investment Co., Ltd.	Wkang-Hsiang Wang (31.33%), Syue-E Wang Hu (31.33%), Ya-Lin Wang (18.33%), Ya-Syuan Wang (7.61%), Ya-Wei Wang (7.61%), Li-Chih Wang (0.95%), Li-Cyun Wang (0.95%), Li-Ming Wang (0.95%), Li-Ju Wang (0.95%)
Rowda Capital Co.	Shanyuan Construction Co., Ltd. (100%)
Elitegroup Computer Systems Co., Ltd.	Tatung Company(48.65%) 、 Polunin Emerging Markets Small Cap Fund, LLC(1.08%) 、 Ming-Shou Shen (0.70%) 、 Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds (0.52%) 、 VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUNDS (0.50%) 、 Acadian Emerging Markets Small Cap Equity Fund LLC (0.49%) 、 Barclays Capital Securities Limited--Barclays Capital Securities Limited SBL/PB (0.47%) 、



Name of corporate entity	Major shareholders of the corporate entity
	J.P.Morgan Securities plc (0.45%) 、Fu-Chi Wang (0.39%) 、Dun-Guo Lin (0.30%)
Tatung Company	As per the above table.
Tatung University	Association for the Promotion of Industry of Corporation Aggregate (100%)
Xin-Tatung Investment Consulting Ltd.	Rang-Guang Yang(1%) 、Jing-Yi Gao (99%)
Bei-chi Investment Co., Ltd.	Hsiao-Jen Yeh(100%)
Jet Heritage Capital Limited (BVI)	I-Yin Hsu (100%)
Hsing Tai Industrial Co., Ltd.	Anding Investment Co., Ltd. (44.43%) 、Tong An Chemical Industry Co., Ltd. (18.02%) 、Meian Biotech Co., Ltd. (10.17%) 、Nongan Biotech Co., Ltd. (8.35%)

## 4. Disclosure of Directors' Professional Qualifications and Independence of Independent Directors

Name	Professional Qualifications and Experience	Status of Independence	Number of Independent Directorships Held in Other Public Companies
Chairman Chun-Lung Wu	Refer to Chapter 1, Section 1 of this document.	There are no spousal or second-degree kinship relationships among the board members	0
Director Kuan-Ling Lai			0
Director Yuan-Chung Hsin			0
Director Pei-Chun Lu			0
Director Kuan-Chih Tseng			0
Director Shih-Hung Yang			0
Independent Director Jung-Ying Tai		<p>The independent directors have met the qualification requirements stipulated in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Financial Supervisory Commission and Article 14-2 of the Securities and Exchange Act during the two years prior to their appointment and throughout their term of office. Furthermore, all independent directors have been granted sufficient authority, in accordance with Article 14-3 of the Securities and Exchange Act, to participate in decision-making and express their opinions independently, thereby performing their duties accordingly.</p> <p>Neither I, my spouse, nor any persons under my name hold any shares in the Company.</p>	0

Note 1: Neither the directors nor the independent directors of the Company are subject to any circumstances listed under Article 30 of the Company Act.

Note 2: The independent directors did not receive any compensation for providing business, legal, financial, or accounting services to the Company or its affiliated entities in the past two years.

## 5. Diversity and independence of the Board of Directors

(1) Our company's specific management goals for board diversity policy are outlined as follows

In accordance with Article 20 of the Corporate Governance Best Practice Guidelines, the composition of our board should consider diversity. Apart from executives, who should not exceed one-third of the board, the composition should reflect appropriate diversity based on operational needs, business type, and development requirements. This diversity should include, but not be limited to, the following criteria:

1. Basic characteristics and values: Gender, age, nationality, and cultural background.
2. Professional knowledge and skills: Professional backgrounds (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.

Board members should generally possess the necessary knowledge, skills, and qualities to fulfill their duties. To achieve ideal corporate governance goals, the board as a whole should have the following capabilities:

1. Operational judgment.
2. Accounting and financial analysis.
3. Business management.
4. Crisis management.
5. Industry knowledge.
6. International market perspectives.
7. Leadership.
8. Decision-making abilities.

### (2) Actual Implementation

The Company currently has a total of 7 board members, including 1 independent director, which accounts for 14.3% of the entire board. Among them, 28.6% are directors who also serve as company executives. Additionally, the Company places great emphasis on gender equality in the composition of the board, with the proportion of female directors reaching 42.9%. This has achieved the goal of having female directors make up one-third of the board seats, and we will continue to strive to maintain this representation in the future.

The diverse professional backgrounds required for each board member are evaluated as shown in the table below. Due to their extensive academic and professional experience, all members possess the relevant knowledge and skills required for decision-making. As such, the Company's directors not only have deep expertise in their respective professional fields, but also bring a broad range of knowledge and skills in other areas.

Name/Title	Basic Composition				Professional Knowledge and Skills										
	Nationality	Gender	Age	Holding an Employee status	Independent director with consecutive tenure of three terms or more	Professional background	Operational judgment ability	Accounting and financial analysis ability	Management and leadership ability	Crisis management ability	Industry knowledge	International market insight	Leadership skills	ESG Knowledge and Competence	Decision-making ability
Chairman Chun-Lung Wu	R.O.C	Male	71 - 80	-	Not Applicable	Operations Managemen	V	V	V	V	V	V	V	V	V
Director Kuan-Ling Lai		Female	51 - 60	V		Operations Managemen	V	V	V	V	V		V	V	V

Name/Title	Basic Composition				Professional Knowledge and Skills									
	Nationality	Gender	Age	Independent director with consecutive tenure of three terms or more Holding an Employee status	Professional background	Operational judgment ability	Accounting and financial analysis ability	Management and leadership ability	Crisis management ability	Industry knowledge	International market insight	Leadership skills	ESG Knowledge and Competence	Decision-making ability
Director Yuan-Chung Hsin		Male	61 - 70	-	Sustainability Management	V	V	V	V	V	V	V	V	V
Director Pei-Chun Lu		Female	31 - 40	V	Legal /Corporate Governance			V	V	V	V	V	V	V
Director Kuan-Chih Tseng		Male	41 - 50	-	Operations Management	V	V	V	V	V	V	V	V	V
Director Shih-Hung Yang		Male	31 - 40	-	Information Services	V		V	V	V		V	V	V
Independent Director Jung-Ying Tai		Female	31 - 40	-	None	Financial Accounting		V	V	V		V	V	

### (3) Board Independence

The Company emphasizes strengthening the independence and oversight of the Board of Directors. None of the board members have spousal or second-degree kinship relationships, in accordance with the provisions of Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act. Furthermore, the independent directors comply with the regulations outlined in the "Regulations Governing the Appointment and Compliance Matters of Independent Directors for Public Companies.

### (4) Specific Management Goals

The board of directors of our company guides the company's strategy, supervises the management team, and is responsible to the company and shareholders. Directors listen to reports from the management team during board meetings and provide guidance and advice. They maintain good communication with the management team. The company's governance system and all operations and arrangements are exercised in accordance with laws, the company's articles of incorporation, or shareholder resolutions. Together, they work to maximize shareholder value.

## (II) Information on Chief Executive Officers, Vice Presidents, Assistant VPs, and officers of departments and branches

March 31, 2025

Title	Nationality	Name	Gender	Date of assumption of office	Number of shares held		Current held by spouse and minor children		Shares held in the names of others		Educational background and experience	Concurrent posts in other companies	Managerial officers in a spousal relationship or within the second degree of kinship		
					Number of shares	Shareholding ratio (%)	Number of shares	Shareholding ratio (%)	Number of shares	Shareholding ratio (%)			Title	Name	Relationship
President	R.O.C.	Yin-Hsiu Liu	Female	2025/3/21	120,000	0.14	-	-	-	-	Master's Degree, College of Management, National Taiwan University Bachelor's Degree in International Trade, Department of International Business, Fu Jen Catholic University	President, Tatung Medical & Healthcare Technologies Co., Ltd. Chairman, Chyun Huei Commercial Technologies Inc. Director, Tisnet Technology Inc. Chairman & President, Tsti Technologies (Shanghai) Co., Ltd. Director, Ausenior Information Co., Ltd. Director, Cloud Care Technologies Co., Ltd. Director, PetData Co., Ltd. Board Director, Kuang Yu Educational Foundation	-	-	-
Senior Vice President	R.O.C.	Chih-Hung Chen	Male	2016/12/27	27,630	0.03	-	-	-	-	M.B.A., College of Management, National Taiwan University M.B.A., College of Business and Management, Tamkang University Senior Vice President, System and Software Services Center, Tatung System Technologies Inc. Assistant VP, Client Services Division (CSD), Tatung System Technologies Inc.	Director and Prident, Chyun Huei Commercial Technologies Inc.	-	-	-
Vice President	R.O.C.	Chiu-Chan Hsu	Female	2022/1/1	21,801	0.02	-	-	-	-	Master's Degree, Graduate Institute of Law, National Taipei University, and Bachelor's Degree in Accounting Assistant Manager, Administrative Management Center, Tatung World Technology Co., Ltd. Director, Financial and Business Information Department, Tatung World Technology Co., Ltd. Director of Finance, Jingmao Optoelectronics Co., Ltd.	Chief Financial Officer and Corporate Governance Officer, Tatung System Technologies Inc. Chairman and President, Tisnet Technology Inc. Director, Chyun Huei Commercial Technologies Inc. Supervisor, Tsti Technologies (Shanghai) Co., Ltd.	-	-	-
Special Assistant to the President	R.O.C.	Chang-Chien Jen Chen	Male	2024/10/1	-	-	-	-	-	-	Department of Electrical Engineering, National Chin-Yi Institute of Technology (Private) Special Assistant to the General Manager of Central and Southern Business Group, Tatung System Technologies Inc.	-	-	-	-
Assistant VP	R.O.C.	Ming-Te Yu	Male	2020/1/1	616	0.0007	-	-	-	-	M.B.A., Tatung University Department of Electronic Engineering, National Taipei Institute of Technology Director, Product Technology and Service Business Division, Tatung System Technologies Inc. Director, Client Service Business Division, Tatung System Technologies Inc. Deputy Director, Computer System Division, Tatung System Technologies Inc.	-	-	-	-
Assistant VP	R.O.C.	Wen-Hua Tang	Female	2024/2/1	1,106	0.001	-	-	-	-	M.B.A., Tatung University Bachelor., Tatung University Director of Digital Financial Business, System and Software Service Center, Tatung System Technologies Inc.	-	-	-	-
Assistant VP	R.O.C.	Zhong-Ting Yu	Female	2024/12/31	-	-	-	-	-	-	Bachelor of Laws, Department of Public Finance and Taxation, Feng Chia University System Integration Business Group, Tatung System Technologies Inc.	-	-	-	-
Assistant VP	R.O.C.	Ming-Chang Chiang	Male	2024/12/31	9,181	0.01	-	-	-	-	Master's Degree, College of Management, National Chengchi University Bachelor's Degree in Computer Science and Information Engineering, Tamkang University Information and Communication Integration Business Group, Tatung System Technologies Inc.	-	-	-	-
Assistant VP	R.O.C.	Chun-Ren Duan	Male	2024/12/31	1,254	0.001	-	-	-	-	Bachelor's Degree in Atmospheric Sciences, National Central University Digital Sustainability Business Group, Tatung System Technologies Inc.	-	-	-	-
Assistant VP	R.O.C.	Chih-Hseng Kao	Male	2024/12/31	7,005	0.01	-	-	-	-	Department of Information Management, Aletheia University Director, OneService Business Group, Tatung System Technologies Inc. Director, System Service Center, Tatung System Technologies Inc.	-	-	-	-

Title	Nationality	Name	Gender	Date of assumption of office	Number of shares held		Current shares held by spouse and minor children		Shares held in the names of others		Educational background and experience	Concurrent posts in other companies	Managerial officers in a spousal relationship or within the second degree of kinship		
					Number of shares	Shareholding ratio (%)	Number of shares	Shareholding ratio (%)	Number of shares	Shareholding ratio (%)			Title	Name	Relationship
											Senior Deputy Director, System Service Center, Tatung System Technologies Inc.				
Assistant VP	R.O.C.	Shu-Hui Lai	Female	2024/12/31	10,000	0.01	-	-	-	-	Bachelor's Degree in Accounting, Tunghai University System Integration Business Group, Tatung System Technologies Inc.	-	-	-	-

Note: President Mr. Wen-Hung Huang resigned on March 20, 2025.

## (III) Remuneration to directors (including independent directors), Chief Executive Officer and Vice President

## 1. Remuneration to regular and independent directors

December 31, 2024; Unit: NTD thousands

Title	Name	Remuneration to directors								Sum of A, B, C, and D as a percentage of net income		Remuneration received by part-time employees								Sum of A, B, C, D, E, F and G as a percentage of net income		Remuneration received from investees or parent company other than subsidiaries (Note5)
		Remuneration (A)		Pension (B)		Remuneration to directors (C) (Note 1)		Income from professional practice (D)				Salary, Bonus and special allowance (E)		Pension (F)		Remuneration to employees (G)						
		The Company	All companies in financial reports	The Company	All companies in financial reports	The Company	All companies in financial reports	The Company	All companies in financial reports	The Company	All companies in financial reports	The Company	All companies in financial reports	The Company	All companies in financial reports	The Company		All companies in financial reports		The Company	All companies in financial reports	
																Cash amount	Stock amount	Cash amount	Stock amount			
Director/ Corporate Director (Note 4)	Tatung Company Representative Chun-Lung Wu Kuan-Ling Lai Yuan-Chung Hsin Pei-Chun Lu Bo-Yen Shen Wen-Hung Huang Chiu-Chan Hsu Tzu-Hao Chao Po-Jen Hsiao	2,139	2,139	0	0	1,200	1,200	300	306	3,639 2 %	3,645 2%	4,930 (Note 2)	4,990 (Note 2)	108 (Note 3)	108 (Note 3)	0	0	0	0	8,677 4%	8,743 4%	5,681
	Twinbot Fintech Consultants Limited Representative Kuan-Chih Tseng																					
	Tai Sheng Ocean Development Co., Ltd.- Shih-Hung Yang																					
Independent Director (Note4)	Jung-Ying Tai	2,231	2,231	0	0	0	0	155	155	2,386 1%	2,386 1%	0	0	0	0	0	0	0	0	2,386 1%	2,386 1%	None
	Yi-Cheng Shih																					
	Huang-Chi Yeh																					
	Ying-Hwang Yang																					
	Maw-In Tsai																					

1. Please describe the payment policy, system, standard and structure of the remuneration to independent directors, and the association of their responsibility, risk, and investment of time with the amount of the remuneration paid: Refer to Chapter 1, Section 4, Points 2 and 3 of this document.
2. Further to the aforementioned disclosure, the remunerations received by the directors of the Company for rendering service to all companies included in the financial statements (e.g. serving as a consultant but not the employee of the Company) in the most recent year: None.

Note 1: The Board of Directors resolved on 03.03.2025 and the implementation commenced after reporting at the shareholders' meeting on 06.16.2025.

Note 2: The special allowance includes the rental of the car for the President to the amount of NT\$623 thousand.

Note 3: The amount of the pension under expenditure in 2024 is subject to the pension system in the "Labor Standards Act"; namely, the allocation of pension according to the new system.

Note 4: (1) On May 28, 2024, the company conducted a complete re-election of its directors. Chairman Bo-Yen Shen, Directors Chiu-Chan Hsu, Pei-Chun Lu, Tzu-Hao Chao, Independent Director Ying-Hwang Yang, and Independent Director Maw-In Tsai stepped down. The new directors are Kuan-Ling Lai, Yuan-Chung Hsin, Po-Jen Hsiao, Director of Tai Sheng Ocean Development Co., Ltd., Independent Director Yi-Cheng Shih, and Independent Director Jung-Ying Tai.

(2) On May 31, 2024, Director Wen-Hung Huang underwent a change (the legal representative director assigned a new representative). Director Chun-Lung Wu was newly appointed.

(3) On June 4, 2024, the Director of Tai Sheng Ocean Development Co., Ltd. appointed Shih-Hung Yang as the representative director.

(4) On June 6, 2024, Director Chun-Lung Wu was approved by the Board of Directors to serve as the Chairman.

(5) On July 12, 2024, Director Po-Jen Hsiao underwent a change (the legal representative director assigned a new representative). Director Pei-Chun Lu was newly appointed.

(6) On September 6, 2024, Independent Director Yi-Cheng Shih resigned.

(7) On October 9, 2024, Independent Director Huang-Chi Yeh resigned.

Note 5: The remuneration received from investee companies other than subsidiaries or the parent company is a proposed amount.

## 2. Breakdown of remuneration to directors (including independent directors)

Breakdown of remuneration to directors	Name of director			
	Total amount of the first four items (A+B+C+D)		Total amount of the first seven items (A+B+C+D+E+F+G)	
	The Company	All companies in financial reports H	The Company	Companies included into the financial statement I
Under \$1,000,000	Tatung Company, Chun-Lung Wu, Kuan-Ling Lai, Yuan-Chung Hsin, Pei-Chun Lu, Bo-Yen Shen, Wen-Hung Huang, Chiu-Chan Hsu, Tzu-Hao Chao, Po-Jen Hsiao, Kuan-Chih Tseng, Twinbot Fintech Consultants Limited, Tai Sheng Ocean Development Co., Ltd., Shih-Hung Yang, Jung-Ying Tai, Yi-Cheng Shih, Huang-Chi Yeh, Ying-Hwang Yang, Maw-In Tsai	Tatung Company, Chun-Lung Wu, Kuan-Ling Lai, Yuan-Chung Hsin, Pei-Chun Lu, Bo-Yen Shen, Wen-Hung Huang, Chiu-Chan Hsu, Tzu-Hao Chao, Po-Jen Hsiao, Kuan-Chih Tseng, Twinbot Fintech Consultants Limited, Tai Sheng Ocean Development Co., Ltd., Shih-Hung Yang, Jung-Ying Tai, Yi-Cheng Shih, Huang-Chi Yeh, Ying-Hwang Yang, Maw-In Tsai	Tatung Company, Chun-Lung Wu, Kuan-Ling Lai, Yuan-Chung Hsin, Pei-Chun Lu, Tzu-Hao Chao, Po-Jen Hsiao, Kuan-Chih Tseng, Twinbot Fintech Consultants Limited, Tai Sheng Ocean Development Co., Ltd., Shih-Hung Yang, Jung-Ying Tai, Yi-Cheng Shih, Huang-Chi Yeh, Ying-Hwang Yang, Maw-In Tsai	Tatung Company, Kuan-Ling Lai, Yuan-Chung Hsin, Tzu-Hao Chao, Po-Jen Hsiao, Kuan-Chih Tseng, Twinbot Fintech Consultants Limited, Tai Sheng Ocean Development Co., Ltd., Shih-Hung Yang, Jung-Ying Tai, Yi-Cheng Shih, Huang-Chi Yeh, Ying-Hwang Yang, Maw-In Tsai
\$1,000,000 (inclusive) – \$2,000,000 (exclusive)	-	-	Bo-Yen Shen, Chiu-Chan Hsu	Chun-Lung Wu, Chiu-Chan Hsu
\$2,000,000 (inclusive) – \$3,500,000 (exclusive)	-	-	Wen-Hung Huang (Note)	Bo-Yen Shen, Wen-Hung Huang (Note)
\$3,500,000 (inclusive) – \$5,000,000 (exclusive)	-	-		Pei-Chun Lu
\$5,000,000 (inclusive) – \$10,000,000 (exclusive)	-	-		
\$10,000,000 (inclusive) – \$15,000,000 (exclusive)	-	-	-	
\$15,000,000 (inclusive) – \$30,000,000 (exclusive)	-	-	-	-
\$30,000,000 (inclusive) – \$50,000,000 (exclusive)	-	-	-	-
\$50,000,000 (inclusive) – \$100,000,000 (exclusive)	-	-	-	-
Over \$100,000,000	-	-	-	-
Total	19 persons	19 persons	19 persons	19 persons

Note: The special allowance includes the rental of the car for the President to the amount of NT\$623 thousand.



### 3. Remuneration to Chief Executive Officer and Vice President

December 31, 2024 Unit: NTD thousands

Title	Name	Salary (A)		Pension (B)		Bonus, special allowance, etc. (C)		Employee Compensation (D) (Note 1)				Sum of A, B, C, and D as a percentage of net income (%)		Remuneration received from investors other than subsidiaries
		The Company	All companies in financial reports	The Company	All companies in financial reports	The Company	All companies in financial reports	The Company		All companies in financial reports		The Company	All companies in financial reports	
								Cash amount	Stock amount	Cash amount	Stock amount			
President	Wen-Hung Huang(Note 4)	8,160	8,340	324 (Note 2)	324 (Note 2)	4,692 (Note 3)	4,694 (Note 3)	2,040	-	2,090	-	15,216 7%	15,448 7%	-
Senior Vice President	Chih-Hung Chen													
Vice President	Chiu-Chan Hsu													

Note 1: The Board of Directors resolved on 03.03.2025 and the implementation commenced after reporting at the shareholders' meeting on 06.16.2025.

Note 2: The amount of the pension under expenditure in 2024 is subject to the pension system in the "Labor Standards Act"; namely, the allocation of pension according to the new system.

Note 3: The special allowance includes the rental of the car for the President to the amount of NT\$623 thousand.

Note 4: President Wen-Hung Huang resigned on March 20, 2025, and was succeeded by President Yin-Hsiu Liu on March 21, 2025.

#### 4. Breakdown of remuneration to Chief Executive Officer and Vice President

Breakdown of remuneration to President and Vice President	Name of President and Vice President	
	The Company	All companies in financial reports
Under \$1,000,000	-	-
\$1,000,000 (inclusive) – \$2,000,000 (exclusive)	-	-
\$2,000,000 (inclusive) – \$3,500,000 (exclusive)	-	-
\$3,500,000 (inclusive) – \$5,000,000 (exclusive)	Chih-Hung Chen Chiu-Chan Hsu	Chih-Hung Chen Chiu-Chan Hsu
\$5,000,000 (inclusive) – \$10,000,000 (exclusive)	Wen-Hung Huang (Note1)	Wen-Hung Huang (Note1)
\$10,000,000 (inclusive) – \$15,000,000 (exclusive)	-	-
\$15,000,000 (inclusive) – \$30,000,000 (exclusive)	-	-
\$30,000,000 (inclusive) – \$50,000,000 (exclusive)	-	-
\$50,000,000 (inclusive) – \$100,000,000 (exclusive)	-	-
Over \$100,000,000	-	-
Total	3 persons	3 persons

Note 1: President Wen-Hung Huang resigned on March 20, 2025, and was succeeded by President Yin-Hsiu Liu on March 21, 2025.

Note 2: The special allowance includes the rental of the car for the President to the amount of NT\$623 thousand.

#### 5. Name of the managerial officer to whom employee compensation was distributed and the status of the distribution (Note)

December 31, 2024; Unit: NTD thousands

Managerial officer	Title	Name	Stock amount	Cash amount	Total	Total amount as a percentage of net income (%)
	President	Wen-Hung Huang	-	2,040	2,040	1%
	Senior Vice President	Chih-Hung Chen				
	Vice President	Chiu-Chan Hsu				

Note: The Board of Directors resolved on 03.03.2025 and the implementation commenced after reporting at the shareholders' meeting on 06.16.2025.

#### (IV) The payment policy, standard, combination, and decision-making procedure of the remuneration to directors, independent directors, Chief Executive Officer and Vice President, and the association with the business performance

1. The analysis on the total amount of the remuneration to directors, independent directors, President, Vice President and Chief Strategy Officer as a percentage of the net income in the separate or individual financial reports in the most recent two years

Title	Remuneration as a percentage of net income			
	2024		2023	
	The Company	All companies in financial reports	The Company	All companies in financial reports
Director and independent director	5%	5%	11%	11%
President and Vice President	7%	7%	11%	12%

2. The payment policy, standard, combination, and decision-making procedure of remuneration

(1). Directors' Remuneration Policy and Standards

Remuneration Structure: According to Article 31 of the Company's Articles of Incorporation, the remuneration of directors is determined and allocated by the Board of Directors based on each director's level of participation and contribution to the Company's operations, with reference to industry standards. Directors' remuneration consists of fixed compensation and variable compensation. The variable compensation portion is adjusted based on the Company's annual operating performance, profitability, and the achievement of sustainable development goals.

Remuneration Ratio: As stipulated in the Company's Articles of Incorporation, 5% to 15% of the annual profit before tax, after deducting employee compensation and directors' remuneration, shall be appropriated as employee compensation, and directors' remuneration shall not exceed 5%. The variable compensation of directors is positively correlated with the Company's performance and operating conditions and the profit of the current year.

Independent Directors' Remuneration: Independent directors receive a fixed monthly remuneration and do not have variable compensation. All members of the Board of Directors (including independent directors) receive an attendance fee for each attendance at the Board of Directors meetings, extraordinary Board of Directors meetings, and functional committees.

Revision and Approval Procedures: The Company convened the Sixth Remuneration Committee meeting for the second time on August 5, 2023, and the "Regulations on the Remuneration of Directors, Independent Directors, and Functional Committee Members" was resolved and approved by the Ninth Board of Directors at its third meeting on August 7, 2023, which regulates the payment and adjustment of directors' remuneration.

(2). Managerial Officers' Remuneration Policy and Standards

Remuneration Structure: The remuneration of the Company's managerial officers includes fixed salary and variable salary. The fixed salary is determined based on industry standards and the managerial officer's academic background, experience, professional skills, and scope of responsibilities. The variable salary portion includes bonuses, employee compensation, etc., which are distributed based on the overall operating performance and sustainable governance achievements of the Company or the respective business unit.

Performance Evaluation: The Company has established clear performance management regulations, which serve as the basis for evaluating the remuneration of managerial officers. The payment of managerial officers' remuneration is closely linked to the Company's operating performance. The annual performance evaluation results account for 90% financial performance aspects, assessed based on financial indicators such as revenue and profit before tax. In addition, 10% of the performance evaluation focuses on non-financial sustainable governance goals, such as the introduction of a greenhouse gas information management system and passing ISO14064-1 external verification, setting carbon reduction targets and achieving the target rate, promoting workplace safety measures, achieving a corporate governance evaluation ranking between 21% and 35%, and obtaining at least one sustainability-related award from the government, public associations, or significant clients in 2024.

Bonuses and Employee Compensation: The distribution of managerial officers' bonuses will be evaluated based on the overall operating performance of the Company and the operating performance and non-financial sustainable governance goals of the departments they lead. Their variable compensation will be adjusted according to their performance to ensure a positive correlation with annual profit and sustainability outcomes.

(3). Procedures for Determining Remuneration

Procedures for Determining Directors' Remuneration: The remuneration of directors is adjusted by the Board of Directors based on the evaluation of each director's contribution to the Company and is adjusted annually based on operating performance. The calculation of directors' remuneration considers the remuneration levels of peer companies and the Company's performance in the current year.

Procedures for Determining Managerial Officers' Remuneration: The remuneration of managerial officers is evaluated by the Compensation Committee and adjusted based on company performance, individual performance of the managerial officers, and industry standards. The Compensation Committee regularly reviews the remuneration of managerial officers to ensure that the remuneration level is competitive in the market.

3. Association with the business performance and future risk

(1). Relevance of Directors' Remuneration to Operating Performance

The change in directors' remuneration is positively correlated with the Company's operating performance. When the Company is profitable, the variable compensation of directors will be adjusted based on the operating results. The Company will decide the amount of variable compensation to be paid based on the profit before tax and sustainable operating conditions of the current year.

(2). Relevance of Managerial Officers' Remuneration to Operating Performance

The remuneration of managerial officers is linked to the Company's operating performance, sustainability outcomes, and the achievement of departmental goals, and is adjusted based on the overall operating performance of the Company and the performance of the departments led by the managerial officers.

(3). Risk Management and Directors' and Officers' Liability Insurance

The Company has purchased Directors' and Officers' Liability Insurance for directors and key officers to protect them from potential legal risks in the course of performing their duties, ensuring that the Board of Directors can focus on long-term operations and strategy implementation.

## (V) Disclosures of annual director performance evaluation results

The Company has established the “Board of Directors Performance Evaluation Regulations.” The implementation of the evaluation is described below:

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation item
Once a year	2024.01.01 to 2024.12.31	<ul style="list-style-type: none"> <li>● Performance evaluation of Board of Directors</li> <li>● Board member self-evaluation</li> <li>● Performance evaluation of functional committee</li> </ul>	<ul style="list-style-type: none"> <li>● Internal self-evaluation of Board of Directors</li> <li>● Board member self-evaluation</li> <li>● Peer evaluation</li> </ul>	<p>The Board of Directors was subjected to the following five aspects of performance evaluation measurements:</p> <ol style="list-style-type: none"> <li>1. Involvement in the Company’s operation</li> <li>2. Improvement of the quality of decision-making by the Board of Directors.</li> <li>3. Composition and structure of the Board of Directors.</li> <li>4. Election and continued education of directors.</li> <li>5. Internal control.</li> </ol> <p>The Board members were subjected to the following six aspects of self-evaluation or peer evaluation measurements:</p> <ol style="list-style-type: none"> <li>1. Understanding of the objectives and missions of the Company.</li> <li>2. Knowledge of the responsibilities of directors.</li> <li>3. Involvement in the Company’s operation</li> <li>4. Internal relationship management and communication.</li> <li>5. Professional knowledge and continued education of directors.</li> <li>6. Internal control.</li> </ol> <p>The functional committees were subjected to the following five aspects of performance evaluation measurements:</p> <ol style="list-style-type: none"> <li>1. Involvement in the Company’s operation</li> <li>2. Knowledge of the responsibilities of functional committees.</li> <li>3. Improvement of the quality of decision-making by functional committees.</li> <li>4. Composition and election of the members of functional committees.</li> <li>5. Internal control.</li> </ol>

The evaluation was conducted using the Likert Scale. 5 points meant being compliant with the Company’s expectations of the functions very much; 4 points meant being compliant with the Company’s expectations of the functions mostly; 3 points meant being compliant with the Company’s expectations of the functions fairly; 2 points meant being incompliant with the Company’s expectations of the functions; 1 point meant being far lower than the Company’s expectations of the functions.

In 2025, the Company reviewed the performance evaluation results of the 2024 Board of Directors, directors, and functional committees:

1. Board of Directors and functional committees: The overall operating status was improved to meet the requirements of the corporate governance. All the members of the committees fulfilled their duties conscientiously. The functions of the Board of Director and the functional committees were carried out effectively.

	Board of Directors Performance Evaluation Result		The Audit Committee Performance Evaluation Result		Salary and Remuneration Committee Performance Evaluation Result	
Year	2023	2024	2023	2024	2023	2024
Average score	4.97	4.93	5.00	4.55	5.00	4.88

2. Board member: The results of the self-evaluation and overall evaluation were compliant with the Company’s expectations of the functions very much.

	Board Member Self-Evaluation Result	
Year	2023	2024
Average score	4.99	4.89

## II. Implementation Status of Corporate Governance

### (I) Operation status of the Board of Directors

The Board of Directors held 10 meetings in the most recent year (2024). The presence and attendance of the directors is described below:

Title	Name	Actual number of attendance	Number of attendance by proxy	Number of Meetings Required to Attend	Actual attendance rate (%)	Remarks
Chairman	Tatung Company Representative Chun-Lung Wu	6	0	6	100	A new corporate representative and board member were appointed on May 31, 2024. The Board of Directors approved the appointment as Chairman on June 6, 2024.
Director	Tatung Company Representative Kuan-Ling Lai	6	0	6	100	Appointed upon complete re-election on May 28, 2024
Director	Tatung Company Representative Yuan-Chung Hsin	6	0	6	100	Appointed upon complete re-election on May 28, 2024
Director	Tatung Company Representative Pei-Chun Lu	8	0	8	100	Relinquished office upon the full re-election on May 28, 2024; appointed as a corporate representative director on July 12, 2024
Director	Twinbot Fintech Consultants Limited Representative Kuan-Chih Tseng	6	0	10	60	
Corporate Director	Tai Sheng Ocean Development Co., Ltd.- Shih-Hung Yang	6	0	6	100	Appointed upon complete re-election on May 28, 2024; appointed as representative on June 4, 2024
Independent Director	Jung-Ying Tai	6	0	6	100	Appointed upon complete re-election on May 28, 2024
Director	Tatung Company Representative Po-Jen Hsiao	1	1	2	50	Appointed upon complete re-election on May 28, 2024; replaced as a corporate representative director on July 12, 2024
Director	Tatung Company Representative Bo-Yen Shen	4	0	4	100	Relinquished office upon the full re-election on May 28, 2024.
Director	Tatung Company Representative Wen-Hung Huang	4	0	4	100	Appointed upon complete re-election on May 28, 2024. The corporate representative and board member were reassigned and stepped down on May 31, 2024.
Director	Tatung Company Representative Chiu-Chan Hsu	4	0	4	100	Relinquished office upon the full re-election on May 28, 2024.
Director	Tatung Company Representative Tzu-Hao Chao	4	0	4	100	Relinquished office upon the full re-election on May 28, 2024.
Independent Director	Huang-Chi Yeh	7	0	7	100	Resigned on October 9, 2024
Independent Director	Yi-Cheng Shih	7	0	7	100	Appointed upon complete re-election on May 28, 2024; resigned on September 6, 2024

Title	Name	Actual number of attendance	Number of attendance by proxy	Number of Meetings Required to Attend	Actual attendance rate (%)	Remarks
Independent Director	Ying-Hwang Yang	4	0	4	100	Relinquished office upon the full re-election on May 28, 2024.
Independent Director	Maw-In Tsai	3	1	4	75	Relinquished office upon the full re-election on May 28, 2024.

Other items to be stated:

I. Where any of the following circumstances occurs to any meeting of the Board of Directors, the date, term and proposal of the meeting as well as the opinions of all the independent directors and actions taken by the Company on the opinions shall be specified:

(1) The matters listed in Article 14-3 of the Securities and Exchange Act: Our company has established an Audit Committee, and therefore does not fall under the provisions of Article 14-3 of the Securities and Exchange Act. For explanations regarding the matters listed in Article 14-5 of the Securities and Exchange Act, please refer to Chapter 2, Section 2 of this document.

(2) Apart from the aforementioned matters, other decisions made by the board of directors where independent directors dissented or reserved their opinions with recorded or written statements: None.

II. Where the implementation status of recusal bearing on the interest of a director is involved, the name of the director, proposal, reasons for the recusal, and participation in the voting shall be described: For details regarding the execution of abstention from voting on agenda items involving conflicts of interest, please refer to Section 9 of Chapter 2 of this document.

III. Please disclose the interval, period, scope, method and item of the self-evaluation (or peer evaluation) of the Board of Directors, and specify the implementation status of this evaluation: Refer to Chapter 1, Section 5 of this document.

IV. Evaluation of the goals and implementation statuses with respect to the enhancement of the functions of the Board of Directors in the current and most recent year:

(1) The Company has established the Rules of Procedure for Board of Directors Meetings and the meetings have proceeded accordingly.

(2) The Company has appointed independent directors, Audit Committee and Compensation Committee to implement corporate governance policies in compliance with the requirements of the competent authority.

(3) The Board members execute performance evaluation mutually every year in order to implement corporate governance properly, improve the function of the Board of Directors, set performance goals, and enhance the operating efficiency of the Board of Directors. Please refer to Chapter 1, Section 5 of this document for the performance evaluation result of Board of Directors in 2024.

## (II) Operations of the Audit Committee

The Audit Committee held 5 meetings in the most recent year (2024). The attendance of its members is described below:

Title	Name	Actual number of presence (attendance)	Number of attendance by proxy	Number of Meetings Required to Attend	Actual attendance rate (%)	Remarks
Convener (Chairperson)	Huang-Chi Yeh	5	0	5	100	Resigned on October 9, 2024.
Member	Jung-Ying Tai	2	0	2	100	
Member	Yi-Cheng Shih	2	0	2	100	Resigned on September 6, 2024.
Member	Ying-Hwang Yang	3	0	3	100	Relinquished office upon the full re-election on May 28, 2024.
Member	Maw-In Tsai	3	0	3	100	Relinquished office upon the full re-election on May 28, 2024.

Other items to be stated:

The Audit Committee assists the Board of Directors in fulfilling its supervision responsibility and executes the tasks imposed by the Company Act, Securities and Exchange Act, and other relevant laws and regulations. The Audit Committee operates mainly to ensure proper presentation in the financial reports of the Company; selection (dismissal), independence and performance of CPAs; effective implementation of the Company's internal control, legal compliance of the Company, and control of the existing or potential risks of the Company.

I. The focus of the work in the recent year (Year 2024) is as follows:

- Review the quarterly report, semi-annual report, annual financial report, the proposal for distribution profits and loss make-up proposal;
- Revise the internal control system and related policies and procedures;
- Material asset or derivatives transactions;
- Material lending funds, endorsements or guarantees;

- Hiring or dismissal of an attesting CPA, or the compensation given thereto;
- Significant investment evaluation and management; and
- Corporate risk management, etc.

II. Where any of the following circumstances occur to the operation of the Audit Committee, the date, term and proposal of the Audit Committee meeting as well as the dissent, reservation or major suggestion of any independent director, the Audit Committee resolution, and how the Company manage the Committee’s opinions shall be described.

Audit Committee	Proposal and subsequent action	The matters referred to in Article 14-5 of the Securities and Exchange Act	Any resolutions unapproved by the Audit Committee but passed by more than two-thirds of directors
4rd Board 15th meeting 2024/1/16	(1) Approved the Company's acquisition of right-of-use assets for real estate from Shang Chih Asset Development Co., Ltd.	V	None
4rd Board 16th meeting 2024/2/27	(1) Approved the 2023 business report and financial statements.	V	None
	(2) Approved the Company's 2023 Profit Distribution Proposal.	V	None
	(3) Approved the Company’s 2023 Statement of Internal Control.	V	None
	(4) Approved the 2024 certified public accountant's fees and Independence.	V	None
	(5) Approved the adoption of the Company's "Operating Procedures for the Preparation and Verification of Sustainability Reports" and related internal control systems (including the Internal Audit Implementation Rules).	V	None
Dissents, qualified opinions, or major suggestions of independent directors: None Audit Committee resolution: Adopted by all of the Audit Committee members. The Company’s action on Audit Committee’s opinions: Adopted by all the directors present at the meeting.			
4rd Board 17th meeting 2024/5/8	(1) Approved the 2024 Q1 consolidated financial reports	V	None
	Dissents, qualified opinions, or major suggestions of independent directors: None Audit Committee resolution: Adopted by all of the Audit Committee members. The Company’s action on Audit Committee’s opinions: Adopted by all the directors present at the meeting.		
5rd Board 2th meeting 2024/8/7	(1) Approved the 2024 Q2 consolidated financial reports	V	None
	(2) Approved the amendment of the Company's "Rules of Procedure for Board Meetings," "Organization Charter of the Audit Committee," "Operating Guidelines for Financial and Business Related Transactions between Related Parties," and related internal control systems.	V	None
	(3) Approved the releasing directors from non-competition restrictions.	V	None
	Dissents, qualified opinions, or major suggestions of independent directors: None Audit Committee resolution: Adopted by all of the Audit Committee members. The Company’s action on Audit Committee’s opinions: Adopted by all the directors present at the meeting.		

III. Where the implementation status of recusal bearing on the interest of an independent director is involved, the name of the independent director, proposal, reasons for the recusal, and participation in the voting shall be described: None.

IV. Communication of the independent directors with the chief internal auditor and CPA:

(1) The Audit Committee of the Company is composed of all the independent directors and holds at least one meeting every quarter. Additional meetings may be held whenever necessary.

(2) Communication of the chief internal auditor with the Audit Committee:

1. Regular – The chief internal auditor replied to the questions of the independent directors on the findings in the audit report of the Audit Committee and the progress of the improvement, and enhanced the audit work under the instructions of the Audit Committee to ensure the effectiveness of the internal control system. The matters concerned are described below:

Item	Communication	Result
Self-evaluation of internal control	The self-evaluation matters were reported to the Board of Directors pursuant to the “Regulations Governing Establishment of Internal Control Systems by Public Companies.”	The “Declaration of Internal Control System” showing the effective design and implementation of the self-evaluation under the internal control system was presented in accordance with the result of the internal control self-evaluation.

2. Irregular – Communication on the findings of the audit was usually conducted by phone or email or in person. The independent directors would be informed whenever any significant violations were identified.

Date	Matters of Communication
2024/2/27	1. From November 2023 to January 2024, Audit Implementation Report 2. Review of the 2023 Declaration of Internal Control System
2024/5/8	From February 2024 to March 2024, Audit Implementation Report
2024/8/7	From April 2024 to June 2024, Audit Implementation Report
2024/10/30	From July 2024 to September 2024, Audit Implementation Report
2024/12/12	1. From October 2024, Audit Implementation Report 2. Review of the 2025 Internal Audit Plan

(3) Communication of the CPA with the Audit Committee

1. Regular – When reviewing quarterly financial reports and auditing annual report, the CPAs communicated with the Audit Committee on the audit plan as well as the implementation status and result.
2. Irregular – Meetings will be arranged, if necessary, if communication is needed on any cases related to business operation or internal control.

Date	Matters of Communication
2024/2/27	1. CPAs were arranged to make a presentation to Audit Committee about the 2023 consolidated and separate financial reports. 2. CPAs discussed and communicated with the Audit Committee members and the attendees about their questions.
2024/5/8	1. CPAs were arranged to make a presentation to Audit Committee about the 2024 first quarter consolidated financial reports. 2. CPAs discussed and communicated with the Audit Committee members and the attendees about their questions.
2024/8/7	1. CPAs were arranged to make a presentation to Audit Committee about the 2024 second quarter consolidated financial reports. 2. CPAs discussed and communicated with the Audit Committee members and the attendees about their questions.



**(III) Status of corporate governance, deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and reasons for such deviations**

Evaluation item	Status			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
I. Has the Company established and disclosed its corporate governance principles based on the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”?	V		The Company has established the Corporate Governance Best Principles based on the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies,” and disclosed them on the MOPS and the website of the Company.	Compliant with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
II. Shareholding structure and shareholder’s equity				
(1) Does the Company have an internal procedure and handle shareholders’ suggestions, doubts, disputes, and litigations accordingly?	V		(1) In addition to commissioning professional stock service agents to handle shareholder related matters, the Company has disclosed an investor service section on the official website and provided the contact information of the spokesperson, deputy spokesperson, and designated stock service personnel. They are also responsible for the issues on shareholders’ suggestions or disputes.	Compliant with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
(2) Does the Company have the name list of the major shareholders who actually control the Company and the persons who have the ultimate control of the major shareholders?	V		(2) The Company refers to the register of shareholders provided by the stock service agent and applicable after the transfer suspension date to acquire the name list of the major shareholders who actually control the Company and the persons who have the ultimate control of the major shareholders, and report and disclose it pursuant to relevant laws and regulations.	
(3) Does the Company have risk control and firewall mechanisms in place to between the Company and its affiliates?	V		(3) The Company and the subsidiaries have established respective management regulations and delegation of authority table. The management responsibilities are defined explicitly and implemented properly. The internal control and the compliance with these regulations within the Company and the subsidiaries are reviewed respectively by the Internal Control Committee, internal audit unit, and external independent auditors on a regular basis to ensure the effectiveness of the risk control and firewall mechanisms.	
(4) Has the Company established internal regulations to prohibit insiders from using the information not available to the market to trade securities?	V		(4) The Company disseminates prevention of insider trading on a regular basis every year, and prohibits insiders from using information not available to the market to trade securities.	
III. Composition and responsibility of Board of Directors				
(1) Has the Board of Directors established and implemented diversity policies and specific	V		(1) The Company has established the diversity policies in Chapter 3 “Enhancement of the Board of Directors Function” of the “Corporate	Compliant with the Corporate Governance Best-Practice Principles for TWSE/TPEX

Evaluation item	Status			Deviations from Corporate Governance Best-Practice Principles for TWSE/ TPEX Listed Companies and reasons
	Yes	No	Summary	
management objectives?			Governance Best Principles.” The nomination and election of the Board members are conducted according to the Articles of Incorporation under the candidate nomination system. In addition to assessment of the candidates’ educational background, experience and qualification, we refer to the opinions of the stakeholders and observe the “Director Election Regulations” and “Corporate Governance Best Principles” to ensure the diversity and independence of the Board members, please refer to Chapter 1, Section 1, Point 5 of this document.	Listed Companies
(2) Apart from the Compensation Committee and Audit Committee, has the Company set up other functional committees at its own discretion?	V		(2) In addition to establishing the Compensation Committee and Audit Committee according to laws, the Company does not set up any other functional committees.	
(3) Does the Company have evaluation regulations for the performance of the Board of Directors and conduct regular performance evaluation every year? Does the Company submit the results of the performance evaluation to the Board of Directors? Are the results used as the basis for the remuneration to and nomination for re-election of individual directors?	V		(3) The Company has established the Director Performance Evaluation Regulations. The annual performance is evaluated based on the qualitative and quantitative objections every year and the result of the evaluation is disclosed on a regular basis. Please refer to Chapter 1, Section 5 of this document for the performance evaluation result of Board of Directors in 2024.	Compliant with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
(4) Does the Company review the independence of the CPAs on a regular basis?	V		(4) 1.The CPAs that the Company designates are not the directors, supervisors, managerial officers, employees, or shareholders of the Company or any of our affiliated companies, and they are surely not the stakeholders and have the independent judgment as required by the competent authority. 2.The Company assessed the competence and independence of the CPAs on a regular basis (once a year),require certified accountants to provide "Independent Statement" and "Audit Quality Indicators (AQIs)", including the following indicators: they do not assume any important accounting or financial report supervising positions of the Company, are not significantly related to the employment or business of the Company, do not hold any financial benefits related to the Company, no other financial interest or business relationship with the company other than the use of visa and tax documents, or refer to AQI index information, confirm that accountants and accounting firms have average audit experience	

Evaluation item	Status			Deviations from Corporate Governance Best-Practice Principles for TWSE/ TPEX Listed Companies and reasons
	Yes	No	Summary	
			and training hours and continue to introduce digital audit tools to improve audit quality. The assessment of the CPA's independence and competence in the most recent year was resolved and approved by the Board of Directors on April 24, 2025.	
IV. Does the TWSE/TPEX Listed company have an adequate number of corporate governance personnel with appropriate qualifications to be in charge of corporate governance affairs including, but not limited to, providing directors and supervisors with required information for business execution, handling relevant matters with board meetings and shareholders' meetings according to the laws, processing corporate registration and amendment registration, and preparing minutes of board meetings and shareholders' meetings?	V		<p>To implement the corporate governance and enhance the function of the Board of Directors on December 16, 2020, it adopted the appointment of the CFO Chiu-Chan Hsu as the Corporate Governance Officer since 2021 of the Company. She has had the experience in the management of the finance, stock affairs, and meeting agendas of the Company for more than three years, and completed 12 hours of corporate governance related courses in 2024.</p> <p>She takes the responsibility mainly for the supervision and implementation of the corporate governance, including:</p> <ol style="list-style-type: none"> <li>1. Planning and handling of matters related affairs, such as the schedule of the board meetings and the date of shareholders' meetings.</li> <li>2. Provision of required materials for the directors to perform their duties, and provision of meeting materials seven day prior to the board meeting.</li> <li>3. Preparation of meeting minutes for the Board of Directors, functional committees, and shareholders' meetings, and provision of these minutes within 20 days after the meeting.</li> <li>4. Assistance in assumption of office and continuing education of directors.</li> <li>5. Assistance to Board of Directors and functional committees in self-evaluation of performance.</li> <li>6. Supervision and improvement in the implementation of the Company's corporate governance.</li> <li>7. Assistance to directors in their legal compliance.</li> </ol> <p>The focus of implementation in 2024:</p> <ol style="list-style-type: none"> <li>1. Assistance to independent and regular directors in fulfillment of their duties, provision of required materials, and arrangement of their continuing education.</li> <li>2. Assistance to the Board of Directors and shareholders' meeting in meeting procedures and legal compliance of resolutions.</li> <li>3. Development of the agenda for the Board of Directors and notification to directors seven days prior to the meeting; convention of the meeting and provision of meeting materials, provided that a board meeting may be convened at any time in case of emergency; provision of a warning in advance if recusal is involved in the agenda; preparation of the minutes for the Board of Directors within 20 days after the meeting.</li> <li>4. Arrangement of registration prior to the shareholders' meeting; preparation of the meeting notice, meeting manual, and meeting minutes</li> </ol>	Compliant with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies

Evaluation item	Status			Deviations from Corporate Governance Best-Practice Principles for TWSE/ TPEX Listed Companies and reasons
	Yes	No	Summary	
			<p>within the statutory time frame; handling of the matters related to alternation registration after amendment of the Article of Incorporation or re-election of directors.</p> <p>5. Implementation of the education and training for officers and employees to enhance the knowledge of corporate governance and legal compliance.</p> <p>6. Play of a leading role in the planning and compilation of the Company's sustainability report to manifest the investment of the Company in ESG and enhance the visibility of the Company.</p>	Compliant with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
V. Has the Company established a communication channel for the stakeholders (including but not limited to stockholders, employees, customers and suppliers), set a stakeholder section on the Company's website, and responded to the stakeholders regarding their concerns over the material issues on corporate social responsibilities?	V		<p>The Company discloses finance and business information in accordance with laws. The shareholders, banks, creditors and debtors, employees, and other stakeholders can understand the operation status of the Company through our spokesperson and deputy spokesperson.</p> <p>There is a stakeholders' section on the official website of the Company. It provides a channel for them to raise their suggestions and complaints to the Company's management, Audit Committee, any director, and the Board of Directors.</p>	Compliant with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
VI. Does the Company commission a professional stock service agent to deal with the matters of shareholders' meetings?	V		We commission Grand Fortune Securities Co., Ltd. as an agent for the matters of shareholders' meetings.	Compliant with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
VII. Disclosure of information				
(1) Has the Company established a website for disclosure of finance, business, and corporate governance information?	V		(1) The Company has a corporate website that can be linked to the MOPS. A designated unit is responsible for the maintenance of the website, and we disclose the latest finance, business, and corporate governance information regularly and in a real-time manner.	Compliant with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
(2) Has the Company adopted other means to disclose information (e.g. English website, designation of specific personnel to collect and disclose corporate information, implementation of a spokesperson system, disclosure of investor conferences on the Company's website)?	V		(2) The Company's website is presented in Traditional Chinese and English, and can be linked to the websites of our subsidiaries. As for the maintenance of the website, a responsible unit is designated for collection and disclosure of the Company's information. We have established a spokesperson system according to the regulations and set up an investor conferences section on the website.	
(3) Has the Company announced and reported annual financial reports within two months	V		(3) The Company announced and filed its annual financial report within the statutory deadline, and announced and filed its financial reports for	

Evaluation item	Status			Deviations from Corporate Governance Best-Practice Principles for TWSE/ TPEX Listed Companies and reasons
	Yes	No	Summary	
after the end of a fiscal year, and announced and reported Q1, Q2, Q3 financial reports and the operating status of each month in advance of the prescribed deadline?			the first, second, and third quarters, as well as its monthly operating results, within the prescribed deadlines, without any early filings.	Compliant with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
VIII. Does the Company have other information that enables a better understanding of the Company's corporate governance practices (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholders' rights, continuing education of directors/supervisors, implementation of risk management policies and risk assessment standards, implementation of customer policies, and insuring against liabilities of Company's directors and supervisors)?	V		<p>(1) Employee rights and care: In addition to acting in accordance with the Labor Standards Act and relevant laws and regulations, setting up the Employee Welfare Committee and the Employee Shareholding Committee, and implementing the pension system, the Company arranges and encourages employees to participate in domestic and overseas training and technology workshops, takes out group insurance for the employees, values the employee rights, provides equal employment opportunities, and encourages employees to participate in electronic voting.</p> <p>(2) Investor relations: The Company discloses relevant information pursuant to laws and regulations. We have a spokesperson and a deputy spokesperson to announce messages and answer questions on behalf of the Company. There is an investor information section on our official website. This enables the shareholders to understand the operation status of the Company at any time and can protect the rights of the investors.</p> <p>(3) Supplier relations and stakeholders' rights: We maintain a good communication channels for suppliers, customers, banks and other creditors and debtors, and have a good collaboration relationship with them. There is an Audit Committee mailbox on our official website. It provides a channel for them to raise their suggestions and complaints to the Company's management, Audit Committee, any director, and the Board of Directors.</p> <p>(4) Regarding directors' continuing education: In 2024, all 7 directors (including independent directors) of the Company completed the required continuing education hours in accordance with the "Key Points for Directors and Supervisors of Listed and OTC Companies to Receive Continuing Education."</p> <p>(5) Implementation of risk management policies and risk assessment standards · refer to Chapter 7 of 5 document.</p> <p>(6) Implementation of customer policies: The Company is a member of the information service industry. We provide attentive</p>	Compliant with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies

Evaluation item	Status			Deviations from Corporate Governance Best-Practice Principles for TWSE/ TPEX Listed Companies and reasons
	Yes	No	Summary	
			<p>aftersales services by setting up a 0800 customer service hotline and an online repair reporting and query website to provide consumers and customer with consultations and services.</p> <p>(7) Insuring against liabilities of Company's directors and supervisors: We have taken out 2025 liability insurance for the directors and important employees, and reported it at the Board of Directors meeting on March 3, 2025.</p> <p>(8) The Company has established the Board of Directors and shareholders' meeting procedures and the audit and Compensation Committee charters. The meetings are held in accordance with these procedures and charters properly and the contents of the meetings are disclosed after they are held.</p>	Compliant with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
<p>IX. Improvements made based on the corporate governance evaluation result announced by the Company in the most recent year and the prioritized improvements and measures for areas to be improved.</p> <p>(1) Matters improved</p> <ol style="list-style-type: none"> <li>1. The company has prepared and uploaded a sustainability report according to the Global Reporting Initiative (GRI) guidelines by the end of September, available on the Public Information Observation Platform and the company's website.</li> <li>2. The Company's Sustainability Report has been submitted to and approved by the Board of Directors.</li> <li>3. The Company's Sustainability Report has obtained third-party verification.</li> </ol> <p>(2) Matters to be improved</p> <ol style="list-style-type: none"> <li>1. Does the Company disclose a policy linking the compensation of senior management to ESG-related performance evaluations?</li> <li>2. Does the Company regularly conduct employee satisfaction surveys and disclose the implementation status and improvement plans?</li> <li>3. Has the Company established a personal data protection policy and disclosed its content and implementation status?</li> </ol>				

#### (IV) Information about the members of the Compensation Committee and its operation

##### 1. Information about Compensation Committee members:

March 31, 2025

Member type Name		Criteria	Professional qualifications and experiences	Independence	Number of other public companies where the member also serves in a Compensation Committee
Independent Director (Convener)	Jung-Ying Tai (Note)		Refer to Chapter 1, Section 1 of this document.	Meets the independence qualifications stipulated in Article 6 of the	0

Member type Name		Criteria	Professional qualifications and experiences	Independence	Number of other public companies where the member also serves in a Compensation Committee
Member	Ching-Lung Lee		Doctor of Horticulture, Leibniz University Hannover, Germany Minister, Council of Agriculture, Executive Yuan Chairman, Taiwan Fertilizer Co., Ltd. National Policy Advisor to the President Chairman, Chia Fu Co., Ltd. Chairman, Berks Biotechnology Co., Ltd. Independent Director, Sinphar Pharmaceutical Co., Ltd. Independent Director, Welgene Biotech Co., Ltd. Adjunct Professor, National Taiwan University Chair Professor, National Chung Hsing University	"Regulations Governing the Establishment and Exercise of Powers of the Compensation Committee of Companies Whose Stock is Listed on the Stock Exchange or Traded Over-the-Counter."	1
Member	Tai-Feng Huang		Bachelor of Laws, Soochow University Independent Director, Tounge Loong Textile Mfg. Co., Ltd. Director, Honyi Precision Industry Co., Ltd. Director, Forward Media Ltd. Attorney-at-Law, Tai-Lee Attorneys-at-Law Mediator, Taipei District Court Arbitrator, Chinese Arbitration Association, Taiwan Construction Arbitration Association		1

Note: The Compensation Committee elected Ms. Jung-Ying Tai as the convener by written resolution on November 20, 2024.

2. Duties of the Compensation Committee:

- (1) Stipulate and regularly review the compensation policies, systems, standards and structures, and performance of directors and managers.
- (2) Regularly review and adjust directors' and managers' remuneration.

3. The Operation of the Compensation Committee:

- (1) The Compensation Committee of the Company is comprised of three members.
- (2) Duration of service for the current term: From June 20, 2024 to May 27, 2027. The Committee held 4 meetings in the most recent year (2024). The qualifications and attendance of the Committee

Title	Name	Actual number of presence (attendance)	Number of attendance by proxy	Number of Meetings Required to Attend	Actual attendance rate (%)	Remarks
Convener (Chairperson)	Jung-Ying Tai	1	0	1	100	Appointed on November 20, 2024.
Member	Ching-Lung Lee	3	0	3	100	Appointed on June 20, 2024.
Member	Tai-Feng Huang	1	0	1	100	Appointed on November 20, 2024.
Member	Yi-Cheng Shih	2	0	2	100	Resigned on September 6, 2024.
Member	Huang-Chi Yeh	3	0	3	100	Resigned on October 9, 2024.
Member	Ying-Hwang Yang	1	0	1	100	Relinquished office upon the full re-election on May 28, 2024.

Member	Maw-In Tsai	1	0	1	100	Relinquished office upon the full re-election on May 28, 2024.
<p>Other items to be stated:</p> <p>I. If the Board of Directors does not adopt or revise the suggestions of the Compensation Committee, the decision must indicate the date of Board of Directors meeting, term, contents of the proposal, Board of Directors resolution and how we handle the Committee's opinions (if the amount of remuneration adopted by the Board of Directors is higher than that suggested by the Committee, the differences and reasons must be indicated): None</p> <p>II. In the event that any member of the Compensation Committee has expressed dissent or reservation over the Committee's decisions, and that the dissent or reservation has been recorded or delivered in writing, the decision shall indicate the date of the Committee's meeting, term, contents of the proposal, opinions of all the members, and how the opinions of a member is handled: None</p>						

(3)The Compensation Committee's discussions and resolutions in 2024:members are described below

Date	Proposal	Resolution result
2024/2/23	1. Distribution of the remuneration to employees and directors in 2023.	The case has been approved by the full Compensation Committee and is submitted for resolution by the Board of Directors.
2024/6/20	1. Nomination of the Chairman and Meeting Chair of the 6th Remuneration Committee.	Mr. Huang-Chi Yeh was unanimously elected by the entire Remuneration Committee to serve as the Chairman of the 6th Remuneration Committee.
2024/8/5	1. Amending the Company's "Regulations Governing the Remuneration of Directors, Independent Directors, and Functional Committee Members."	The case has been approved by the full Compensation Committee and is submitted for resolution by the Board of Directors.
2024/12/12	1. Review and Amendment of the Company's "Board of Directors Performance Evaluation Measures" and "Managerial Salary and Compensation System." 2. Distribution of operating performance bonus to managerial officers in 2024.	The case has been approved by the full Compensation Committee and is submitted for resolution by the Board of Directors.



**(V) Implementation status of sustainable development, deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies, and reasons for such deviations**

Implementation Item	Implementation status			Deviations the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
I. Does the Company have a governance structure that promotes sustainable development, and have a special unit or designate an existing unit for the task of sustainable development promotion? Does the Board of Directors of the Company authorize the management to handle relevant matters? How does the Board of Directors conduct supervision?	V		<p>1. The Company complies with the <i>Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies</i> and relevant regulations. In 2014, we established the "Corporate Social Responsibility Principles," which were later revised in 2022 as the <i>Sustainability Development Best Practice Principles</i> to reflect our ESG policy vision and mission. These Principles were reviewed by the Audit Committee, approved by the Board of Directors, and reported at the Shareholders' Meeting. Any subsequent amendments follow the same procedure. The content is publicly available on the Company's official website under the Corporate Sustainability section.</p> <p>2. To promote sustainable development, the Company has established the <i>Sustainability Promotion Task Force</i>, chaired by the President and coordinated by the CFO and Corporate Governance Officer. In Q4 2024, a cross-functional <i>IFRS Sustainability Disclosure Project Task Force</i> was also established, with Director Pei-Chun Lu appointed as Supervising Director, participating in the operation and supervision of the responsible units. The task force holds quarterly meetings and organizes sub-groups based on specific topics. The main sub-groups are:</p> <p>2.1. <b>Environmental Sustainability Group</b> – Responsible for promoting environmental sustainability and sustainable supply chain initiatives, including green procurement and efforts to reduce environmental impacts from transportation.</p> <p>2.2. <b>Corporate Governance Group</b> – Focused on promoting ethical business practices and strengthening the functions of the Board. This group also regularly promotes and establishes regulations to ensure employee compliance.</p> <p>2.3. <b>Social Responsibility Group</b> – Responsible for promoting employee well-being and community engagement initiatives, fostering a happy workplace, and encouraging employee participation in sustainability and social responsibility activities.</p> <p>2.4. <b>Business Continuity Group</b> – In charge of managing risk and information security to ensure ongoing business operations.</p> <p>The annual implementation status of these initiatives is disclosed in detail on the Company's official website under the Sustainability section, offering stakeholders transparent insight into our progress on sustainability initiatives.</p> <p>3. The Board of Directors regularly receives reports from the management team regarding corporate strategies. Management is responsible for proposing strategic plans to the Board, which then evaluates the feasibility and monitors the implementation progress. When necessary, the Board urges adjustments to ensure alignment with the Company's long-term objectives. Once approved by the Board, major strategies may also be reported to the Shareholders' Meeting. When shareholders propose resolutions related to corporate sustainability, the Board of Directors is encouraged to consider including them in the agenda of the Shareholders' Meeting.</p>	Report based on the implementation status of the Company's Sustainable Development Best Practice Principles.

Implementation Item	Implementation status			Deviations the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons						
	Yes	No	Summary							
II. Does the Company conduct risk assessment for 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		<div><div><div>1. The disclosed information covers the Company's performance at its major operating sites from January to December 2024. The risk assessment boundary focuses on the Company itself, with wholly-owned domestic subsidiaries included in scope based on their relevance to core business operations and impact on material topics.</div><div>2. The Company provides communication channels for stakeholders (shareholders, employees, suppliers, customers, etc.) to make inquiries and express opinions. A materiality questionnaire was used to identify key sustainability topics across environmental, social, and governance (ESG) dimensions. In evaluating material topics, we referred to the Global Reporting Initiative (GRI) Standards, the Sustainability Accounting Standards Board (SASB) industry standards for Software &amp; IT Services, and the United Nations Sustainable Development Goals (SDGs). Risk management policies and strategies were formulated accordingly, enabling effective identification, measurement, control, and mitigation of risks through concrete action plans.</div><div>3. Based on the evaluated risks, the Company has established the following risk management policies and strategies:</div></div><table><thead><tr><th>Material topic:</th><th>Risk assessment item</th><th>Description</th></tr></thead><tbody><tr><td>Environment</td><td>Environmental impact and management</td><td><div><div>1. As an information service provider, the Company does not operate factories or use manufacturing machinery. Its main environmental impacts—carbon footprint, water footprint, and waste—are primarily generated from office operations. In response, the Company announced its Environmental Policy in 2022 and approved the "Energy Management Guidelines" and "Waste Management Guidelines" in 2024, continuing to promote environmental awareness among employees and suppliers.</div><div>2. The Company conducts regular greenhouse gas (GHG) inventories to assess operational impacts. Based on the findings, carbon reduction measures are implemented to mitigate emissions from business vehicle use (Scope 1) and electricity consumption (Scope 2).</div><div>3. For more details on climate risk management, refer to the "Climate Risk Governance" section of the latest Sustainability Report.</div></div></td></tr></tbody></table></div>	Material topic:	Risk assessment item	Description	Environment	Environmental impact and management	<div><div>1. As an information service provider, the Company does not operate factories or use manufacturing machinery. Its main environmental impacts—carbon footprint, water footprint, and waste—are primarily generated from office operations. In response, the Company announced its Environmental Policy in 2022 and approved the "Energy Management Guidelines" and "Waste Management Guidelines" in 2024, continuing to promote environmental awareness among employees and suppliers.</div><div>2. The Company conducts regular greenhouse gas (GHG) inventories to assess operational impacts. Based on the findings, carbon reduction measures are implemented to mitigate emissions from business vehicle use (Scope 1) and electricity consumption (Scope 2).</div><div>3. For more details on climate risk management, refer to the "Climate Risk Governance" section of the latest Sustainability Report.</div></div>	Report based on the implementation status of the Company's Sustainable Development Best Practice Principles.
Material topic:	Risk assessment item	Description								
Environment	Environmental impact and management	<div><div>1. As an information service provider, the Company does not operate factories or use manufacturing machinery. Its main environmental impacts—carbon footprint, water footprint, and waste—are primarily generated from office operations. In response, the Company announced its Environmental Policy in 2022 and approved the "Energy Management Guidelines" and "Waste Management Guidelines" in 2024, continuing to promote environmental awareness among employees and suppliers.</div><div>2. The Company conducts regular greenhouse gas (GHG) inventories to assess operational impacts. Based on the findings, carbon reduction measures are implemented to mitigate emissions from business vehicle use (Scope 1) and electricity consumption (Scope 2).</div><div>3. For more details on climate risk management, refer to the "Climate Risk Governance" section of the latest Sustainability Report.</div></div>								

Implementation Item	Implementation status			Summary	Deviations the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No			
			Society	<p>Occupational safety</p> <ol style="list-style-type: none"> <li>1. The Company provides group insurance coverage for all employees and offers regular free health check-ups. In December 2024, the Company successfully renewed its ISO 45001 certification.</li> <li>2. Occupational physicians, nurses, and HSE staff regularly organize health management activities, wellness seminars, and safety inspections to ensure employee safety and strengthen awareness, continuously enhancing internal and external occupational health and safety.</li> <li>3. Since 2020, in response to the COVID-19 pandemic, the Company has implemented digital health management measures, including temperature tracking, screening reporting, and contact tracing.</li> <li>4. Fire drills and occupational safety training are held annually to develop employees' emergency response and self-safety management capabilities.</li> <li>5. For the latest updates, refer to the "Happy Workplace" section of the Company's website and Sustainability Report.</li> </ol>	
				<p>Service quality and safety</p> <ol style="list-style-type: none"> <li>1. Through ISO 20000 and ISO 27001 certifications, and the planned implementation of ISO 27701 in the second half of 2024, including training, the Company continuously improves its management and service systems. The Company is registered with the Administration for Digital Industries, Ministry of Digital Affairs, under IT services, information security services, and AI technology services—working with enterprise clients to build a competitive digital environment.</li> <li>2. Dedicated hotlines and service emails are available to respond to customer product inquiries. An 0800 customer service line and an online repair request system provide attentive after-sales support.</li> </ol>	

Implementation Item	Implementation status					Deviations the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary			
			Corporate governance	Socio-economic and legal compliance	The Company ensures full compliance with relevant laws and regulations through governance structures and internal control mechanisms.	
				Strengthen the functions of directors	1. Plan relevant training topics for directors and provide directors with the latest laws, regulations, system developments and policies every year. 2. Providing directors with directors' liability insurance to protect them from possible litigation and claims and to help strengthen corporate governance.	
				Stakeholder communication	1. The Company identifies key stakeholders and issues of concern to reduce misunderstandings or conflicts that could pose operational or legal risks. 2. Multiple communication channels are maintained to foster engagement and reduce opposition or misunderstanding. An investor mailbox is available, managed and responded to by the Company spokesperson.	
III. Environmental issues (1) Does the Company have an appropriate environmental management system established in accordance with its industrial characteristics?	V		(1) The Company is located within the Group's industrial complex. Since 1996, the Group has implemented an ISO 14001 environmental management system to continuously enhance environmental performance. As an information service provider, the Company is not involved in manufacturing and therefore does not generate pollution typical of factory operations. Internally, the Company promotes various energy-saving and carbon-reduction policies, including implementing electronic document and approval systems. In response to environmental impacts, the Company announced its Environmental Policy in 2022 and, in 2024, approved the "Energy Management Guidelines" and "Waste Management Guidelines." These initiatives aim to raise sustainability awareness among employees and suppliers, leveraging our expertise in information services to contribute to energy efficiency and waste reduction. Since 2023, the Company has presented quarterly reports to the Board of Directors on greenhouse gas (GHG) inventory and verification schedules. Following the ISO 14064-1 verification standard, the Company initiated internal GHG inventory procedures in Q1 2023. To strengthen our capability in tracking emissions, employees were sent to attend ISO 14064-1 internal verification training, cultivating in-house GHG inventory specialists. This supports the implementation of ISO 14064-1-compliant GHG management systems across offices and subsidiaries. In 2024, the Company engaged external consultants and successfully obtained ISO 14064-1 verification, laying a solid foundation for long-term carbon inventory practices. Regular updates on GHG project progress are reported			Report based on the implementation status of the Company's Sustainable Development Best Practice Principles.

Implementation Item	Implementation status			Deviations the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
(2) Is the Company dedicated to enhancing energy efficiency and using recycled materials with low impact on the environment?	V		<p>to the Board. Going forward, annual GHG inventories and emission reduction tracking will be conducted, with results disclosed publicly.</p> <p>(2) The Company actively promotes energy-saving measures and continually enhances its digital approval systems to reduce paper usage and environmental impact. Electronic document management and HR systems have replaced traditional paper workflows, while resource recycling and waste sorting stations have been installed on each office floor.</p> <p>To improve energy efficiency and recycling, obsolete IT equipment is properly classified and processed. Discarded computers and toner cartridges are recycled. Data-bearing media such as hard drives undergo secure deletion and physical destruction before disposal, in compliance with data protection regulations and environmental recycling principles.</p> <p>In August 2022, a cross-functional Green Procurement Task Force was established to purchase environmentally certified products. The Company received the Environmental Protection Administration's "Green Office" certification and has actively promoted green procurement. In 2024, local procurement accounted for approximately 89.67% of total expenditure, with green procurement totaling NT\$3,062,746.</p> <p>For the products we distribute, energy-efficient devices certified by the original manufacturers have been included in our product listings. This encourages suppliers to invest in energy-saving R&amp;D, contributing to our shared corporate social responsibility goals. Some of these products have also received the Taiwan Energy Label.</p>	
(3) Does the Company assess the current and future risks and opportunities which climate change potentially brings to the Company? Does the Company take measures in response to climate-related issues?	V		<p>(3) Following a risk assessment, the Company analyzed the financial impact of climate change and developed annual adaptation strategies. Disclosures include the "Climate-Related Risks and Financial Impacts" and "Climate-Related Opportunities and Financial Impacts" tables. Leveraging core competencies, the Company is committed to ESG-driven innovation and has launched carbon-reduction solutions for clients, such as the ESG AIoT Command Center, telemedicine consultation systems, and AIoT smart low-carbon restrooms.</p> <p>To address climate-related business risks, the Company has formulated emergency disaster response protocols and regularly conducts emergency drills and workplace safety inspections to protect employee safety and ensure uninterrupted services. For more information on our climate risk response, please refer to the "Climate Governance" section of our annual Sustainability Report.</p>	
(4) Does the Company make statistics of the greenhouse gas emissions, water consumption and total waste weight in the past two years? Does the Company have policies for reduction of greenhouse gas emissions, reduction of water	V		<p>(4) In line with government environmental policies, the Company is dedicated to implementing energy-saving and carbon-reduction strategies. On December 20, 2024, the Company approved the "Energy Management Guidelines" and "Waste Management Guidelines," reinforcing efforts in energy and waste management and resource recycling. Air conditioning equipment is serviced and cleaned biannually (May and October), and lighting fixtures are being progressively replaced with energy-saving LED panel lights. These upgrades enhance HVAC efficiency and reduce equipment load, achieving maximum energy-saving and carbon-reduction benefits. The Company remains committed to fulfilling its corporate social responsibility and ensuring sustainable operations through GHG</p>	

Implementation Item	Implementation status			Deviations the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons															
	Yes	No	Summary																
consumption or other waste management policies?			<div>inventories, identification of major CO<sub>2</sub> emission sources, and effective reduction measures.</div> <div>(i)Main Greenhouse Gas Emission Sources (Metric tons CO<sub>2</sub>e):</div> <table><tr><th>Category</th><th>2023 (FY112)</th><th>2024 (FY113)</th></tr><tr><td>Scope 1</td><td>147.3272</td><td>110.0963</td></tr><tr><td>Scope 2</td><td>1,104.8641</td><td>1081.4353</td></tr><tr><td>Scope 3</td><td>552.4906</td><td>323.1997</td></tr><tr><td>Total</td><td>1,804.6819</td><td>1514.731</td></tr></table> <div>(ii)Water Consumption: The Company’s water use is limited to domestic usage in office settings, sourced entirely from municipal tap water. Water consumption data is not yet included in the inventory. Recognizing that water is a shared and precious resource, the Company actively manages its usage, promotes water conservation awareness, and adopts water-efficient equipment with conservation labels. Sensor faucets are installed, and regular maintenance of water storage and piping systems is conducted to prevent waste and embed water-saving practices into daily routines.</div> <div>(iii) Waste Management: In 2024, the Company approved the “Waste Management Guidelines,” which govern the disposal of outdated or damaged IT equipment. Reusable components are extracted, and the remaining equipment is sold to certified recyclers to maximize energy conservation and emission reduction. A licensed waste handler designated by the Group’s facility operator, Tatung Co., is contracted for recycling and sorting, minimizing environmental harm. To prevent pollution and data leaks, the Company tracks waste flows through in-transit monitoring and collaborates with recyclers accordingly. These practices are shared in supplier ESG meetings, along with packaging reuse initiatives, to collectively build a more sustainable environment.</div> <div>2. Greenhouse gas reduction, water consumption reduction or other waste management policies</div> <div>(i) The Company has implemented multiple policies and initiatives to reduce greenhouse gas emissions, including green procurement, green emission reduction, and green resource recycling. Internally, we promote paperless operations and externally, we have digitalized customer services. We are progressively replacing traditional paper documentation with electronic transmission methods. In addition, we promote water conservation by replacing facilities with energy- and water-efficient devices and upgrading lighting, air conditioning, and electrical equipment to energy-saving alternatives.</div>	Category	2023 (FY112)	2024 (FY113)	Scope 1	147.3272	110.0963	Scope 2	1,104.8641	1081.4353	Scope 3	552.4906	323.1997	Total	1,804.6819	1514.731	
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Implementation Item	Implementation status			Deviations the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
			<p>We proactively monitor the Company's carbon emissions, manage energy usage, and conduct greenhouse gas inventories. In accordance with legal requirements and in coordination with Tatung Company's timeline to complete third-party greenhouse gas verification ahead of 2025, we completed internal greenhouse gas inventory work and external verification in 2024 following the ISO 14064-1 standard. On December 20, the Company also approved the Energy Management Policy and Waste Management Policy to continuously promote energy management, waste management, and resource recycling. Going forward, we will conduct greenhouse gas inventories and verifications annually, track emission reduction results, and publicly disclose our performance.</p> <p>(ii) The Company actively formulates carbon reduction strategies and voluntarily discloses greenhouse gas emissions, referencing methodologies and principles from initiatives such as the Science Based Targets initiative (SBTi). In terms of products and services, The Company also supports customers in reducing carbon emissions generated by their own data centers by providing cloud-based solutions and services. To achieve carbon reduction goals, we collaborate with original equipment manufacturers to offer environmentally friendly and high-performance commercial computers and have introduced solutions such as the ESG AIoT Command and Control System to help enterprises navigate sustainable net-zero and carbon reduction transitions.</p>	
IV. Social issues				
(1) Does the Company have management policies and procedures in accordance with relevant regulations and international human rights conventions?	V		(1) The Company has established and announced a Human Rights Policy, and formulated relevant labor management regulations in compliance with laws and in accordance with international human rights conventions and fundamental labor rights principles to safeguard employees' basic rights. The Company's hiring policy upholds equal treatment without discrimination and regularly promotes awareness of labor laws. To facilitate labor-management relations and cooperation, a labor-management meeting is held in accordance with legal requirements to promote harmony in the workplace. In addition, the Company has established an Employee Welfare Committee to offer various subsidies and activities for employees.	Report based on the implementation status of the Company's Sustainable Development Best Practice Principles.
(2) Does the Company establish and implement reasonable employee benefit measures (including remuneration, leave and other benefits)? Is the operating performance or results properly reflected in the remuneration for employees?	V		(2) Employee remuneration The Company regards talent as a core source of competitiveness and differentiation, and thus as one of its most valuable assets. The Company is committed to offering competitive compensation and benefits to attract, cultivate, develop, and motivate outstanding talent. To attract top candidates, the Company guarantees a year-end bonus equivalent to one month's salary and provides holiday bonuses totaling 0.5 months for the Dragon Boat Festival and Mid-Autumn Festival. Based on individual performance evaluations and contributions, eligible employees are awarded performance bonuses. Regular employees with over two years of tenure may participate in the employee profit-sharing program, encouraging collective efforts toward corporate goals. In 2024, the salaries of full-time non-managerial employees increased by 5.3%. The Company continues to enhance its Job Plan & Review system, implementing one-on-one performance discussions between supervisors and employees and conducting satisfaction assessments.	

Implementation Item	Implementation status			Deviations the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
			<p>Employee welfare measures</p> <p>The Company's Employee Welfare Committee allocates over NT\$3 million annually to provide high-quality benefits, including subsidies for employee travel, continuing education courses, birthday gifts, marriage and childbirth allowances, and condolence payments.</p> <p>In terms of attendance and leave policies, the Company utilizes an app-based check-in/check-out system and offers one hour of flexible work time daily. In addition to regular weekends off, employees with one year of service are granted ten days of annual leave. Employees may also apply for unpaid leave under circumstances such as childcare, major illness, or personal emergencies, ensuring a balance between work and family responsibilities.</p> <p>Since 2023, the "Work-Life Balance Leave Incentive Program" has been implemented to encourage employees to take leave while offering bonuses, enriching their personal time and enhancing organizational resilience. The Company also promotes participation in public welfare activities and provides volunteer leave as an incentive.</p> <p>Workplace diversity and equality</p> <p>The Company values the uniqueness of each employee and is committed to creating an inclusive and diverse workplace. We embrace and respect employees from diverse backgrounds and actively foster a more supportive work environment for female employees, including the provision of comfortable lactation rooms. We strive to achieve equal pay and advancement opportunities for all genders. In 2024, women accounted for 30% of the workforce, and female managers made up 20% of all managerial roles.</p> <p>The Company is committed to protecting employee rights and fostering a healthy work environment, including physical and mental well-being: (1) The employment of individuals with disabilities complies with government regulations. (2) Tailored rehabilitation and return-to-work plans are provided in consultation with occupational physicians for injured employees. (3) Foreign employees are treated equally in recruitment, development, retention, cultural integration, and health and safety. (4) The Company promotes a "Happy Workplace" initiative through a reporting feature in the employee app that allows for environmental improvement suggestions, enabling collective efforts to enhance workplace safety and comfort.</p> <p>Operating performance is reflected in employee salaries</p> <p>The Company participates in annual market salary surveys and adjusts employee compensation based on market standards, economic trends, and individual performance to maintain competitive pay levels.</p> <p>In accordance with Article 31 of the Company's Articles of Incorporation, 5% to 15% of annual profit is allocated to employee remuneration to ensure that business achievements are shared.</p> <p>The Company's employee benefit measures (including salary, leave, and other perks) are designed to reflect operating results. In addition to distributing employee bonuses based on performance, the Company has implemented an Employee Stock Purchase Plan (ESPP) with subsidies to enable employees to share in corporate success. Volunteer leave is also offered to encourage employee participation in community service and social contribution.</p>	



Implementation Item	Implementation status			Deviations the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
(3) Does the Company provide employee with a safe and healthy work environment, and provide safety and health education to employees regularly?	V		<p>(3) Occupational safety and health policy</p> <p>In 2024, the Company successfully passed the periodic audit for ISO 45001 certification, and continues to enhance workplace safety and health (ISO 45001:2018 certified by SGS Taiwan, valid until 2026/12/16).</p> <p>The Company is the first ICT system integrator in Taiwan to receive ISO 45001 certification, which it has maintained since 2020. We systematically improve workplace conditions and safeguard employee health and safety, including subcontractor and vendor personnel, thereby earning customer trust and improving operational performance.</p> <p>To protect employees, the Company provides group insurance, conducts regular free health check-ups, and organizes various health promotion programs and occupational safety inspections through collaboration with occupational physicians, nurses, and safety personnel. These efforts aim to raise awareness and reduce potential hazards.</p> <p>The Company also provides lactation rooms to support working mothers, ensuring a friendly post-maternity work environment. In response to COVID-19, since 2020, the Company has implemented digital health management tools such as temperature tracking and screening notifications.</p> <p>In 2021, the Company was recognized by Common Health Magazine as a CHR Healthy Workplace Citizen and continues to promote initiatives focused on knowledge, activity, nutrition, and mental wellness. It has also received certifications from Taiwan's Ministry of Education and Ministry of Health and Welfare, fostering a healthy workplace and supportive environment. These health and safety measures are continually optimized through digital reporting via the employee app.</p>	
(4) Does the Company have effective programs for development and training regarding employees' career skills?	V		<p>(4) The Company places great importance on employee training, believing that the foundation of corporate differentiation lies in human capital. With over 40 specialized job types across four professional categories, each role has 5–6 identified competencies, allowing for clear identification of employee strengths and development needs to shape talent development strategies.</p> <p>We have established development and retention programs that encourage continuous learning. Personal development plans are discussed alongside performance appraisals to ensure growth in both professional and personal dimensions. In addition to the core competencies of innovation, service, teamwork, and integrity, we have added communication and learning to foster a strong learning organization culture. In 2024, training sessions reached a total of 9,740 participants, accumulating 20,163 training hours.</p>	
(5) Does the Company conform to the relevant regulations and international standards with respect to customer health and safety, customer privacy, marketing, labeling for	V		<p>(5) 1. The Company has obtained certifications for ISO 27001 Information Security Management, ISO 20000 IT Service Management, and is registered under the Ministry of Digital Affairs' Digital Service Capacity Registry for IT services, cybersecurity services, and AI technology services. In the second half of 2024, the Company began implementing ISO 27701 Privacy Information Management System training, aiming for certification in 2025. These efforts establish a comprehensive digital service framework to help enterprise clients build a competitive IT environment.</p>	

Implementation Item	Implementation status			Deviations the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
<p>products and services an other issues? Does your company establish the relevant consumer or customer rights protection policies and complaint procedures?</p> <p>(6) Does the Company have a supplier management policy that requires suppliers to comply with the regulations concerning environmental protection, occupational safety and health or labor rights? What's the status of its implementation?</p>	V		<p>2. The Company maintains dedicated hotlines and consultation email accounts for addressing customer inquiries regarding products. Additionally, a toll-free customer service line and an online repair tracking website are provided to ensure attentive and convenient after-sales service.</p> <p>(6) The Company includes energy-saving electronic products in its sales portfolio, encouraging suppliers to develop low-carbon products as part of its corporate social responsibility. Priority is given to environmentally certified products, and the Company's green procurement reached NT\$3,062,746 in 2024. Some sold IT products have also obtained Taiwan's Energy Saving Label. In addition to signing standard contracts, the Company requests suppliers to sign a "Supplier Sustainability Commitment," covering key issues such as environmental protection, labor rights, occupational safety and health, and information security. In 2024, the Company revised its "Supplier Sustainability Policy" to align with international initiatives on sustainability, environmental protection, and human rights, inviting partners to jointly commit. Supplier site visits are planned to promote mutual learning and growth. In 2024, the Company conducted sustainability outreach to 641 suppliers, introduced 114 new suppliers, all of whom signed the commitment. ESG-related investigations included 30 written surveys and four onsite visits to assess SDG progress and implementation.</p>	
<p>V. Does the Company use internationally accepted standards or guidelines as a reference for preparation of reports, compilation of the corporate sustainability report, and other reports disclosing non-financial information of the Company? Are assurance or guarantee opinions from any third-party verifying agent acquired for the aforementioned reports?</p>		V	<p>In 2024, the Company's sustainability report was verified by BSI Group Singapore Pte. Ltd., Taiwan Branch, based on the AA1000AS v3 standard with Type 1 and Moderate Assurance level. The report follows international frameworks including the Global Reporting Initiative (GRI) Standards, the industry-specific standards from the Sustainability Accounting Standards Board (SASB) for Software &amp; IT Services, and references the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), aiming to align with global sustainability disclosure practices.</p>	<p>Report based on the implementation status of the Company's Sustainable Development Best Practice Principles.</p>
<p>VI. In the event that the Company has established sustainable development best-practice principles in accordance with the "Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies," please describe the deviations between the implementation and the established principles: No difference.</p>				
<p>VII. Other information useful for understanding of the implementation of sustainable development:</p>				

Implementation Item	Implementation status			Deviations the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
TSTI was honored with the <u>Platinum Award</u> in the <u>2024 17th Taiwan Corporate Sustainability Awards</u> (TCSA) under the <i>Sustainability Report Category</i> , recognizing the company’s outstanding efforts in sustainable development.				
For more key disclosures and insights into our sustainability performance and implementation, please refer to the latest annual <u>TSTI ESG Report</u> , available in the Corporate Sustainability section of our official website. (Official Website > Corporate Sustainability) ( <a href="https://www.etatung.com/Home/ShowProductionInfoIdea?ID=c466ff7b-4c8b-4b1b-a91c-5d9fd2de5ad3">https://www.etatung.com/Home/ShowProductionInfoIdea?ID=c466ff7b-4c8b-4b1b-a91c-5d9fd2de5ad3</a> )				

## VIII. : Implementation of Climate-Related Information

Item	Situation
1. Describe the board and management's oversight and governance of climate-related risks and opportunities.	<p>Since 2022, the Company has established the "Sustainable Development Practice Guidelines" and formed a dedicated unit — the "Sustainability Promotion Task Force," chaired by the President, with the CFO and Corporate Governance Officer serving as the Chief Commissioner. In alignment with the "Taiwan Roadmap for IFRS Sustainability Disclosure Standards" announced by the Financial Supervisory Commission (FSC) in August 2023, the Company formed a cross-departmental IFRS Task Force in Q4 2024. Director Pei-Chun Lu serves as the supervising board director, participating in operations and oversight of the task force through quarterly meetings and issue-specific sub-groups.</p> <p>Although the Company's paid-in capital is under NT\$5 billion and is not required to adopt the IFRS Sustainability Disclosure Standards until 2028, we proactively refer to the regulatory roadmap and initiate early-stage implementation. The Company will regularly monitor the progress of IFRS standards adoption and report implementation status, as well as climate- and environment-related strategies and targets, to the Board of Directors.</p>
2. Describe how identified climate risks and opportunities impact the business, strategy, and finances of the enterprise (short-term, medium-term, long-term).	<p>Under the Sustainability Promotion Task Force, the "Risk Management Team" is responsible for executing the Company's risk monitoring, measurement, and evaluation processes.</p> <p>In 2022, the Company formulated its "Environmental Management Policy"; in 2023, we endorsed the methodology and principles of the Science Based Targets initiative (SBTi), committing to shared sustainability and science-based carbon reduction goals. The timeframe for climate-related management is: short-term (within 1 year, i.e., 2025); and medium to long-term (from 2026 onward). For the "Climate-Related Risks and Opportunities Identification Table," please refer to the most recent annual Sustainability Report under the chapter "Climate Change Governance."</p>
3. Describe the financial impact of extreme weather events and transition actions.	<p>These include increased operational costs (e.g., compliance costs, ISO 14064-1 consulting and verification fees), capital expenditures for low-carbon technologies, potential declines in demand for certain products or services, higher R&amp;D investments in alternative or emerging technologies/services, adoption of new operating practices and procedures, and fluctuating energy costs that may impact operational expenditure. Details are disclosed in the "Climate Change Governance" chapter of the most recent Sustainability Report.</p>

4. Describe how the process of identifying, assessing, and managing climate risks is integrated into the overall risk management system.	<p>The Company adopts a comprehensive risk management framework that covers environmental (including climate), social, governance, and technological dimensions. In 2023, we enacted the “Risk Management Policy and Procedure” to enhance risk identification, assessment, response strategies, and monitoring, supporting long-term sustainable operations and stakeholder interests.</p> <p>The Risk Management Team is responsible for identifying climate-related risks and opportunities annually, setting response strategies and targets.</p> <p>The Environmental Sustainability Team oversees the execution of climate and environmental management programs. The Sustainability Promotion Task Force reports climate-related planning and execution performance to the Board of Directors at least once per year.</p> <p>The Board of Directors is the highest authority on risk management, responsible for approving policies, reviewing frameworks, and ensuring effective implementation.</p> <p>Please refer to the latest annual TSTI Sustainability Report, specifically the chapters on "Business Continuity and Risk Management" and "Climate Change Governance."</p>
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and primary financial impacts employed should be explained.	<p>Aligned with international frameworks such as TCFD, SASB, and GRI, the Company identifies climate-related risks and opportunities, and develops adaptation strategies. Scenario analysis, assumptions, parameters, and financial impact assessments are ongoing.</p> <p>We have also established the “Emergency Disaster Response Management Regulations” to ensure employee safety and uninterrupted service during crises through regular drills and inspections.</p> <p>Although no material financial impact has been observed, we continue to assess:</p> <p>According to the WRI Aqueduct Water Risk Atlas, Taiwan has a “Low–Medium” water risk level. Nonetheless, the Company actively promotes water conservation and uses water-efficient equipment and practices.</p> <p>According to the Ministry of Economic Affairs’ Soil Liquefaction Potential Inquiry System, the Company’s Taipei HQ is in a high-potential area. We conduct regular fire safety inspections and evacuation drills to mitigate future disaster impacts.</p> <p>Details are disclosed in the “Climate Change Governance” chapter of the most recent Sustainability Report.</p>
6. If there is a transition plan to manage climate-related risks, describe the contents of the plan and the indicators and objectives used to identify and manage physical risks and transition risks.	<p>In response to managing climate-related risks, DAXES has initiated a transformation plan and reviewed its content to identify and manage both physical and transition risks, along with relevant indicators and targets. Adaptation and mitigation actions include: the introduction of ISO 14064-1 consultancy and completion of third-party verification, implementation of energy-saving systems, provision of sustainability-related training to enhance employees' expertise and technical capabilities, organizational restructuring, enhancement of product and service competitiveness, active stakeholder engagement, and proactive responses to customer supplier self-assessments and ESG initiatives—thereby co-creating sustainable value and enhancing corporate reputation. TSTI also discloses information on corporate governance and environmental performance, and continues to implement sustainability measures.</p> <p>Please refer to the latest annual TSTI Sustainability Report, chapter on “Climate Change Governance,” for more details.</p>
7. If internal carbon pricing is used as a planning tool, the basis for price determination should be explained.	<p>The Company has not yet implemented internal carbon pricing, we actively monitor related developments.</p>
8. If climate-related goals are set, details should be provided on the activities covered, scope of greenhouse gas emissions, planning schedule, annual progress achieved, etc. If carbon offsets or renewable energy certificates (RECs) are used to achieve these goals, information should be provided on the source and quantity of the offset carbon emissions or the quantity of RECs used.	<p>The Company environmental and climate-related goals include: green emissions reduction, transparent disclosures, green procurement, resource recycling, and green advocacy. Through company-wide participation, we aim to reduce emissions and pollution, conserve resources, and promote energy efficiency.</p> <p>Please refer to the "Environmental Sustainability Policy" and “Sustainability for Shared Value and Science-Based Carbon Reduction” announcement on the official website. The Company has not yet utilized carbon offsets or Renewable Energy Certificates (RECs) but continues to observe their development.</p>

9. Greenhouse gas inventory and verification status, reduction targets, strategies, and specific action plans (also filled in sections 1-1 and 1-2).	The Company initiated ISO 14064-1 consultancy services in February 2024 and successfully obtained third-party verification in August 2024. Moving forward, the Company will continue to undergo ISO 14064-1 verification annually. Details regarding the Company's greenhouse gas inventory, assurance status, reduction targets, strategies, and specific action plans are presented in the table below.
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### 1-1 The company's greenhouse gas inventory and verification status for the past two years.

#### 1-1-1 Greenhouse gas inventory information.

Describe the greenhouse gas emissions for the past two years in terms of emissions volume (metric tons CO <sub>2</sub> e), intensity (metric tons CO <sub>2</sub> e per million dollars), and the scope of data coverage.		
Basic information of the company: Capital of less than NT\$5 billion.	Minimum required disclosure under the Sustainable Development Roadmap for TWSE/TPEX Listed Companies: Inventory for all consolidated entities.	
Total emissions	2023	2024
Scope 1	147.3272	110.0963
Scope 2	1,104.8641	1081.4353
Scope 3	552.4906	323.1997
Total emissions (metric tons CO <sub>2</sub> e)	1,804.6819	1514.731
Revenue (in millions of dollars)	4,179.561	3,930.226
Intensity (metric tons CO <sub>2</sub> e per million dollars)	0.4318	0.3854

Note 1: Although TSTi's paid-in capital is below NT\$5 billion—thus only required to disclose greenhouse gas inventories for the parent company according to the ESG Disclosure Roadmap for TWSE/TPEX Listed Companies—the Company has voluntarily expanded its disclosure scope to include its subsidiaries.

Note 2: Scope 1 (Direct Emissions): Greenhouse gas emissions from sources that are owned or controlled by the Company. Scope 2 (Energy Indirect Emissions): Emissions resulting from the generation of purchased electricity, steam, heating, and cooling consumed by the Company. Scope 3 (Other Indirect Emissions): Emissions that occur as a consequence of the Company's activities but arise from sources not owned or directly controlled by the Company.

#### 1-1-2 Greenhouse gas assurance information.

Describe the assurance status for the most recent two years as of the date of the annual report printing, including the scope of assurance, assurance provider, assurance standards, and assurance opinions.
<p>Since 2023, the Company has independently conducted greenhouse gas (GHG) inventories for fiscal year 2022, covering both the parent company and its subsidiaries. To enhance data reliability and align with sustainability goals, the Company evaluated the implementation of ISO 14064-1 in 2023. In 2024, consultancy services were engaged, and a third-party verification, in compliance with government regulations, is scheduled for completion in Q3 2024.</p> <p>For details, please refer to the ISO 14064-1 GHG Inventory Statement (GHGEV 810209, dated 2024-08-13) available on the TSTi official website.</p> <p>The 2024 GHG Inventory Report is expected to complete verification before the second quarter of 2025. For updates, please visit the ESG section on the official website.</p>

#### 1-2 Greenhouse gas reduction targets, strategies, and specific action plans.

Describe the baseline year and data, reduction targets, strategies, and specific action plans for greenhouse gas reduction, as well as the status of achieving the reduction targets.
<p>In 2024, the Company launched a dual transformation strategy focusing on digital and sustainability transitions. As part of this initiative, the Company engaged external consultants to implement the ISO 14064-1 Greenhouse Gas (GHG) Management System. The project included redefining organizational boundaries, identifying emission sources, and revising emission data across Categories 1 to 6. The Company designated 2023 as the GHG emissions baseline year and commissioned a third-party verification body to conduct ISO 14064-1 certification, ensuring the accuracy and comparability of the quantified data.</p>

Going forward, the Company will conduct annual GHG inventories to monitor emission reduction performance and disclose results transparently. The Company is committed to obtaining ISO 14064-1 verification statements annually. In fulfilling corporate social responsibility and mitigating operational risks and costs, TSTi and its subsidiaries will continue to implement energy-saving and carbon reduction initiatives, aiming for a minimum annual reduction of 1% as part of its sustainable management goals.

Promoting Sustainable Governance		Implementation Status in 2024	Short-term Goals (by 2025)	Medium to Long-term Goals (from 2025 to 2030)
Green Procurement	Following the key points of green procurement operations, establishing a green supply chain and knowledge base, developing green suppliers, actively promoting and prioritizing the purchase of environmentally certified products, and increasing the proportion of green procurement. This includes refrigerants, paper, building materials, LED lights, information equipment, etc.	<ol style="list-style-type: none"> <li>Green procurement totaled NT\$3,062,746, achieving 115% of the target.</li> <li>Local procurement accounted for 89.67% of total procurement.</li> </ol>	<ol style="list-style-type: none"> <li>Continue promoting green procurement within the Company, aiming for an annual green procurement amount exceeding NT\$2 million.</li> <li>Maintain the proportion of local procurement at over 95% of total procurement.</li> <li>Promote green procurement initiatives across subsidiaries.</li> </ol>	<ol style="list-style-type: none"> <li>Promote green procurement initiatives within subsidiary companies.</li> </ol>
Green Emissions Reduction	Implement energy conservation and carbon reduction measures, actively understand the company's carbon emissions, monitor energy usage and carbon inventories, and promote internal operational processes to go paperless and external customer service to go digital. Conduct assessments of water usage and total waste weight, and formulate management policies for reduction and minimization: Replace inefficient and energy-consuming equipment; regularly maintain and update cooling systems in machine rooms to ensure their efficient operation; gradually migrate the company's data and systems to more energy-efficient cloud servers; in office environments, implement	<ol style="list-style-type: none"> <li>The Energy Management Regulations were officially approved on December 20.</li> <li>Continued promotion of the EV Private Vehicle for Public Use Subsidy Program.</li> <li>LED panel lighting was installed in the Hsinchu 15-6 and Kaohsiung offices, reducing carbon emissions from purchased electricity by approximately 11.71%. The Company received NT\$114,285 in subsidies from the Ministry of Economic Affairs for energy-saving equipment replacement.</li> <li>Semiannual air conditioning maintenance and cleaning were conducted to improve energy efficiency and reduce equipment load.</li> </ol>	<ol style="list-style-type: none"> <li>Continue reviewing and enhancing the Company's carbon reduction initiatives, with planned emission reduction targets.</li> <li>Replace aging equipment with energy-efficient alternatives.</li> <li>LED panel lighting will be installed in designated areas on the 3rd and 5th floors (East Wing) of the Taipei Headquarters and parts of the Hsinchu office. This is expected to reduce annual lighting electricity consumption by over 60%.</li> <li>Gradually optimize the digital document management and HR</li> </ol>	<ol style="list-style-type: none"> <li>Continuously optimize electronic document management and approval processes to reduce paper usage and minimize environmental impact.</li> <li>Enhance management systems: By developing intelligent monitoring and management systems, effectively gather and grasp information on the company's carbon emissions and electricity usage, identify issues, and set improvement goals.</li> </ol>

		energy-saving activities and replace existing lighting, air conditioning, and electrical equipment with energy-efficient alternatives. Centralize office and operational areas and shut down unnecessary air conditioning and lighting equipment.	5. A total of 415,000 A4 paper sheets were used for office machines, representing a reduction of 71,068 sheets compared to the previous year.	systems, replacing traditional paper-based processes with electronic transmission in phases.	
	Green Resource Acquisition	Promoting waste management and resource recycling: Each office and floor is equipped with recycling bins and garbage sorting facilities. Information equipment materials for recycling are effectively sorted and processed, enhancing energy efficiency through reuse. Implementing disposal and recycling of computers and toner cartridges; media containing personal information (such as hard drives) undergo data deletion and physical destruction before disposal. This not only complies with data protection regulations but also adheres to the principles of environmental resource recycling.	<ol style="list-style-type: none"> <li>1. The Waste Management Regulations were officially approved on December 20.</li> <li>2. The total amount of waste and recyclable resources for the year reached 3.22 metric tons.</li> </ol>	<ol style="list-style-type: none"> <li>1. Implement comprehensive waste management by properly organizing and retaining vendor receipts from each collection, ensuring accurate statistics and traceability of waste flows.</li> <li>2. Promote a circular economy by adopting environmentally friendly consumables.</li> </ol>	<ol style="list-style-type: none"> <li>1. Reduce environmental impact by using recycled materials.</li> <li>2. Continuously promote garbage sorting and resource recycling.</li> </ol>
	Green Disclosure	Proactively disclose greenhouse gas emissions ahead of regulatory requirements and actively formulate carbon reduction strategies. Evaluate the potential risks and opportunities of climate change for the company and take relevant response measures.	<ol style="list-style-type: none"> <li>1. ISO 14064-1 consultation was initiated in 2024, and the GHG Inventory Report for DCS (including its subsidiaries) successfully completed third-party verification and was publicly disclosed in August 2024.</li> <li>2. Two employees completed internal GHG verification training in 2024, bringing the total number of certified personnel to seven.</li> <li>3. Successfully obtained third-party verification for the GHG Report in</li> </ol>	1. Maintain annual ISO 14064-1 third-party verification.	<ol style="list-style-type: none"> <li>1. Continuously maintain ISO 14064-1 certification.</li> <li>2. Introduce ISO 14001 (Environmental Management System) and ISO 50001 (Energy Management System) standards.</li> </ol>

			compliance with ISO 14064-1:2018.		
	Green Advocacy	In response to environmental advocacy, in addition to short-term goals in various initiatives, Daseke responds to the Science Based Targets initiative (SBTi) for carbon reduction. We advocate and encourage all colleagues to cherish the Earth and lead by example in responding to public environmental protection activities, taking action to practice environmental conservation.	<ol style="list-style-type: none"> <li>1. Conducted annual written ESG self-assessment surveys with 30 suppliers, and performed on-site audits for 4 suppliers.</li> <li>2. Completed ESG-related training and awareness programs in 2024, with a total of 3,815 participants and 2,956 cumulative training hours, enhancing employees' awareness of environmental protection and resource conservation.</li> </ol>	<ol style="list-style-type: none"> <li>1. Continue promoting ESG implementation among supplier partners, targeting 5 on-site audits annually.</li> <li>2. Conduct regular training programs to strengthen employee awareness of environmental protection and resource conservation.</li> </ol>	<ol style="list-style-type: none"> <li>1. Long-term planning aims to achieve a 20% reduction in carbon emissions by 2030.</li> <li>2. Reduce fuel consumption of official vehicles in Scope 1 by 5 to 10%.</li> <li>3. Reduce carbon emissions from purchased energy sources in Scope 2 by 10 to 15%.</li> <li>4. Decrease carbon emissions in Scope 3 by 10 to 20%.</li> </ol>



**(VI) Fulfillment of ethical management, deviations from “Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies,” and reasons for such deviations**

Item	Status			Deviations from “Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies” and reasons
	Yes	No	Summary	
<p>I. Development of ethical management policies and programs</p> <p>(1) Are the Company’s guidelines on corporate conduct and ethics provided in internal policies and disclosed publicly? Have the Board of Directors and the senior management team demonstrated their commitments to implement the policies?</p> <p>(2) Has the Company established an evaluation mechanism for the risk of dishonest behaviors? Does the Company regularly analyze and evaluate business activities with a higher risk of dishonesty in the business scope, and formulate a plan to prevent dishonesty behaviors, which at least covers Paragraph 2 of Article 7 in the “Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies”?</p> <p>(3) Does the Company establish procedures, behavioral guidelines, disciplinary actions and complaint systems in action plans against unethical conduct? Are the plans implemented thoroughly and reviewed and modified regularly?</p>	<p>V</p> <p>V</p> <p>V</p>		<p>(1) The Company upholds the business philosophy of integrity and honest, sets up good corporate governance: and risk management mechanisms, and takes compliance with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, regulations governing TWSE/TPEX listed companies, or other laws and regulations governing commercial activities as the premise of the Company’s ethical management, and implements it properly in the internal management and external commercial activities. A recusal system applicable to the directors is defined in the “Rules of Procedures for Board of Directors Meeting.” In addition to practicing self-discipline strictly, a director may not participate in the discussion of or voting on the proposals that are involved in his/her own interest or the interest of the juristic person represented by him/her at a given Board meeting, if his/her participation is likely to prejudice the interest of the Company. In these circumstances, the director may not exercise voting rights as a proxy for another director.</p> <p>(2) To advocate and promote ethical behavior, the Company has established the “Employee Self-Discipline Agreement,” “Employee Self-Discipline and Code of Ethical Conduct,” “CSR Best-Practice Principles,” “Code of Ethical Conduct,” “Ethical Management Best-Practice Principles,” and “Procedures for Ethical Management and Guidelines for Conduct,” and made related regulations public on the intra-net of the Company for the employees to look up. Promotion of the Company’s core value and legal compliance is conducted among the employees and relevant education and training courses are provided on a regular basis. The Company also requests the stakeholders who have business relationship with us, such as suppliers and customers, to observe the same ethical standards as those imposed on the employees of the Company. The internal audit unit of the Company performs audit of the Company, suppliers, and customers whenever necessary to ensure compliance with relevant laws and regulations.</p> <p>(3) To avoid unethical conduct, the Company performs dissemination and request officers to identify (potential) concerns about conflict of interest and professional ethics.</p>	<p>Implemented as required by the “Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies” and relevant laws and regulations</p>
<p>II. Implementation of ethical management</p> <p>(1) Does the Company evaluate the integrity of all counterparts it has business relationships with? Are there any integrity</p>	V		<p>(1) To ensure the employees can uphold the principles of ethics in the fulfillment of their duties, observe laws and regulations, and comply with the code of professional ethics, the</p>	<p>Implemented as required by the “Ethical Corporate Management Best-Practice</p>

Item	Status			Deviations from “Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies” and reasons
	Yes	No	Summary	
<p>clauses in the agreements the Company signs with business partners?</p> <p>(2) Has the Company set up dedicated unit in charge of promotion and execution of the company’s corporate conduct and ethics, and report to the Board about any operation policies, and plans and supervision on honesty and integrity and prevention of dishonesty on a regular basis (at least once a year)?</p> <p>(3) Does the Company have established policies to prevent conflict of interest, provided adequate communication channels, and substantiated the policies?</p> <p>(4) Has the Company established effective accounting and internal control systems for the implementation of policies, prepared audit plans according to the evaluation result of dishonesty risks, and audit such execution and compliance, or hire external auditors to audit such execution and compliance?</p> <p>(5) Does the Company organize internal or external education and training on a</p>	<p>V</p> <p>V</p> <p>V</p> <p>V</p> <p>V</p>		<p>Company has established the “Employee Code of Conduct” and turned the business philosophies and values of the Company into institutionalized regulations.</p> <p>(2) The Human Resources Department takes the responsibility for promotion of the corporate ethical management. It shall report the implementation status to the Board of Directors on a regular basis every year. The Board of Directors adopted the “Procedures for Ethical Management and Guidelines for Conduct” on December 19, 2014 and announced them on the intranet and extranet. The implementation results were reported to the Board of Directors on December 15, 2022 to demonstrate the proper implementation of the ethical management.</p> <p>(3) To improve the efficiency and effectiveness of the implementation and enhance the interaction between the employees, investors and other stakeholders of the Company, an Audit Committee mailbox is set up on our official website. It provides a channel for them to raise their suggestions or complaints to the Company’s management, Audit Committee, any director, and the Board of Directors.</p> <p>(4) The Company has established an accounting system and an internal control system to realize the spirit of the ethical management, reasonably maintain the effectiveness and efficiency of the operations, ensure the reliability of the financial reporting, and comply with relevant laws and regulations.</p> <p>(5) In 2024, the Company conducted a total of 987 participant-hours and 281 training hours of internal and external educational sessions related to ethical corporate management. These included topics such as integrity advocacy, supplier management and inspection, as well as finance and internal control-related courses.</p>	<p>Principles for TWSE/GTSM Listed Companies” and relevant laws and regulations</p>
<p>III. Functioning of the whistleblowing system</p> <p>(1). Has the Company set up a specific whistleblower reporting and reward system and a convenient reporting channel and designated appropriate personnel to deal with the reported matters?</p> <p>(2) Has the Company developed any standard investigation procedures for reported misconduct, defined follow-up actions to be taken following the completion of the investigation, or had confidentiality systems in place?</p>	<p>V</p> <p>V</p>		<p>There is an Audit Committee mailbox on our official website. It provide a channel for the employees and related personnel to report improper behavior at the workplace. The Internal Control Committee is responsible for the investigation. Any behavior violating the standards of professional ethics will be subjected to punishment in accordance with the Employee Code of Conduct. Whistleblowers are protected from inappropriate disciplinary actions due to their whistleblowing.</p>	<p>Compliant with the Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies</p>

Item	Status			Deviations from “Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies” and reasons
	Yes	No	Summary	
(3) Has the Company adopted any measures to protect whistleblowers from being improperly handled due to whistleblowing?	V			
IV. Enhancement of information disclosure Has the Company disclosed its ethical management principles and implementation results on the website and MOPS?	V		The Company discloses the ethical management principles, relevant regulations, and dissemination information on the intranet for the employees to look up whenever necessary. The Company discloses the detailed information on ethical Management in the annual report that the Company makes public on the official website, and announces it on MOPS in accordance with the laws.	Compliant with the Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies
V. If the Company has established ethical management principles based on the “Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies,” please describe any difference between the principles and the established principles: No difference				
VI. Other important information that is helpful to understand the implementation of the ethical corporate management: The Company requests the suppliers having business relationships with us to uphold the spirit of the ethical management. As for the implementation status of the corporate governance, please visit MOPS or the website of the Company. As for the Corporate Governance Best-Practice Principles and relevant regulations, please visit the website of the Company: Corporation Governance under the Investor Relations.				

## (VII) Other important information that is helpful to understand the implementation of the corporate governance

As for the implementation status of the corporate governance, please visit MOPS or the website of the Company.

**(VIII) Implementation status of the internal control system**

1. Statement of Internal Control : Please visit the Market Observation Post System (MOPS) to inquire.  
Full path: MOPS > Listed Company > Corporate Governance > Corporate Charter/Internal Control > Internal Control System Statement Announcement  
Website: <https://mops.twse.com.tw/mops/#/web/t06sg20>
2. If review of the internal control system has been conducted by CPAs, the CPAs' review report must be disclosed: None.

**(IX) Important resolution made at the Board of Directors meeting in the most recent year (2024) up to the publication date of this annual report**

Meeting time	Important resolution	Resolution results and implementation status
2024/1/16	(1) Approved the Company's acquisition of right-of-use assets for real estate from Shang Chih Asset Development Co., Ltd.	Director Lu Pei-chun, having a vested interest in this matter, recused herself from voting. The motion was approved as proposed upon inquiry and agreement by the remaining attending directors.
2024/2/27	(1) Approved the 2023 distribution of employees' and directors' remuneration. (2) Approved the 2023 business report and financial statements. (3) Approved the 2023 earnings distribution. (4) Approved the 2023 internal control system statement (5) Approved the amendments to the articles of Incorporation (6) Approved the motion for the re-election of directors. (7) Approved the motion to lift the restrictions on non-competition for newly elected directors (including independent directors). (8) Approved the convening of the 2024 annual general shareholders meeting. (9) Approved the motion to stipulate the relevant operational matters for handling shareholders' proposal rights and nomination rights. (10) Approved the motion for the audit fees of the Company's 2024 CPA and the assessment of the CPA's independence. (11) Approved the motion to establish the Company's "Operating Procedures for the Preparation and Verification of Sustainability Reports" and related internal control systems (including the Internal Audit Implementation Rules). (12) Approved the application for credit transactions with banks and bills finance companies.	(1) Regarding the Proposal: Chairman Bo-Yen Shen, Director Wen-Hung Huang, and Director Chiu-Chan Hsu, having vested interests in this matter, recused themselves from voting. Independent Director Ying-Hwang Yang was requested to temporarily assume the role of Chairman, and the motion was approved as proposed upon inquiry and agreement by the remaining attending directors.  (2) ~ (12) Regarding the Proposals: All motions were approved as proposed upon inquiry and agreement by all attending directors.
2024/4/12	(1) Approved the nomination and review of candidates for the current term of directors (including independent directors) of the Company. (2) Approved the lifting of restrictions on non-competition for newly elected directors (including independent directors).	The entire proposal was approved as amended without objection from all attending directors upon inquiry by the Chairman.
2024/5/8	(1) Approved the 2024 Q1 consolidated financial reports.	All motions were approved as proposed upon inquiry and agreement by all attending directors.
2024/6/6	(1) Approved the election of the Chairman.	Mr. Chun-Lung Wu was elected as the Chairman by the Board of Directors. The motion was approved as proposed without objection from all attending directors upon inquiry.
2024/6/20	(1) Approved the authorization for the Chairman to sign banking documents and endorsements/guarantees. (2) Approved the safekeeping of seals for the endorsement/guarantee operating procedures. (3) Approved the appointment of the members of the 6th Remuneration Committee of the Company.	(1)~(3) 、(5) Regarding the Proposals: All motions were approved as proposed upon inquiry and agreement by all attending directors. (4) Regarding the Proposal:

Meeting time	Important resolution	Resolution results and implementation status
	(4) Approved the signing of the industry-academia collaboration and academic feedback mechanism agreement with National Taipei University. (5) Approved the establishment of matters related to the distribution of the 2024 cash dividend.	Independent Director Yi-cheng Shih, having a vested interest in this matter, recused himself from voting. The motion was approved as proposed without objection from the remaining attending directors upon inquiry by the Chairman.
2024/8/7	(1) Approved the amendment to the Company's "Regulations Governing the Remuneration of Directors, Independent Directors, and Functional Committee Members." (2) Approved the Company's Q2 2024 consolidated financial report. (3) Approved the Company's 2023 Sustainability Report. (4) Approved the amendment to the Company's "Rules of Procedure for Board Meetings," "Organizational Charter of the Audit Committee," "Operational Guidelines for Financial and Business Transactions Between Related Parties," and related internal control systems. (5) Approved the application for bank credit transactions. (6) Approved the lifting of restrictions on non-competition for the Company's directors.	(1) ~ (6) Regarding the Proposals: As the content of these proposals involved conflicts of interest, the interested parties recused themselves. The motions were approved as proposed upon inquiry and agreement by all remaining attending directors. (2) ~ (5) Regarding the Proposals: All motions were approved as proposed upon inquiry and agreement by all attending directors.
2024/10/30	(1) Approved the 2024Q3 consolidated financial reports.	All motions were approved as proposed upon inquiry and agreement by all attending directors.
2024/11/20	(1) Approved the appointment of the members of the 6th Remuneration Committee of the Company.	All motions were approved as proposed upon inquiry and agreement by all attending directors.
2024/12/12	(1) Approved the review and amendment of the Company's "Board of Directors Performance Evaluation Measures" and "Managerial Salary and Compensation System." (2) Approved the distribution of the Company's managers' 2024 operating performance bonuses. (3) Approved the Company's annual work objectives for 2025. (4) Approved the Company's annual audit plan for 2025. (5) Approved the application for credit transactions with banks and bills finance companies. (6) Approved the provision of an endorsement guarantee for the bank credit line of the subsidiary, Synology Business Technology Co., Ltd. (7) Approved the provision of an endorsement guarantee for the bank and bills finance company credit line of the subsidiary, Axiomtek Co., Ltd. (8) Approved the amendment of certain articles of the Company's internal control system (including the Internal Audit Implementation Rules). (9) Approved the designation of a director responsible for supervising sustainable development and sustainable information management of the Company. (10) Approved the lifting of restrictions on non-competition for the Company's directors.	(1) ~ (2) Regarding the Proposal: President Wen-Hung Huang and Chief Financial Officer Chiu-Chan Hsu, having vested interests in this matter, recused themselves from voting. The motion was approved as proposed upon inquiry of all attending committee members by the Chairman. (3) ~ (10) Regarding the Proposals: All motions were approved as proposed upon inquiry and agreement by all attending directors.
2025/3/3	(1) Approved the 2024 distribution of employees' and directors' remuneration. (2) Approved the 2024 business report and financial statements. (3) Approved the 2024 earnings distribution. (4) Approved the proposal for the capitalization of retained earnings to issue new shares for the year 2024. (5) Approved the 2024 internal control system statement. (6) Approved the amendments to the articles of Incorporation (7) Approved the by-election of two independent directors. (8) Approved the proposal to lift the restrictions on non-competition for directors. (9) Approved the convening of the 2025 annual general shareholders meeting.	(1) Regarding the Proposal: President Wen-Hung Huang and Chief Financial Officer Chiu-Chan Hsu, having vested interests in this matter, recused themselves from voting. The motion was approved as proposed upon inquiry of all attending committee members by the Chairman. (2) ~ (10) Regarding the Proposals: All motions were approved as proposed upon inquiry and agreement by all attending directors.

Meeting time	Important resolution	Resolution results and implementation status
	(10) Approved the motion to stipulate the relevant operational matters for handling shareholders' proposal rights and nomination rights.	
2025/3/18	(1) Approved the appointment of the Company's President. (2) Approved the compensation of the Company's President.	All motions were approved as proposed upon inquiry and agreement by all attending directors.

**(X) Resolutions at the shareholders' meeting in the most recent year**

- At the Company's Annual General Shareholders' Meeting held on May 28, 2024, the total number of shares represented by shareholders present was 82,820,382 shares (including 19,672,611 shares solicited for attendance and 4,199,519 shares voted by electronic means), representing 93.51% of the Company's total issued voting shares of 88,560,000 shares.

Proposal	Resolution result	Implementation status
the Company's 2023 business report and financial reports (including separate and consolidated financial reports)	There were 66,234,219 rights for the proposal, occupying 81.25% of the total rights represented by the shareholders present at the meeting. The proposal was adopted without change.	Completed.
The proposal for distribution of the 2023 earnings	There were 66,253,219 rights for the proposal, occupying 81.27% of the total rights represented by the shareholders present at the meeting. The proposal was adopted without change.	The Board of Directors were authorized to set ex-dividend related dates. The ex-dividend date was set to July 13, 2024 and the cash dividend distribution date was set to July 31, 2024. (Cash dividend per share \$1.85)
The proposal for amendment of the Company's "Articles of Incorporation"	There were 66,253,160 rights for the proposal, occupying 81.27% of the total rights represented by the shareholders present at the meeting. The proposal was adopted without change.	Completed.
Election of the 9th Term of Directors (including Independent Directors).	Election Results (List of Elected Candidates):	
	Position	Name
	Director	Tatung Company Representative: Kuan-Ling Lai
	Director	Tatung Company Representative: Yuan-Chung Hsin
	Director	Tatung Company Representative: Po-Jen Hsiao
	Director	Tatung Company Representative: Wen-Hung Huang
	Director	Twinbot Fintech Consultants Limited Representative: Kuan-Chih Tseng
	Director	Tai Sheng Ocean Development Co., Ltd.
	Independent Director	Huang-Chi Yeh
	Independent Director	Yi-Cheng Shih
	Independent Director	Jung-Ying Tai

Proposal	Resolution result	Implementation status
The proposal for cancellation of non-compete restrictions for new directors (including independent directors)	There were 66,381,910 rights for the proposal, occupying 81.43% of the total rights represented by the shareholders present at the meeting. The proposal was adopted without change.	Completed.

- (XI) Records or written statements made by any director or supervisor who expressed dissent to important resolutions adopted by the Board of Directors in the most recent year up to the publication date of this annual report: None.**

### III. Information on CPA's Professional Fees

- (I)** Disclosure of the amount of the audit and non-audit fees paid to CPAs, the accounting firm and any of its affiliated companies that the CPAs worked for, and the details of the non-audit services

Amount Unit: NTD thousands

Accounting firm	CPA	CPA's audit period	Audit fee	Non-audit fee	Total	Remarks
KPMG	Hsin-Ting Huang	2024/1/1-2024/12/31	2,130	600	2,730	Non-audit fee including 1. Annual individual and consolidated financial statements review NT 160 thousand.
	Li-Chen Lai					2. Review of the Q1 to Q3 consolidated financial reports NT 180 thousand. 3. Review of the Full-Time Employee Salary Information Verification Form for Non-Managerial Positions NT 30 thousand. 4. Transfer pricing reporting NT 230 thousand.

- (II) When the Company changes the accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed: None.**
- (III) If the audit fees are reduced by more than 10% as compared with the previous year, the amount, proportion and reason for reduction of the audit fee shall be disclosed: None.**

### IV. Information on Change of CPAs

- (I) Former CPA: None.**
- (II) Succeeding CPA: None.**
- (III) The former CPA's written response to the matters in Article 10(6)(1) and (2)(c): None.**

**V. The Company's Chairman, Chief Executive Officer, or the managerial officer in charge of finance or accounting matters was an employee in the most recent year at the accounting firm or any of its affiliated companies which the CPAs worked for, his/her name, title and the employment period at such firm or affiliated company must be disclosed: None.**

**VI. Details of equity transferred or pledged by directors, supervisors, managerial officers, or shareholders with more than 10% ownership interest in the most recent year up to the publication date of this annual report. Where the counterpart involved in the transfer or pledge of equity is a related party, the name of such counterpart, his/her relations with the Company, directors, supervisors, managerial officers, or shareholders with more than 10% ownership interest, and the number of shares acquired or pledged must be disclosed.**

1. Changes in equity of directors, supervisors, managers and major shareholders

Title	Name	2024		Up to March 31, 2025		Remarks
		Increase (decrease) in shares held	Increase (decrease) in shares pledged	Increase (decrease) in shares held	Increase (decrease) in shares pledged	
Major shareholder / Director	Tatung Company	-	-	-	-	
Chairman	Tatung Company Representative: Chun-Lung Wu	-	-	-	-	A new corporate representative and board member were appointed on May 31, 2024. The Board of Directors approved the appointment as Chairman on June 6, 2024.
Director	Tatung Company Representative: Kuan-Ling Lai	-	-	-	-	Appointed upon complete re-election on May 28, 2024
Director	Tatung Company Representative: Yuan-Chung Hsin	-	-	-	-	Appointed upon complete re-election on May 28, 2024
Director	Tatung Company Representative: Pei-Chun Lu	-	-	-	-	Stepped down upon complete re-election on May 28, 2024; appointed as a corporate representative director on July 12, 2024
Director	Twinbot Fintech Consultants Limited	(63,000)	-	-	-	
	Twinbot Fintech Consultants Limited Representative: Kuan-Chih Tseng	-	-	-	-	
Corporate Director	Tai Sheng Ocean Development Co., Ltd.	15,000	-	-	-	Appointed upon complete re-election on May 28, 2024; appointed as representative on June 4, 2024
	Shih-Hung Yang	-	-	-	-	



Title	Name	2024		Up to March 31, 2025		Remarks
		Increase (decrease) in shares held	Increase (decrease) in shares pledged	Increase (decrease) in shares held	Increase (decrease) in shares pledged	
Independent Director	Jung-Ying Tai	-	-	-	-	Appointed upon complete re-election on May 28, 2024
President	Yin-Hsiu Liu	NA	-	120,000	-	Special Assistant to the Chairman: Resigned on March 31, 2024. President: Appointed on March 21, 2025
Chief Financial Officer / Corporate Governance Officer	Chiu-Chan Hsu	8,000	-	(20,000)	-	
Senior Vice President	Chih-Hung Chen	(25,000)	-	(43,000)	-	
Special Assistant to the President	Chang Chien Jen Chen	-	-	-	-	Appointed on October 1, 2024
Assistant VP	Ming-Te Yu	(20,000)	-	(15,000)	-	
Assistant VP	Wen-Hua Tang	(1,000)	-	-	-	Appointed on February 1, 2024
Assistant VP	Zhong-Ting Yu	-	-	-	-	Appointed on December 31, 2024
Assistant VP	Ming-Chang Chiang	9,181	-	-	-	Appointed on December 31, 2024
Assistant VP	Chun Ren Duan	1,254	-	-	-	Appointed on December 31, 2024
Assistant VP	Chih-Hseng Kao	6,005	-	-	-	Appointed on December 31, 2024
Assistant VP	Shu Hui Lai	10,000	-	-	-	Appointed on December 31, 2024
Director	Tatung Company Representative: Bo-Yen Shen	(714,564)				
Director	Tatung Company Representative: Po-Jen Hsiao	-	-	NA	NA	Appointed upon complete re-election on May 28, 2024; replaced as a corporate representative director on July 12, 2024
Director	Tatung Company Representative: Tzu-Hao Chao	-	-	NA	NA	Stepped down upon complete re-election on May 28, 2024
Independent Director	Huang-Chi Yeh	-	-	NA	NA	Resigned on October 9, 2024
Independent Director	Yi-Cheng Shih	-	-	NA	NA	Appointed upon complete re-election on May 28, 2024; resigned on September 6, 2024
Independent Director	Ying-Hwang Yang	-	-	NA	NA	Stepped down upon complete re-election on May 28, 2024
Independent Director	Maw-In Tsai	-	-	NA	NA	Stepped down upon complete re-election on May 28, 2024
President	Wen-Hung Huang	-	-	-	-	Resigned on March 20, 2025
Vice President	Hung-Yu Chen	-	-	NA	NA	Retired on February 20, 2024

2. Information on transfer of shares: None.

3. Information on pledge of shares: None.

**VII. Information on the mutual relationship of the Top 10 shareholders in terms of proportion of shareholding if they are a related party, spouse, or a relative within the second degree of kinship referred to in SFAS No.6.**

April 18, 2025; unit: share; %

Name	Shareholdings of shareholder		Shareholdings of spouse and minor		Shareholdings in the name of others		The title/name and relationship of the Top 10 shareholders having a mutual relationship as a related party, spouse or a relative within the second degree of kinship		Remarks
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Title (or name)	Relationship	
Tatung Company Representative: Wkang-Hsiang Wang	38,386,499	43.34	-	-	-	-	None	None	
	-	-	-	-	-	-			
Genesis Technology Inc. Representative: Shin Fong Trading Co., Ltd.	7,200,000	8.13	-	-	-	-	Shin Fong Trading Co., Ltd.	Chairman of Genesis Technology Inc.	
	2,297,000	2.59	-	-	-	-	Chia-Chuan Wu	Note1	
Twinbot Fintech Consultants Limited Representative: I-Yin Hsu	5,889,000	6.64					I-Yin Hsu	Person Responsible of Twinbot Fintech Consultants Limited	
	5,794,000	6.54					I-Yin Hsu	Myself	
I-Yin Hsu	5,794,000	6.54	-	-	-	-	Twinbot Fintech Consultants Limited	Investee of company	
Employee Stock Ownership Trust Account managed by CTBC Bank in trust Representative: Shu-Hui Lai	3,265,737	3.68					None	None	
	10,000	0.01							
Shin Fong Trading Co., Ltd. Representative: Shu-hua Yang	2,297,000	2.59					Genesis Technology Inc.	Note2	
	-	-					None	None	
Tung An Chemical Industry Co., Ltd. Representative: Chia-Chuan Wu	1,568,000	1.77					Chia-Chuan Wu	Note1	
	1,181,000	1.33					Shin Fong Trading Co., Ltd.	Note1	
Yan-Jie Li	1,210,000	1.36					None	None	
Anding Investment Co., Ltd. Representative: Hui-Ju Chin	1,182,000	1.33					Genesis Technology Inc.	Note2	
	50,000	0.06					None	None	
Chia-Chuan Wu	1,181,000	1.33	-	-	-	-	Tung An Chemical Industry Co., Ltd./Shin Fong Trading Co., Ltd.	Note1	

Note 1: Chia-Chuan Wu is the Chairman of Tung An Chemical Industry Co., Ltd. and a Director of Shin Fong Trading Co., Ltd.

Note 2: Shin Fong Trading Co., Ltd. and Anding Investment Co., Ltd. are major shareholders of Genesis Technology Inc.

**VIII. The total number of shares and total equity stake held in the same invested business by the Company, its directors and supervisors, managerial officers, and any companies controlled either directly or indirectly by the Company**

December 31, 2024; Unit: NTD thousands

Invested business (Note)	Investment of the Company		Investment of directors, supervisors, managerial officers and directly or indirectly controlled business		Total investment	
	Number of shares/amount of contribution	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares/amount of contribution	Shareholding ratio
Chyun Huei Commercial Technologies Inc.	7,500 (thousand shares)	100%	-	-	7,500 (thousand shares)	100%
Tisnet Technology Inc.	6,750 (thousand shares)	100%	-	-	6,750 (thousand shares)	100%
Tsti Technologies (Shanghai) Co., Ltd.	Amount of contribution: RMB 16,700	100%	-	-	Amount of contribution: RMB 16,700	100%

Note: The Company's long-term investment under the equity method.

## Three.Fundraising Status

### I. Capital and Shares

#### (I) Type of shares issued in the most recent year up to the publication date of this annual report

##### 1. Capital sources:

March 31, 2025

Month/ year	Issue price (NTD)	Authorized capital stock		Paid-in capital		Remarks						Investment by property other than cash	Others
		Number of shares	Amount	Number of shares	Amount	Capital sources (NTD thousands)							
		(share)	(NTD thousands)	(share)	(NTD thousands)	Cash Capital increase	Capitalization of retained earnings into new shares	Capitalization of employee bonus into new shares	Capitalization of capital reserve	Total			
May 2000	10	50,000,000	500,000	30,000,000	300,000	-	-	-	-	-	-	Note 1	
September 2000	10	50,000,000	500,000	37,500,000	375,000	75,000	-	-	-	75,000	-	Note 2	
June 2001	10	50,000,000	500,000	41,315,600	413,156	-	37,500	656	-	38,156	-	Note 3	
June 2002	10	50,000,000	500,000	45,600,000	456,000	-	20,658	22,186	-	42,844	-	Note 4	
August 2003	10	50,000,000	500,000	50,000,000	500,000	-	22,800	21,200	-	44,000	-	Note 5	
July 2004	10	75,000,000	750,000	54,200,000	542,000	-	25,000	17,000	-	42,000	-	Note 6	
July 2005	10	75,000,000	750,000	57,468,000	574,680	-	21,680	11,000	-	32,680	-	Note 7	
June 2006	10	75,000,000	750,000	60,000,000	600,000	-	8,620.2	16,699.8	-	25,320	-	Note 8	
July 2007	10	75,000,000	750,000	64,270,000	642,700	-	30,000	12,700	-	42,700	-	Note 9	
September 2008	10	75,000,000	750,000	67,200,000	672,000	-	19,281	10,019	-	29,300	-	Note 10	
August 2019	10	100,000,000	1,000,000	70,560,000	705,600	-	33,600	-	-	33,600	-	Note 11	
January 2020	10	100,000,000	1,000,000	88,560,000	885,600	180,000	-	-	-	180,000	-	Note 12	
September 2021	10	200,000,000	2,000,000	88,560,000	885,600	-	-	-	-	-	-	Note 13	

Note 1: Letter Jing (2000)-Shou-Shang-Tzu No. 089114283 of the Ministry of Economic Affairs, dated May 5, 2000

Note 2: Letter (2000) Tai-Tsai-Cheng (1) No. 60079 of the Securities and Futures Commission, Ministry of Finance, dated July 17, 2000

Note 3: Letter (2001) Tai-Tsai-Cheng (1) No. 136925 of the Securities and Futures Commission, Ministry of Finance, dated June 12, 2001

Note 4: Letter (2002) Tai-Tsai-Cheng (1) No. 0910132138 of the Securities and Futures Commission, Ministry of Finance, dated June 13, 2002

Note 5: Letter (2003) Tai-Tsai-Cheng (1) No. 0920128949 of the Securities and Futures Commission, Ministry of Finance, dated June 30, 2003

Note 6: Letter Zheng-Ji-Yi-Tzi No. 0930129390 of the Securities and Futures Commission, Ministry of Finance, dated July 5, 2004

Note 7: Letter Jin-Guan-Zheng-Yi-Tzu No. 0940122850 of the Financial Supervisory Commission, Executive Yuan, dated June 8, 2005

Note 8: Letter Jin-Guan-Zheng-Yi-Tzu No. 0950127765 of the Financial Supervisory Commission, Executive Yuan, dated June 30, 2006

Note 9: Letter Jin-Guan-Zheng-Yi-Tzu No. 0960037254 of the Financial Supervisory Commission, Executive Yuan, dated July 17, 2007

Note 10: Letter Jin-Guan-Zheng-Yi-Tzu No. 0970050246 of the Financial Supervisory Commission, Executive Yuan, dated September 22, 2008

Note 11: Letter Jing-Shou-Shang-Tzu No. 10801115060 of the Department of Commerce, Ministry of Economic Affairs, dated August 26, 2019

Note 12: Letter Jing-Shou-Shang-Tzu No. 10801196220 of the Department of Commerce, Ministry of Economic Affairs, dated January 13, 2020

Note 13: Letter Jing-Shou-Shang-Tzu No. 11001162970 of the Department of Commerce, Ministry of Economic Affairs, dated September 3, 2021

## 2. Type of share

March 31, 2025

Types of shares	Authorized capital stock (share)			Remarks
	Outstanding shares	Unissued shares	Total	
Common stock	88,560,000	111,440,000	200,000,000	TPEX companies' stock (Code: 8099)

3. Information on shelf registration system: None.

**(II) Major shareholders**

April 18, 2025

Share	Shares held	Shareholding ratio
Names of major shareholders		
Tatung Company	38,386,499	43.34%
Genesis Technology Inc.	7,200,000	8.13%
Twinbot Fintech Consultants Limited	5,889,000	6.64%
I-Yin Hsu	5,794,000	6.54%
Employee Stock Ownership Trust Account managed by CTBC Bank in trust	3,265,737	3.68%
Shin Fong Trading Co., Ltd.	2,297,000	2.59%
Tung An Chemical Industry Co., Ltd.	1,568,000	1.77%
Yan-Jie Li	1,210,000	1.36%
Anding Investment Co., Ltd.	1,182,000	1.33%
Chia-Chuan Wu	1,181,000	1.33%

Note: The aforementioned are the shareholders who hold five percent or more of the Company's shares or the Top 10 shareholders in terms of shareholding.

**(III) The Company's dividend policy and implementation status:**

## 1. Dividend policy stipulated in the Articles of Incorporation

The dividend policy specified in Article 31 of the Articles of Incorporation: The total amount of the earnings to be distributed shall not be less than 50% of the distributable earning in the current year. The ration of the cash dividend to stock dividend shall be determined in consideration of the earnings in the current year, the arrangement of the funds, and the rights of the shareholders. The amount of the cash dividend shall not be less than 10% of the total dividends. Where the cash dividend per share is less than \$0.1, it will not be distributed and shall be replaced with the stock dividend.

5% to 15% of the current pre-tax net profit prior to deduction of the remuneration to the employees and directors shall be appropriated as the remuneration to the employees, and not more than 5% shall be appropriated as the remuneration to the directors. However, an amount of the earnings shall be reserved to make up cumulative losses (including adjustment of undistributed earnings), if any.

The net profit after tax of the Company in current period, if any, in the final account at the end of any fiscal year shall be used to make up the losses (including adjustment of undistributed earnings) of the previous years. The Company shall then set aside 10% of the said earnings as a legal reserve, unless such legal reserve amounts to the total paid-up capital of the Company. The Company shall provide or reverse a special reserve pursuant to laws or the regulations of the competent authority. When the company sets aside special reserves in accordance with the law, The net increase in the fair value of

investment properties and other net decreases in equity accumulated in previous periods should be recorded as a special reserve in the same amount as the previous period's undistributed earnings, and if there is still a shortfall, and if there is still a shortfall, the same amount should be recorded in the current period's undistributed earnings other than the current period's net income after tax. If there is any residual balance, it shall be, together with the undistributed earnings at the beginning of the period (including adjustment of undistributed earnings), used as accumulated dividends for shareholders. The Board of Directors shall draft an earnings distribution proposal and submit it to the shareholders' meeting for approval.

2. Dividend distribution proposed at the current shareholders' meeting

The Company intends to allocate NT\$185,976,000 from the 2024 earnings for dividend distribution. The proposed distribution includes a cash dividend of NT\$70,848,000 (NT\$0.8 per share) and a stock dividend of NT\$115,128,000 (1.3 shares per share, which is equivalent to a free issuance of 130 new shares for every 1,000 existing shares).

3. Anticipated significant changes to dividend policy: The dividend policy of the Company did not change significantly.

**(IV) Effect of the allocation of bonus shares proposed at the current shareholders' meeting on the Company's business performance and earnings per share:**

On March 3, 2025, the Company's Board of Directors proposed a stock dividend of NT\$1.3 per share. The earnings per share before and after the distribution are NT\$2.31 and NT\$2.04, respectively. Given the Company's continued steady growth in operating performance, the impact of this stock dividend on operating performance and earnings per share is expected to be limited.

**(V) Remuneration to employees and directors:**

1. The percentage or scope of the remuneration to employees and directors according to the Articles of Incorporation: Refer to (III).

2. The basis of the calculation for the remuneration to employee and directors, the calculation of the number of shares for the share-based remuneration to employees, and the accounting treatment of any discrepancies between the actually distributed calculated amounts:

The Company calculates the distribution amount by multiplying the amount of the pre-tax net profit in 2024 prior to the deduction of the remuneration to employees and directors by the distribution percentage specified in the Articles of Incorporation. However, if the Board of Directors adopts a resolution to allow the discrepancy between the actually distributed calculated amounts, it will be treated as the changes in accounting estimates and stated as loss or profit in 2025.

3. The distribution of remuneration approved by the Board of Directors:

(1) The amount of the remuneration to employees, directors and supervisors distributed in cash or share: If there is any discrepancy from the estimated amount of the expenses recognized in the year, the discrepancy, the reason for the discrepancy, and the status of the treatment shall be disclosed: The Compensation Committee of the Company had a discussion and reported it to the Board of Directors, which gave its approval on March 3, 2025. The remuneration to the directors and employees amounted to \$5,569,875 and \$20,000,000, respectively.

(2) The amount of the remuneration to the employees in the form of stocks, and share of that amount as a percentage of the sum of the net income after tax stated in the separate or individual financial reports for the current period and total employee remuneration:

The Company did not distribute share dividends to the employees in the current year.

4. The actual distribution of the remuneration to employees and directors in the previous year (including the number and amount of shares distributed and the stock price); if there is any difference from the recognized amount of the remuneration to the employees and directors, the difference, the reason for the difference, and the treatment shall be disclosed:

Unit: NTD

Distribution	2023			
	Actual number of shares distributed under resolution of the Board	The number of shares to be distributed as approved by the Board	Difference	Reason
Cash dividend to employees	19,500,000	19,500,000	-	-
Share dividend to employees	0	0	-	-
Number of shares	0	0	-	-
Remuneration to directors	4,420,000	4,420,000	-	-

**(VI) Buyback of the Company's share:** None.

**II. Issuance of Corporate Bonds:** None.

**III. Issuance of Preferred Shares:** None.

**IV. Issuance of Overseas Depository Receipts:** None.

**V. Issuance of Employee Stock Option Certificates:** None.

**VI. Status of the Employee Restricted Stock Acquired by Managerial Officers, the name of the Top 10 Employees in Terms of the Acquisition, and the Acquisition Status up to the publication date of this annual report:** None.

**VII. Issuance of New Shares in Connection with Mergers or Acquisitions of or Succession to Shares of Other Companies**

1. Issuance of new shares in connection with mergers or acquisitions of or succession to shares of other companies in the most recent year up to the publication date of this annual report: None
2. Issuance of new shares in connection with mergers or acquisitions of or succession to shares of other companies and approved by the Board of Directors in the most recent year up to the publication date of this annual report: None

**VIII. Implementation of Capital Utilization Plan**

1. Plan: Analysis on any uncompleted plans for private placement of securities or completed plan within the most recent three years with unrealized benefit up to the quarter directly prior to the publication date of this annual report: None
2. Implementation: Not applicable.

## Four. Overview of Business Operations

### I. Business of the Company

#### (I) Business scope

##### 1. Main items:

Business code	Business	Business code	Business
CC01110	Computer and Peripheral Equipment Manufacturing	E701010	Telecommunications Engineering
F113050	Wholesale of Computers and Clerical Machinery Equipment	E701020	Satellite Television KU Channels and Channel C Equipment Installation
F113070	Wholesale of Telecommunication Apparatus	E701030	Controlled Telecommunications Radio-Frequency Devices Installation Engineering
F118010	Wholesale of Computer Software	E605010	Computer Equipment Installation
F213030	Retail Sale of Computers and Clerical Machinery Equipment	E701040	Simple Telecommunications Equipment Installation
F213060	Retail Sale of Telecommunication Apparatus	F108031	Wholesale of Medical Devices
F601010	Intellectual Property Rights	F208031	Retail Sale of Medical Apparatus
I103060	Management Consulting	J601010	Arts and Literature Service
I301010	Information Software Services	JB01010	Conference and Exhibition Services
I301020	Data Processing Services	IG03010	Energy Technical Services
I301030	Electronic Information Supply Services	E6030310	Cable Installation Engineering
JE01010	Rental and Leasing	E6030350	Automatic Control Equipment Engineering
IZ13010	Internet Certificates Service	EZ05010	Instrument and Meters Installation Engineering
ZZ99999	All business activities that are not prohibited or restricted by law, except those that are subject to special approval.	F401021	Restrained Telecom Radio Frequency Equipment and Materials Import



## 2. Operating revenue percentage

Unit: NTD thousands; %

Major product	Year	2024		2023	
		Revenue	%	Revenue	%
Modern data center		1,013,133	25.78%	1,142,683	27.34%
Smart edge & peripherals		796,595	20.27%	940,399	22.50%
Communication system/internet/information security		457,902	11.65%	435,354	10.42%
Software/technology service/education & training/engineering		1,439,612	36.63%	1,362,566	32.60%
Others		222,984	5.67%	298,559	7.14%
Total		3,930,226	100.00%	4,179,561	100.00%

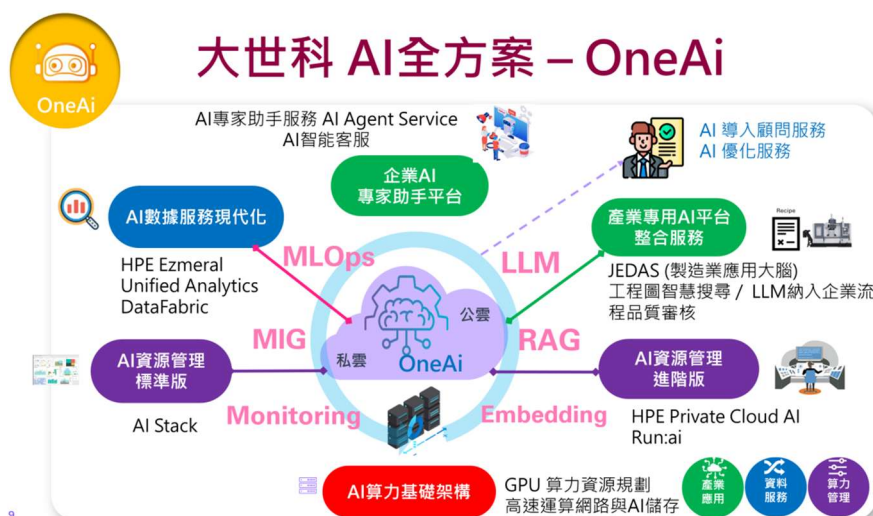
## 3. Product and service items of the Company

**Digital Transformation and Intelligent Solutions**

The company is committed to being a professional partner for enterprises and governments in their digital transformation journey. Through digital technology enablement, we provide AI-powered applications, operational efficiency enhancements, and decision-support analytics. Our services encompass intelligent solutions, consulting, cloud architecture, ICT integration, cybersecurity, and data protection to ensure business continuity.

- **AI and Big Data Analytics**

The "OneAi" Comprehensive Solution provides AI computing architecture, data management, and intelligent assistants, helping enterprises build customized AI platforms. It integrates MLOps, LLM, and RAG technologies, ensuring seamless data collection, processing, and cloud deployment. Our big data analytics services focus on data warehousing and business intelligence applications, assisting companies in optimizing strategies and decision-making.



- **"OneStar" Smart Communication Applications**

This product series includes the ibo.ai chatbot, which integrates deep semantic analysis and RPA technology to support intelligent customer service, process automation, and multi-domain applications. LinkUp video and audio communication technology further enhances voice and video customer service, providing enterprises with flexible and integrated smart communication solutions.

## ● Cybersecurity Services

In response to increasingly complex cyber threats, we offer comprehensive security protection, including AI-driven endpoint detection, vulnerability scanning, application security testing, next-generation firewalls, intrusion detection, and internal network visualization. We also design enterprise-grade network architecture and security monitoring solutions to ensure operational safety.

- **tsi “OneService” Integrated Solution**

A one-stop integrated service that enhances corporate efficiency and precision service levels. Our innovative solutions continue to drive smart city development, injecting intelligence into urban life and providing robust AI-powered services to accelerate digital and sustainable transformation.



### ESG and Smart Applications

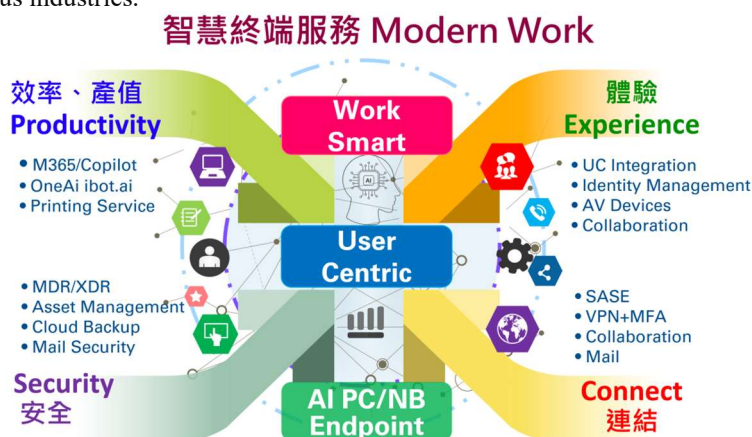
#### ● ESG Ecosystem Integration Services

We continue to drive low-carbon and net-zero smart city innovation solutions. By implementing **AIoT-enabled low-carbon smart restrooms**, we enhance energy efficiency and intelligent management while integrating sensors and chatbot systems to optimize public facility experiences. Over 100 smart restroom installations have been deployed across Taiwan.

Through the “Greenery Carbon & Energy Pioneer”, we integrate smart meters, energy management systems, and carbon inventory systems to help businesses monitor electricity usage in real time, analyze demand, and track carbon emissions. This aids in setting carbon reduction targets, improving energy management performance, and optimizing the renewable energy mix. AI and data analytics further optimize high-energy-consuming equipment performance, enhancing energy efficiency and reducing electricity consumption and carbon emissions.

#### ● Development of Integrated Smart Edge Solutions

With a customer-centric and service-oriented approach, the Company is committed to developing integrated smart endpoint solutions that enhance operational efficiency and productivity while improving user satisfaction and experience. By integrating a diverse range of smart endpoint devices and systems, the Company delivers flexible, efficient, and secure application architectures to meet the digital transformation needs across various industries.



#### ● Smart Surveillance Applications

TSTi's smart security solutions focus on the comprehensive management of physical security involving people, events, and assets. These include identity authentication, video surveillance, and environmental sensor detection systems, which can be integrated with clients' existing middleware platforms (e.g., HR systems, MES). The solutions adopt an open platform architecture combined with AI-powered edge computing technologies to enable real-time threat detection, abnormal behavior analysis, and automated alerts. The systems are flexibly designed according to client requirements and budgets, supporting seamless integration with existing systems to eliminate data silos and achieve full OT-IoT convergence. These capabilities help enterprises enhance facility maintenance efficiency, reduce operational costs, ensure business continuity, and accelerate digital transformation—ultimately building a secure, high-performance, and resilient sustainable environment.

#### ● Smart Healthcare Applications

We assist medical institutions in building data centers, integrating cross-system medical data using FHIR standards, and providing services such as telemedicine, AI precision medicine, HIS container platform consulting, and healthcare cybersecurity solutions to enhance medical efficiency and safety.

#### ● “OneCloud” Cloud Services

Our company offers comprehensive cloud management solutions, covering public cloud, hybrid cloud, data backup, disaster recovery, container platform management, and AI applications. Through OneCloud Managed Service, we provide enterprises with outsourced operation and maintenance support, ensuring a stable and efficient digital transformation process.

Note: For more information, please visit the official website of the Company <http://www.etatung.com>

**(Subsidiary) Chyun Huei Commercial Technologies's product name and service item**

<b>Major product (service)</b>	<b>Function</b>
AI Workstation Products	The company acts as an agent for sell AI workstations with generative AI capabilities and NVIDIA graphic computing products, we offer professional solutions for high-speed computing and graphics requirements across various industries.
Zebra Barcode Scanning and RFID Smart Label Solutions	The company is authorized to sell Zebra barcode scanning devices, fixed or handheld readers, and RFID smart label solutions. Zebra offers a comprehensive product line for barcode printing, enterprise printing, asset tracking, IoT solutions, and mobile and location sensing technologies for various industries.
Professional Output Equipment	Authorized distributors for Canon, ROWE, and HP wide-format printers, scanners, and folding machines, offering high-quality solutions to ensure efficient printing, copying, and storing of engineering files. Products guarantee faster speeds and increased productivity, catering to a wide range of production needs from low-speed to high-speed and low-volume to high-volume requirements, thereby fulfilling the demands of professional output equipment providers.
Asset Management, Security Control, and Operation Management	In addition to selling Innovative Interface Inc.'s Sierra/library service platform, we also offer asset management and smart operation and security management platforms that provide quantitative data reports to prevent malicious software, ransomware, adware, and cracking software from invading devices, avoiding wasted investment, and maximizing resource utilization.
Bingle E-commerce Platform	The company developed the Bingle E-commerce platform (www.bingle.com.tw) that combines the service resources of well-known domestic and foreign information brands and the group services of DTS to provide a complete range of products and services information and business consulting solutions, meeting the needs of small and medium-sized enterprise growth.

Note: For more information, please visit the official website of the Company <http://www.chci.com.tw>

**(Subsidiary) Tisnet Technology's product name and service item**

<b>Major product (service)</b>	<b>Function</b>
ISP and IDC operation service	In addition to the application of domain names, the company acts as an agent for the sale of SSL certificated to enhance the cyber security and increase the subscription service revenue.
Network and website integration service	In addition to the website, system and app development projects as well as cash flow and short message concatenation services, the company provides system transfer services to assist customers in their transfer to the cloud platform.
Cloud service	Tisnet Technology is a Microsoft Cloud Service Partner (CSP) and plays the role of a cloud service provider in the enhancement of the corporate operations.
Intranet security and compliance management service	The company takes intranet security issue as the core of the security products and services, including intranet connection control, intranet environment monitoring and management, intranet terminal security protection, and intranet asset security protection.
Information security – privileged access management and audit	Privileged account management and auditing consolidate account access through centralized control and single sign-on, while comprehensively capturing operational activity logs, generating work reports, and streamlining audit procedures—all in one integrated solution..

Note: For more information, please visit the official website of the Company <http://www.tisnet.com.tw/>

**(Subsidiary) Tsti Technologies (Shanghai)'s product name and service item**

<b>Major product (service)</b>	<b>Function</b>
IT infrastructure solution	Enterprise data center construction, enterprise backup center construction, network infrastructure, data backup and storage, server fault-tolerant cluster, and server and desktop virtualization.
ICT integration solution	IP Voice communication, audio and video conferencing integration solutions, and network monitoring security.

Note: For more information, please visit the official website of the Company <http://www.tsticn.com/>

**(II) Industry overview****1. Economic profile**

In 2024, the global economy exhibited dual disparities across regions and industries. The economic performance in the U.S. and Europe was better than initially expected compared to 2023, while Japan and China underperformed. Taiwan benefited from the demand for artificial intelligence (AI) and emerging technologies, resulting in an estimated economic growth rate of 4.3%, exceeding expectations. Looking ahead to 2025, uncertainties in the global economy have increased due to former U.S. President Trump's various reform policies. Additionally, challenges persist in China's economic recovery. Major international forecasting agencies, such as S&P Global, estimate that the global economic growth rate will be around 2.51%. Given the uncertain global political and economic environment, Taiwan is expected to leverage the resurgence in demand for electronic products, as well as the expanding applications of high-performance computing and AI, along with adjustments in national economic and trade policies. The estimated economic growth rate for Taiwan in 2025 is forecasted to be 3.22% by the Chung-Hua Institution for Economic Research (CIER) and 3.42% by the Taiwan Institute of Economic Research (TIER).

## 2. Industry development trend

In the ICT industry, the Market Intelligence & Consulting Institute (MIC) under the Institute for Information Industry has forecasted major ICT industry trends for 2025, highlighting AI's significant influence across industries. According to Gartner's 2025 technology trends report, future technological development will focus on three key areas: opportunities and challenges of AI, breakthroughs in computing technology, and new forms of human-machine collaboration. IDC predicts that global AI spending will reach \$227 billion by 2025 and exceed \$19.9 trillion by 2030, creating a new AI-driven economy. Furthermore, IDC outlines five key trends for Taiwan's ICT market in 2025: (1) The next wave of GenAI development—expanding into multimodal and multi-model applications. (2) The expansion of edge IT infrastructure driven by GenAI, boosting cloud market growth. (3) The acceleration of MDaaS (Managed Data as a Service) through edge computing and AI devices. (4) A new era of cybersecurity—AI BOM (Bill of Materials) and cryptographic agility. (5) AI-driven carbon emissions management becoming a mainstream trend, with "green collar" talent gaining prominence.

## 3. Correlation among upstream, midstream and downstream in the industry

As for the configuration of the industry chain in the IT service industry in Taiwan, the upstream players (manufacturers – international and domestic leading companies) play the role of product and technology providers, and implement advanced information application technologies. The downstream players, including software consultants and independent software providers, software sales service providers and system integrators, play the roles of technology application integrators. They develop their respective service models based on their experience and understanding in the professional domains of the industry to which their customers belong. They provide solutions (or services) or integrate the advanced technologies provided by the upstream players for the end customers to meet their demands.

The midstream players are usually distributors or wholesalers. In addition to the major role of stocking, warehousing and distribution, they assist manufacturers in distribution of goods to the downstream distributors, who will resell them to end customers. Standard software and hardware products with a huge sales volume are attractive to them. Some companies provide software and hardware spares, testing devices and supports, and training on sale of products. Most of the manufacturers take a multi-agent strategy. They have multiple distributor and agency channels to ensure extending to more end customers. Most of the agents sell goods for multiple brands to meet the demands of the customers and increase their revenue.

The agents of the Company are vertically integrated direct dealers of information services based on the software, hardware and network technologies. The upstream companies for which we act as an agent include Avaya, Aruba, Cisco, Dell EMC, HPI, HPE, Informatica, Microsoft, NetAPP, NVIDIA, Qualtrics, Redhat, Veeam, VMware and other ICT software and hardware manufacturers. We are engaged in the business including cloud computing and IC system integration services, such as virtualization consultation and system setup, data backup and storage equipment installation, planning and setup of commercial switchboard, high-speed computing server, network equipment and planning and setup of information security, graphic workstation, commercial terminal computer, highway toll calculation software, contact center related equipment and desktop integration software, warranty service, movement of data center, education and training, and other related products and services. We have customers in different industries, including telecommunications industry, logistics industry, manufacturing industry, transport service industry, healthcare industry, financial and securities industry, educational institution, and government agency.

## 4. Development trend of products and their competition status

### (1) Development trend of products

The Company's business scope encompasses modern data centers, smart edge & peripherals, network products, cybersecurity services, information and application software, professional consulting services, after-sales support and maintenance services, personal computers, and computer peripherals. As a comprehensive IT service provider, the Company delivers end-to-end integrated solutions. In response to the rapid development and application of three major trends—digital transformation, sustainability transformation, and AI intelligence—the Company leverages its professional talent and

extensive experience in project management, software development, and industry-specific integration to provide digital transformation and intelligent solutions. These include: OneAi integrated AI solutions; Information security services; TSTI smart communication applications; OneService comprehensive service platform; ESG and smart applications, such as ESG ecosystem integration services, smart healthcare applications, and OneCloud cloud services. Through these offerings, the Company provides a complete suite of professional services and solutions to support clients in their transformation journeys. For more information on the development trend of related products, please refer to IV. Overview of Business Operations I (1)3. “Product and service items of the Company.”

(2) Competition status

In the environment of digital transformation (intelligent manufacturing, smart healthcare, financial technology, smart retail, etc.), the issues on mobile applications, intelligent analysis, cloud computing, community collaboration, and information security have more impact on the operation of a company and, thus, are decisive in the deployment and tendency of its information investments. This trend develops rapidly and re-shapes the innovative applications and services of the IC system integration service industry. The situation of “the big getting bigger” is the finality. However, the application service is very location dependent and can be deployed in a wide range or areas. Any single standard solution of a leading company is not the key to meet the requirements. Hence, how to find differentiation in the application services and apply the resource advantages of the Company to the development of the application service solutions, develop the market in the Blue Ocean, clarify the position of the Company, and select the right application fields is really the way of survival.

In addition to making technology investment in the global leading brands on an ongoing basis, we work with mobile communication service operators, commercial software manufacturers and partners to provide customers with more complete consultation and integration services that can meet their demands more appropriately. We continue improving our competitive strength in the integration and setup of the IoT applications and ICTs (Information and Communication Technologies). We are dedicated to connecting the future by ICT, striving for growing continuously, and providing customers with more competitive ICT solutions.

### (III) Overview of technology and R&D

1. In the most recent fiscal year (Year 2024), the company invested NT\$54,803 thousand in research and development.

2. Technology or product developed successfully

Year	Technology or product name
2024	Language Understanding and Generation System Enhancement Project
2024	Smart Restroom 2.0 – Eco-Friendly and Sustainable

3. Subject of R&D project

#### **Language Understanding and Generation System Enhancement Project**

Since 2022, OpenAI has introduced groundbreaking generative AI technology with ChatGPT, which has gained significant global traction. Compared to traditional keyword-based chatbots, this advancement marks a leap forward in natural language understanding and content generation, greatly improving user experience.

This year's R&D focus is on integrating generative AI to enhance the technological foundation of DWS Tech's proprietary chatbot. The goal is to deepen domain-specific applications, developing intelligent

service platforms for marketing, customer support, and internal knowledge management. This approach differs from traditional knowledge maintenance, enabling our clients to quickly deploy chatbot services.

Key R&D Directions and Objectives:

Contextual Understanding and Intent Recognition – Utilize generative AI to interpret user input context and intent, helping the chatbot select appropriate engines for services such as knowledge-based Q&A and business processes.

Flexible Knowledge Graph Applications – Analyze user inputs to understand key linguistic elements, with the ability to ask clarifying questions for more complex knowledge retrieval.

Retrieval-Augmented Generation (RAG) Development – Implement RAG engineering to allow the chatbot to retrieve relevant documents or knowledge, summarize content, and generate appropriate responses.

Product Recommendation Module – Develop a recommendation system using pre-labeled product data and real-time understanding of user input to suggest the most relevant products.

### **Smart Restroom 2.0 – Eco-Friendly and Sustainable**

In alignment with the "Digital Nation & Innovative Economic Development Plan", this project supports Taiwan's government-led digital transformation strategies. By integrating multiple smart applications and collaborating with local authorities, the company aims to foster digital innovation across sectors. The project leverages emerging technologies to establish smart governance infrastructure, facilitate cross-sector cooperation, and promote the adoption of smart city solutions. The ultimate goal is to enhance real-time city data management, strengthen digital governance, upgrade private-sector operations, and improve public smart-living experiences.

Key R&D Directions and Objectives:

Technological Innovations: Advanced IoT Integration – Implement IoT for smart restroom management, including automated toilet paper replenishment and intelligent water consumption control.

AI & Big Data Analytics – Collect and analyze user behavior data to optimize restroom experiences and improve energy efficiency.

User Experience Enhancement: Automated Cleaning and Disinfection – Develop high-efficiency automated cleaning and disinfection technologies to maintain hygiene and improve public health.

Privacy Protection & Security – Ensure smart restroom designs prioritize user privacy and incorporate advanced security measures to safeguard data.

Sustainability & Environmental Impact: Energy and Resource Conservation – Develop water-saving technologies and use eco-friendly materials to reduce water consumption and minimize environmental impact.

Smart Monitoring & Maintenance : Utilize intelligent monitoring systems to predict maintenance needs, reducing energy waste and extending equipment lifespan.

The future of smart restrooms extends beyond technological advancements, incorporating values such as health, sustainability, and safety. Through continuous innovation and application, smart restrooms



aim to provide a more comfortable, hygienic, and eco-friendly experience while enabling effective monitoring and management to support public health and sustainability goals.

4. Time course of and annual spending on R&D

**(1) Language Understanding and Generation System Enhancement Project**

Duration: January 1, Year 113 – December 31, Year 113

Estimated R&D Investment: NT\$10,000 thousand

**(2) Smart Restroom 2.0 – Eco-Friendly and Sustainable**

Duration: January 1, Year 113 – December 31, Year 113

Estimated R&D Investment: NT\$5,000 thousand

**(IV) The long and short-term plans for business development of the Company**

**Short-term development plan:**

The Company upholds the mission of “integration of global technologies to add value for customers,” and sets the vision of providing cloud technologies and professional communication integration services and becoming a leading setup service provider of the highest competitiveness in Taiwan. With the support of our digital technology, we also assist governments and companies in the digital transformation, improvement of the operation efficiency and decision analysis. We sell the products of the leading brands in the world under the agency, including Avaya, Aruba, Cisco, Dell EMC, HPI, HPE, Informatica, Microsoft, NetAPP, NVIDIA, Qualtrics, Redhat, Veeam, Vmware.

The Company continues to invest in the skills of selling products as an agent for improvements. With the efforts of the sales and the marketing department, our business and technical teams have cultivated nearly 30 years of experience of services in information technologies and communication technologies, allowing us to assist corporations and governments to set up the best platform for computing and communication systems. Heretofore, tsti has customers in the fields of telecommunication, financial holding, manufacturing, media, circulation, military and government, and education and research. Our operational units include the System Integration Business Group(SIG), the OneService Business Group(OSG), the ICT Integration Business Group(ICG), the OneCloud & Pre-sales Business Group(CPG), the Digital & Sustainability Business Group(DSG), the Digital Finance Business Group(DFG), the Edge Solutions Business Group(ESG), and the Central & Southern Area Business Group(CSG). All the units work together and focus on the principle of “focus on strategies to enhance the foundation and growth.” By doing so, we may offer comprehensive and professional system services, and provide customers with the best solutions and satisfactory services. The short-term business development plans for each unit of tsti are as follows:

Business Unit	Short-Term Project Summary
<b>System Integration Business Group (SIG)</b>	<ul style="list-style-type: none"> <li>● Deepen engagement with major clients to enhance market depth and breadth. Shift focus from hardware product sales to software and professional services to improve overall customer satisfaction and gross margin.</li> <li>● Continue driving sales transformation, explore opportunities in Software-Defined Data Centers (SDDC), artificial intelligence, big data, and container development platforms to increase service penetration.</li> <li>● Expand sales of original vendor digital transformation solutions and promote proprietary solutions to enter new markets and increase customer stickiness.</li> <li>● Develop industry-specific solutions in smart healthcare, smart manufacturing, smart retail, and telecommunications, offering clients comprehensive system planning consultation and integrated solution services.</li> </ul>
<b>OneService Business Group (OSG)</b>	<ul style="list-style-type: none"> <li>● Continue building a competitive professional service team focused on customer-centric, service-oriented practices. Prioritize customer experience.</li> <li>● Establish the OneService Platform featuring automation and AI-driven service delivery to ensure superior customer experience and deliver high-quality, efficient service.</li> <li>● Standardize the O2C (OneService Operation Center) for maintenance and operation services, providing high-quality 3M services (Monitor, Maintain, Managed).</li> <li>● Conduct organizational restructuring to form a specialized consulting sales team, expanding market outreach and delivering consultative services to maximize customer value.</li> </ul>
<b>ICT Integration Business Group (ICG)</b>	<ul style="list-style-type: none"> <li>● Maintain leadership in the enterprise voice communication sector. Develop new market opportunities by responding to emerging trends such as multimedia customer service and hybrid work models.</li> <li>● Provide hybrid work solutions and comprehensive networking and ICT security services, maximizing customer value.</li> <li>● Address experience management demands by expanding into customer and employee experience management to explore new market segments.</li> </ul>
<b>OneCloud &amp; Pre-sales Business Group (CPG)</b>	<ul style="list-style-type: none"> <li>● Continue representing internationally competitive brands. Integrate existing product lines and technical capabilities to build AI SI and Cloud SI business models and professional services.</li> <li>● Develop market-oriented, competitive integrated solutions under the OneService and OneCloud brands to deliver differentiated customer value, enhance competitiveness, and increase professional service penetration.</li> <li>● Conduct both digital and physical marketing campaigns to generate customer leads and enhance brand recognition, expanding market coverage and influence.</li> </ul>
<b>Digital &amp; Sustainability Business Group (DSG)</b>	<ul style="list-style-type: none"> <li>● Develop financial and healthcare application solutions, leverage cross-domain sales with existing key accounts, and strengthen large-scale projects to become a trusted digital growth partner.</li> <li>● Expand data governance and data lake projects. Develop cross-domain business intelligence and IT operation opportunities.</li> <li>● Focus on cloud-based AIoT solutions such as smart healthcare, ESG zero-carbon systems, AI-powered text bots, and smart public restrooms.</li> </ul>

	<ul style="list-style-type: none"> <li>● Emphasize sales and value-added services for third-party software products, enhancing capabilities in AI data integration and analysis.</li> <li>● In-house product development: Specialize in vertical domains and develop proprietary products related to smart healthcare and AI applications.</li> <li>● Advanced technology alignment: Continue investing in cutting-edge cloud technologies, AI, and NVIDIA software applications.</li> </ul>
<b>Digital Finance Business Group (DFG)</b>	<ul style="list-style-type: none"> <li>● Deepen relationships with key clients in the financial industry. Collaborate closely with vendors to sell services and financial solutions.</li> <li>● Focus on developing sales opportunities for AI, big data platforms, and cloud services to help clients enhance operational efficiency and performance.</li> <li>● Continuously improve capabilities in cybersecurity technical services and expand in related markets to increase revenue.</li> <li>● Build ecosystem partnerships to support clients in delivering innovative data services and business models on AI/digital platforms.</li> </ul>
<b>Edge Solutions Business Group (ESG)</b>	<ul style="list-style-type: none"> <li>● Develop integrated smart edge solutions centered on customer needs, providing productivity gains, high user satisfaction, and secure networking and cybersecurity.</li> <li>● Focus on three core areas of smart endpoint development: (1) AI PC and applications, (2) nationwide endpoint device support services, (3) edge cybersecurity planning and deployment, integrating hardware, software, peripherals, system upgrades, and warranty/maintenance management.</li> <li>● Promote value-added edge products and create high-value smart endpoint solutions to achieve comprehensive growth in sales volume and profitability.</li> </ul>
<b>Central &amp; Southern Area Business Group (CSG)</b>	<ul style="list-style-type: none"> <li>● Focus on system integration and smart edge business development in central and southern regions.</li> <li>● Develop new business in "smart security applications," utilizing AI technologies to deliver proactive, automated, and intelligent solutions that address client needs for upgrades, replacements, or improvements.</li> </ul>
<b>Subsidiary – Chyun Huei Commercial Technologies Inc.</b>	<ul style="list-style-type: none"> <li>● Expand business scope to include Zebra barcode printing, enterprise printing, RFID asset tracking, and IoT solutions.</li> <li>● Promote workstations with generative AI capabilities and increase sales revenue of NVIDIA graphics computing products.</li> <li>● Strengthen market promotion of asset management and intelligent maintenance cybersecurity platforms.</li> <li>● Leverage the BiNGLE e-commerce platform (<a href="http://www.bingle.com.tw">www.bingle.com.tw</a>) to enhance brand awareness and competitiveness in professional workstation product sales.</li> </ul>
<b>Subsidiary – Tisnet Technology Inc.</b>	<ul style="list-style-type: none"> <li>● Continue focus on cloud sales, software licensing, technical consulting, web development, domain/SSL, and cybersecurity services.</li> <li>● Cybersecurity services are focused on (1) security assessment, (2) account protection, (3) document protection, (4) data protection, (5) ransomware defense, and (6) cybersecurity training.</li> <li>● In addition to increased investment in cybersecurity services, the company actively pursues cloud service and related integration opportunities.</li> </ul>
<b>Subsidiary – Tsti Technologies (Shanghai) Co., Ltd.</b>	<ul style="list-style-type: none"> <li>● Collaborate with the parent company to provide system integration services.</li> <li>● Expand cloud-based solutions and capture cloud service business opportunities.</li> </ul>

**Long-term development plan:**

In response to the dual-driving trends of global digital transformation and sustainable development, the company is actively mapping out a long-term development blueprint centered on "service orientation, deepened technology, and sustainable innovation" to build competitive advantages and capture market opportunities. The company will focus on four strategic pillars: smart application integration, cloud platform enhancement, ESG sustainability practices, and digital transformation services, continuously creating value for customers and shareholders.

**1. Building a Comprehensive Digital Service Brand**

TSTi has launched the tsti OneService brand, offering "From AI to Edge" ABCDE services: AI platform applications based on cybersecurity services, Big Data management, Cloud & Container services and management, Data Center modernization, and Edge Computing. OneService will continue to be customer-centric and service-oriented, with a focus on delivering customer value and excellent user experiences.

**2. Deepening Cloud and AI Application Services**

As enterprise digital transformation accelerates, cloud services (IaaS, PaaS, SaaS) have become central to IT architectures and continue to experience double-digit growth. Leveraging years of experience in cloud-native platforms, AIoT smart city solutions, and software cloud services, TSTi has introduced proprietary brands such as tsti OneCloud and tsti OneAi, aggressively entering the cloud and AI enterprise market and rapidly capturing emerging technology opportunities.

Under the tsti OneCloud framework, we offer private, public, and hybrid cloud models, covering IaaS, PaaS, and SaaS service types. Key SaaS offerings include: ibo.ai intelligent chatbot, tiCC cloud-based customer service, low-carbon smart restrooms solutions, and ESG net-zero integration solutions. We will continue to represent and integrate products from renowned local and international SaaS providers to deliver one-stop cloud and AI-integrated solutions for enterprises.

**3. Developing Smart Terminal Integration and Smart Security Applications**

Focusing on customer needs and service orientation, the company are developing integrated smart terminal solutions that improve productivity and enhance user satisfaction and experience. Our smart security solutions combine open platform architecture with AI edge computing to provide customized security system integration. By integrating AI-based image recognition, behavior analysis, and real-time alerts, we aim to build a comprehensive security management mechanism. These solutions help enterprises enhance operational efficiency, reduce costs, ensure business continuity, and accelerate digital transformation—all while building a resilient and sustainable security environment.

**4. Ongoing Development of Proprietary Software**

The company are actively investing in advanced ICT R&D, the development of proprietary software, and value-added integration of domestic and international software brands. Our Customer Experience Solutions include: intelligent cloud-based customer service, chatbots, enterprise knowledge base platforms, and customer experience management. Our ESG Net-Zero Sustainability Solutions include: low-carbon smart restrooms, energy management, net-zero integration, and telemedicine services. These solutions are marketed under the tsti OneSoftware and OneAi brands.

**5. Diversified Industry Presence and Expansion into Southeast Asia**

The company maintain a balanced presence across digital finance, smart manufacturing, smart healthcare, government and telecom, retail services, and SMEs to mitigate industry-specific economic fluctuations. The company aim to drive service, cloud, software, and operational digital transformation, delivering innovative value, superior customer experience, and new revenue streams. The company plan to enter the ASEAN market with our competitive OneCloud and OneSoftware solutions, positioning ourselves as a regional cloud and software provider. In line with sustainable operations, the company is committed to implementing ESG principles—not only through strong governance, social engagement, and environmental sustainability within the organization, but also by incorporating ESG issues and sustainability goals into the development of digital services and integrated solutions. We strive to build an ESG-driven business and social ecosystem, maximizing value for our customers, shareholders, employees, and society.

## II. Overview of Market and Production/Marketing

### (I) Market analysis

#### 1. Sales region for major products

Unit: NTD thousands; %

Item \ Year	2024		2023	
	Amount	%	Amount	%
Domestic sales	3,887,268	98.91	4,057,038	97.07
International sales	42,958	1.09	122,523	2.93
Total	3,930,226	100.00	4,179,561	100.00

#### 2. Market share

The CRIF Top 5000 enterprise ranking collects information on 5,000 large companies with annual net revenue of over \$100 million. In addition to the ranking by revenue, four representative indicators of revenue, profitability, return on investment, and productivity are also used to evaluate the performance of the enterprises. In order to further evaluate the business performance of these enterprises, they rank these enterprises in a more comprehensive manner by referring to indicators such as net revenue, net profit after tax, revenue growth rate, net profit margin, return on net worth, return on assets, sales per employee, and productivity indicators.

According to the "Top 5000 Taiwan Large Enterprise Ranking Study" published annually by CRIF, the Company has been ranked among the top 500 service companies in terms of business

performance, and among the top 25 in the category of computer system integration services.

According to the annual "CommonWealth Magazine Top 2000 Survey" released every May, our company is listed under the "service industry" category, particularly recognized as a benchmark enterprise in the "information equipment sales and services" sector. Additionally, our company has been selected as an outstanding service provider for four consecutive years in the "Elite Vendor Brand Survey" by CIO Taiwan Magazine. The list Elite Vendor Outstanding Service Providers covers the most important and long-term cooperative IT service providers other than the original manufacturers. These above achievements demonstrate that the Company has already had a certain level of market share in the customers' sales throughout the nation.

#### 3. Future supply and demand in this market and growing potential

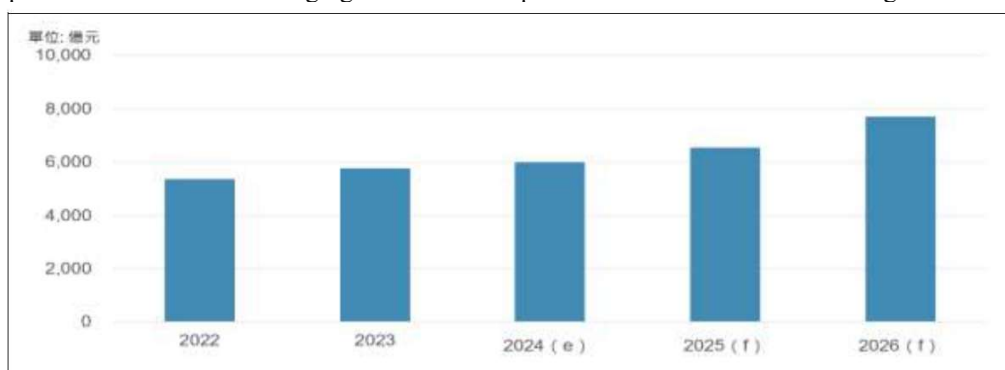
Taiwan's information services (IS) industry is projected to reach a market size of NT\$600 billion in 2024, demonstrating a stable growth trend from 2022 to 2026, driven by multiple factors. Post-pandemic, Taiwanese enterprises have accelerated digital transformation, broadly adopting changes in IT infrastructure and service models. This transformation, particularly in business model adjustments and the adoption of digital and cloud technologies, has significantly fueled the industry's growth momentum. In addition, the rapid advancement of AI technology has become a key driver of industry growth, prompting more companies to increase investment in IT solutions and accelerating the overall development of the sector.

The outbreak of COVID-19 accelerated the transformation of enterprise IT architecture and service models. The rapid adoption of digital and cloud technologies has propelled the expansion of Taiwan's IS market. During this period, companies have intensified their digital transformation efforts, while surging demand for remote work and online business activities has positioned the IS industry as a key driver of enhanced corporate competitiveness.

However, global economic volatility in 2023 negatively impacted investment confidence, leading to a slowdown in the IS industry's growth. Despite this, the industry is expected to continue growing steadily in

2024. While the annual growth rate may decrease, the market is still poised to reach new highs. This indicates that even amid challenges, Taiwan's IS industry can sustain its growth momentum through accumulated development strength and proactive corporate responses.

Overall, the development trajectory of Taiwan's IS industry reflects the irreversible global shift toward digital transformation and the structural changes brought about by the pandemic. Looking ahead, as digital technologies continue to evolve and demand for IS solutions rises, Taiwan's IS industry holds substantial market potential. The key challenge for the industry will be how to continuously innovate and maintain competitiveness in an ever-changing market landscape in order to achieve sustainable growth.



資料來源：資策會 MIC 經濟部 ITIS 研究團隊，2024 年 9 月

#### 臺灣資服產業營收

### 4. Competitive niche

(1) Use of the integration and application capabilities of the containerization technology to assist customers in rapid deployment of digital transformation

The mature software development team and the large project development experience of the Company are the major competitive advantages in the containerization process. Other system integrators are not in the position to build these capabilities in a short period of time. The containerization not only provide driving force to the upgrade of the infrastructure. It involves the alteration of the resource management concepts and the management of the life cycle in the development of the system. The niche of the Company consists in the combination of the experience in the setup of the infrastructure with the capability of developing large software development projects. With these, we can provide companies with rapid resource activation, flexible resource management, and multiple resources (big data, GPU, edge computing, and hybrid cloud) needed for their digital transformation to assist them with the successful accomplishment of this task.

(2) Complete product lines and extensive technology service experiences to provide customers with the best solutions and carry out the setup and integration effectively

The Company is an agent of many leading brands in the world. As the technology evolves and customers have their needs for their growth, we will adjust the product lines depending on the development trend, arrange technology personnel to develop products and technologies, and encourage them to acquire relevant licenses and provide the best support for customers. With the completely planned solutions, we will keep striving for the right of agency for international leading brands, establishing complete product lines, and investing in technologies and service teams. Based on the performance in the implementation of large software and hardware projects, we have accumulated many experiences in system integration and technology consultation, and are able to provide customers in different industries with the best value-added solutions and improve their competitive advantages.

(3) Provision of premium operation and maintenance services all year round and assurance of the quality by passing the ISO 20000 certification

The customers that purchase server, storage, communication, and network systems, especially large data or call centers, require multiple functions, professional services and high performance to ensure uninterrupted operation of the system. The after-sales services must be professional and provided in a timely manner. The

Company has hundreds of professional technology engineers, and is one of a few companies that can provide a twenty-four-seven service mechanism in the industry. We passed the ISO 20000 IT Service Management System certification in 2014 and renewed the certificate every year since then to ensure providing customers with premium after-sales services in a timely manner.

The Company provides genuine parts and certified technicians, professional consultation teams, and complete service locations. All the project management, on-site repair, labor dispatching, and other services are based on the SAP CRM service module system (including project management, on-site repair recording system, labor dispatching system, and parts management) in connection with the KM system and textual customer service system. The Company also conduct personnel management and evaluation systems to ensure providing customers with rapid and satisfactory services. The Company has marketing and service bases in Taipei, Hsinchu, Taichung, Tainan, Chiayi, Kaohsiung, and Shanghai in the hope to provide more rapid and premium services for the customers in Taiwan and China with a wider marketing and service network.

(4) Maintenance of a long-term interactive and close relationship with manufacturers

The Company is dedicated to being the best distribution partner for the brands that we sell

under agency. We hold marketing workshops together with the manufacturers and update the market information to the customer and potential clients. We work with the manufacturers to develop new customers and markets, and establish sales strategies in different periods.

(5) Continuous improvement of the digitization in internal operations and the development of talents

The Company continues digitizing the operations and enhancing the intelligent operation of the internal information systems by integrating all the information systems within the Company, such as CRM, ERP, BPM (Electronic Sign-off System), KM (managerial), EIP (Enterprise Information Portal), and ticc (Omni-Channel Contact Center System). This way, all the information flows of the Company will be smoother. Company continuously We will smarter to ensure provision of more effective operational information and improvement of overall operation efficiency and quality. As for the development of the talent, we will enhance the development of the competency model for each function and establish a connection between the performance, competency and knowledge management and preform this connection effectively, in order to establish and implement a comprehensive management mechanism for identification of talents, implementation of KP, competence evaluation, internal job rotation, performance coaching, technology inheritance, and off-board management.

## 5. Favorable and unfavorable factors for future development and the countermeasures

### (1) Favorable factors

① The core technology of the Company is in line with the development trend of the cloud applications and IC integration.

The demand for cloud services grows every year. The public cloud services that foreign companies provide run into fierce competition. In addition to providing companies with private cloud, the Company provides virtualization management, containerization technology, cloud computing and their integration, setup and services for which we have leading advantages in technology based on our system integration specialties. The Company continues inputting software technology talents and acquires Microsoft, VMware, Cisco, and HPE technology certificates. We have solid technology strength in the integration of virtual hosts and cloud-based automated management.

### ② Comprehensive and diverse solutions and product lines

The Company provides a complete set of products, professional consultation and after-sales services in six professional service and solution fields of cloud service, mobile commerce, big data analytics, contact center system, integration service, and intelligent application. This way, we can meet the requirements of the customers and improve the competitive strength of the customers with our value-added software and digital transformation technologies.

③ Collaboration with Chyun Huei Commercial, Tisnet Technology and tsti Technologies (Shanghai) to ensure solid regional deployment of products

The Company and three subsidiaries are engaged in marketing of products under agency, including IT

Infra equipment, software development, after-sales services, cloud services, IoT applications, co-location, Dell workstations, and Zebra/Motorola products. The sales and service locations of the Company are in Taiwan (a total of six locations in northern, central, and southern Taiwan) and Shanghai. Sales representative with extensive experience are arranged to provide customers with premium services in a timely manner.

#### ④ Quality service teams

The Company provides online after-sales repair request services and twenty-four-seven contracted services. We respond to the requirements of the customers and maintain their information system environment at any time, and win their trust and recognition.

#### ⑤ Dedicated R&D unit

The R&D units are dedicated to developing in-house products and inputting new technologies, facilitating the control over solutions and the improvement in gross margin.

### (2) Disadvantages and counter measures

#### ① The scale of domestic demand market is limited, resulting in fierce competition in the industry.

The usage of domestic cloud services continues to increase, compressing the market of outsourced services and reducing the opportunities for physical sales. The entry thresholds of the IT service industry is not high, leading to a disadvantage for the industry's development, which is low-price competition.

Here are the counter measures of the Company: In addition to the continuous accumulation of project experience in all industries, the Company insists on doing research and making development. We develop new products and create differentiated products/services, continue to increase the added value of the original products and services, and expand the scope of business in an aggressive manner. Not only that, but we also provide the best support services from every aspect, such as planning, setups, consultation, and installation and maintenance. We also closely follow the development trend of the market, and create advantages by using the digital transformation technology to improve competitiveness.

#### ② Technology is innovated constantly; talent cultivation is not easy and takes time, while international suppliers start talent poaching.

The key to the long-term development of the IT service industry is attracting professional talents and project management teams with profits. Tech talents need long-term cultivation and experience learned to possess highly professional knowledge, and they need to accumulate special, core skills through projects. Thus, professional talents are important assets. However, when domestic and international suppliers failed to cultivate long-term talents or focus on specific fields, they poach talents with considerably valuable incentives, and thus causing distress on local system integrators.

The counter measures of the Company are as follows: We see talents as the most important asset of the Company, and believe that only with good employee satisfaction can we achieve good customer satisfaction. The Company makes every effort to provide each employee with favorable wages and benefits. We uphold the idea of sharing the profits with employees to attract, cultivate, develop and encourage talents in all fields. We also implement the learning organization culture by combining the core values of the Company with the competency-based learning maps for 36 professional positions. Moreover, the Company strive for promoting professional certifications. We increase budget in employee training, provide well-established welfare schemes, and cultivate and improve the professional literacy of the employees through educational training. With employee compensations and shareholder rewards, the Company shares operating profits and consolidates the strength of the employees. The Company participates in industry-academia collaboration and applies academic research resources to the business applications.

#### ③ Lower budgets of the government for information expenses and lack of training and incentive effects in the Government Procurement Act for premium information service companies

The budgets of the government for information expenses are lower in the general budget of the central government and the Government Procurement Act prefers to the price proposal policy based on the lowest price. The requirements of a software design procurement agreement cannot often be confirmed because the contact person is changed, resulting in losses arising from the entire project. This may lead to lower participation willingness of the premium information service companies. In addition, since the government does not have a significant policy of ICT applications and industries, information service providers usually contact with individual companies directly and thus cannot produce the overall application value in the industry.



The Company takes the following countermeasures: We will continue enhancing the confidence of the corporate customers to use the IC system solutions of the Company by promoting successful application cases and verifying the technology

performance, in the hope to grasp the opportunity to become a premium system setup and service company when the government can improve the government procurement environment reasonably and enhance its support of the ICT industry.

## **(II) Key purpose and manufacturing process of major products**

For the information on the key purpose of the Company's major products, please refer to IV. Overview of Business Operations I. Business of the Company (I) Business Scope 3. "Product and service items of the Company." In addition, we are an information service company and do not have the manufacturing process of the manufacturers.

## **(III) Supply of major products**

The major products and service of the Company are deployment and management of cloud services, IoT applications, cyber and information security, high-performance computing, integration and planning of information infrastructure, integration of IC and multimedia, contact centers, and commercial applications.

The major suppliers of the Company are Avaya, Aruba, Cisco, Dell EMC, HPI, HPE, Informatica, Microsoft, NetAPP, NVIDIA, Qualtrics, Redhat, Veeam, Vmware. The supply status is good so far. The software and hardware required are different depending on the scale and feature of the project, which may have significant deviations. The Company has established distribution relationship with major suppliers (foreign manufacturers) of the hardware that we purchase frequently. Both parties have entered into agency or distribution agreements based on the good faith and mutual benefit.

Overall, the Company did not have significant shortage or interruption in supply of goods over the past three years, except for a few delays due to COVID-19.

**(IV) The name of the customer that accounted for more than 10% of the total purchase (sales) amount in any of the most recent two years, the proportion of the purchase (sales) amount, and the reason for the changes:**

1. Information on major customer of sales in the most recent two years Unit: NTD thousands; %

Item	2024				2023			
	Title	Amount	Percentage in annual net sales (%)	Relationship with the issuer	Title	Amount	Percentage in annual net sales (%)	Relationship with the issuer
1	None				None			

Note: The financial information for the most recent period, which is the first quarter of fiscal year 2024, up to the printing date of the annual report, has not yet been audited by the accountant. Therefore, there is no need to disclose the financial information for that period.

2. Information on major suppliers in the most recent two years Unit: NTD thousands; %

Item	2024				2023			
	Title	Amount	Percentage in annual net purchase (%)	Relationship with the issuer	Title	Amount	Percentage in annual net purchase (%)	Relationship with the issuer
1	Company U	416,477	15%	None	Company U	597,896	20%	None
2	Company B	288,477	11%	None	Company B	308,629	10%	None

Note: The financial information for the most recent period, which is the first quarter of fiscal year 2025, up to the printing date of the annual report, has not yet been audited by the accountant. Therefore, there is no need to disclose the financial information for that period.

### III. Employees

#### Overview of employees

Statistics of the labor structure up to the end of February 2024:

Unit: Person; year; %

Year		2024	2023	2022	As of Feb 28, 2025
Number of employees	Sales personnel	103	120	111	99
	R&D personnel	365	397	410	355
	Administrative personnel	92	91	102	92
	Total	560	608	623	546
Average age		42.08	39.6	40.9	41.9
Average years of service		9.2	7.2	7.8	9.3
Educational background	Doctor	0.2%	0.5%	0.2%	0.2%
	Master	15.4%	14.5%	14.7%	15.0%
	College	81.6%	82.2%	81.7%	81.7%
	Senior high school	2.9%	2.8%	3.4%	3.1%

### IV. Information on environmental protection expenditure

As of the most recent fiscal year and up to the date of publication of this annual report, the Company has not incurred any losses or penalties due to environmental pollution, nor are there any anticipated countermeasures or possible future expenditures in this regard.

In response to the government's environmental policies, the Company actively implements energy-saving and carbon-reduction strategies. In April and September 2024, we conducted maintenance and cleaning of our air conditioning systems, which improved efficiency and reduced equipment load. We also continued replacing traditional LED tube lighting with more energy-efficient LED panel lights. In alignment with our strategic development in 2024, we completed the replacement of LED panel lights in our Hsinchu 15-6 and Kaohsiung offices, receiving a government subsidy of NT\$114,000 for energy-efficient equipment upgrades. We manage waste removal and resource recycling by contracting with certified waste disposal companies to minimize environmental impact. Additionally, we actively support green procurement, reaching a total procurement amount of NT\$3.06 million in 2024.

The Company remains committed to fulfilling its corporate social responsibility and sustainability goals by continuously promoting energy conservation, carbon reduction, and greenhouse gas inventory efforts.

### V. Labor–Management Relationship

Harmonious labor–management relationship is the foundation stone of the Company for sustainable operations. Thanks to the endeavor of the management and employees, the labor–management relationship of the Company was harmonious and co-prosperous over the past years. There is a communication section on the website. A physical mailbox is provided for the employees to give feedback anonymously. The Company has designed the “Innovation Proposal Incentive Regulations” to encourage employees to express their ideals and provide them with a flexible space for expression and thinking. This way, the employees and management can form positive consensuses that are favorable for mutual collaboration. Hence, the Company has experienced no labor disputes.

The Company’s employee welfare measures, continuing education and training, retirement system, and the implementation status thereof are described below:

#### (I) Welfare measure

The Company takes out full insurance (including illness, accident, cancer, and occupational accident) for each employee on the date when he/she takes office to protect his/her safety. The Employee Welfare Committee has

been established. The Committee members represent the labor and management, respectively, to discuss and negotiate welfare measures and improve the happiness of the employees.

The Employee Welfare Regulations established by the Employee Welfare Committee contain the following particulars:

1. Marriage and childbirth allowances
2. Hospitalization condolence gifts for employees, parents, and spouses
3. Funeral condolence payments (for employee, parents, spouse, children, and eligible relatives)
4. Funeral payments for employees with less than one year of service
5. Funeral wreaths for first-degree relatives
6. Childcare subsidies
7. Education subsidies (for employees and their children)
8. Club and team-building activity subsidies
9. Employee travel subsidies to promote relaxation and productivity
10. Family day gatherings to balance work and home life
11. Discounts on food, clothing, housing, transportation, education, and entertainment
12. Birthday gift money
13. Senior care (Double Ninth Festival) cash gifts
14. Festival bonuses for three major holidays
15. Various sports clubss

We continue to enhance our benefits in line with our core values of caring for employees and creating a happy workplace. This includes a move toward digital disbursement mechanisms to improve administrative efficiency and support sustainability goals.

#### **2024 Benefit Enhancements:**

1. Enhanced Care for Marriage, Parenthood & Elders – Adjusted subsidies to better meet employee needs
2. Flexible Education Subsidy – Both spouses employed by the Company can apply for children's education subsidies
3. Optimized Travel Policy – Travel subsidies can be combined for employees who are married and both work for the Company

#### **Additional Benefits:**

- Performance bonuses based on business results
- Annual outstanding performance awards and bonuses
- Quarterly excellence awards
- Extra leave incentives
- Annual banquet and raffle
- Comprehensive training programs
- Employee profit sharing
- Stress-relief massage services
- Company anniversary celebrations and gifts
- Employee stock ownership programs
- Subsidies for using personal electric vehicles for work purposes

We will continue listening to employees' needs to refine our welfare system, striving to create a happy and sustainable workplace where every employee feels cared for and supported.

## **(II) Continuing education and training:**

The Company places much importance on the education and training of the employees. We believe they are the most important assets of the Company. In addition to the internal professional and management courses, we arrange employees to take part in external training at manufacturers' premises to improve the competitive strength and service power. In 2024, the Company delivered training programs with a total of 9,740 participations and 20,163 training hours. The courses provided include the following:

- Basic general course: To assist new employees in their adaption to the work environment, the Company arranges basic general courses for them within three months after they take office. The education and training courses for new employees are provided physically and virtually, including corporate culture,

introduction of the organization, and regulations and rules. The courses on the Company's systems and workplace instructions are provided for all the employees.

- Management competency: To enhance the management capability of the managerial officers, the Company designs different management competency courses for different management levels and functions to improve the leading ability of the managerial officers and ensure accomplishing the performance of the organization effectively. In addition to leadership training for current supervisors, preparatory courses for nurturing elite talents as future leaders are also provided. Soft skills courses and book clubs focusing on leadership charisma and image are also available.
- Technology competency: For the software development, hardware maintenance and system integration, in addition to participating in the workshops organized by the manufacturers, the Company arranges sharing of experience in practical operation of the machine and small group learning to ensure stable service capabilities.
- Personal performance: In order to help colleagues improve their work efficiency and maintain high organizational performance, we plan practical personal productivity courses every year, such as project management, presentation skills, and 360-degree communication techniques.
- Professional competency: Based on the business function map, we invite senior managers and colleagues in business to share their work skills and successful experiences, which can help new business colleagues achieve better work performance. For software development roles, we have also planned design thinking workshops to encourage everyone to consider product design from the customer's perspective. We also invite experienced mentors to impart the principles of enhancing service soft skills, ensuring that the company not only undergoes digital transformation but also optimizes its service transformation.

### **(III) Retirement system**

The retirement system of the Company is established according to the Labor Standards Act and the Labor Pension Act. We contribute a fixed percentage of the total monthly wage as a pension fund every year and remit it to the labor pension reserve fund account opened by the Labor Pension Fund Supervisory Committee for its disposition, or contribute 6% of the employee's month wage as a pension reserve fund and deposit it in the personal pension fund account of the employee. Two employees applied for retirement in 2024.

### **(IV) Work environment and safety protection measure:**

The Company received the healthy workplace certificate – Badge of Accredited Healthy Workplace from the Health Promotion Administration and implemented no-smoking measures at the workplace. The filter of the water dispenser is replaced periodically and the water tower and air conditioning environment are cleansed on a regular basis to provide a healthy work environment for the employees.

Door control of the office building is implemented and protected by security guards 24 hours a day to eliminate any concerns about the safety. The Company provides protective equipment against occupational injuries to protect the personal safety of the employees.

The Company has formulated an emergency response handbook and provided equipment needed for emergency response. In addition to the training on fire safety and earthquake protection, the Company took additional measures for prevention of COVID-19 in January 2020 to incorporate the hazard of biologic pathogens in the emergency response management regulations. Education was arranged for the employees to learn the epidemic and the prevention of its infection. The employees monitored their body temperature and health, and reported them using the app that we developed by ourselves. The occupational health nurse of the Company prepared a list for care and follow-up purposes. The employees were arranged to work on difference schedules, at different locations, and in different groups to ensure their health and the business continuity of the Company.

To protect the physical and mental health of the employees and build a good work environment, the Company passed the ISO 45001:2018 Occupational Health and Safety Management Systems certification at the end of November 2020. We are the first company in the ICTsystem integration industry that acquires this certificate in Taiwan. We optimize our ESH policies continuously to provide employees with multiple health management mechanisms and welfare measures. In November 2024, we successfully passed the external audit for ISO45001 certification, obtaining a new three-year valid certificate.

### **(V) Employee engagement:**

The Company will continue implementing multiple measures to communicate with employees and for their welfare and health.

#### **Communication with employees**

The Company attaches importance to two-way communication and tries to provide open and transparent communication channels between the managerial officer and employee and between the employees. The Company performs employee satisfaction survey every year, including the satisfaction with the managerial officer, work, collaboration with the organization, system of the Company, and work environment. The result of the survey is summarized and reported to the management and employees, relevant optimization projects are developed accordingly. A labor-management meeting is held every quarter. The representatives of both parties to make full communication at the meeting and have an effective dialog on the business status of the Company and the activities of the employees. In addition, the Company provides employees with electronic and physical opinion mailboxes and an online discussion platform. With these, the employee can make suggestions and conduct communication with his/her name or anonymously.

#### **Employee welfare**

The Company continues optimizing the work environment, provides multiple special offers for the employees of the Group every year, and encourages employees to live healthily and happily, and provides them with many attentive mechanisms and activities. This way, the Company provides an opportunity for the employees and their family members to have a good memory.

- Bonus for birthday, Dragon Boat Festival and Moon Festival
- Annual travel subsidies; bus arranged for returning to hometowns for Chinese New Year
- Allowance for marriage and childbirth
- Childcare subsidies
- Education subsidies (for employees' children)
- Flexible schedule for commuting to and from work
- Application for free scooter parking lots
- Free coffee and snacks
- Free board games to play with family members or friends
- Special offers for employees at company store
- Contracted stores for food, clothing, housing, transportation, education entertainment, and healthcare
- Sports for donation; health passport

#### **Health of employees**

The Company pays much attention to the health of the employees. We work with the health checkup centers of large hospitals to provide periodical health checkups for the employees. Every quarter, family physicians provide health counseling services, offering professional advice to employees. Additionally, dedicated nurses conduct physical examinations and health check-ups for employees, providing care and graded nursing advice, along with emergency care. Furthermore, regular health seminars and various health activities are organized, and professional masseurs specializing in massage for visually impaired individuals offer therapy.

- Health checkup and examination services at contracted hospitals
- Health seminars/workshops
- Employee relaxation massage room massage services
- Friendly space setup (lactation room)
- Health facility equipment (blood pressure monitor, body fat analyzer, first aid kit)
- Employee group insurance (including life insurance, accident insurance, medical insurance, and cancer insurance)
- Gym, table tennis room, badminton court, basketball court, volleyball court
- Badminton club, table tennis club, swimming club, jogging club, board game club, movie appreciation club

#### **Workplace Health Promotion and DEI Awareness**

In response to government initiatives promoting the prevention of chronic conditions such as obesity and the “three highs” (high blood sugar, high blood lipids, and high blood pressure) in the workplace, the Company has actively implemented health promotion measures aimed at preventing these conditions among employees and fostering a diverse, inclusive, and healthy work environment. In

2024, two health and awareness seminars were held: the “Three Highs Health Promotion Seminar” on January 26 and the “Workplace DEI and Unlawful Harassment Prevention Seminar” on August 2. The combined duration was two hours, with a total of 236 participants. These sessions aimed to enhance employees’ awareness of daily health management and encourage healthy behaviors, while also deepening understanding of diversity, equity, and inclusion (DEI) in the workplace. Furthermore, the seminars reinforced knowledge and mechanisms for the prevention and handling of workplace harassment and unlawful infringement.

#### Employee incentives

The Company implements a variety of incentive and recognition programs to commend outstanding teams and individuals, encouraging employees to pursue continuous growth, excellence, and innovation. These awards include the Outstanding Business Contribution Award, Department Achievement Award, Excellent Service Award, Model Employee, Best Newcomer, Quarterly Service Excellence Star, Business Opportunity Reporter Award, and Tiered Sales Target Achievement Awards.

**(VI) Losses arising from labor–management controversies in the most recent years and up to the publication date of this annual report, the estimated amount likely to be incurred currently and in the future, and countermeasures:**

**(VII) The number of full-time non-managerial employees, the annual average employee benefit expense, and the deviation from the previous year**

Item	2024	2023	Deviation
Number of full-time non-managerial employees (person)	501	510	-1.8%
The annual average employee benefit expense of the full-time non-managerial employees (NTD)	1,078,000	916,020	17.7%

## VI. Cyber Security Management

### (1) Information Security Risk Management Framework, Policies, Management Plans, and Resource Allocation

#### 1. Information Security Risk Management Framework

The Company places great emphasis on information security to ensure the confidentiality, integrity, and availability of its information assets, while implementing robust personal data protection measures.

#### Information Security Governance Progression

- **2018:** Implemented the Information Security Management System (ISMS) in accordance with ISO/IEC 27001:2013 to enhance governance capabilities.
- **2019:** Established the “Information Security Steering Committee” to oversee security policies and report to the Board of Directors.
- **2021:** Renamed as the “Information Security and Privacy Protection Committee” to emphasize data privacy and apply the PDCA cycle for continuous improvements.
- **2023:** Restructured into the “Information Security and Privacy Management Task Force,” with a cross-departmental security team reporting periodically to the Board.
- **2024:** Introduced ISO/IEC 27701:2019 to establish a Privacy Information Management System (PIMS), enhancing personal data governance

#### Information Security Risk Management Mechanism

- **Risk Identification & Assessment:** Conducted in accordance with ISO/IEC 27005 and the NIST Cybersecurity Framework, including risk classification and evaluation.

- **Risk Monitoring & Response:** Adopted SIEM technologies to enhance threat detection, implemented incident response mechanisms, and ensured supply chain cybersecurity.
- **Continuous Improvement:** Regular internal and external audits are conducted with reports submitted to the Board. Employee training programs strengthen awareness and implementation.

## 2. Cyber security policy

The Company aims to foster a security-centric culture, enhance governance capabilities, ensure supply chain information security, and safeguard business continuity and data protection. Adopting ISO/IEC 27001 and ISO/IEC 27701 standards, the policy ensures the security and compliance of information and personal data throughout its lifecycle, covering operations, clients, employees, and partners.

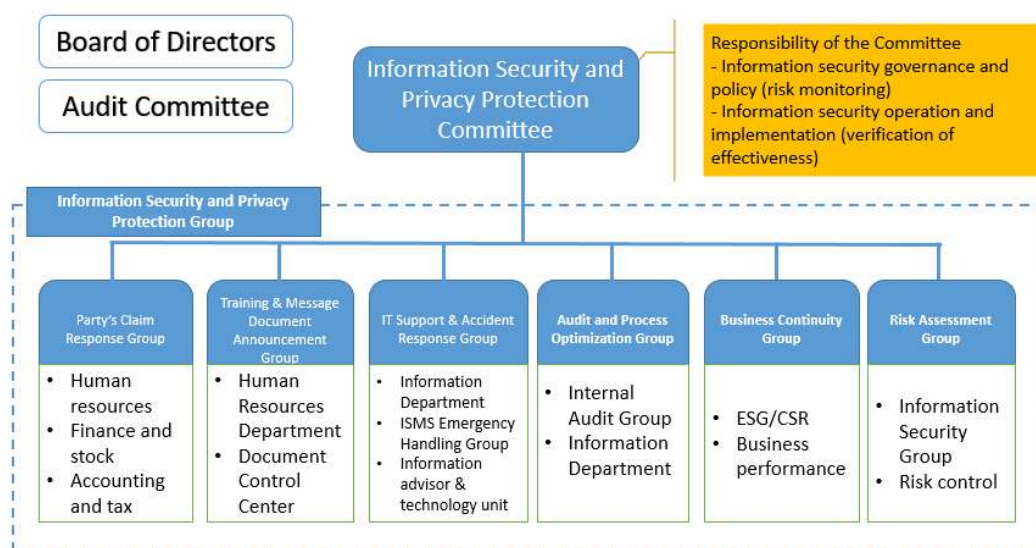


Figure: tsti Information Security Organization Structure

## 3. Specific Management Plans

The company adopts a Plan-Do-Check-Act (PDCA) cycle for cybersecurity, implementing multi-layered security defenses to safeguard critical assets and personal data.

Key Measures in Each PDCA Phase

1. **Plan:** Established ISMS, obtained ISO/IEC 27001 certification, implemented PIMS to comply with GDPR and Taiwan's Personal Data Protection Act.
2. **Do:** Adopted a multi-layered defense strategy, enforced supply chain cybersecurity, and ensured personal data safety.
3. **Check:** Conducted regular monitoring and drills to verify the effectiveness of security controls.
4. **Act:** Performed internal audits, implemented corrective actions, enforced violation response protocols, and strengthened security awareness through training.



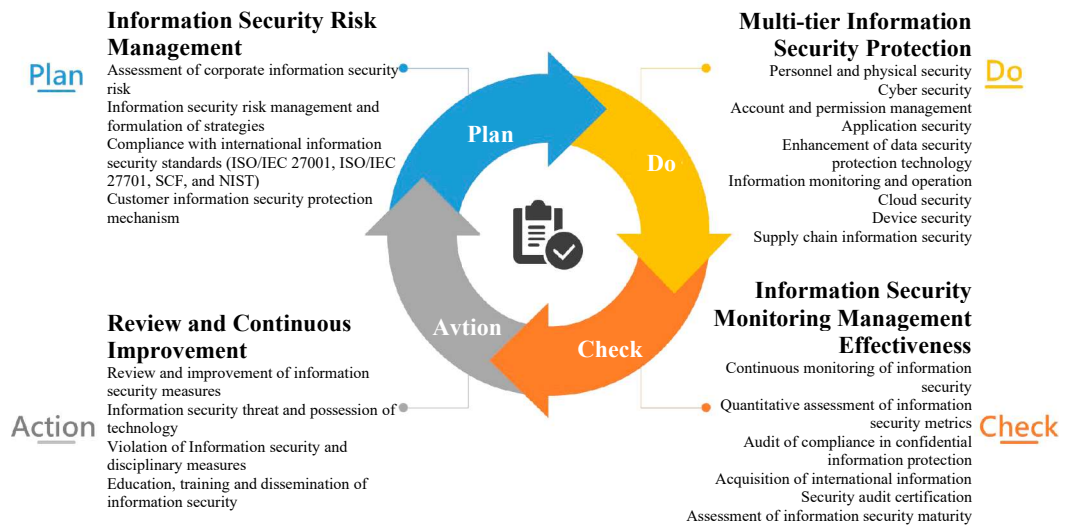


Figure: Cyber Security Policy, Information Security Risk Management, and Continuous Improvement Structure

#### 4. Resources Allocated for Cybersecurity Management

The Company continuously allocates resources to ensure the effectiveness of security mechanisms, periodically reviewing budgets and upgrading technologies to enhance its cybersecurity defenses.

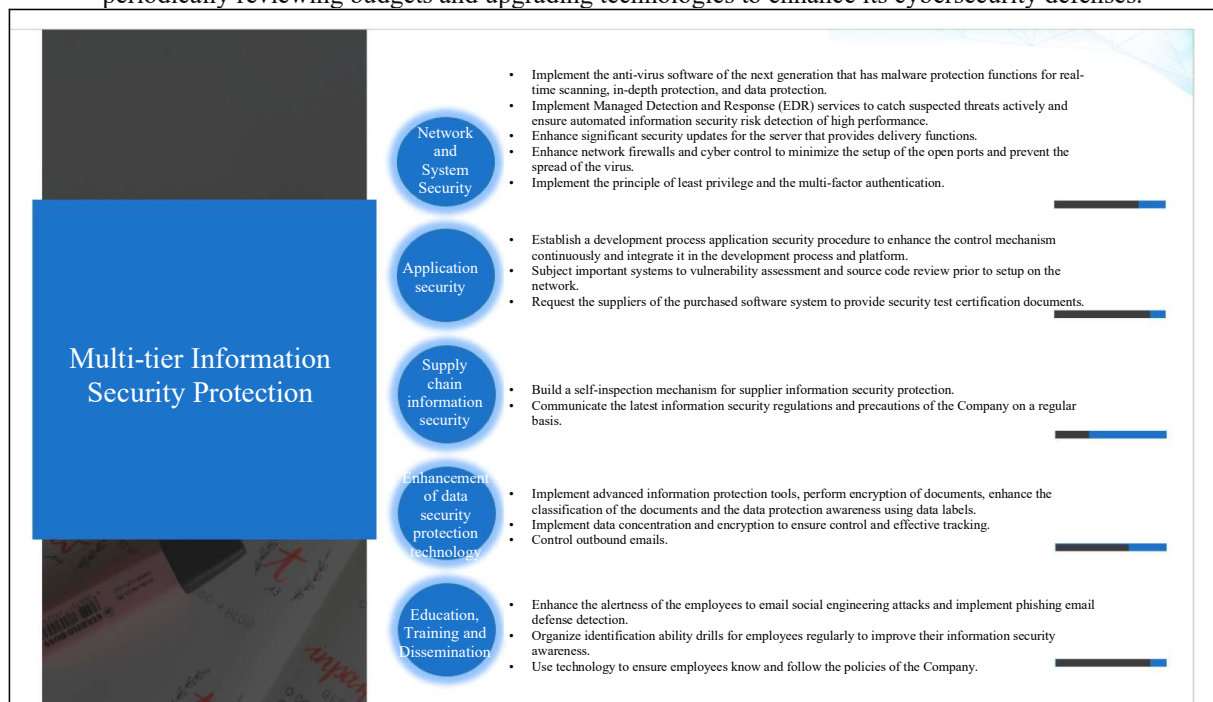
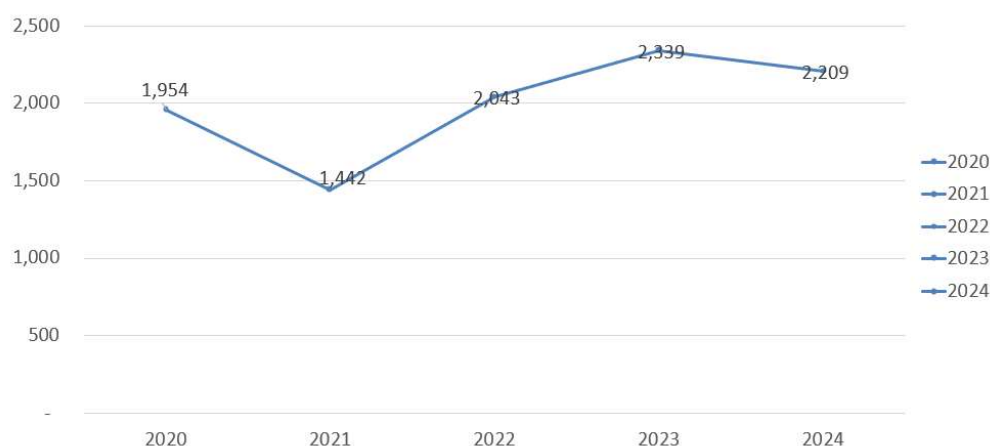


Figure: Cyber Security and Multi-tier Information Security Protection Management Solution

### Resources input in cyber security management



Funds input in information security (unit: thousands)

## 2) Impact and Response to Major Cybersecurity Incidents

No information security incidents in 2024 triggered internal crisis management mechanisms, required legal notification to competent authorities, or resulted in confirmed data breaches. Most potential threats were proactively blocked by endpoint protection and defense-in-depth mechanisms.

### Information Security Risk Management and Mitigation

The Company has established a comprehensive network and information security protection framework to ensure stable and uninterrupted operations.

Recognizing that absolute security is unattainable, the Company actively addresses threats such as malware, ransomware, and hacker attempts to steal trade secrets, customer data, business partner information, and employee personal information.

Security policies and protection mechanisms are regularly reviewed and optimized to ensure relevance and effectiveness. Preventive measures are implemented to reduce exposure to risk.

### Enhanced Security Defense Mechanisms

To address evolving cyber threats, the Company has adopted and continuously upgraded a multi-layered security architecture, covering endpoint protection, network security, data safeguarding, and incident response.

- **Endpoint Protection:** Introduced next-gen antivirus and MDR technologies for real-time threat detection.
- **Network Security:** Enforced least privilege access, multi-factor authentication to minimize risk.
- **Security Awareness Training:** Regular training and social engineering drills to boost employee vigilance.
- **Data Protection & Backup:** Adopted 3-2-1 backup strategy to ensure business continuity.
- **Incident Response:** Established real-time monitoring and response systems for prompt threat handling.

### Zero Trust Architecture

With the growing adoption of cloud services, the Company actively promotes a “Zero Trust” security model to safeguard digital assets. As of 2023, the Company has implemented Microsoft 365 Zero Trust deployment initiatives, including:

1. **Identity & Device Management:** Established identity infrastructure and strengthened device access via Microsoft Intune.
2. **Microsoft 365 Defender:** Deployed Microsoft Defender to automate threat detection and enhance protection.
3. **Information Protection:** Leveraged Microsoft Purview for discovery, classification, and protection of sensitive information to ensure compliance.
4. **Data Privacy Protection:** Ensured compliance with Taiwan’s Personal Data Protection Act, ISO/IEC 27001:2022, and ISO/IEC 27701:2019 to enhance personal data safeguards.

The Zero Trust model, guided by the “never trust, always verify” principle, ensures all access requests are authenticated and authorized, integrating layered security policies for holistic protection.

Information security is a cornerstone of the Company's sustainable operations. We will continue to invest in and enhance our security framework, leveraging technological innovation and strategic planning to build a resilient and adaptive secure environment. This ensures stable business operations and protects the rights and interests of customers, shareholders, and all stakeholders.

## VII. Important agreements

Nature	Party	Duration	Contents	Restrictive clauses
<b>tsti as an agent</b>	Hewlett-Packard Enterprise Taiwan Ltd.	Effective from 12.24.2010	Value-added reseller of servers, storage equipment, network equipment, and professional services	None
<b>tsti as an agent</b>	HP Taiwan Information Technology Ltd.	Effective from 12.24.2010	Value-added reseller of commercial computers, workstations, and printers	None
<b>tsti dealer agreement</b>	NVIDIA CORPORATION	Effective from 8.1.2015	Authorized dealer of Quadro/Tesla/vGPU/DGX	None
<b>tsti as an agent</b>	Avaya International Sales Ltd.	Effective from 2.1.2011	Sales and services of Avaya enterprise communication and contact center solutions	None
<b>tsti dealer agreement</b>	RED HAT, Inc.	Effective from 9.27.2010	Red Hat dealer	None
<b>tsti as an agent</b>	Dell Technologies Inc.	Feb.2024–Feb.2025	Dell/EMC Series products and services	None
<b>tsti as an agent</b>	INFORMATICA agent in Taiwan	Effective from 10.1.2018	Agent of all the INFORMATICA product lines in Taiwan	None
<b>tsti as an agent</b>	NICE Systems Ltd.	Effective from 12.11.2019	NICE products and services	None
<b>tsti dealer agreement</b>	Cisco Systems, Inc	Effective from 06.21.2021	Cisco products and services	None
<b>tsti dealer agreement</b>	VMware, Inc.	02.06.2024–02.05.2025	VMware products and services	None
<b>Chyun Huei Commercial as an agent</b>	Zebra Technologies Taiwan Co., Ltd.	10.01.2024–12.31.2025	Agent of Zebra label (barcode) printers, RFID printers, handheld terminal equipment, and advance data collection equipment	None
<b>Chyun Huei Commercial as a dealer (Gold)</b>	Dell B.V., Taiwan Branch (Netherlands)	Effective to 02.02.2026	Solution provider	None
<b>Chyun Huei Commercial is a member of the NVIDIA Partner Network (NPN).</b>	NVIDIA CORPORATION	Effective from 6.22. 2017	NVIDIA® Quadro® Professional Graphics Card	None
<b>Chyun Huei Commercial as a dealer</b>	Canon Marketing Taiwan Co., Ltd	01.01.2024–12.31.2025	LFP, PSV, PST Series products and their function packages, consumables, and related components	None

<b>Chyun Huei Commercial as a dealer</b>	HP Taiwan Information Technology Ltd.	Effective from 3.12.2019	Wide-format inkjet printers	None
<b>Chyun Huei Commercial as an agent</b>	Innovative Interfaces Incorporated	Effective from December 15, 2020, for a term of three years, unless terminated earlier by either party.	Automated library system	None
<b>Chyun Huei Commercial as an agent</b>	Canon Singapore Pte. Ltd.	04.01.2024–12.31.2026	TDS Series products and their function packages, consumables, and related components	None
<b>Chyun Huei Commercial as an agent</b>	Lenovo (Netherlands) B.V., Taiwan Branch	2024.10.01 – 2026.09.30	Lenovo Workstations	None
<b>Chyun Huei Commercial as an agent</b>	Workaround GmbH	Effective from July 1, 2022, for a term of two years, and thereafter shall remain in effect indefinitely unless either party terminates it with six months' prior notice.	ProGlove Smart Glove Scanner Products	None
<b>Tsti Technologies (Shanghai) as an agent</b>	New H3C Technologies Co., Ltd.	From 01.01.2018	Certified agent of the product lines including all the previous HEP and H3C products; territory: China	None
<b>Tsti Technologies (Shanghai) as an agent</b>	Cisco Systems (China) Network Technology Co., Ltd.	From 01.17.2022	Dealer partner; territory: China	None
<b>Tsti Technologies (Shanghai) as an agent</b>	Dell China Co., Ltd.	From 04.02.2014	All the DELLEMC products; territory: China	None
<b>Tisnet Technology as an agent</b>	Microsoft Taiwan Corporation	From 05.2015	Cloud Service Provider(Tier 1)	None

## Five. Review and Analysis of Financial Status and Operational Results, and Risk Assessment

### I. Financial status

Unit: NTD thousands

Item \ Year	End of 2024	End of 2023	Deviation	
			Amount	%
Current assets	2,379,679	2,538,547	(158,868)	(6.26%)
Non-current assets	607,194	631,840	(24,646)	(3.90%)
<b>Total assets</b>	2,986,873	3,170,387	(183,514)	(5.79%)
Current liabilities	1,273,893	1,533,376	(259,483)	(16.92%)
Non-current liabilities	204,661	171,063	33,598	19.64%
<b>Total liabilities</b>	1,478,554	1,704,439	(225,885)	(13.25%)
Capital stock	885,600	885,600	0	0.00%
Retained earnings	545,861	503,442	42,419	8.43%
Other equity	(3,930)	(3,882)	(48)	1.24%
<b>Total equity</b>	1,508,319	1,465,948	42,371	2.89%

Description of significant changes (Analysis of deviation over 20% and exceeding NT\$10 million): None.

## II. Financial Performance

Unit: NTD thousands

Item \ Year	2024	2023	Increase (decrease) amount	Change ratio %
Revenue	3,930,226	4,179,561	(249,335)	(5.97%)
Operating cost	(2,976,825)	(3,252,121)	275,296	(8.47%)
Gross profit (net)	953,401	927,440	25,961	2.80%
Operating expense	(734,894)	(714,667)	(20,227)	2.83%
Operating profit	218,507	212,773	5,734	2.69%
Non-operating revenue and expense	31,670	19,067	12,603	66.10%
Net Profit Before Taxes	250,177	231,840	18,337	7.91%
Income tax expense	(45,809)	(43,704)	(2,105)	4.82%
Net profit in current period	204,368	188,136	16,232	8.63%
Other comprehensive income in current period (net after tax)	1,839	(692)	2,531	(365.75%)
Total comprehensive income in current period	206,207	187,444	18,763	10.01%

**(I) Description of significant changes (Analysis of deviation over 20% and exceeding NT\$10 million):**

Non-operating Income and Expenses: The increase was primarily due to participation in a technology project subsidy program, leading to higher government subsidy income.

**(II) Possible impact of the expected sales volume and its basis on the future finance and business of the Company and countermeasures:  
Please refer to the Letter to Shareholders.**

### III. Cash flow

#### (I) Analysis of liquidity in the most recent two years

Item \ Year	2024	2023	Increase (decrease) ratio
Cash flow ratio	27.06%	41.41%	-34.65%
Cash flow adequacy ratio	146.47%	112.13%	30.63%
Cash reinvestment ratio	9.45%	26.10%	-63.79%

Description of significant changes (Analysis of deviation over 20%):

##### 1. Cash Flow Ratio / Cash Flow Adequacy Ratio Increase

This was mainly due to a decrease in net cash flow from operating activities in 2024 compared to 2023.

##### 2. Cash Flow Adequacy Ratio Increase

The increase was primarily due to a smaller inventory increase in the past five years compared to the previous five-year period.

#### (II) Improvement plan for insufficient liquidity: Not applicable.

#### (III) Cash liquidity analysis for the next fiscal year

Unit: NTD thousands

Cash balance at the beginning of the year (1)	Estimated annual net cash flow from operating activities (2)	Estimated annual net cash flow from investment and financing activities (3)	Estimated cash surplus (deficit) amount(1)+(2)+(3)	Expected cash deficiency remedies	
				Investment plan	Financing plan
790,016	137,454	(217,120)	710,350	-	-

#### **IV. The Impact of the Major Capital Expenditures in the Most Recent on Finance and Business**

- (I) Usage of major capital expenditures and the source of funds: None.  
 (II) Expected benefits: None.

#### **V. Reinvestment Policy in the Most Recent Year, Main Reasons for Its Profit/Loss, Improvement Plan, and Investment Plan for the Next Fiscal Year**

##### **(I) Reinvestment policy in the most recent year**

In recent years, the Company has established three subsidiaries: Chyun Huei Commercial, Tisnet Technology Inc., and Tsti Technologies (Shanghai). Looking ahead, our investment policy will focus on smart applications that integrate emerging technologies with industry trends—such as AI applications, Internet Plus, and IoT industry solutions. We aim to pursue strategic investments based on market demand and resource complementarity, thereby expanding market reach, building an integrated industry value chain, and enhancing overall corporate value.

##### **(II) Main reasons for the profit/loss and improvement plan**

Unit: NTD thousands

Item \ Description	Book value	Profit (loss) from investees in 2024	Policy	Main reason for profit or loss	Improvement plan
Chyun Huei Commercial Co., LTD	101,482	989	Integrated sale of software and hardware; acting as an agent for leading brands	Stable business in the sale of hardware and agency business	-
Tisnet Technology Inc.	89,123	15,843	Sales and services in the fields of network ISP connection, domain registration, and network engineering	Stable cyber security business	-
Tsti Technologies (Shanghai) Co., Ltd.	2,202	(3,067)	System integration and information security solutions	Looking for new product agency and business models	1. Focus on major customers 2. Grasp of the information security opportunities
i-Torch Technology Corp.	0(Note)	441	Wholesale of computer software packages, computer equipment management, and IT consultation	The business of information software sales remains stable.	-

(Note) Sold on August 26, 2024.

##### **(III) Investment plan for the next fiscal year**

As for the complementary solutions, we will figure out suitable investment policies by conducting the assessment and implementation of these solutions as well as the implementation of any new business models.



1. The main focus and investment direction are on various AI needs and their application services in the enterprise, including AI infrastructure and AI application services. We have captured opportunities in AI applications.
2. Intelligent manufacturing and healthcare are the opportunities and the focuses in Taiwan and China. It is worthy to make investment for regional and product deployments. We will find the companies that meet the requirements of our policy as the targets of the investment to enhance the overall value chain and market development of the Company.
3. We will invest resources to expand our operation scale depending on the market situation and the demand of the Company.

## VI. Analysis and Assessment of the following Risk Particulars in the Most Recent Year and up to the Publication Date of This Annual Report

### **(I) The effect of the fluctuation in interest and exchange rates and the inflation on the profit and loss of the Company, and the countermeasures in the future:**

#### 1. Changes in interest rate

The Company maintains multiple fundraising channels and select the financing instruments with lower capital cost rate to control the cost.

#### 2. Changes in exchange rate

The Company purchased some products directly from overseas suppliers and sells them on the domestic market. Hence, the cost of the Company will be reduced and the profit will rise to create higher competitiveness for the Company when NTD goes up.

We also pay attention to the fluctuation of the major currencies in the world at all times and take the following measures against the fluctuation of the exchange rate:

- (1) The person in charge of financial matters refers to the fluctuation of the current bank exchange rate and professional advice every day to understand the tendency of the rate at all times.
- (2) The Company opens foreign exchanges accounts and adjusts the position of foreign currency held to reduce the impact of the fluctuation on the Company.
- (3) Both sales and purchases are priced in foreign currency and the foreign currency expenses are made up directly with the foreign currency income.

#### 3. Inflation

The Company is not affected. We have good business relationship with the manufacturers and thus can acquire the products at the most favorable price and with the most adequate supply quantity.

### **(II) Policies on engaging in high risk and high leverage investments, loaning funds to others, endorsement and guarantee as well as derivative transactions, main reasons for profit and loss, and countermeasures in the future:**

1. The Company has not engaged in high risk and high leverage investments or derivative transactions up to now.
2. The Company operates the finance conservatively and never engages in high risk and high leverage investments. When engaging in loaning funds to others, the purpose is to help the subsidiaries with their working capital turnover, creation of bank credit facility, and acquisition of the quota under the agency. In addition to careful assessment, the Company acts in accordance with the regulations of the competence authority and the internal rules, performs audit on a regular basis, and conducts announcement and reporting pursuant to laws and regulations.

3. The company engaged in loaning funds to others, endorsement and guarantee in accordance with the internally established “Procedures for Loaning Funds to Others” and “Procedures for Endorsements and Guarantees.”

### (III) Future R&D plan and expected funds for R&D:

1. The R&D plan in the most recent year and the current process

R&D plan in 2025	Schedule	Progress
Multimodal Generative AI Conversational System	01/01/2025–12/31/2025	To be completed at the end of 2025
AIoT Low-Carbon Smart Restroom Cloud Management System	01/01/2025–12/31/2025	To be completed at the end of 2025

#### Multimodal Generative AI Conversational System

With advancements in generative AI technology, the applications of Retrieval-Augmented Generation (RAG) and knowledge graphs have matured, enhancing robots' capabilities in natural language understanding and knowledge retrieval. This year, our R&D will focus on multimodal application technology to improve the ability of robots to extract key information from diverse data types. This will enhance the application value of our brand's AI solutions across various domains and provide more efficient intelligent services for customers.

Key Development Directions and Objectives for This Year:

(1) Enhancing RAG's Knowledge Processing Capabilities

Expanding beyond existing PDF retrieval functionality to support Word, PowerPoint, images, and videos, improving knowledge retrieval and content generation effectiveness.

(2) Improving the Intelligence of the Product Recommendation Module

Implementing multi-faceted feature analysis of product information to refine recommendation mechanisms and provide more precise and user-centric product suggestions.

(3) Strengthening Knowledge Graph Query Intelligence through API Integration

Enabling the system to identify key user needs and proactively inquire for missing details, ensuring complete information and delivering more accurate answers.

(4) Research on Heterogeneous Model Integration

Exploring the interconnection and collaboration of different AI models.

Applying multi-model fusion technology to equip robots with the ability to integrate and comprehend audio-visual content, expanding application scenarios and enhancing the depth and breadth of intelligent interactions.

#### AIoT Low-Carbon Smart Restroom Cloud Management System

As environmental sustainability gains global attention, public facility management plays a crucial role in achieving low-carbon goals. Restroom management directly impacts resource usage, environmental footprint, and user experience. To address the growing demand for green development, we are developing the AIoT Low-Carbon Smart Restroom Cloud Management System, which leverages AI and IoT technologies to integrate data-driven management into restroom operations. This system aims to maximize resource efficiency, minimize waste, and enhance user satisfaction.

Key R&D Directions and Goals:

(1) System Function Development & Optimization

Real-time and cumulative user flow analysis: Implementing detailed statistical functions based on sensor data to analyze restroom usage rates and optimize cleaning schedules.

Automated Cleaning Alerts:

Introducing a threshold-based notification system to inform cleaning personnel in real-time when user flow exceeds predefined limits, ensuring optimal hygiene conditions.

Sensor Battery Alerts: Enhancing hardware management by adding a low battery notification mechanism (below 20%) for short-range sensors.

Multi-Platform Alert Notifications: Integrating with popular social media platforms to provide multi-channel alerts, improving management efficiency and emergency response times.

(2) User Interface Enhancement & Internationalization

UI Optimization: Enhancing the repair request and traffic information display, making the interface more intuitive and user-friendly.

Multilingual Support: Providing Chinese and English language options to expand global market applicability.

(3) Backend Data Visualization & Dashboard Integration

Water & Electricity Usage Data Integration: Developing visual analytics tools in the backend to monitor restroom water and electricity consumption, supporting sustainability and carbon reduction initiatives.

Real-Time & Cumulative Data Dashboards: Creating a command center-style dashboard for restroom areas, floors, and facilities, enabling faster decision-making.

(4) Hardware & Sensor Performance Optimization

Enhancing edge computing controllers and optimizing sensors for user flow, ammonia levels, falls, and prolonged occupancy detection, ensuring precise data collection and rapid response.

The AIoT Low-Carbon Smart Restroom Cloud Management System integrates cutting-edge sensors and cloud-based management solutions to provide real-time monitoring, data analytics, and proactive maintenance. It emphasizes an intelligent and user-friendly interface, facilitating the digital and sustainable transformation of facility management. Positioned as a smart management solution for businesses, public facilities, and multi-site applications, this system reduces resource waste, optimizes cleaning efficiency, and improves user experience, contributing to a greener future.

2.Expected funds for R&D

The estimated R&D investment for 2025 is NT\$66,923 thousand.

**(IV) Impact of the change in domestic/foreign important policies and laws on the finance and business of the Company and countermeasures:**

The Company did not encounter any changes in domestic/foreign important policies and laws that had impact on the finance and business. Nevertheless, we will keep watching the development trend of the domestic and foreign political and economic environments and laws, and take countermeasures whenever necessary.

**(V) Impacts of the change in technology and industry on the finance and business of the Company and countermeasures:**

The Company is fully and promptly informed on the development of the technology in related industries, and make use of it appropriately. We did not encounter any changes in technology and industry that has impact on the finance and business of the Company.

**(VI) Impact of the change in cooperate image on the crisis management of the Company and countermeasures:**

We have upheld “Innovation, Service, Team, Integrity” as the core value since our foundation, and have not encountered any changes in cooperate image that have had brought about crisis to the Company.

**(VII) Expected benefits and potential risks from merger or acquisition:**

We keep watching the companies that may be helpful to the operation of the Company. The potential strategic investments or vertical integration will be subjected to the benefit assessment and risk aversion in accordance with the internal control procedure.

**(VIII) Expected benefits and potential risks from expanding of plants:**

N/A

**(IX) Risks from concentration of purchases or sales:**

The Company has scattered the sales of goods gradually and tried our best to expand the market and strive for new customers. In addition, the manufacturer from which we purchased goods most occupied about 18% of the total purchase amount mainly because we purchased the products under agency through it. Currently, we reduce the risk of concentration by increasing more kinds of products at the sales end.

**(X) Impact and risk from large transfer of shares held by directors, supervisors, and large shareholders holding more than 10% of the shares:**

The shareholding of the Company's directors has been steady over the past years. There was no large transfer or change of shares.

**(XI) Impact and risk from changes in management rights:**

We have a strong management team. There was no impact and risk from changes in management rights.

**(XII) For litigation or non-litigation events, please indicate the Company and directors, supervisors, Chief Executive Officer, substantial responsible person, large shareholder holding more than 10% of the shares and affiliated companies that are involved in significant litigation, non-litigation or administrative dispute event with affirmative judgment or pending in the court proceeding; where the result may have substantial impact on the shareholder's equity or stock price, the dispute fact, claim amount, start date of the litigation, primary litigation parties, and the handling status up to the publication date of this annual report shall be disclosed:**

Related litigation and non-litigation events and their impact have been indicated in the financial reports.

**(XIII) Other significant risks: None.**

## **VII. Risk Management Structure**

The company integrates and manages all potential risks that may impact operations and profitability in a prudent and cost-effective manner. In recent years, we have strengthened our management of corporate risks, including risk detection, assessment, reporting, and handling. We adhere to the regulations of the Financial Supervisory Commission's "Regulations Governing Establishment of Internal Control Systems by Public Companies," aiming to enhance the steady operation and sustainable development of our company. We have established sound risk management mechanisms and formulated risk management policies and procedures to evaluate and supervise our risk tolerance, current risk exposure, determine risk response strategies, and ensure compliance with risk management procedures. This is in line with our commitment to effective risk management, achieving sustainable business goals, and safeguarding the rights of stakeholders. All the risk assessment matters of the Company are subject to internal audit for prevention purposes.

### **Risk Management Organization and Responsibilities**

1. The Board of Directors serves as the highest authority for risk management, approving risk management policies and frameworks, and overseeing the effectiveness of risk management policies to ensure their effectiveness.
2. The Sustainability Promotion Team establishes a Risk Management Unit responsible for executing risk management activities, including monitoring, measuring, and assessing company risks. It reports its operations to the Board of Directors at least once a year.
3. The Audit Office, under the Board of Directors, assists in overseeing and managing potential risks associated with decision-making, ensuring effective control of operational risks, and making improvement recommendations in a timely manner.
4. At various organizational levels, including the President, business units, and functional units, regular risk assessments are conducted during operational meetings, with managers responsible for analyzing, monitoring, and reporting relevant risks and implementing risk management mechanisms and procedures.

### **Risk Management Policy**

Our company upholds the principles of sustainable operation and establishes, implements, and maintains proactive risk management mechanisms to continually address internal and external issues, analyze operational impacts, and enhance the company's resilience. Through regular self-assessment and continuous improvement, we aim to achieve uninterrupted operations, safeguarding the best interests of customers and stakeholders. To effectively manage operational risks, we aim to cultivate a risk management culture within the organization through mechanisms such as education and training, performance management, early warning notifications, and public disclosure.

**Scope of Risk Management**

Our risk management encompasses four major dimensions: operational (including climate), social, governance, and technological aspects. We adhere to relevant laws and regulations to evaluate, address, monitor, and disclose significant risk impacts.

**Risk Management Procedures**

Our risk management process includes risk identification, analysis, monitoring and response, and reporting and disclosure.

1. **Risk Identification:** The Risk Management Unit identifies and evaluates key and emerging risks annually based on significance, likelihood of occurrence, and impact factors across operational, social, economic, technological, and other dimensions. Each year, an enterprise-level risk identification is conducted and reported to the Sustainability Promotion Team. Risks include but are not limited to operational, market, compliance, information security, environmental, climate change, operational, and other operational-related risks.
2. **Risk Analysis:** Comprehensive assessments are conducted for identified risks considering risk appetite and tolerance as a basis for management decisions.
3. **Risk Monitoring and Response:** Risk management indicators are developed for continuous monitoring by business units, which should timely report to the Risk Management Unit. Business units should propose response strategies or implement risk mitigation plans for identified risks. Preventive, contingency, crisis management, and business continuity plans are established as needed to effectively manage risks, with relevant records maintained.
4. **Risk Reporting and Disclosure:** The Risk Management Unit submits a risk management report to the Sustainability Promotion Team at least once a year, which is also reported to the Board of Directors. Risk management reports or annual risk management execution statuses are publicly disclosed and regularly updated in the company's annual reports, official website, or sustainability reports.

On November 3, 2023, the Risk Management Policy and Procedures were approved by the Audit Committee, followed by approval by the Board of Directors on November 7, 2023. A report on the operation of the Risk Management Policy and Procedures was presented to the Board of Directors on December 20, 2023. According to the Risk Management Policy and Procedures, the unit responsible for executing risk management is the "Risk Management Unit" under the Sustainability Promotion Team. This unit is required to submit a risk management report to the Sustainability Promotion Team at least once a year and report to the highest authority in risk management, the "Board of Directors." In 2024, the unit held 5 meetings to discuss relevant issues and reported to the Board of Directors at the end of the year. Details regarding the implementation will be publicly disclosed and regularly updated in the company's annual reports, official website, or sustainability reports. For further information on the company's risk management, please refer to the "Risk Management Policy and Procedures" section under the "Company Regulations and Related Systems" on the official website.

## VIII. Other Significant Matters

Risk item / Risk factor	
Information security : Information security risk means the threat that may have overall impact on the assets, processes and operating environments of a corporate organization.	
Impact on the Company in 2024	
<ul style="list-style-type: none"> <li>● Enforce the company's information security policies and implement a PDCA (Plan-Do-Check-Act) quality management cycle to mitigate operational risks.</li> <li>● Continuously obtain ISO certifications in IT services, information security management, and privacy information management, demonstrating the company's professional expertise in cybersecurity and IT services.</li> <li>● Strengthen existing security measures and incident response capabilities to achieve long-term business sustainability.</li> </ul>	
Countermeasure	
<p><b>Enhancing Security Policies &amp; PDCA Cycle</b></p> <ul style="list-style-type: none"> <li>● Incorporate information security management into internal control audits and provide training for internal IT and security personnel to ensure compliance with company policies.</li> <li>● Conduct regular security review meetings to assess policy effectiveness and make necessary adjustments.</li> <li>● Establish a KPI tracking mechanism to regularly review performance and areas for improvement.</li> <li>● Strengthen internal audit mechanisms to ensure effective implementation of security policies across all departments.</li> </ul> <p><b>ISO Certification Maintenance &amp; Enhancement</b></p> <ul style="list-style-type: none"> <li>● Develop an annual audit plan for ISO 27001, ISO 27701, and ISO 20000, ensuring early preparation of required documents.</li> <li>● Form a cross-departmental working group to periodically review the effectiveness of security controls.</li> <li>● Strengthen the document management system to ensure timely updates of all procedures and records.</li> <li>● Implement automated compliance verification tools to reduce human error risks.</li> </ul> <p><b>Enhancing Incident Response Capabilities</b></p> <ul style="list-style-type: none"> <li>● Implement a comprehensive cybersecurity defense strategy, building a multi-layered defense system.</li> <li>● Conduct continuous vulnerability scanning and penetration testing to proactively identify and patch system weaknesses.</li> <li>● Utilize Security Information and Event Management (SIEM) systems and integrate real-time threat intelligence from TWCERT/CC and equipment suppliers to establish a security intelligence-sharing platform. Implement a Zero Trust Architecture to enhance access control mechanisms.</li> </ul>	<p><b>Advancing Cybersecurity Measures</b></p> <ul style="list-style-type: none"> <li>● Deploy next-generation firewalls and EDR (Endpoint Detection and Response) systems.</li> <li>● Establish a Security Operations Center (SOC) for 24/7 monitoring of abnormal activities.</li> <li>● Conduct regular vulnerability scans and penetration tests to ensure timely patching of security flaws.</li> </ul> <p><b>Personnel Training &amp; Awareness</b></p> <ul style="list-style-type: none"> <li>● Develop a tiered cybersecurity training system based on employee roles and responsibilities.</li> <li>● Conduct regular social engineering drills to improve employee vigilance against cyber threats.</li> <li>● Create an information security and privacy management portal for employees to access policies and cybersecurity updates.</li> </ul> <p><b>Supplier Security Management</b></p> <ul style="list-style-type: none"> <li>● Establish vendor security assessment standards and audit mechanisms.</li> <li>● Require key suppliers to provide regular cybersecurity compliance reports.</li> <li>● Implement a vendor security incident reporting system.</li> <li>● Regularly review cybersecurity clauses in supplier contracts.</li> </ul> <p><b>Cybersecurity Investment Planning</b></p> <ul style="list-style-type: none"> <li>● Develop a budget allocation framework to ensure adequate funding for critical security initiatives.</li> <li>● Regularly assess emerging cybersecurity threats and adjust defensive measures accordingly.</li> <li>● Invest in automated security tools to enhance protection efficiency.</li> </ul> <p><b>Regulatory Compliance &amp; Risk Management</b></p> <ul style="list-style-type: none"> <li>● Continuously monitor regulatory updates to ensure compliance with the latest legal requirements.</li> <li>● Establish a risk assessment mechanism and maintain an updated cybersecurity risk inventory.</li> <li>● Strengthen personal data protection measures to comply with Taiwan's Personal Data Protection Act.</li> </ul>

## **Six. Special Notes**

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### **I. Information on Affiliated Companies**

The most recent Consolidated Business Report of Affiliated Enterprises, Consolidated Financial Statements of Affiliated Enterprises, and Affiliation Report, prepared in accordance with the Guidelines for the Preparation of Consolidated Business Reports, Consolidated Financial Statements, and Affiliation Reports of Affiliated Enterprises, can be found on the Market Observation Post System (MOPS).

### **II. Any Private Placement of Securities in the Most Recent Year and up to the Publication Date of this Annual Report**

None.

### **III. Other Required Supplementary Information**

None.

**Seven. Any of the Matters Listed in Article 36, Paragraph  
2, Subparagraph 2 of the Securities and Exchange  
Act, which May Have Significant Impact on the  
Shareholders' Equity of the Price of Securities in the  
Most Recent Year and up to the Publication Date of  
This Annual Report**

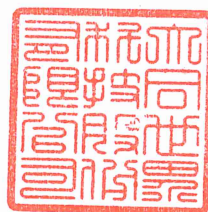
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None.



大同世界科技股份有限公司

Tatung System Technologies Inc.



董事長(Chairman): 吳張隆





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**tsti** 大世科

Digital X Sustainable Transformation



TCSA台灣企業永續獎-永續報告獎白金級肯定

TCSA Taiwan Corporate Sustainability Awards - Platinum Sustainability Report

多家金融電信業-績優永續供應商肯定

Excellent Sustainable Supplier

智慧城市-創新應用獎肯定

SCSE Innovative Application Award

資通訊科技應用獎-ESG永續獎肯定

ESG Award - ASOCIO 2022 ICT Award

Outstanding ICT Company Award / ASOCIO

經濟部中堅企業遴選-潛力中堅企業肯定

Potential Taiwan Mittelstand Award / Economic Affairs, R.O.C

數位轉型楷模企業肯定

Digital Transformation Model Enterprise

**tsti** Tatung System Technologies Inc.

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ISO 20000

ISO 27001

ISO 27701

ISO 14064

ISO 45001

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