

中宇環保工程股份有限公司
中宇環保工程股份有限公司企業工會 團體協約簽約典禮



2024年ESG永續報告書

Environmental Social Governance Report

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1. About This Report

Structure and Basis	This report was structured in accordance with the 2021 GRI Standards issued by the Global Reporting Initiative (GRI).
Scope and Boundaries	<p>The information reported in this report covers the period from January 1, 2024 to December 31, 2024, and all operating locations of China Ecotek Corporation are mainly in Taiwan, excluding all construction sites (construction sites are in the scope of owners); overseas subsidiaries are not included, either (if any is involved, a note is indicated in a given chapter). This report is published on a regular basis every year. This report is published in August 2025, the next issue is expected to be published in August 2026, and the last issue was published in August 2024.</p> <p>The financial statements summarized each investees' financial performance in accordance with the International Financial Reporting Standards (IFRS). The financial figures are presented in New Taiwan dollars. Environmental protection, safety, and health performance is presented using internationally accepted indicators. If a quantitative indicator is of a special meaning, it will be explained in the notes.</p>
Data sources and Management	The information and data in this report were provided by various responsible departments and have been reviewed and confirmed by the Company's Sustainable Development Committee through administrative procedures to meet the purpose of this report. Among them, the cost and accounting information in the financial statements have been verified by Deloitte & Touche. The reporting period for the Company's financial statements is from January 1, 2024 through December 31, 2024.
Report Assurance and Validation	<p>Internal Assurance: All data and disclosures in this report underwent preliminary approval by department supervisors at the time of submission. Once the initial draft was compiled, it was reviewed and confirmed by the ESG core team, then finalized following administrative procedures and the Chairman's approval. Beginning in 2024, the finalized report will also be submitted to the Board of Directors for review and integrated into the company's internal control framework.</p> <p>External Review: This report has passed third-party verification conducted by the British Standards Institution (BSI), in compliance with the GRI Standards 2021 and AA1000AS v3 Type 1 Moderate Assurance. The independent assurance statement is included in Appendix 12. Certifications for ISO 9001, ISO 14001, ISO 14064-1, and ISO 45001 have been verified by SGS Taiwan Ltd. Please refer to Appendix 7, Appendix 8, Appendix 9, Appendix 10, and Appendix 11 for the relevant verification reports and certificates.</p>
Contact Information	<p>If you have any questions about this report or any comments about China Ecotek Corporation, please contact us in the following ways:</p> <p>Unit: Fei-Wen Liu, Senior Professional Administrator, Enterprise Research Office</p> <p>Tel.: (07) 333-6138 Ext.: 31704</p> <p>Fax: (07) 336-3030</p> <p>Address: 8F, No. 88, Chenggong 2nd Road, Qianzhen Dist., Kaohsiung City 80661</p> <p>e-mail : csr@ecotek.com.tw</p>

You can inquire about the relevant information of this report on the corporate website of China Ecotek Corporation: https://www.ecotek.com.tw/cec_esg/index.php



Download the report as a PDF from https://www.ecotek.com.tw/cec_esg/upload/csr_file/2024_ESG.pdf



Fill out the stakeholder questionnaire https://www.ecotek.com.tw/index.php?prog=cec_apply

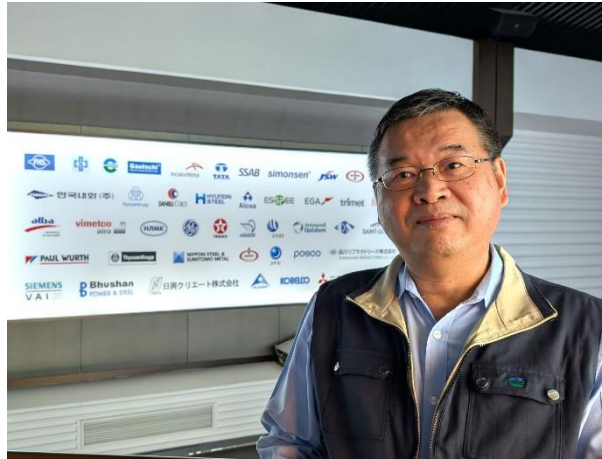


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2. Overview

2.1 A Message from the Management



Chairperson Ying-Pin Hsieh



President Yung-Yu Chiang

2024 Performance Overview

In 2024, through the concerted efforts of all employees and adherence to our four-pronged growth strategy engineering, operations and maintenance, circular economy, and sales, we once again achieved an outstanding milestone of over NT\$10 billion in revenue. In addition to continuing our environmental, electrical and mechanism turnkey projects and operation and maintenance services, we fully supported the group's projects to replace and upgrade environmental protection equipment. Externally, we undertook projects like the construction of Polyplastics' TLP-1 liquid crystal polymer (LCP) plant and the new Caotun Water Purification Plant. In alignment with

Taiwan's 2050 Net Zero Emissions target, we leveraged our core engineering strengths and advanced circular economy technologies to support clients' carbon reduction efforts. Our initiatives included actively pursuing projects such as reclaimed water systems, integrated steel cogeneration, and flue gas carbon capture. Our trading business also expanded notably, adding bulk raw materials and biotech equipment agency services to our existing portfolio of LED lighting, activated carbon adsorption products, air purification systems, and filtration materials. This strategic move further reinforces our commitment to sustainable growth. For the year, consolidated revenue reached NT\$10.859 billion, up NT\$1.1 billion from 2023, while consolidated net income after tax totaled NT\$502 million, successfully meeting our financial goals. In terms of corporate governance, we extended our TIPS A-level certification and obtained ISO 27001:2022 certification for our Information Security Management System. We also strengthened employee welfare policies, raising the employee stock ownership trust bonus to 30%, and signed a second collective bargaining agreement with the labor union. These efforts helped maintain our ranking in the second-highest tier (6%~20%) in the corporate governance evaluation for listed companies. While 2024 was marked by strong performance, there is still room for improvement in occupational safety. Building a culture of safety and turning awareness into daily habits remain critical to achieving our goal of zero workplace incidents. Looking forward, CEC is committed to staying ahead in the face of rapid AI advancements and climate challenges, striving toward our strategic objective of increasing profitability by 50% over the next decade.

ESG strategies and commitments

Sustainable development is a core value that China Ecotek values. We have adopted the Sustainable Development Best Practice Principles as the highest guiding principle for sustainable development within the Company. With the vision of becoming an all-round, eco-friendly engineering company that trustworthy to clients, we look forward to providing excellent technologies, honest services, and high-quality services to clients as our mission.

China Ecotek has a wealth of professional experience in engineering and domestic and overseas engineering project management skills. As an environmental engineering company, we take seriously the risks, opportunities, and challenges brought by climate and social changes, and take into account ESG factors on the basis of existing operations. We actively strive for new business opportunities and profit models. We are committed to improving corporate governance, pursuing balanced profits for all stakeholders, promoting environmental protection and energy conservation, and safeguarding social charity.

Therefore, we are committed to

1. Maintaining good corporate governance, strictly abiding by business ethics, and complying with relevant government regulations;
2. Providing employees with a safe and healthy work environment and reasonable salaries and benefits;
3. Promoting environmental protection and activities to cherish the Earth and participating in social charity activities;
4. Educating employees to understand and support the Company in fulfilling corporate social responsibilities.

In order to fulfill our corporate social responsibility, besides seeking maximum profits for shareholders, we consider the rights and interest of all stakeholders, comply with social norms, and implement energy conservation and carbon reduction measures, hoping to join hands with all stakeholders to build a fair and just society, thus, creating long-term value for the Company while maintaining a balance between social, environmental, and economic sustainability.

2.2 About China Ecotek Corporation

China Ecotek Corporation is a comprehensive engineering company. Different from the domestic construction industry whose main business is construction and civil engineering, the comprehensive engineering industry covers construction, consultation service, equipment manufacturing, software planning and design, and relevant services. Centered at clients' needs, we put together upstream and downstream companies to work together, to provide clients with customized engineering services. After completion, operations and sustainable performance are attributed to the owners, rather than the Company, which is the characteristics of an engineering company. An engineering company is moving all the time and located wherever the owners are, and the construction timeline varies, so it is difficult to analyze the geographical distribution. It is also difficult to calculate the correlation between the overall environment and organizational operations of the environment projects that are located depending on where construction sites are situated.

Name of Company	China Ecotek Corporation (CEC)
Address	8F, No. 88, Chenggong 2nd Road, Qianzhen Dist., Kaohsiung City 80661
Tel.	07-3336138
Fax	07-3363030
Date of Incorporation	March 15, 1993
Authorized Capital	NT\$2.2 billion
Paid-in Capital	NT\$1.237 billion
Business Item	Mechanical and electrical engineering, operations on behalf of owners, and mechanical and electrical maintenance, environmental engineering
Chairman	Ying-Pin Hsieh (appointed on 2024.04.30)

President	Yung-Yu Chiang (appointed on 2025.01.01)
Industry Sector	Engineering Services
Ownership Structure and Legal Form	Incorporated entity (Company Limited by Shares)
Country of Operation	Taiwan, Republic of China
Important Operating Sites in Taiwan	<ol style="list-style-type: none"> 1. Headquarter Office: 8F, No. 88, Chenggong 2nd Road, Qianzhen Dist., Kaohsiung City 2. Pou Chen Technology Center and Office: 8F, No. 8, Minquan 2nd Road, Qianzhen Dist., Kaohsiung City 3. Pinghe Plant and Office: No. 201, Pinghe Road, Xiaogang District, Kaohsiung City 4. China Steel's On-site Office at Yu Steel building: No. 1, Zhonggang Road, Xiaogang District, Kaohsiung City 5. Drangon Steel's On-site Office of CEC: No. 100, Longchang Rd., Longjing District, Taichung City
Overseas Locations	<ol style="list-style-type: none"> 1. China Ecotek Vietnam Company Limited. 2. Xiamen Ecotek PRC CO., LTD.

2.3 Sustainability performance

Economy aspect	<i>2022</i>	<i>2023</i>	<i>2024</i>
Operating revenue (in NT\$ thousand)	8,844,053	9,759,326	10,858,807
Net income before tax (in NT\$ thousand)	611,902	685,860	625,266
After-tax EPS (NTD)	4.21	4.50	4.06
Debt-to-asset ratio	49.6	46.51	47.71
Ratio of long-term capital to property, plant and equipment	1,130.59	614.62	504.12
Return on assets	7.54	8.08	7.19
Return on equity	15.44	15.53	13.56
Income tax (in NT\$ thousand)	91,383	128,968	123,373
Net income after tax (in NT\$ thousand)	520,519	556,892	501,893
R&D expense (in NT\$ thousand)	14,793	12,115	8,224
R&D expense to expenditure	0.17%	0.13%	0.08%
Productivity per employee(in NT\$ thousand)	7,267	7,922	8,411
Investment credits used in the year (in NT\$ thousand)	875	323	258

Note: Same as the 2024 consolidated financial statements

Environmental aspect	<i>2022</i>	<i>2023</i>	<i>2024</i>
Office Electricity Intensity (1,000 kWh per ping)	1.68	1.32	1.57
Office Water Intensity (million liters per ping)	0.063	0.014	0.012
Direct Greenhouse Gas (GHG) Emissions (Tons CO2e per kiloliter)	89.758	106.1066	287.79
Indirect Greenhouse Gas (GHG) Emissions (Tons CO2e per 1,000 kWh)	553.4	313.5461	380.85
Total Water Withdrawal (million liters)	1.326	1.293	1.173
Total Water Consumption (million liters)	1.02	0.934	0.840
Total Effluent Discharge (million liters)	0.36	0.359	0.333

People Aspect	<i>2022</i>	<i>2023</i>	<i>2024</i>
Number of full-time and permanent employees (persons)	1,182	1,195	1,181
Number of female employees (person)	164	173	174
Total hours of employee training	13,492	16,582	15,518
Total employee training expense (in NT\$ thousand)	280	218	224
Employee salary and benefit (in NT\$100 million)	14.43	15.67	16.23
Safety - disabling injury frequency rate (F.R.) (number of disabling injuries/million working hours)	0	0	0.4
Safety - disabling injury severity rate (S.R.) (number of lost work days/million work hours)	0	0	729
Expenditure on people (including charity donations) (in NT\$10 thousand)	159	194.7	196.3

2.4 Business Overview and Revenue Breakdown

Electromechanical Engineering NT\$6.252 billion 57.57% of total revenue	Construction of new coking furnaces to replace Phase 1 and 2 units at China Steel Corporation (CSC)
	Equipment renewal of Nos. 1 and 2 sintering systems at Dragon Steel
	New coke handling and transport system project at CSC
	Revamp of CSC's W1 coal yard with enclosed conveyance infrastructure
	Replacement of the primary furnace in Blast Furnace No.1 at Dragon Steel
	Construction of the TLP-1 Liquid Crystal Polymer (LCP) manufacturing facility for Polyplastics
Electromechanical Maintenance, Operation & Others NT\$3.084 billion 28.41% of total revenue	Maintenance of electromechanical systems for CSC and Dragon Steel
	Operations and management of Chengcing Lake and Kinmen Taihu water purification facilities
Environmental Engineering NT\$1.523 billion 14.02% of total revenue	Solar photovoltaic system deployment for the CSC Group
	Expansion of TG-9 and TG-10 power generation units at CSC
	Phase III installation of an energy storage system at CSC's W51 site
	Desulfurization system engineering for Boiler No.11 at CSC's power station
	Pilot facility for CO ₂ capture from hot blast furnace exhaust at CSC's Blast Furnace No. 3
	Construction of the Futian Reclaimed Water Plant at Dragon Steel
	New construction of the Caotun Water Purification Plant

3. Corporate Governance and Sustainable Development

3.1 Short-, Medium-, and Long-Term Plans and Visions for China Ecotek's Sustainable Development

In the pursuit of net zero emissions, China Ecotek Corporation will work with clients and suppliers to realize the goal of green engineering. Through the two major strategies of carbon reduction technology and green procurement, we hope to bring the advantages of energy saving, carbon reduction and resource reuse and contribute to the global carbon reduction and circular economy.

I. Short-Term Development Goals (1 to 3 Years)

(I) Proactively engage in green energy engineering projects

In alignment with Taiwan's nuclear-free policy, and considering energy security, green economic development, and environmental sustainability, the government has set a goal to achieve 20% renewable energy by 2025, with a specific target of 20 GW in photovoltaic (PV) solar installations. China Ecotek Corporation has supported CSC Group's subsidiary, CSC Solar Corporation, in deploying rooftop solar systems, with a total installed capacity reaching 100.6 MW to date. From 2017 through the end of 2024, these systems have generated 650 million kWh of electricity, reducing carbon emissions by roughly 323,000 Tons. Looking ahead, the economic growth and rising electricity demand in Southeast Asia present promising opportunities for small-scale power generation and solar energy. Building on our successful track record in Taiwan, we are committed to actively pursuing these opportunities in the Southeast Asian market.

(II) Advance initiatives aligned with the circular economy

In response to increasingly severe climate extremes that lead to water shortages and drought, alongside the robust growth of Taiwan's high-tech and semiconductor industries, the ongoing demand for reclaimed water treatment plants is expected to persist. Leveraging its extensive expertise and proven track record in water infrastructure projects, China Ecotek Corporation will continue to proactively expand its reclaimed water plant business.

(III) Explore opportunities and foster growth in the biomedical sector

The government has actively promoted the biomedical sector in recent years, enacting the “Act for the Development of Biotech and Pharmaceutical Industry” to spur significant industry growth. China Ecotek Corporation has earned the trust and recognition of clients by successfully completing biotech facility projects for companies such as ADIMMUNE Corporation, Formosa Laboratories Inc., ScinoPharm Taiwan, TaiMed Biologics, and Virbac Taiwan. Moving forward, the company plans to deepen its involvement in biomedical infrastructure development while also pursuing partnerships for biotech equipment distribution, aiming to deliver enhanced services to its clients.

II. Medium- (3-5 Years) to Long-Term (Beyond 5 Years) Goals

Develop ESG-driven opportunities and deepen green engineering capabilities to achieve sustainable operations through core business strengths.

Our medium- to long-term strategic directions include:

- (I) Participate in the expansion of green energy, low-carbon, and environmental engineering projects to capture the massive opportunities driven by global net-zero trends and renewable energy policies. China Ecotek Corporation will proactively observe and study emerging technologies related to green energy, low carbon, and environmental protection, such as hydrogen energy and carbon capture, with the aim of taking early initiatives in the next competitive arena.
- (II) Actively increase green energy investments and establish long-term, stable revenue streams. China Ecotek Corporation will take the initiative to engage in green energy investments, offering total solutions across investment, development, construction, and operations. With a strong reputation in plant construction and abundant capital resources, the company holds a competitive edge in securing related projects. Through diversified investment portfolios and stable long-term operating models, we aim to strengthen our overall revenue performance.

(III) Advance green engineering technologies and smart service capabilities.

In every facility we design and build, China Ecotek incorporates carbon reduction strategies throughout the project lifecycle to minimize environmental impact and lower the carbon footprint of construction activities. These decarbonization solutions help our clients meet ESG goals and create shared value. As global political and economic dynamics evolve and supply chain risks escalate, we will continue adopting digital tools and AI technologies to streamline processes, accelerate delivery, and ensure consistent quality, meeting growing client demands with speed and reliability.

3.2 Risk Management Assessment and Response Strategies

Risk Management

To strengthen enterprise risk governance, China Ecotek Corporation formally adopted the “Risk Management Policy and Procedures” during the 11th meeting of its 10th Board of Directors on September 29, 2021. This policy framework ensures a systematic approach to managing risks. The Board delegates oversight to the Corporate Sustainability Development Committee, which is responsible for reviewing risk management policies and evaluating reports on key risk issues. On an annual basis, the company establishes a comprehensive risk management plan that outlines strategic objectives, organizational responsibilities, governance structure, and operational processes. These measures aim to proactively identify, assess, and mitigate potential risks, keeping them within acceptable thresholds as part of ongoing business activities. Prior to conducting the annual risk assessment, a preliminary plan is submitted to the Audit Committee for supervisory review. Following discussion and approval, the final outcomes are presented to the Board of Directors for reporting and oversight. (The latest submission was made on December 30, 2024.) This process ensures that risk management aligns with the highest corporate governance standards.

The following section outlines the key findings of the 2024 risk assessment and corresponding response strategies:

2024 Risk Management Assessment and Mitigation Measures				
Risk Category	Risk Item	Risk Assessment and Mitigation Measures	Risk Control Implementation	Responsible Unit
Operational Risk	Engineering Management Risk	1. Labor shortages among subcontractors remain a long-term structural issue. To ensure project capacity and timelines, we carefully select subcontractors. Prior to contract award, subcontractors must demonstrate adequate labor capacity to prevent project delays. We maintain long-term partnerships with high-quality subcontractors and cautiously assess the capabilities of new entrants. Additionally, we	1. (1) All new subcontractors must undergo evaluation prior to bidding to verify technical and operational capacity. (2) Successfully assist the Caotun project construction team in obtaining foreign labor permits, ensuring on-time completion. 2. For upcoming contracts, we continue	Procurement Department, Human Resources Department, Engineering Group

2024 Risk Management Assessment and Mitigation Measures				
Risk Category	Risk Item	Risk Assessment and Mitigation Measures	Risk Control Implementation	Responsible Unit
		<p>closely monitor government policies and regulations regarding foreign labor. We also plan timely foreign worker recruitment based on project type and schedule to address labor gaps.</p> <p>2. For maintenance contracts with output-based pricing, we seek to increase the proportion of fixed-rate pricing to reduce project losses caused by clients' production fluctuations.</p> <p>3. To prevent clients from transferring costs arising from operational deficiencies, we advocate for detailed exclusion clauses in penalty sections of contracts.</p> <p>4. As labor costs increase annually without corresponding contract adjustments, employee turnover and communication friction have risen. In future contract negotiations, we aim to incorporate inflation-related factors to help reduce turnover and stabilize profit margins.</p>	<p>to negotiate for more fixed-rate elements in output-based pricing to mitigate project losses.</p> <p>3. Carefully review contractual scopes to prevent inclusion of unfair terms; for cost increases due to client-side issues, maintain proper documentation and seek contract amendments.</p> <p>4. In maintenance contracts, we negotiate higher rates for managerial roles, improve mark-up coefficients for specialized tasks, revise contract scopes, and optimize internal labor planning to support cross-departmental manpower needs and maximize efficiency.</p>	
	Revenue Decline Due to Global Decarbonization Trends	Global carbon reduction efforts have led to decreased production and process changes in high-temperature industries, reducing demand for traditional refractory engineering and affecting revenues. The company should focus on emerging applications of refractory technologies in energy-saving areas such as insulation, and explore opportunities in new tech sectors, e.g., refractory services in the flat glass industry.	Regularly participate in international seminars to stay abreast of global green refractory trends; actively engage and promote refractory engineering services to glass industry clients.	Engineering Group

2024 Risk Management Assessment and Mitigation Measures				
Risk Category	Risk Item	Risk Assessment and Mitigation Measures	Risk Control Implementation	Responsible Unit
Operational Risk	Supply Chain Vulnerability	<ol style="list-style-type: none"> 1. A heavy reliance on raw material imports from a single country poses supply chain risks, particularly in the context of geopolitical instability or other unforeseen disruptions. To mitigate this, the company is actively broadening its network of suppliers from multiple countries and building a comprehensive raw material database to ensure sourcing resilience. 2. The company is also investing in the development of proprietary material formulations and strategically partnering with high-quality domestic refractory suppliers to preserve a portion of its local sourcing capacity. 	<ol style="list-style-type: none"> 1. In addition to maintaining stable relationships with established material vendors, the company is proactively identifying alternative international sources to diversify its procurement base. 2. Internally developed refractory formulations are now in production use. 	Engineering Group
	Market Concentration	<ol style="list-style-type: none"> 1. The company's customer base is highly concentrated, with most business coming from China Steel and its affiliates. While credit risk is currently low, the company has set a 10-year goal to increase revenue from external customers. Progress is reviewed annually to ensure the company remains on track to meet this diversification target. 2. To support sustainable growth, the company has defined four core strategic pillars, Engineering, Operations & Maintenance, Circular Economy, and Sales, and pursues them through the following action plans: (1) Strengthening the development and 	<ol style="list-style-type: none"> 1. Annual performance is reviewed against the company's diversification and growth targets to ensure timely progress. 2. In 2024, efforts continue across the company's four strategic pillars. New additions to the sales portfolio include tranquilizer materials, water dispensers, raw material distribution, and biotech equipment agency services. 3. (1) There is a marked increase in demand for biotech and pharmaceutical plant construction, 	Marketing Departments, Engineering Group

2024 Risk Management Assessment and Mitigation Measures				
Risk Category	Risk Item	Risk Assessment and Mitigation Measures	Risk Control Implementation	Responsible Unit
		<p>management of core technologies</p> <p>(2) Advancing digital transformation to drive efficiency</p> <p>(3) Promoting integrated refractory engineering solutions</p> <p>(4) Expanding circular economy-related projects. The Sales division has recently diversified into products such as LED lighting, activated carbon materials, and air purifiers. Going forward, it will continue to expand into new product lines to enhance portfolio diversity. On the engineering side, the company is upgrading project management capabilities and developing smart engineering solutions to attract a broader client base and mitigate customer concentration risks.</p> <p>3. Aligned with the Executive Yuan's national development strategy emphasizing six core industries, including precision health and green/renewable energy, the company is leveraging its strong track record in biotech and pharmaceutical facility construction to win new projects. It is also partnering with major equipment providers to participate in the transformation of incineration plants into renewable energy facilities and in the deployment of biomass boilers, contributing to carbon reduction and tapping into emerging</p>	<p>including pilot facilities for R&D and small-batch production: key growth targets for the company.</p> <p>(2) The company is also bidding on large-scale municipal incinerator BOT projects, establishing specialized supply chains, developing in-house expertise, and enhancing core technologies in air pollution control.</p> <p>4. Strategic bidding alliances have been formed with leading local operators and construction firms for public infrastructure projects. AI-enhanced dosing control systems are being integrated to improve precision and reduce chemical usage.</p> <p>5. Active participation in co-development projects with China Steel and ITRI in carbon-reducing cogeneration technology has begun, with the company deploying operational teams on-site to gain hands-on experience and strengthen its future position in the decarbonization market.</p>	

2024 Risk Management Assessment and Mitigation Measures				
Risk Category	Risk Item	Risk Assessment and Mitigation Measures	Risk Control Implementation	Responsible Unit
		<p>environmental infrastructure markets.</p> <p>4. In response to climate change, and in line with Taiwan's infrastructure development plans, including water reclamation and desalination, the company is capitalizing on its strong experience in water treatment by forming strategic alliances with industry leaders. It is also incorporating AI-driven chemical dosing systems into project design, optimizing treatment efficiency and reducing operational costs.</p> <p>5. The company is collaborating with customers and the Industrial Technology Research Institute (ITRI) to co-develop low-carbon engineering technologies, directly supporting clients in reaching their decarbonization targets.</p>		
Operational Risk	Technology Risk	To strengthen its technical capabilities and ensure knowledge continuity, the company actively participates in innovation showcases, technical seminars, and product briefings. These efforts support the continuous development of employee skills and help prevent knowledge gaps due to workforce transitions. The company also collaborates with the CSC Group through its engineering platform and strategic partnerships to introduce cutting-edge engineering technologies and advance talent development through targeted training programs.	Project performance is regularly reviewed, and results are shared across teams. The company also engages in CSC Group's knowledge management forums and technical development meetings, where it showcases its technical expertise to reinforce knowledge transfer and elevate team capabilities.	Engineering Group

2024 Risk Management Assessment and Mitigation Measures				
Risk Category	Risk Item	Risk Assessment and Mitigation Measures	Risk Control Implementation	Responsible Unit
	Talent Shortage Risk	<ol style="list-style-type: none"> 1. Diversified recruitment strategies have been implemented, including increased outreach and the use of outsourced contractors, dispatched workers, and foreign labor to address workforce gaps. 2. The Company continues to enhance its compensation and incentive system to attract and retain high-caliber talent. To strengthen training programs are in place to equip staff with secondary skill sets, increasing workforce flexibility. 3. A database of retired professionals has been established to tap into the expertise of older, experienced personnel. 4. Foreign workers are introduced to support technical field operations, easing labor constraints in large-scale engineering projects. 5. Construction methods and workflows are being improved through the adoption of mechanized construction techniques to reduce dependency on manual labor. 	<ol style="list-style-type: none"> 1. Alongside diverse recruitment efforts, the Company leverages a broad contractor network for manpower support and identifies high-potential personnel among dispatched or contract staff for internal recruitment. 2. Compensation policies continue to be optimized. For instance, recent enhancements to the employee stock trust plan include increased employer contributions and reward allocations to boost employee morale and loyalty. 3. Ongoing training programs are in place to equip staff with secondary skill sets. 4. Compact loader deployment has been expanded to close gaps caused by labor shortages and to streamline material handling at job sites. 	Human Resources Department, Engineering Group °
Hazard Risk	Construction Risk	<ol style="list-style-type: none"> 1. Conduct case-based safety awareness campaigns, review key occupational safety mechanisms, and reinforce specialized training sessions such as lifting operations. Inspection checkpoints are set up to ensure autonomous checks are consistently carried out. 2. Enhance safety oversight by forming dedicated 	<ol style="list-style-type: none"> 1. Monthly meetings are held for safety staff, including specialized training on construction techniques. 2. Joint safety inspections are conducted every month to mitigate on-site risks. 3. (1) Employees who commit traffic violations are given regular safety 	Safety and Health Office

2024 Risk Management Assessment and Mitigation Measures				
Risk Category	Risk Item	Risk Assessment and Mitigation Measures	Risk Control Implementation	Responsible Unit
		<p>safety patrol teams to regularly inspect construction equipment and safety protection measures for compliance. Lifting operation review meetings are convened periodically.</p> <p>3. For subcontractors and employees with repeated safety violations, the frequency of safety training is increased to enhance their awareness of occupational hazards.</p> <p>4. Promote a zero-accident campaign: site supervisors and safety officers provide daily briefings on work content and associated risks, helping workers understand job-specific hazards and apply necessary preventive measures. The campaign concludes with verbal safety affirmations to strengthen risk recognition.</p>	<p>education and reminders about internal plant traffic rules to reduce recurrence.</p> <p>(2) A reference manual has been published to help frontline workers and contractors understand both legal and internal safety requirements, thereby improving compliance and reducing the likelihood of penalties.</p> <p>4. Consensus meetings are organized with relevant department representatives to finalize and distribute official cards for temporary facility removal. These measures are supported by continued promotion through zero-accident campaigns.</p>	
Hazard Risk	Occupational Safety and Health Risk	<p>1. Monthly follow-ups and health counseling are conducted for employees and contractors classified as having "care-level" health concerns. AED devices and blood pressure monitors are installed across all work areas.</p> <p>2. Third-party experts are commissioned to provide professional guidance and lead dedicated safety and health training programs to improve awareness and competence.</p> <p>3. Comprehensive surveys are conducted on the use of hazardous chemicals. Fire drills are incorporated into the emergency response</p>	<p>1. Health tracking and counseling for at-risk personnel are conducted monthly. AEDs and blood pressure monitors are available at all sites.</p> <p>2. In collaboration with the Chinese Association of Industrial Machinery, four site audits and two training sessions have been completed this year.</p> <p>3. The Pinghe Plant complies with all current chemical management laws and conducts joint fire drills with the</p>	Safety and Health Office

2024 Risk Management Assessment and Mitigation Measures				
Risk Category	Risk Item	Risk Assessment and Mitigation Measures	Risk Control Implementation	Responsible Unit
		<p>training program.</p> <p>4. VR-based simulation of job-site hazards is integrated into training courses. AI-based anti-collision systems are being installed on forklifts to enhance operational safety.</p>	<p>Xiaogang Fire Department.</p> <p>4. Smart safety education includes VR experiences simulating hazardous tasks such as oxygen-acetylene use, steel assembly, and elevated work. These immersive simulations enhance training effectiveness. An AI-powered forklift hazard detection system is under joint development with ITRI and is currently in testing and refinement.</p>	
Information Security Risk	Data Protection	<p>1. To mitigate the risk of data loss due to system failures or cybersecurity incidents, a comprehensive backup strategy is implemented based on the criticality of data assets. This includes off-site backups to safeguard data availability and integrity. Regular data restoration drills are conducted to validate the effectiveness of backups and ensure they meet the defined recovery time objectives.</p> <p>2. To reduce the risk of data leakage, strict access control measures are in place. Employees must obtain supervisor approval for data access, and all authorizations undergo annual reviews. The use of external USB storage devices is also restricted.</p> <p>3. All data is managed in compliance with internal policies, including the “Confidentiality</p>	<p>1. Data is backed up regularly, with annual restoration tests conducted to ensure reliability. Redundant copies are stored at multiple off-site locations.</p> <p>2. Access to data and portable storage devices is restricted and subject to supervisor approval, with authorizations reviewed yearly.</p> <p>3. Confidential information is governed by internal policies, including annual audits to ensure compliance.</p> <p>4. Information system outsourcing contracts now include mandatory confidentiality clauses through signed NDAs with external vendors.</p>	Human Resources Department

2024 Risk Management Assessment and Mitigation Measures				
Risk Category	Risk Item	Risk Assessment and Mitigation Measures	Risk Control Implementation	Responsible Unit
		<p>Guidelines” and “Trade Secrets Management Regulations,” to ensure ongoing data confidentiality.</p> <p>4. To manage supply chain-related cybersecurity risks, all third-party vendors are required to sign non-disclosure agreements to protect confidential information.</p>		
	Software Security	<p>1. To prevent threats stemming from software vulnerabilities, the company performs regular security updates and promptly applies patches or upgrades in response to critical vulnerability alerts.</p> <p>2. To minimize risks associated with insecure code during software development, code undergoes security scanning and review before deployment. Public-facing web applications are routinely tested for vulnerabilities and subjected to penetration testing.</p> <p>3. To guard against cyberattacks targeting application systems, a Managed Detection and Response (MDR) solution has been deployed to ensure continuous 24/7 threat monitoring and rapid incident response.</p> <p>4. User access rights for application systems are reviewed annually. Unused accounts or excessive permissions are removed, and password updates are enforced on a regular basis.</p>	<p>1. A “Cybersecurity Threat Intelligence Log” has been implemented to track and manage critical security patches.</p> <p>2. In August 2024, vulnerability assessments and penetration tests were completed for application systems, with remediation actions taken based on the findings.</p> <p>3. MDR software has been deployed on all key systems.</p> <p>4. Access permissions for application accounts are reviewed annually to ensure appropriate authorization.</p> <p>5. Outsourcing agreements now include cybersecurity governance clauses for third-party vendors.</p>	Human Resources Department

2024 Risk Management Assessment and Mitigation Measures				
Risk Category	Risk Item	Risk Assessment and Mitigation Measures	Risk Control Implementation	Responsible Unit
		5. To mitigate supply chain cybersecurity risks, contracts with outsourced software vendors include information security clauses that require compliance with applicable laws and internal security policies.		
	Employee Cybersecurity Awareness	1. To address the risk of social engineering attacks such as phishing emails, annual simulations and training sessions are conducted. Online courses and quizzes are provided to improve employees' awareness and readiness. 2. To foster a culture of continuous improvement in cybersecurity, monthly management meetings are held to discuss emerging threats, reinforce policies, and disseminate the latest knowledge. 3. All employees are required to sign a confidentiality agreement that prohibits unauthorized disclosure or misuse of sensitive business information obtained during their employment.	1. A phishing email simulation and cybersecurity training program were completed in March 2024. 2. Monthly cybersecurity meetings are held to communicate key messages and identify areas for improvement. 3. All employees sign confidentiality agreements, and these are also reviewed and signed by new hires during the onboarding process.	Human Resources Department

Risk Management Organizational Structure and Management

- I. Board of Directors: The Board of Directors is the top decision-making unit for risk management and takes the ultimate responsibility for the overall risks of China Ecotek Corporation.
- II. Audit Committee: Supports the Board of Directors in fulfilling its risk oversight responsibilities by reviewing key risk management issues submitted by the Corporate Sustainability Development Committee.

- III. Corporate Sustainable Development Committee: The Corporate Sustainable Development Committee assists the board in fulfilling its risk management responsibilities and is responsible for reviewing China Ecotek's risk management policies and reviewing management reports on material risk issues. A risk management team is set up under the Corporate Sustainable Development Committee and is responsible for the overall risk management business, including integrating and coordinating common risk management topics across departments, promoting and communicating important risk management matters, executing and following up on various risk management tasks as resolved by the board or the Corporate Sustainable Development Committee, and submitting risk management reports.
- IV. Responsible unit: The head of the responsible unit is responsible for managing, supervising, and controlling relevant risks within their unit to ensure complete and effective control of such risks.

The Risk Management Process is Divided into Five Stages:

I. Risk Identification

When we are identifying risks, we should analyze our business environment, consider various business and operating activities, and carry out qualitative or quantitative management of each risk.

When the responsible unit is examining and identifying potential sources of risks, it should consider external and internal environmental factors in the evaluation.

II. Risk Assessment

After we have identified the potential risks to be faced, we should establish appropriate assessment methods based on different types of risks as a basis for risk management.

Risk assessment refers to the use of various information to judge if a risk event is possible to occur and determine the impact of the results on the Company. When conducting a risk analysis, it is necessary to consider whether the existing internal control system can prevent each risk event. In the risk analysis results, the risk level (high, medium, and low) should be determined, and necessary information should be provided as the basis for risk assessment and risk response.

III. Risk Response

After assessing and compiling the risks, each responsible unit should take appropriate countermeasures against the risks faced and bring the risks to an acceptable level.

IV. Risk Monitoring

Each responsible unit shall monitor the risks of its respective operations and propose countermeasures. The risk management report shall be submitted to the Risk Management Team of the Corporate Sustainable Development Committee, and the team compiles the reports and submits them to the committee.

V. Risk Reporting

The Corporate Sustainable Development Committee shall measure and monitor the quality of overall risk management, and the Audit Committee shall regularly supervise and submit risk reports to the Board of Directors.

3.3 TCFD Four Core Elements

Element	China Ecotek Corporation Operational Practices
Governance	1. The Board of Directors serves as the highest decision-making body for risk management, bearing ultimate responsibility for the company's overall risk. It is responsible for approving risk management policies and major risk management systems, as well as overseeing their implementation to ensure effective operation of risk management mechanisms.
	2. The Audit Committee assists the Board in fulfilling its risk management responsibilities and is responsible for reviewing risk management issues raised by the Corporate Sustainability Development Committee.
	3. The Corporate Sustainability Development Committee is responsible for formulating management reports on significant risk issues. Under the Committee, a Risk Management Task Force is established to oversee comprehensive risk management matters, including coordinating cross-departmental risk issues, promoting and communicating major risk matters, executing and tracking resolutions assigned by the Board, Audit Committee, or Corporate Sustainability Development Committee, and submitting risk management reports. The Committee convenes at least once annually and may hold ad-hoc meetings as deemed necessary by the Chairperson.
	4. Department heads are responsible for monitoring and controlling relevant risks within their respective units to ensure comprehensive and effective risk control.
	5. The Green Living Promotion Team, chaired by the Vice President, holds at least two meetings per year to implement topics set by the parent company.
	6. Through communication with department heads and employees, the company assesses potential climate change-related risks and opportunities and develops responsive measures. The Risk Management Task Force submits the identified results and countermeasures for approval by the Chairperson (Chair of the Corporate Sustainability Development Committee/Board Chairman) and discloses them in the ESG Sustainability Report.
	7. Established procedures for compiling and verifying the sustainability report have been incorporated into the company's internal control system.
Strategy	1. In line with net-zero policies, the company supports industries in upgrading environmental protection and energy-saving, carbon-reduction facilities.
	2. Invests in green energy and circular economy initiatives.
	3. Identifies climate change risks and opportunities through cross-departmental discussions and assesses their financial impacts.
	4. Completed ISO 14064-1 greenhouse gas inventory and obtained third-party verification in November 2024; plans to establish a greenhouse gas inventory platform to monitor, control, and reduce office energy consumption.
	5. Formulated short-, mid-, and long-term carbon reduction goals and strategies:

	<p>(1)Short-term (1–3 years): Achieve a 1.5% reduction in emissions by 2025, using 2022 as the baseline year. Action plan includes improving energy efficiency by replacing all office lighting with LED panel lights, promoting green procurement, and gradually replacing company vehicles with hybrid models.</p> <p>(2)Mid-term (3–5 years): Achieve a 21.5% reduction in emissions by 2030, using 2022 as the baseline year. Actions include replacing all high-energy-consuming equipment such as air conditioners with first-tier energy-efficient models, digitizing work logs and on-site inspection records, and continuing the transition to hybrid vehicles.</p> <p>(3)Long-term (over 5 years): Achieve carbon neutrality by maximizing energy efficiency and using green energy. Actions include transitioning all material handling vehicles to green-energy-powered models and converting all forklifts and transport vehicles to electric types.</p>
Risk Management	<p>1. The Corporate Sustainability Development Committee is responsible for monitoring and ensuring the quality of overall risk management. Since 2021, the company has formulated risk management policies and procedures. Risk reports are regularly overseen by the Audit Committee and submitted to the Board.</p> <p>2. Greenhouse gas inventory tasks are incorporated into risk management and led by a designated unit responsible for establishing carbon response strategies and plans.</p>
Metrics and Targets	<p>1. Since 2022, the company has completed its first ISO 14064-1greenhouse gas verificationand ISO 14067 product carbon footprint verification, both subjected to third-party audits. Regular greenhouse gas inventories have been conducted since 2022.</p> <p>2. The total Scope 1–6 greenhouse gas emissions from January to December 2023 was 6,885.946 tons of CO₂e. A verification statement was obtained on November 29, 2024 (see Appendix 9).</p> <p>3. The company actively identifies potential emission reduction opportunities based on GHG verification results.</p> <p>4. Established short-, mid-, and long-term goals for greenhouse gas and energy management.</p> <p>5. As of 2024, the company’s seven office locations recorded a total electricity consumption of 770.95 MWh and water usage of 7.150 million liters.</p> <p>6. In 2024, the company assisted the CSC Group Headquarters in replacing 2,400 T5 66W light fixtures with 21W LED panel lights in CSC-occupied floors. Completed in January 2025, the project is expected to save approximately 270,000 kWh of electricity annually, reducing carbon emissions by 133.4 tons of CO₂e. This supports the Group’s ESG efforts and enhances energy-saving performance.</p>

3.4 The Financial Impact of Risks and Opportunities Arising from Climate Change

In response to the risk of financial damage caused by natural disasters or climate change, China Ecotek has hired experts to analyze the financial risks and opportunities of climate change, and the Company's response to climate change. After training on governance, strategy, risk management, indicators, and goals was offered to employees, each department evaluated the potential risks and opportunities of climate change on future operations, developed response plans, and submitted the identification results and countermeasures to the Corporate Sustainable Development Committee for discussion.

In accordance with the Task Force on Climate-related Financial Disclosures (TCFD) framework, the Company has identified the impacts of climate change on its business and financial performance through cross-departmental discussions. The following key issues have been selected for scenario analysis and assessment:

Item	Risk			Opportunity			Countermeasure
	Explanation	Potential financial impact	Impact level	Explanation	Potential financial impact	Impact level	
Extreme weather and natural disasters. (physical)	<ol style="list-style-type: none"> 1. Damage to the construction structure in progress and delays in the construction period. 2. Damage to equipment or delays in delivery. 	<ol style="list-style-type: none"> 1. An increase in operating costs and capital expenditure. 2. Fines for projects past deadlines. 3. An increase in natural disaster insurance premiums. 	Low	Damage to buildings and equipment, leasing to an increase in the repair and reinforcement work .	An increase in revenue.	Low	<ol style="list-style-type: none"> 1. Changing the construction strategy and the construction process or technique according to local conditions to avoid damage to equipment caused by natural disasters. 2. Ensuring that the natural disaster clause is specified in the contract to ensure the construction period and considering costs during quotation. 3. Developing smart software technologies, adopting low-carbon design and construction techniques, and enhancing construction technologies to reduce damage caused by natural disasters.

							<ul style="list-style-type: none"> 4. Teaching correct evacuation methods, ensuring adequate protective equipment, drawing up supporting measures for attendance during disasters, and implementing a substitute system. 5. Purchasing property insurance related to natural disasters.
An increase in the number of days in hot weather caused by warming. (physical)	<ul style="list-style-type: none"> 1. An increase in construction's rest time and reduction of their work efficiency due to thermal stress. 2. Inability to work or, at worst, casualties. 	<ul style="list-style-type: none"> 1. An increase in operating costs. 2. An increase in labor costs. 	Low	Adopting smart digital systems to improve project management efficiency.	Moderately reducing operating costs.	Low	<ul style="list-style-type: none"> 1. Adjusting the working hours in summer as necessary to prevent personnel from heat hazards due to climate warming. 2. Launching digital transformation, planning smart construction sites, and optimizing materials management and decision-making support systems to improve operational efficiency and train key technical skills for the future.

Extreme rainfall or drought. (physical)	<ol style="list-style-type: none"> 1. An increase in the amount of sludge in the water plants operated on behalf of owners and the raw water turbidity caused by extreme rainfall. 2. Delays or shortages in supply and price increases by raw material suppliers due to disasters. 3. A decrease in the output of water treatment plants operated on behalf of owners due to shortage of water resources. 4. An increase in the use of chemicals by water treatment and industrial wastewater treatment plants operated on behalf of owners due to shortage of water resources. 	<ol style="list-style-type: none"> 1. An increase in procurement costs. 2. A decrease in revenue. 3. An increase in operating costs. 	Low	An increase in opportunities for construction of seawater desalination or reclaimed water plants and wastewater treatment plants; an increase in the output of water treatment plants operated on behalf of owners.	An increase in revenue.	Medium	<ol style="list-style-type: none"> 1. Improving the seawater desalination and water reclaiming technologies and the quality of water treatment products to obtain relevant engineering business opportunities. 2. Specifying the rights and responsibilities of Parties A and B in contracts when the water output is beyond the capacity and the raw water quality is not up to standard, to ensure that the facilities and equipment will not damage by the water quality. 3. Establishing standard operating procedures for the deteriorating raw water turbidity to improve the ability to respond to emergencies. 4. Adding a subsidy clause in the contract signed with clients for increases in raw material prices and setting a fine mechanism for suppliers with delayed delivery of raw materials. 5. Striving to ask owners to add a natural disaster clause when signing a contract as the cost of chemicals will increase to maintain the security of equipment and system during water shortage.
The government launched Taiwan's Pathway to Net-Zero Emissions in 2050 and Strategy,	A carbon fee levied on domestic sources of emissions and imported products	An increase in procurement costs.	Low	Assisting clients in replacing process equipment to reduce carbon emissions or	An increase in revenue.	Medium	<ol style="list-style-type: none"> 1. Conducting business planning and analysis for the business related to sources of emissions as announced, assisting clients

and TWSE-listed companies should reach net-zero goal in accordance with the schedule set by the competent authority (legal)	with high carbon content.			establish green energy facilities to use carbon credits.			<p>in using carbon credits or reducing carbon emissions, and continue to develop green engineering technologies.</p> <p>2. Completing the carbon inventory and verification ahead of schedule set by the competent authority to achieve the carbon reduction targets early.</p> <p>3. Working with the supply chain, being committed to sustainability and the net-zero goal, assisting suppliers in conducting carbon inventories, and setting carbon reduction targets so as to form a low-carbon supply chain.</p> <p>4. Gradually replacing gasoline/diesel vehicles with electric ones to achieve carbon reduction targets.</p>
For the issue of net zero emissions, clients' existing high-carbon emission production equipment needs to be updated and improved. (transition)	The production of clients' production equipment has been scaled down due to high carbon emissions, resulting in a reduction in the frequency of equipment replacement and affecting China Ecotek's current maintenance business.	A decrease in revenue.	Low	<p>1. Expanding green and low-carbon engineering business.</p> <p>2. Striving for circular economy construction projects.</p> <p>3. An increase in the sales of energy-saving and carbon reduction products and clean air products.</p>	An increase in revenue.	Medium	<p>1. Enhancing green energy, reclaimed water, wastewater treatment, carbon capture, and storage technologies to help clients achieve carbon reduction needs.</p> <p>2. Developing energy-saving, carbon reduction, air-purifying filters, and other clean products to meet carbon reduction needs and improve air quality.</p>

Based on the scenario analysis and assessment described above, China Ecotek Corporation has identified the short-, medium-, and long-term risks and opportunities posed by climate change. The company had completed its latest climate risk assessment by the end of 2024 and developed corresponding management strategies.

I. Short-term impacts:

- (I) Business: Damage to buildings and equipment caused by extreme weather events or natural disasters may increase demand for repair and reinforcement projects.
- (II) Strategy: The company is implementing smart design software and adopting low-carbon construction methods to enhance construction techniques, minimize damage from natural disasters, and create new business opportunities.
- (III) Financial: Extreme weather or natural disasters could lead to increased costs, such as structural damage to projects under construction and project delays. This could result in potential penalties and higher operating expenses, ultimately affecting short-term financial performance.

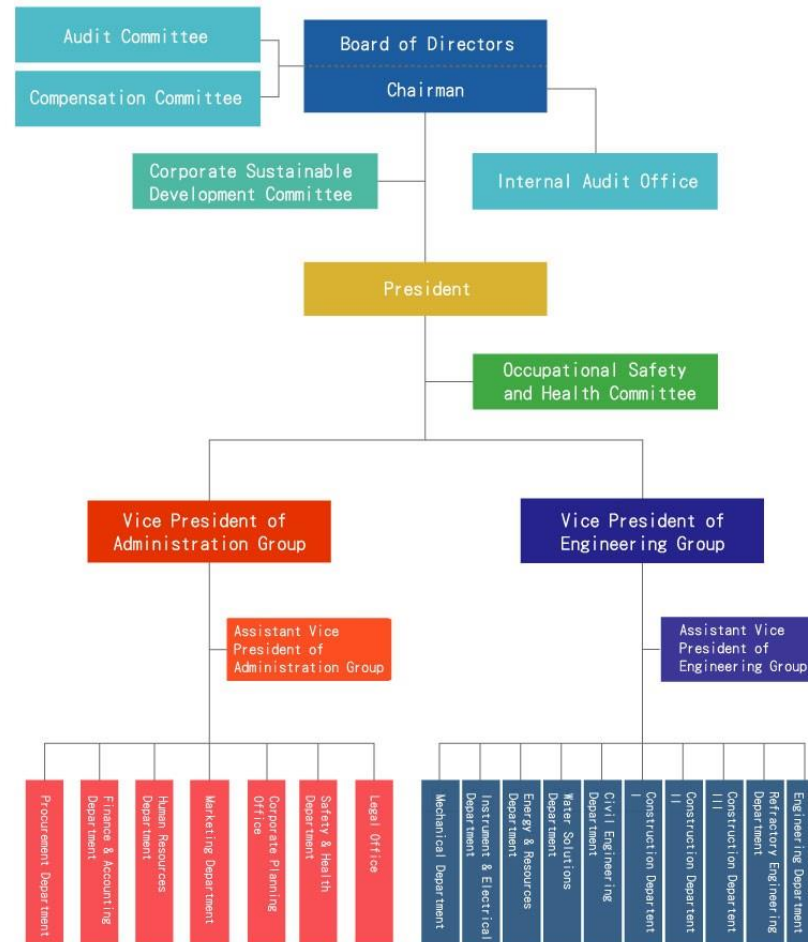
II. Medium-term impacts:

- (I) Business: Customers may downscale production due to high carbon emissions, leading to less frequent equipment upgrades and a decline in business volume.
- (II) Strategy: To mitigate risks related to reduced business stemming from net-zero carbon initiatives, the company is actively pursuing new opportunities in water resource management and smart incineration plants promoted by the Executive Yuan.
- (III) Financial: Revenue fluctuations will depend on the extent of customer business reductions and the success of securing new contracts.

III. Long-term impacts:

- (I) Business: Climate change will continue to reshape market dynamics and customer needs. China Ecotek will focus on developing low-carbon engineering solutions to support clients' carbon reduction targets.
- (II) Strategy: To meet customers' evolving needs for new equipment and infrastructure related to climate change and carbon reduction, the company collaborates with clients and the Industrial Technology Research Institute, strengthening technical expertise to seize emerging business opportunities.
- (III) Financial: Climate change could significantly influence the company's sustainable growth. Understanding customer demands and enhancing competitiveness are crucial to achieving long-term corporate sustainability goals.

3.5 Organizational structure of the Company



3.6 Board of Directors, Audit Committee, Corporate Sustainable Development Committee, and Remuneration Management Committee

3.6.1 Board of Directors

China Ecotek Corporation nominates candidates for and select board members through a candidate nomination system in compliance with the Articles of Incorporation. In addition to evaluating each candidate's education, experience, and qualifications, we consider stakeholders' opinions and abide by the Rules of Election of Directors and the Corporate Governance Best Practice Principles to ensure the diversity and independence of board members. The directors are elected through voting at the shareholders' meeting. In accordance with Article 203 of the Company Act, the director who won the most ballots representing the most voting rights should serve as the convener to convene the first board meeting of the board, at which all directors should elect a non-independent director to serve as the Chairman. The 11 directors (including three independent directors) on the 11th Board of Directors specialize in business administration, leadership and decision-making, industry knowledge, or risk management. Among them, those with practical experience in engineering management are Ying-Pin Hsieh, Shou-Tao Chen, Chih-Feng Lee and Chen Yang. Those who specialize in business administration include Chien-Chih Hwang, Yu-Lun Kuo, Po-Nien Lin and Tai-Guang Peng; those with expertise in accounting or finance are Hsiu-Mei Liu and Po-Han Wang. Those who have professional knowledge in resource engineering are Chia-Jung Chen. The board members are from diverse backgrounds and have provided a great deal of guidance on the Company's business and finance. The directors who are also employees account for 9% of all board members, and the independent directors 27%. The three independent directors have all served for fewer than nine years. Two directors are between 71 and 75 years old; another five between 61 and 70 years old; another two between 51 and 60 years old, and remaining two between 41 and 50 years old.

Position	Gender	Name	Position	Gender	Name
Chairman	Male	Ying-Pin Hsieh (representative of China Steel Corporation) Note 1	Director	Female	Hsiu-Mei Liu (representative of Hua Eng Wire and Cable Co.)
Director	Male	Chien-Chih Hwang (representative of China Steel Corporation) Note 2	Director	Female	Yu-Lun Kuo (representative of Great Grandeul Steel Co.)
Director	Male	Shou-Tao Chen (representative of China Steel Corporation) Note 3	Director	Male	Po-Nian Lin (representative of Bai-Chien Investment Co., Ltd.)
Director	Male	Chen Yang (representative of China Steel Corporation)	Independent Director	Male	Chia-Jung Chen
Director	Male	Chih-Feng Lee (representative of China Steel Corporation) Note 4	Independent Director	Male	Po-Han Wang
			Independent Director	Male	Tai-Guang Peng

Note 1: On April 30, 2024, China Steel Corporation reassigned its representative, appointing Ying-Pin Hsieh to succeed Cheng-Chiang Chen.

Note 2: On September 10, 2024, China Steel Corporation reassigned its representative, appointing Chien-Chih Hwang to succeed Shyi-Chin Wang.

Note 3: On May 18, 2024, China Steel Corporation reassigned its representative, appointing Shou-Tao Chen to succeed Chao-Tung Wong.

Note 4: Director Lee, Chih-Feng also serves as the company's President.

As per the Articles of Incorporation, the Board of Directors meets once every three months. It may notify board members of the convening of a meeting in writing or other appropriate methods at any time if necessary. The board's responsibilities are as follows:

- I. Reviewing and approving annual business policies and budgets.
- II. Approving the appointment or discharge of the President, Vice Presidents, financial and accounting managers, chief internal auditor, and consultants;
- III. Reviewing and approving annual business reports and financial reports.
- IV. Approving the pledge, sale/purchase, or other disposal methods related to major assets of the Company.
- V. Approving investment plans.

- VI. Approving capital expense above NT\$40 million.
- VII. Approving exclusive technology, purchase or transfer of patent rights and technology collaboration contracts at an amount above NT\$ 40 million.
- VIII. Approving the establishment and dissolution of branch institutions.
- IX. Drawing up proposals for amendment to the Articles of Incorporation, change of capital, and Company's dissolution or merger.
- X. Drawing up proposals for distribution of earnings or making up losses.
- XI. Approving the appointment, discharge, or compensation of an attesting certified Public accountant (CPA).
- XII. Approving internal organizations and authorities of the Company.
- XIII. Reviewing or approving the procedures for material financial actions, such as acquisition or disposal of assets, derivative trading, loans to others, or endorsements or guarantees for others, internal control systems, and other important rules.
- XIV. Approving the offering, issuance, or private placement of any equity-type securities or domestic and foreign corporate bonds.
- XV. Reviewing and approving other matters with authorities under laws and regulations.

The Company's independent directors only receive fixed remuneration without being entitled to the distribution of director remuneration. The remaining policies and standards for remuneration to directors, the President, and Vice Presidents are clearly specified in Article 32, paragraph 1 of the Articles of Incorporation. The 2024 employee remuneration paid to the President and Vice Presidents is based on the Company's Employee Remuneration Payout Regulations and Evaluation System. The directors' honoraria are determined with reference to the industry standards. In addition, the performance bonuses are paid to the President and Vice Presidents, along with all other employees, according to a certain percentage of the prior year's profit in accordance with the relevant reward regulations. The performance bonuses are directly related to the business performance, and the performance evaluation and the reasonableness of the remuneration should be reviewed by the Remuneration Committee and the Board of Directors.

Processes that Avoid or Mitigate Conflicts of Interest:

In accordance with Article 20 of the Company's Rules of the Procedure for Board of Directors Meetings, if a director or a juristic person represented by the director is an interested party with respect to any proposal for a board meeting, the director shall state the important aspects of the interested party relationship at the meeting. When the relationship is likely to prejudice the interests of the company, the director may not participate in the discussion or voting on that proposal and shall enter recusal during the discussion and voting. The director also may not act as another director's proxy to exercise voting rights on that matter.

The proposals resolved by the board during 2024, in which directors or the juristic persons they represent were recused from the discussion and voting due to conflicts of interest, are as follows:

Meeting Date	Proposal	Recused Director(s)	Reason for Recusal
2024/05/02 11 th Board, 6 th Meeting	Donation of NT\$300,000 to the China Steel Group Education Foundation.	Chao-Tung Wong (term ended 2024/5/18) Shyi-Chin Wang (term ended 2024/9/10)	The directors represent a juristic person that is a related party to the donation recipient.
	Performance review and assessment results for the President and Vice Presidents in 2023.	Chih-Feng Lee	Conflict of interest due to personal involvement.
	Approval of performance bonuses for the Chairman, President, and Vice Presidents.	Chih-Feng Lee	Conflict of interest due to personal involvement.
	2024 performance evaluation criteria for the President and Vice Presidents.	Chih-Feng Lee	Conflict of interest due to personal involvement.
	Appointment of Mr. Ying-Pin Hsieh as a paid consultant to the Company.	Ying-Pin Hsieh	Conflict of interest due to personal involvement.
2024/08/02 11 th Board, 8 th Meeting	Approval of remuneration distribution for the Chairman, President, and Vice Presidents.	Chih-Feng Lee	Conflict of interest due to personal involvement.
2024/11/01 11 th Board, 9 th Meeting	Determination of salary for the newly appointed Chairman. Salary adjustment for the President, Vice President of the Administration Group, and Vice President of the Engineering Group.	Ying-Pin Hsieh Chih-Feng Lee	Conflict of interest due to personal involvement.

Positions Held by Directors in Other Companies:

Position	Name	Current Directorships or Supervisory Roles in Other Companies
Chairman	Ying-Pin Hsieh	None
Director	Chien-Chih Hwang	Chairman of China Steel Corporation, Chairman of China Steel Chemical Corporation, Director of China Steel Global Trading Corporation, Director of Dragon Steel Corporation, Director of Taiwan High Speed Rail Corporation, Director of Gains Investment Corporation
Director	Shou-Tao Chen	Chairman of China Steel Machinery Corporation, Director of Dragon Steel Corporation, Director of Chung Hung Steel Corporation, Director of Gains Investment Corporation, Director of Gau Ruei Investment Corporation
Director	Chih-Feng Lee	Director of CSC Solar Corporation
Director	Chen Yang	Director of China Steel Machinery Corporation
Director	Hsiu-Mei Liu	Director of Wafer Works Corporation, Director of Co-Tech Development Corporation, Director of Bionime, Supervisor Hua Ho Engineering Co., Ltd.
Director	Yu-Lun Kuo	Supervisor of Great Fortune Steel Co., Ltd., Director of Great Grandeul Steel Co., Ltd.
Director	Po-Nien Lin	Director of Bai-Chien Investment Co., Ltd., Director of Bai-Chien Trading Co., Ltd Director of Te-Yu Investment Co., Ltd.
Independent Director	Chia-Jung Chen	Independent Director of Leatec Fine Ceramics Co., Ltd.
Independent Director	Po-Han Wang	Chairman of Ruisheng Financial Consultants Co., Ltd., Independent Director of Tongtai Machine & Tool Co., Ltd., Supervisor of Jushen Energy Co., Ltd., Director of Zhaowan Consulting Co., Ltd
Independent Director	Tai-Kuang Peng	Director of WEKO Industrial Component Corp.

Cross-Shareholding with Suppliers or Other Stakeholders

Investee Company	Investment by the Company		Investment in the Company by Investee	
	Shares Held	Shareholding Ratio	Shares Held	Shareholding Ratio
CSC Solar Corporation	34,880,000	20%	146,000	0.12%

Presence of a Controlling Shareholder: There is no controlling shareholder.

Stakeholder Relationships, Transactions, and Outstanding Balances: As of December 31, 2024, the Company's transactions with related parties are summarized as follows:

[Sales]

Unit: NT\$ thousand; %

Related Party Name	Cumulative Sales for the Year	% of Consolidated Sales for the Year
Chung Hung	6,967	0.06
China Steel	6,514,364	59.99
China Steel Machinery	34,867	0.32
Dragon Steel	2,142,145	19.73
C.S. Aluminium	1,102	0.01
China Prosperity Development	166	0
CSVC	109,603	1.01
China Steel Structure	249	0
Formosa Ha Tinh Steel	6,666	0.06
HIMAG Magnetic	17	0
CHC Resources	1,608	0.01
China Steel Chemical	80,593	0.74
Betacera Inc.	2,425	0.02
CSC Solar	229,810	2.12
Honley Auto. Parts	421	0
Infochamp Systems	889	0.01
Hua Eng Wire & Cable Co., Ltd.	15	0
Chung Mao Metal	1,441	0.01
Steel Castle Technology	11	0
China Steel Express	630	0.01
Mentor Consulting	416	0
China Steel Global Trading Corporation	896	0.01

[Purchases]**Unit: NT\$ thousand; %**

Related Party Name	Cumulative Purchases for the Year	% of Consolidated Purchases for the Year
China Steel	1,011	0.01
HIMAG Magnetic	575	0.01
Infochamp Systems	24,857	0.30
Steel Castle Technology	14,903	0.18
China Steel Security	9,927	0.12
Union Steel Development	1,674	0.02
China Steel Machinery	88,677	1.05
Hua Eng Wire & Cable Co., Ltd.	7,174	0.09
CHC Resources	168	0
Sing Da Marine Structure	20,625	0.25
Taiwan Smart Electricity & Energy	1,104	0.01

[Receivables]**Unit: NT\$ thousand; %**

Related Party Name	Cumulative Receivables for the Year	% of Consolidated Receivables for the Year
China Steel	239,504	30.24
China Steel Machinery	4,357	0.55
Dragon Steel	292,455	36.93
C.S. Aluminium	11	0
CSVC	9,180	1.16
CSC Solar	51,975	6.56
Honley Auto. Parts	40	0.01
BETACERA	166	0.02
China Steel Chemical	92	0.01

[Payables]**Unit: NT\$ thousand; %**

Related Party Name	Cumulative Payables for the Year	% of Consolidated Payables for the Year
China Steel	46	0 Note: The amount payable was so minimal that it rounded to less than 0.01, and is therefore displayed as 0.00.
China Steel Security	1,669	0.16
InfoChamp	6,150	0.60
Steel Castle Technology	4,890	0.48
Hua Eng Wire & Cable Co., Ltd.	5,047	0.49
Dragon Steel	1	0
Union Steel Development	97	0.01

[Asset Acquisitions]**Unit: NT\$ thousand**

Related Party	Description of Acquired Asset	Cumulative Acquisition Amount for the Year
Honley Auto. Parts Co., Ltd.	Equity stake in Honley	34,000

Key Resolutions by the Board of Directors in 2024

February 27, 2024	<ol style="list-style-type: none"> 1. Approved the 2023 Business Report and audited financial statements. 2. Proposed the distribution amounts and mechanisms for 2023 employee compensation and director remuneration. 3. Approved the 2023 earnings distribution plan. 4. Issued the 2023 Internal Control System Statement. 5. Resolved to convene the 2024 Annual Shareholders' Meeting at 9:00 AM on June 25, 2024 (Tuesday), at the Kaohsiung Business Conference Center (No. 5, Zhongshan 2nd Road, Qianzhen District, Kaohsiung). 6. Approved the renewal of the lease agreement with China Steel for the former First Administration Building and Machine Room of CSC Steel Structure.
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May 2, 2024	<ol style="list-style-type: none"> 1. Approved the draft Q1 2024 consolidated financial statements and accompanying CPA review report. 2. Approved a charitable donation to the China Steel Group Education Foundation. 3. Approved the 2023 performance evaluations of the President and Vice Presidents. 4. Approved performance-based bonuses for the Chairman, President, and Vice Presidents. 5. Approved the 2024 performance evaluation criteria for the President and Vice Presidents. 6. Appointed Mr. Cheng-Chiang Chen as an honorary advisor (unpaid). 7. Appointed Mr. Ying-Pin Hsieh as a paid consultant.
July 2, 2024	<ol style="list-style-type: none"> 1. Elected Mr. Ying-Pin Hsieh as Chairman of the Board. 2. Approved an investment of up to NT\$50 million in Taiwan Biopharmaceutical Manufacturing Co., Ltd. 3. Approved salary adjustments for employees below the Vice President level (excluding Vice Presidents).
August 2, 2024	<ol style="list-style-type: none"> 1. Approved the draft Q2 2024 consolidated financial statements and CPA review report. 2. Approved the publication of the 2023 Sustainability Report. 3. Approved the distribution of compensation for the Chairman, President, and Vice Presidents. 4. Approved revisions to the Company's "Rules of Procedure for Board of Directors Meetings." 5. Approved updates to the "Audit Committee Charter."
November 1, 2024	<ol style="list-style-type: none"> 1. Approved the draft Q3 2024 consolidated financial statements and CPA review report. 2. Approved updates to the "Internal Control System Manual." 3. Approved revisions to the "Sustainability Development Best Practice Principles." 4. Approved amendments to the "Risk Management Policy and Procedures." 5. Revised the "Employee Stock Ownership Trust Committee Charter." 6. Signed the second collective bargaining agreement with the China Ecotek Corporation Labor Union. 7. Approved an investment of up to NT\$35 million in Honley Auto. Parts Co., Ltd. 8. Approved compensation terms for the newly elected Chairman. 9. Approved salary adjustments for the President, VP of Administration Group, and VP of the Engineering Group.
December 30, 2024	<ol style="list-style-type: none"> 1. Approved the 2025 Annual Business Budget. 2. Approved the 2025 Annual Audit Plan. 3. Approved the 2025 Corporate Sustainability Execution Plan. 4. Approved the appointment of a new Chief Internal Auditor and dismissal of the previous one. 5. Appointed Mr. Yung-Yu Chiang as President of the Company.

To strengthen its governance and operational oversight, China Ecotek Corporation has established a Remuneration Committee, an Audit Committee, and a Corporate Sustainability Development Committee under the authority of its Board of Directors.

3.6.2 Audit Committee

The Audit Committee is composed of three independent directors, one of whom serves as the convener and chairperson of the meetings. At least one member possesses expertise in accounting or finance. In 2024, the committee held six meetings. Its purpose is to assist the Board of Directors in overseeing the quality and integrity of the company's accounting, auditing, financial reporting processes, and internal controls. All matters discussed were submitted to and approved by the Board.

Committee	Members	Key Responsibilities	2024 Performance
Audit Committee	Po-Han Wang (Convener) Chia-Jung Chen Tai-Kuang Peng	<ol style="list-style-type: none">1. Review and approve the formulation or amendment of the internal control system in accordance with Article 14-1 of the Securities and Exchange Act.2. Assess the effectiveness of internal controls.3. Review procedures for major financial operations such as acquisition or disposal of assets, derivatives transactions, lending of funds, and endorsements/guarantees, per Article 36-1 of the Act.4. Evaluate matters involving conflicts of interest with directors.5. Review significant asset or derivatives transactions.6. Review significant fund lending, endorsements, or guarantees.7. Review the issuance or private placement of equity-type securities.8. Evaluate the appointment, dismissal, or compensation of certifying accountants.9. Evaluate the appointment or dismissal of financial, accounting, or internal audit officers.10. Review quarterly and annual financial reports signed or sealed by the Chairperson, managers, and accounting officers.11. Handle other material matters stipulated by the company or competent authorities.	Held six meetings; strengthened corporate governance and enhanced the professional functions of the Board.

3.6.3 Corporate Sustainability Development Committee

China Ecotek Corporation recognizes that sustainable development must be integrated with business strategy, as it directly influences the company's long-term competitiveness. The growth and prosperity of the enterprise are closely tied to the broader environment. Embedding sustainability into operational practices is key to corporate longevity. The Corporate Sustainability Development Committee is responsible for exploring and planning issues related to economic, social, and environmental dimensions. It enforces corporate governance through internal audits. At the end of each year, the committee convenes a sustainability meeting to report on the previous year's corporate governance evaluation results, progress of the current year's initiatives, risk assessment and response strategies, stakeholder engagement outcomes, and to gather stakeholders' concerns regarding various topics. The core team evaluates the impact of these topics on business operations and produces a materiality matrix to identify key issues. Based on this analysis, the committee formulates the execution plan and corresponding risk assessments and mitigation measures for the following year. The core team compiles the ESG Sustainability Report with reference to the GRI Standards and submits it for approval by the Chairperson. Starting from 2024, the ESG report is also presented to the Board of Directors.

I. Members:

The committee is chaired by the Chairperson of the Board, who serves as the Chief Commissioner. The President serves as Deputy Commissioner. Members include Vice Presidents of the Administration Group, Engineering Group, and Assistant Vice Presidents of various departments.

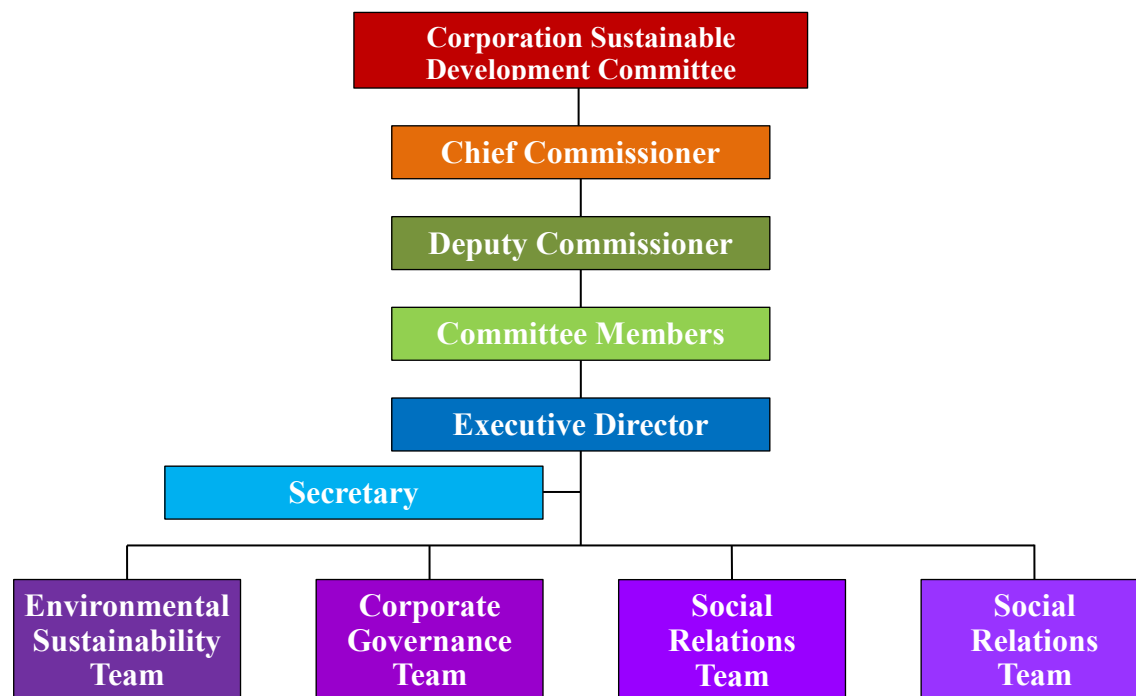
An Executive Center is established under the committee. The Executive Director is the Assistant Vice President of the Administration Group. The Corporate Governance Team and Social Relations Team are led by the heads of the Corporate Planning Office and the Procurement Department, respectively. The Environmental Sustainability Team and Risk Management Team are led by the heads of the Safety & Health Department and the Finance & Accounting Department, respectively. A Secretary is also appointed to serve as the chief editor of the ESG report.

II. Responsibilities:

(I) Committee: Define the vision and outlook for sustainability development. Review and approve the annual work plan and budget. Evaluate the effectiveness of projects and their implementation. Assist the Board and Audit Committee in fulfilling their risk management responsibilities,

including drafting the company's risk management policy report. Oversee the preparation and assurance of the Sustainability Report and submit it to the Board for discussion.

- (II) Chief Commissioner: Convene sustainability committee meetings. Report the committee's plans and implementation results to the Board.
- (III) Deputy Commissioner: Assist the Chief Commissioner in handling committee-related matters.
- (IV) Executive Director: Develop the committee's annual strategy and work plan, including budget formulation. Review alignment with sustainability goals and the UN SDGs. Supervise routine operations of each team. Review the accuracy and completeness of information disclosed in the ESG report.
- (V) Environmental Sustainability Team: Set directions and goals for environmental protection and occupational health and safety. Identify and engage stakeholders on related topics. Collect relevant indicators and data. Draft content related to its responsibilities for the sustainability report.
- (VI) Corporate Governance Team: Set directions and goals for corporate governance topics. Identify and communicate with stakeholders including employees, customers, shareholders, and suppliers. Collect indicators related to stakeholder relationship management. Draft content related to its responsibilities for the sustainability report.
- (VII) Social Relations Team: Set directions and goals for community involvement and public welfare initiatives. Identify and engage with relevant stakeholders. Collect indicators related to community participation and public welfare. Draft content related to its responsibilities for the sustainability report.
- (VIII) Risk Management Team: Integrate and coordinate cross-departmental risk management issues. Promote and communicate key risk management matters. Implement and track resolutions assigned by the Board or the Sustainability Committee, and prepare risk management reports. Draft content related to its responsibilities for the sustainability report.



China Ecotek Corporation Sustainable Development Policy

1. Protecting shareholders' rights and interest and keeping information open and transparent;
2. Enhancing customer service and jointly creating values;
3. Developing technologies on our own and effectively using resources;
4. Strengthening corporate governance and ensuring fairness and justice;
5. Focusing on occupational safety and health and managing and respecting humanity;
6. Abiding by laws and regulations and cooperating with government policies.

3.6.4 Remuneration Committee

The Remuneration Committee is composed of three independent directors, one of whom serves as both the convener and chairperson. In 2024, the committee convened four times to evaluate the performance assessment framework for senior management, review assessment results, and discuss remuneration-related policies and systems. All proposals were submitted to the Board of Directors and duly approved.

Committee	Members	Key Responsibilities	2024 Performance
Remuneration Committee	Chia-Jung Chen (Convener) Po-Han Wang Tai-Kuang Peng	For the Chairperson, President, and Vice Presidents: 1. Establish and periodically review performance evaluation policies and mechanisms for key executives. 2. Develop and review remuneration policies, including director fees, standards, and structures.	Held four meetings to review the execution of 2024 performance management for appointed executives. Recommendations based on committee resolutions were submitted to the Board for approval.

3.7 Collective Knowledge of the Top Governance Body

To strengthen the collective expertise, competencies, and sustainability awareness of the Board of Directors, China Ecotek Corporation's highest governance body, the company arranged a series of targeted training sessions for all board members in 2024. The following table summarizes each director's training records:

Position	Name	Appointment Date	Training Dates		Organizer	Course Title	Hours
			From	To			
Representative of Corporate Director	Ying-Pin Hsieh	2024/04/30	2024/08/20	2024/08/20	Taiwan Investor Relations Institute	Practical and Legal Risk Management of Trade Secrets and Information Security	3
			2024/09/02	2024/09/02	Taiwan Corporate Governance Association	Strategic Thinking on Group Corporate Restructuring	3
			2024/09/20	2024/09/20	Securities and Futures Institute	Insider Trading Prevention Seminar 2024	3
			2024/11/05	2024/11/05	Taiwan Investor Relations Institute	Carbon Connections: Fees, Taxes, Credits, and Trading	3
Representative of Corporate Director	Chien-Chih Hwang	2024/09/10	2024/02/29	2024/02/29	The Greater Chinese Financial Development Association	Crisis Management Strategies	3
			2024/04/19	2024/04/19	The Greater Chinese Financial Development Association	Strategic Management in the Digital Age	3
			2024/08/20	2024/08/20	Taiwan Investor Relations Institute	Practical and Legal Risk Management of Trade Secrets and Information Security	3

Position	Name	Appointment Date	Training Dates		Organizer	Course Title	Hours
			From	To			
			2024/09/30	2024/09/30	Taiwan Stock Exchange	Summit on Enhancing Taiwan's Capital Markets	3
Representative of Corporate Director	Shou-Tao Chen	2024/05/18	2024/08/20	2024/08/20	Taiwan Investor Relations Institute	Practical and Legal Risk Management of Trade Secrets and Information Security	3
			2024/11/05	2024/11/05	Taiwan Investor Relations Institute	Carbon Connections: Fees, Taxes, Credits, and Trading	3
Representative of Corporate Director	Chih-Feng Lee	2020/10/31	2024/08/20	2024/08/20	Taiwan Investor Relations Institute	Practical and Legal Risk Management of Trade Secrets and Information Security	3
			2024/10/25	2024/10/25	Corporate Organization Association	Workplace Labor Disputes: Resolution Mechanisms and Case Studies	3
Representative of Corporate Director	Chen Yang	2021/05/31	2024/08/20	2024/08/20	Taiwan Investor Relations Institute	Practical and Legal Risk Management of Trade Secrets and Information Security	3
			2024/11/05	2024/11/05	Taiwan Investor Relations Institute	Carbon Connections: Fees, Taxes, Credits, and Trading	3
Representative of Corporate Director	Yu-Lun Kuo	20095/12	2024/09/19	2024/09/19	Taiwan Project Management Association	Applications of Generative AI and ChatGPT	3
			2024/10/01	2024/10/01	Taiwan Corporate Governance Association	How Boards Develop ESG Sustainability Strategies	2.5
			2024/11/05	2024/11/05	Taiwan Investor Relations Institute	Carbon Connections: Fees, Taxes, Credits, and Trading	3

Position	Name	Appointment Date	Training Dates		Organizer	Course Title	Hours
			From	To			
Representative of Corporate Director	Hsiu-Mei Liu	2022/02/01	2024/08/09	2024/08/09	Taiwan Corporate Governance Association	TCFD & SBTi Trends, Director Duties, and Insider Trading	3
			2024/08/20	2024/08/20	Taiwan Investor Relations Institute	Practical and Legal Risk Management of Trade Secrets and Information Security	3
			2024/11/08	2024/11/08	Taiwan Corporate Governance Association	Generative AI Trends, Risk Management, and Corporate Tax Governance	3
Representative of Corporate Director	Po-Nien Lin	2005/06/28	2024/08/20	2024/08/20	Taiwan Investor Relations Institute	Practical and Legal Risk Management of Trade Secrets and Information Security	3
			2024/11/05	2024/11/05	Taiwan Investor Relations Institute	Carbon Connections: Fees, Taxes, Credits, and Trading	3
Independent Director	Po-Han Wang	2017/06/22	2024/07/03	2024/07/03	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6
Independent Director	Chia-Jung Chen	2017/06/22	2024/08/20	2024/08/20	Taiwan Investor Relations Institute	Practical and Legal Risk Management of Trade Secrets and Information Security	3
			2024/11/05	2024/11/05	Taiwan Investor Relations Institute	Carbon Connections: Fees, Taxes, Credits, and Trading	3
Independent Director	Tai-Kuang Peng	2020/06/23	2024/08/20	2024/08/20	Taiwan Investor Relations Institute	Practical and Legal Risk Management of Trade Secrets and Information Security	3
			2024/11/05	2024/11/05	Taiwan Investor Relations Institute	Carbon Connections: Fees, Taxes, Credits, and Trading	3

3.7.1 Governance Performance Evaluation

China Ecotek Corporation conducts internal performance evaluations of the Board of Directors annually in accordance with the "Board Performance Evaluation Measures," including specific evaluation procedures and indicators. In addition, the Company commissions an independent external professional institution or team of external experts and scholars to conduct an external evaluation at least once every three years. Both internal and external evaluation results are completed before the end of the first quarter of the following year.

At the end of each fiscal year, the Administration Group collects relevant information on board activities and distributes the following questionnaires, later compiling and reporting the results to the Board for review and improvement:

- I. Board Performance Self-Evaluation Questionnaire: Completed by each director to assess the overall performance of the Board.
- II. Individual Director Performance Self-Evaluation Questionnaire: Completed by each director to assess their own performance.
- III. Functional Committee Performance Self-Evaluation Questionnaire: Completed by each functional committee to assess its own performance.

The evaluation metrics for the Board of Directors include the following five aspects:

- I. Participation in the Company's operations.
- II. Enhancement of decision-making quality.
- III. Composition and structure of the Board.
- IV. Director selection and continued education.
- V. Internal control.

The evaluation metrics for individual board members include the following six aspects:

- I. Understanding of the Company's goals and missions.
- II. Awareness of director responsibilities.
- III. Participation in the Company's operations.
- IV. Management of internal relationships and communication.
- V. Professional capabilities and continued education.
- VI. Internal control.

The evaluation metrics for functional committees include the following five aspects:

- I. Participation in the Company's operations.
- II. Awareness of committee responsibilities.
- III. Enhancement of decision-making quality.
- IV. Composition and member selection of the committee.
- V. Internal control.

The 2024 internal evaluation results (reported to the Board on February 26, 2025, and disclosed on the Company website) are as follows:

- I. Board of Directors Self-Evaluation: Average score of 94.82.
- II. Individual Director Self-Evaluation: Average score of 96.73.
- III. Audit Committee Self-Evaluation: Average score of 98.67.
- IV. Remuneration Committee Self-Evaluation: Average score of 100.

The board performance evaluation is conducted once every three years by an external professional independent institution or a team of external experts and scholars. The most recent evaluation was conducted by the Taiwan Corporate Governance Association in 2022, and the evaluation period was from October 1, 2021 to September 30, 2022. The assessment report was issued by the association on November 21, 2022. We disclosed the evaluation results on the Company's official website and the reported it to the 20th meeting of the 10th board on December 21, 2022. The next evaluation cycle is scheduled to begin in July 2025.

3.7.2 Ethical Business Conduct

I. Integrity in Corporate Governance

To foster ethical behavior and reinforce sound corporate governance, China Ecotek Corporation has implemented a “Code of Ethical Conduct for Directors.” This code calls for directors to perform their duties with due diligence, guided by integrity and fairness, while maintaining a high standard of self-discipline. Directors are expected to comply with relevant laws, the Company’s Articles of Incorporation, and resolutions passed at shareholder meetings. All directors, executives, employees, appointees, and individuals with de facto control are required to follow the Company’s “Ethical Corporate Management Best Practice Principles” when conducting business activities. These principles promote a culture of integrity and responsible growth, providing a structured framework for ethical business operations. The Company’s business philosophy is founded upon principles that clearly articulate its stance on integrity, transparency, and accountability. Through these core values, China Ecotek establishes integrity-based policies, coupled with effective governance and risk management systems, to support its long-term sustainability goals.

II. Conflict of Interest and Anti-Corruption Practices

To prevent conflicts of interest and uphold anti-corruption standards, China Ecotek’s “Code of Ethical Conduct for Directors” strictly requires directors to avoid any form of conflict in decision-making processes. The Company has also established the “Rules of Procedure for Board of Directors Meetings” in accordance with the “Regulations Governing Procedure for Board of Directors Meetings of Public Companies.” Under these

rules, directors must disclose any material interest related to meeting agenda items that involve themselves or the legal entities they represent. If such interests may compromise the Company's best interests, the director must refrain from participating in related discussions or voting, and is also barred from casting votes on behalf of other board members. Conflicts are also recognized when the interested party is a director's spouse, a blood relative within the second degree, or a business entity under the director's control or in a dependent relationship. China Ecotek enforces these policies rigorously, and to date, no conflict-of-interest incidents have been reported.

III. Prevention of Corruption and Misconduct

Since its establishment, China Ecotek Corporation has upheld a strict commitment to ethical conduct. All employees are required to comply with internal regulations and the "Procedures and Guidelines for Ethical Corporate Conduct," which prohibit them from directly or indirectly offering, soliciting, promising, or accepting any improper benefits, or engaging in dishonest, illegal, or disloyal behavior. To institutionalize this culture of integrity, the Company has implemented comprehensive policies, control systems, and training programs, including:

(I) Code of Conduct for Employees

Each employee is provided with an "Employee Handbook" that clearly communicates the Company's ethical standards and expectations. The Company has also established both an "Employee Code of Ethics" and a "Code of Ethical Conduct." Detailed job descriptions, general work rules, operating procedures, and technical standards are in place to guide employees in performing their duties with integrity and consistency.

(II) Corruption Risk Assessment

In accordance with the Financial Supervisory Commission's "Regulations Governing Establishment of Internal Control Systems by Public Companies," the Audit Office performs annual risk assessments covering all transaction cycles and operational activities, including legal compliance. Based on these assessments, an annual audit plan is developed. Evaluations conducted across all business locations have revealed no material corruption risks to date.

(III) Internal Self-Assessments

Supervisors across all departments and international subsidiaries are responsible for completing self-assessment reports on internal controls, as stipulated by regulatory standards. These reports include reviews of employee ethics and behavior. The Audit Office conducts secondary reviews and submits findings to the President, enabling ongoing monitoring and timely updates to the internal control system in response to operational or environmental changes.

(IV) Ethics and Compliance Training

Onboarding programs for new employees include training on ethics, compliance, and corporate regulations. Ethical conduct and rule adherence are reinforced through regular team meetings and internal communications, embedding core corporate values such as collaboration, integrity, pragmatism, and innovation. These efforts cultivate a culture of responsibility and integrity across the organization.

(V) Accountability and Disciplinary Action

China Ecotek Corporation maintains zero tolerance for violations of its ethical standards. Any employee or executive found in breach of the Company's codes of conduct, regardless of tenure, will face disciplinary actions in accordance with internal policies. Penalties may include termination and, if necessary, legal proceedings.

IV. Guidelines on Lobbying, Solicitation, and Entertainment

To foster a high-quality corporate culture and uphold the Company's reputation, China Ecotek Corporation has established clear guidelines prohibiting employees from accepting gifts from stakeholders who may have a conflict of interest with their job duties. Employees are also prohibited from attending banquets or engaging in entertainment with such stakeholders. In cases involving hierarchical relationships, appropriate discretion is required, balancing ethical standards with interpersonal considerations.

The Company has adopted the "Procedures and Guidelines for Ethical Corporate Conduct" and the "Operating Guidelines for Official Banquets and Gift Acceptance", providing employees with clear protocols when handling lobbying, receiving gifts, or participating in business entertainment. Unless otherwise stipulated, any gifts offered by parties with vested interests must be declined or returned.

V. Prevention of Insider Trading

To prevent the inappropriate disclosure of information, China Ecotek Corporation has implemented the “Guidelines for the Appointment of Spokespersons and Deputy Spokespersons.” To further reinforce internal control measures against insider trading, the Company has also established a dedicated “Insider Trading Prevention Policy”. This policy not only prohibits personnel from trading securities using material non-public information, but also imposes trading restrictions on directors and managers during blackout periods prior to financial statement disclosures. At least once annually, training sessions on relevant laws and internal policies are provided to all current directors, managers, and employees. Additionally, timely education is given to newly appointed directors, managers, and employees upon onboarding. **In 2024, no directors, managers, or employees were penalized for violations of insider trading laws.**

Furthermore, in 2024, China Ecotek Corporation incurred no financial losses resulting from legal proceedings related to bribery, corruption, or anti-competitive practices.

3.7.3 Internal Audit and Corrective Measures

I. Purpose of Internal Audit

The Audit Office reports directly to the Board of Directors, and the Chief Auditor not only provides regular updates to the Audit Committee but also presents audit findings during Board meetings. Internal auditing plays a critical role in supporting the Board and management by identifying weaknesses in the internal control system, assessing the effectiveness and efficiency of operations, and offering timely recommendations to enhance system performance. This ensures the continuous and effective implementation of internal controls and provides a reliable basis for review and improvement.

The Audit Office is positioned under the Board of Directors, with the Chief Auditor reporting regularly to the Audit Committee and participating in Board sessions. The internal audit function ensures the accuracy of the Company's and its subsidiaries' financial reporting while evaluating and supporting enhancements to the internal control framework. It emphasizes system design with built-in cross-verification mechanisms to reduce the risk of human error.

II. Corrective Actions and Operations

- (I) Key audit areas in 2024 included controls across major operational cycles, system cross-check capabilities, audits mandated by the Financial Supervisory Commission, and oversight of subsidiary audit practices.
- (II) Based on the results of risk assessments, the Audit Office develops an annual audit plan at the end of each year and executes internal control audits accordingly. In 2024, 34 audit reports were completed, generating 55 improvement recommendations. All relevant departments and subsidiaries implemented appropriate corrective measures, which were systematically tracked for progress. Each audit result was formally submitted to the Independent Directors for their review.
- (III) Each internal department and subsidiary is required to conduct at least one self-assessment annually. The Audit Office reviews these self-evaluation reports, consolidating them with its own findings and remediation updates regarding control deficiencies or irregularities. This compilation formed the 2024 Internal Control System Self-Assessment Report, which serves as a key reference for the Board of Directors and President when evaluating the overall effectiveness of the internal control system and issuing the Statement on Internal Control System. Once approved by the Board and signed by the Chairperson and President, the statement is disclosed through the FSC-designated online system within three months after fiscal year-end, and also included in the Company's annual report and public prospectus.
- (IV) In 2024, internal audit priorities encompassed procedures across eight core operational cycles, cross-verification functions of information systems, audits required by the FSC, evaluations and on-site reviews of subsidiaries' internal controls, complaint handling, and special assignments delegated by senior management.

III. Whistleblowing and Concern Reporting Mechanisms

To uphold its corporate integrity, safeguard company assets, and prevent misconduct such as corruption, theft, misappropriation, or other unethical behaviors that may compromise the rights of shareholders, employees, and business partners, China Ecotek Corporation has established a robust set of governance policies. These include the Code of Ethical Conduct for Employees, Employee Work Rules, Employee Ethics Guidelines, Ethical Corporate Management Best Practice Principles, Operating Procedures and Guidelines for Ethical Conduct, and the Code of Ethical Conduct for Directors. These frameworks promote accountability and serve as the foundation for the company's whistleblowing system, which ensures fair handling of reports while protecting the legal rights of whistleblowers and all related parties.

Employees who suspect misconduct such as self-dealing, fraud, resource misuse, or violations of internal regulations are encouraged to report such issues directly to the Internal Audit Office. Reports can be submitted via a dedicated phone line (+886-7-3336138 ext. 31802) or email (cecia@ecotek.com.tw). The handling of complaints follows this structured process:

- (I) Upon receiving a report, the Internal Audit Office completes a Complaint Case Intake Record.
- (II) After a thorough verification process, the issue is referred to the appropriate department for handling. The findings are reviewed by management.
- (III) The designated department appoints a case officer or forms an investigative team. Investigation results, once reviewed by the department head, are submitted to the Internal Audit Office for confirmation.
- (IV) The Internal Audit Office periodically compiles complaint statistics and presents them to the Board of Directors.
- (V) If the complaint involves a director or senior executive, it is escalated to the Audit Committee.
- (VI) A designated officer documents all aspects of the complaint lifecycle, including intake, case registration, investigation, and reporting, ensuring that all records, whether written, audio, or digital, are processed confidentially and archived securely.

(VII) Whistleblower confidentiality is strictly protected throughout the process. No retaliation is permitted against whistleblowers or involved parties acting in good faith. However, complaints made with malicious intent, such as defamation or framing others, are excluded from such protections. The Internal Audit Office ensures that all whistleblower-related information remains confidential and is securely archived. Depending on the findings and the seriousness of the case, the Office may recommend appropriate disciplinary or commendation measures in line with company policy. Summary reports are submitted regularly to the Board of Directors. If a case concerns a director or senior executive, it is reported to the Audit Committee.

No significant or material incidents were reported at China Ecotek Corporation in 2024.

3.7.4 Intellectual Property Management Specification (TIPS)

To enhance the value of its research and development as well as intellectual property (IP) capabilities in order to strengthen its competitive edge, China Ecotek Corporation applied for a TIPS (Taiwan Intellectual Property Management System) re-certification on August 30, 2023, specifically focusing on “patents” and “trade secrets” for verification. The company was officially awarded the TIPS Grade A certification on December 29, 2023, with the certification validity extended through December 31, 2025 (see Appendix 6). Throughout 2024, China Ecotek has continued to optimize the operation of its IP management system through internal audits and management reviews, effectively implementing its IP strategies and objectives. The company also carries out the necessary monitoring, evaluation, analysis, and improvement processes through the PDCA (Plan-Do-Check-Act) cycle. This approach continuously reinforces its IP capabilities and ESG performance, enabling the pursuit of new business opportunities and profit models, alongside the promotion of robust operations and long-term sustainability.

In alignment with the government’s 2050 Net Zero Emissions policy, the company has established a sustainable development governance framework and formulated four fundamental growth strategies based on the following pillars: “engineering,” “operations and maintenance,” “circular economy,” and “sales and business development.” These strategies are supported by the following operational directions: (1) Strengthening the management and development of core technologies; (2) Promoting digital transformation to enhance management efficiency; (3) Advancing integrated refractory engineering and materials solutions; and (4) Expanding circular economy engineering services. To effectively achieve its corporate sustainability goals, the company is actively engaged in the development of circular economy engineering technologies and refractory materials. It will continue to support clients in upgrading outdated equipment, decarbonizing their production processes, and improving engineering methods. At the same time, it remains committed to strengthening confidentiality measures and preventing the leakage of trade secrets and key technologies, thereby safeguarding its intellectual property assets. In 2024, the company established an intellectual property management policy and objectives aligned with its overall business strategy, as follows:

Intellectual Property Management Policy	Intellectual Property Management Goals
<ol style="list-style-type: none"> 1. Enhance the effectiveness of intellectual property (IP) management 2. Improve research and development efficiency 3. Maintain robust trade secret protection in business operations 4. Strengthen employee education and awareness in IP management 5. Ensure compliance with corporate governance and relevant legal frameworks 6. Safeguard R&D outcomes 7. Fortify the confidentiality mechanisms for trade secrets 	<ol style="list-style-type: none"> 1. Update the Intellectual Property Management Manual 2. Obtain the TIPS (Taiwan Intellectual Property Management System) self-assessment certificate 3. Develop standard operating procedures for managing business trade secrets 4. Establish R&D management procedures 5. Complete the annual inventory and review of business trade secrets 6. Finalize organizational assignments and designate key IP personnel 7. Conduct one training session on TIPS regulatory guidelines 8. Host a training session on "Intellectual Property Infringement Case Studies" 9. Host a training session on "Intellectual Property Management" 10. Host a training session on "R&D Processes and Risk Management" 11. Conduct an evaluation of IP development initiatives 12. Present an annual report to the Board of Directors on the status of IP management plan implementation 13. Disclose IP achievements on the company's official website

2024 Results of Intellectual Property Management Goals

IP Goal	Implementation Outcome
Revised IP Management Manual	Completed the revision of the Intellectual Property Management Manual on March 29, 2024, further strengthening the company's IP governance framework
Acquired TIPS Self-Evaluator Certification	From March 25–28, 2024, designated staff completed the TIPS (Grade A) training and earned the TIPS Self-Evaluator Certification, enhancing internal IP knowledge and capability
Developed R&D Management Procedures	Finalized the R&D Management Procedures on March 29, 2024, to streamline and enhance R&D operations
Developed Trade Secret Management Procedures	Completed the Trade Secret Management Procedures on March 29, 2024, reinforcing safeguards against trade secret leakage and improving confidentiality practices
Conducted a Pre-R&D Assessment	On June 11, 2024, conducted a pre-R&D assessment to proactively address potential IP risks, capture market opportunities, and protect innovation outcomes
Completed Annual Trade Secret Inventory	Conducted and finalized the 2024 annual inventory of trade secrets on June 27, reinforcing internal controls
Compiled Roster of Key IP Personnel	On June 27, 2024, completed the identification and listing of key employees associated with critical intellectual property
Delivered TIPS System Training	Conducted via the LTS platform, a TIPS training session commenced on August 26 and concluded on November 14, 2024. The training, which was completed by all 16 designated participants, met effectiveness evaluation standards and supported ongoing IP management enhancement.
Delivered IP Management Training	Conducted via the LTS platform, an IP management training session commenced on September 20 and concluded on December 20, 2024. The course, which was completed by all 176 participants, passed effectiveness evaluations and aimed to build organization-wide IP awareness.
Delivered R&D Process & Documentation Training	The training was conducted from August 7 through November 14, 2024, with all 163 assigned staff completing the session. The course aimed to enhance R&D process efficiency and documentation practices, and it passed effectiveness evaluations.
Delivered IP Infringement Case Training	A training session on IP infringement case studies was conducted from June 12 to November 14, 2024, with 164 participants completing the course. The training improved employees' understanding of IP risks and reinforced R&D protection.
Reported IP Execution to the Board of Directors	Presented the 2024 IP management execution report to the Board of Directors on November 1, 2024, during the 9th meeting of the 11th term, ensuring compliance with governance requirements and sustainability commitments
Disclosed IP Achievements on Corporate Website	Publicly disclosed IP management achievements on the company's official website on November 12, 2024, aligning with transparency and corporate governance obligations

3.8 Stakeholder Engagement

3.8.1 Identifying Key Stakeholders

China Ecotek Corporation's ESG Sustainability Core Team identified key stakeholders by integrating the experiences of internal departments and the broader China Steel Group, and by referencing the stakeholder definitions provided in the GRI Standards. Stakeholders are defined as entities or individuals who are likely to be significantly affected by the company's operations, products, or services, or whose actions may reasonably impact the company's ability to achieve its strategic goals. Based on this framework, China Ecotek identified its primary stakeholders as central and local government agencies, shareholders, NGOs, employees, customers, suppliers, contractors, and other relevant parties.

3.8.2 Stakeholder Communication: Topics, Identification, and Categorization

I. Transparent Communication and Continuous Enhancement:

In addition to regular disclosures on its website and in corporate reports, covering areas such as governance, energy and environmental practices, and social engagement, China Ecotek publishes an annual Sustainability Report to further strengthen transparency. Since 2013, the company has maintained a dedicated Sustainability Section on its website (https://www.ecotek.com.tw/cec_esg/index.php) and manages a Sustainability Facebook fan page to enhance information accessibility and user interaction. These platforms aim to ensure that sustainability information is available in a timely, transparent, complete, and interactive manner. Feedback collected from the public and stakeholders is reviewed and incorporated into ongoing improvement efforts to enhance content relevance and reader satisfaction.

II. Establishing a Stakeholder Survey Section and Contact Us Section:

To facilitate active and timely engagement with stakeholders, the company has established two dedicated sections on its website:

- (I) Stakeholder Survey (https://www.ecotek.com.tw/index.php?prog=cec_apply): This allows stakeholders to select key topics of interest and submit open feedback. Survey results are reviewed and discussed during the most recent Corporate Sustainability Committee meetings.

(II) Contact Us (https://www.ecotek.com.tw/index.php?prog=contact_us): Inquiries submitted through this section are reviewed daily by assigned personnel, who provide timely responses and follow up via email or phone to report resolution progress.

利華基金人證書
▲ 歡迎大專院校、社區團體及個人參加

敬啟者您好：

為便利服務人士更加了解中環對社會責任的各種作法，中環特編進行社會責任相關查詢的簡章，為便於社會責任相關諮詢與服務他人訓練師範生的溝通，請各位親友免費的回覆與建議。協助中環了解您所解決的問題，作為補充並協助保護的主管參考紀錄。本簡章將作為中環對外開展活動之工具，如無違反任何個人資料，請各位親友盡善的想法，再次感謝您的協助！深表謝忱。

中環字公司將於每週五送達，歡迎與我們聯絡。

電話：(02)333-6138

聯繫資訊

秘書處 finance@csnethk.com.hk

客戶服務

工作時間 sales@csnethk.com.hk
 傳真號碼 csncustomer@csnethk.com.hk

您的有關個人身份資料：

<input type="checkbox"/> 中央及地方政府	<input type="checkbox"/> 投資及非營利	<input type="checkbox"/> 香港的團體	<input type="checkbox"/> 員工
<input type="checkbox"/> 客戶	<input type="checkbox"/> 供應商	<input type="checkbox"/> 協力商	<input type="checkbox"/> 其他:

請參閱下列問題編號，選取與您關注的問題，和以下表格填寫（備）

範圍	編號	GRS準則	主題	簡明	關注程度			
					非常關注	關注	偶爾關注	稍無關注
經濟發展	1	2-9~2-21	治理	有關組織的治理結構、組成、知識、角色和職能的資訊。	○	○	○	○
	2	2-22~2-28	策略、政策與實務	有關組織的永續發展策略及責任體系執行與政策實施的資訊。	○	○	○	○
	3	2-29~2-30	利益關係人通告	有關組織的利益關係人通告資訊，包括管理上進行溝通時的資訊。	○	○	○	○
	4	201	環境議題	組織所產生及分配的自然资源消耗；氣候變遷所產生到影響及其減低風險機會；健全地控制氣候之改變等。	○	○	○	○
	5	202	市場地位	不同性別的僱員人事政策與待遇平等資源分配；履行國際間貿易倫理行為規範的比例。	○	○	○	○

範圍	編號	GRS準則	主題	簡明	關注程度			
					非常關注	關注	偶爾關注	稍無關注
社會責任	6	401	勞務關係	員工結構、薪資及福利等；福利、兒童學齡中的照顧。	○	○	○	○
	7	403	職業安全衛生	職業安全衛生管理系統；外派業務、短期聘用在及零散契約、職業健康服務；工作條件之改善、設備與通訊、安全管理、人員教育培訓、預防危險物質與廢物與有害化學品的危害處理；妥善管理水與能源及其他之資源；職業傷害；職業病。	○	○	○	○
	8	404	訓練與教育	訓練與教育、操作工廠設施及因時制宜地應用之員工教育與訓練的方法、建設安全及清潔環境等。	○	○	○	○
	9	405	員工多元性與平權機會	治理層及員工的多元化；女性與男性在薪酬上的差別。	○	○	○	○
	10	406	不歧視	種族、國籍、性別、年齡、政治、國籍別對企業內涉及及地區內外利益關係人的財務政策與行為起關鍵性的因素行動。	○	○	○	○
	11	407	權利自由與言論表達	參與員工進行自由而無壓迫感而採取的行動。	○	○	○	○
	12	414	供應社會評價評估	使用「供應社會調查評核表」來衡量不同類型社會調查以及採納的行動。	○	○	○	○

範圍	編號	GRS準則	主題	簡明	關注程度			
					非常關注	關注	偶爾關注	稍無關注
環境保護	13	302	能源	組織內的能源消耗與管理。	○	○	○	○
	14	305	廢物	清潔與廢棄物。	○	○	○	○

當收到中心公佈有關或公布社會責任之建議與查詢後，請於下列空白處填寫。

聯絡我們

聯絡我們 > 聯絡我們

對中宇公司有任何建議或疑問，歡迎與我們聯絡。
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產品業務 shopsales@ecotek.com.tw

A photograph of the entrance to the China Ecotek Corporation building. The building is a modern, curved structure with a large sign on its facade. The sign features the company's logo, a stylized 'E' inside a circle, above the Chinese text '中宇環保工程股份有限公司' and the English text 'CHINA ECOTEK CORPORATION'. There are some green plants in the foreground.



III. Collection of Material Topics

In 2024, the material topics and their definitions were compiled by the ESG Sustainability Core Team of China Ecotek Corporation in accordance with the GRI 2021 Standards. The team consolidated 14 material topics under three overarching categories. Based on the previously mentioned communication channels and the GRI Standards, a stakeholder survey was conducted to assess the level of concern for each topic. The responses were collected and analyzed statistically. A total of 186 valid questionnaires were received, including responses from, including 9 copies from shareholders, 3 from NGOs, 59 from employees, 6 from clients, 74 from suppliers, 35 from subcontractors (contractors).

Aspect	No.	GRI Standards	Topic	Significance to China Ecotek and details
Economy Aspect	1	2-9~2-21	Governance	Information on the governance structure, composition, knowledge, roles and compensation of the organization.
	2	2-22~2-28	Strategies, policies and practices	Information on the organization's sustainable development strategy and responsible business conduct policies and practices.
	3	2-29~2-30	Stakeholder engagement	Information on the organization's stakeholder engagement practices, including how to conduct collective bargaining with employees.
	4	201	Economic Performance	The direct economic value generated and distributed by the organization; the financial impact and other risks and opportunities arising from climate change; pension obligations on a defined benefit plan.
	5	202	Market Presence	The ratio of the standard salary of entry-level employees by gender to the local minimum salary; the proportion of local residents hired as senior management.
Aspect	No.	GRI Standards	Topic	Significance to China Ecotek and details
People Aspect	6	401	Employment	Employee structure, new hire and turnover rates, benefits, and unpaid parental leave
	7	403	Occupational safety and health	Occupational safety and health management system; hazard identification, risk assessment, and accident investigation; occupational health services; worker participation, consultation, and communication; safety and health training; personnel health promotion; prevention and mitigation of occupational safety and health impacts

				directly related to business relations; workers covered by the safety and health management system; occupational injuries; and occupational diseases.
	8	404	Training and Education	Training hours, improvement to employee competencies, as well as provision of transition assistance programs, performance evaluations, and career development reviews for employees who are about to retire or whose employment is terminated.
	9	405	Employee diversity and equal opportunities	Diversity of governance units and employees and ratios of base salaries and compensation by gender.
	10	406	Non-discrimination	Discrimination incidents due to race, color, gender, religion, politics, nationality, or social class, or related to stakeholders inside and outside the organization, and the improvement actions taken by the organization.
	11	407	Freedom of Association and Collective Bargaining	Actions taken to protect employees' freedom of association and collective bargaining.
	12	414	Supplier social assessment	Use of social criteria to screen new suppliers; negative social impacts in the supply chain and actions taken.
Aspect	No.	GRI Standards	Topic	Significance to China Ecotek and details
Environmental	13	302	Energy	Energy consumption and management within the organization
Aspect	14	305	Emissions	Greenhouse gas emissions

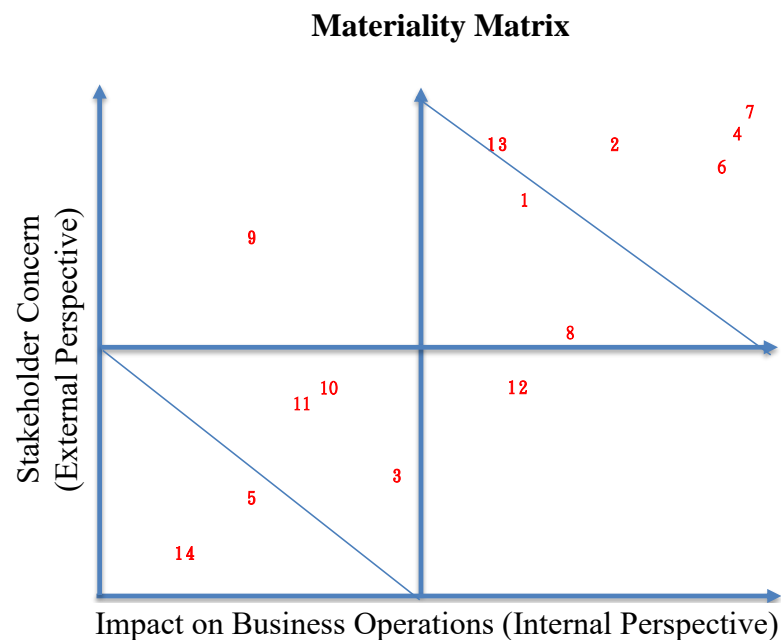
IV. Identifying Material Topics

China Ecotek Corporation's ESG Sustainability Core Team first assessed stakeholder concerns gathered through various communication channels, then evaluated how each topic could impact the company's operations. Based on this assessment, a quantitative materiality analysis was conducted. In alignment with the Global Reporting Initiative (GRI) Standards, the team followed a structured process of identifying, prioritizing, validating, and reviewing key topics. This ensured a clear definition of the report's disclosure boundaries and provided insight into the major sustainability challenges the company faces both internally and externally. The outcome of this analysis was visualized in a materiality matrix that reflects the relative importance of each topic.

Quantitative table of material topics
Level of concern (1: None; 2: Slightly concerned; 3: Normal; 4: Concerned; 5: Very concerned)

Stakeholder title and level of concern	Aspect													
	Economy					People							Environment	
	Governance	Strategies, policies and practices	Stakeholder engagement	Economic Performance	Market Presence	Employment	Occupational safety and health	Training and Education	Employee diversity and equal opportunities	Non-discrimination	Freedom of Association and Collective Bargaining	Supplier social assessment	Energy	Emissions
Shareholders	4.67	4.56	4.33	5.00	4.56	4.44	4.56	4.33	4.00	4.00	4.33	4.22	4.56	4.44
NGOs	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Employees	4.47	4.32	4.17	4.25	4.15	4.61	4.41	4.32	4.27	4.15	4.22	4.07	3.59	3.54
Clients	4.00	4.17	3.83	4.17	3.83	4.17	4.33	4.17	4.17	4.17	4.00	4.00	4.17	4.17
Suppliers	4.24	4.23	4.18	4.31	4.11	4.28	4.45	4.35	4.19	4.26	4.14	4.32	4.32	4.27
Subcontractors (contractors)	3.91	4.11	3.91	3.89	3.83	3.91	4.29	4.00	3.91	4.00	3.94	4.14	4.06	3.94
Average level of concern	4.22	4.23	4.07	4.27	4.08	4.24	4.34	4.20	4.09	4.10	4.11	4.13	4.12	4.06

Note: Central or local government authorities did not respond to the questionnaire.



From the materiality matrix and the accompanying topic quantification chart, six topics have been identified as material for the year:

Topic No.	Material Topics	Topic No.	Material Topics	Topic No.	Material Topics
7	Occupational Health and Safety	1	Corporate Governance	5	Market Presence
4	Economic Performance	8	Employee Training and Development	14	Greenhouse Gas Emission
6	Labor Relations	12	Social Assessment of Suppliers		
2	Strategy, Policies, and Practices	10	Non-Discrimination		
13	Energy Management	9	Diversity and Equal Opportunity		
		11	Freedom of Association and Collective Bargaining		
		3	Stakeholder Engagement		

Identification of Material Topics and Their Boundaries

Material Topic	Stakeholder Boundaries	Impact Type	Topic Category	Relevant GRI Standard	Related Report Sections
Occupational Health and Safety	<ul style="list-style-type: none"> ● Internal: Employees ▲ External: Shareholders, Suppliers 	▼	Social	403	8.10
Economic Performance	<ul style="list-style-type: none"> ▲ External: Shareholders, Suppliers 	■	Governance	201	2.3 2.4 3.4 4.1.1 4.1.3
Labor-Management Relations	<ul style="list-style-type: none"> ● Internal: Employees ▲ External: Shareholders, Suppliers 	■	Social	401	8.1-8.9
Strategy, Policies & Practices	<ul style="list-style-type: none"> ● Internal: Employees ▲ External: Shareholders, Suppliers 	■	Governance	2-22~2-28	2.1 3.1
Energy	<ul style="list-style-type: none"> ▲ External: Shareholders, Customers, Suppliers 	▽	Environmental	302	6.1

● Direct Impact
□ Potential Positive

▲ Impact via Business Relationships
▼ Actual Negative Impact

■ Actual Positive
▽ Potential Negative

3.8.3 Management Approach, Responses, and Improvement Goals for Material Topics

2024 Economic Performance: Management Policies, Actions, and Goals

Material Topic	Key Stakeholders	Importance to China Ecotek Corporation	Management Approach and Response Actions	Improvement Goals	Relevant Sections
Economic Performance	Shareholders, Suppliers	Economic performance is central to the Company's resilience and long-term value creation, particularly in managing the risks and opportunities brought by climate change.	<p>To navigate evolving domestic and international environmental conditions, China Ecotek Corporation has adopted a growth strategy built on four core business pillars: Engineering, Operations & Maintenance, Circular Economy, Sales & Business Development. These strategic pillars are supported by operational initiatives including:</p> <ol style="list-style-type: none"> 1. Enhancing core technology management and innovation 2. Driving digital transformation to strengthen operational efficiency 3. Promoting integrated refractory engineering solutions 4. Expanding services in circular economy engineering <p>Recent years have seen the Company benefit from stricter environmental regulations and clients' accelerated efforts toward decarbonization and greenhouse gas reduction. This has driven continued demand for new and upgraded environmental facilities, contributing to business stability. In 2024, the Company achieved consolidated revenue of NT\$10.859 billion, surpassing the NT\$10 billion mark again. Net income yielded an after-tax EPS of NT\$4.06, with NT\$1.042 billion in distributable</p>	<p>To mitigate concentration risk from its reliance on the China Steel Group, the Company has set a ten-year goal to increase revenue from external clients. This goal is reviewed and tracked annually to ensure timely and effective execution. In support of the global 2050 net-zero target, the Company plans to: assist clients in upgrading to low-carbon process technologies, compete for large-scale waste incineration BOT projects, participate in public</p>	<p>2.3 2.4 3.4 4.1.1 4.1.3</p>

			<p>earnings and a cash dividend of NT\$3 per share, equating to a 4.59% dividend yield.</p> <p>In light of intensifying climate threats, net-zero and carbon neutrality remain top global priorities. China Ecotek is actively involved in environmental projects under the China Steel Group, including equipment upgrades, overhauls, and scheduled maintenance. It is also evaluating public and private construction opportunities, leveraging its engineering project management capabilities to ensure timely execution and sustained business growth.</p>	<p>infrastructure bids, partner with China Steel and ITRI in applied technology R&D for steel-carbon cogeneration, and deploy skilled personnel to support system operations and maintenance. Through these efforts, China Ecotek is progressively strengthening its practical engineering capabilities for carbon reduction and reinforcing its foundation for long-term sustainability.</p>	
Strategy, Policies, and Practices	Shareholders, Employees, Suppliers	At China Ecotek Corporation, strategy, policies, and operational practices form the foundation of our commitment to sustainable development. We regularly host executive strategy workshops to define	<p>Sustainability is a core value at China Ecotek. Our “Code of Practice for Sustainable Development” serves as our highest internal guideline, driving our vision to become a comprehensive engineering firm that is both environmentally responsible and trusted by clients. We are dedicated to delivering high-quality solutions through technical excellence and ethical service.</p> <p>With years of professional engineering experience and strong project management capabilities at home and abroad, China Ecotek is well-positioned to</p>	<ol style="list-style-type: none"> 1. Uphold robust corporate governance, maintain high standards of business ethics, and ensure compliance with government regulations; 2. Provide a safe and 	<p>2.1</p> <p>3.1</p>

		and align our short-, medium-, and long-term business plans.	address the risks, opportunities, and challenges brought by climate change and social transformation. As an environmental engineering company, we integrate ESG considerations into our strategic decision-making, proactively pursue emerging business models, and aim to enhance corporate governance while balancing stakeholder interests. We are committed to advancing green, energy-efficient initiatives and contributing to social welfare.	healthy workplace along with competitive compensation and benefits for all employees; 3. Promote environmental awareness and support public welfare activities; 4. Educate and empower employees to understand and contribute to the company's corporate social responsibility efforts.	
Occupational Safety and Health	Shareholders, Employees, Suppliers	At China Ecotek Corporation, employees are our most valuable asset and the cornerstone of sustainable growth. We firmly believe that without workplace safety, there can be no successful business. Our unwavering goal	To this end, we set annual occupational safety and health (OSH) targets and action plans, and actively implement them across all departments. Dedicated committees, such as the Occupational Safety and Health Committee and the Contractor Safety Committee, convene regularly to oversee safety initiatives, coordinate with contractors, and ensure regulatory compliance. We provide ongoing safety training, enforce protective measures, and conduct routine inspections. We are committed to protecting labor rights and	Throughout 2024, OSH goals and departmental action plans were reviewed quarterly at OSH Committee meetings. Departments that exceeded KPI thresholds were required to submit corrective measures	8.10

		<p>is to achieve zero workplace accidents.</p>	<p>ensuring fair, secure, and dignified employment. Our employee compensation and benefit packages consistently exceed legal requirements, helping us attract, develop, and retain talent.</p> <p>We maintain transparent, equitable, and incentive-based HR policies that foster motivation and stability. Regular labor-management communication mechanisms, including labor-management meetings, employee welfare committees, and safety committees, support a harmonious and inclusive workplace culture. We have signed collective agreements to further promote cooperative labor relations and mutual benefit.</p> <p>Beyond the legal requirement to contribute to employee pensions, we established the “Employee Shareholding Trust Committee” in 2006 to encourage employee ownership and engagement. This initiative cultivates a sense of partnership between the company and its employees, aligning individual achievement with company success, while providing enhanced retirement security.</p> <p>Beginning in 2024, employees previously under the old pension system who voluntarily opt into the new pension scheme under the Labor Pension Act may apply to settle their past service years. Settlement payments are made in accordance with Article 55 of the Labor Standards Act. The company has committed to fully transferring these settlement amounts into the employees’ individual pension accounts under the new scheme, allowing for long-term growth and improved retirement benefits.</p>	<p>and follow-up reports to ensure continuous improvement and risk control.</p> <p>Monthly Contractor Safety Committee meetings are also held to brief employees and contractors on regulatory updates, client-specific safety requirements, and key safety protocols. We use workplace violations as learning opportunities to improve awareness and practices, helping to prevent recurrence and safeguard everyone’s wellbeing.</p>	
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			All labor conditions, including employment rights, workplace safety, occupational health, maternity protection for female workers, and employee benefits, meet or exceed legal standards.		
Labor Relations	Shareholders, Employees, Suppliers	China Ecotek Corporation is dedicated to fostering harmonious and equitable labor relations. The Company consistently upholds fair treatment of employees in all aspects, including labor-management dialogues, collective agreements, and employee welfare programs. It not only complies with legal standards but often exceeds them, earning multiple honors as a “Happy Enterprise.”	<p>The Company ensures full protection of employees’ employment rights and labor interests. Compensation and benefits are structured to exceed statutory requirements, supporting employee well-being and enhancing the Company’s ability to attract, develop, and retain top talent.</p> <p>A transparent, fair, and incentive-based regulatory framework is in place to promote a secure and empowering work environment.</p> <p>Regular communication channels are maintained through labor-management meetings, welfare and safety committees, collective bargaining sessions, and departmental coordination meetings. These mechanisms, along with the signing of collective agreements, aim to build a collaborative workplace culture that benefits both labor and management.</p> <p>In line with the Labor Standards Act and the Labor Pension Act, the Company contributes to employee retirement funds and, in 2006, established an “Employee Stock Trust Committee.” This initiative encourages participation and instills a sense of ownership, reinforcing the idea that employees are partners in the Company’s success. It also enhances the link between employees’ contributions and corporate growth, while strengthening retirement security.</p> <p>From 2024, employees previously under the old</p>	Monthly departmental meetings provide platforms for ongoing labor-management communication. Formal labor-management dialogues are conducted regularly, with employee representatives appointed by the labor union. The Company maintains dedicated policies and committees to handle disciplinary actions, gender equality, and sexual harassment cases, ensuring every issue is reviewed with integrity and impartiality. Union-assigned	8.1-8.9

			<p>pension scheme who voluntarily opted into the new system under the Labor Pension Act may settle their seniority in accordance with Article 55 of the Labor Standards Act. The Company has committed to transferring the full amount of this settlement into each employee's personal pension account under the new scheme, allowing the funds to accrue interest and increase their post-retirement income.</p> <p>All employment terms, including workplace rights, conditions, occupational safety, health protections, maternity health initiatives for female employees, and welfare programs, fully comply with or surpass legal standards.</p>	<p>representatives serve on these committees to uphold fairness and due process. Employee compensation is performance- and potential-based, aligning with the Company's goal to retain top performers. Above all, the Company is deeply committed to employee care and well-being, treating each team member like family.</p>	
Energy	Shareholders, Customers, Suppliers	<p>As an engineering-focused enterprise, China Ecotek Corporation has relatively low internal energy consumption compared to manufacturing industries. However, the Company remains firmly committed to environmental sustainability. For its</p>	<p>In 2024, China Ecotek Corporation undertook a lighting retrofit project for the China Steel Corporation (CSC) floors within the CSC Group Headquarters Building. The project involved replacing 2,400 existing 66W T5 light fixtures with 21W LED panel lights. Completed in January 2025, this initiative is expected to save approximately 270,000 kWh of electricity annually and reduce carbon emissions by 133.4 tons of CO₂e. The project represents a significant step forward in supporting the Group's ESG goals and enhancing energy performance.</p>	<p>To further improve lighting quality and respond to client feedback, the Company plans to develop a 16W, 4000K LED panel light in 2025. Designed to provide softer, more comfortable illumination, the new model is expected to</p>	6.1

		<p>clients, it plans, designs, and constructs facilities that integrate processes and equipment compliant with national energy policies, helping to drive energy efficiency and sustainability across industries. Energy engineering is one of China Ecotek Corporation's core business segments. Internally, the Company actively researches and develops energy-saving products and implements them within its own office facilities to reduce electricity usage and environmental impact.</p>		<p>reduce energy consumption by an additional 25% compared to the 21W version. This advancement will offer more energy-efficient and comfortable lighting solutions across the Group's offices and production facilities.</p>	
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3.8.4 Stakeholder Engagement

China Ecotek Corporation's ESG Committee convenes regular meetings to address key issues concerning governance, workforce, and the environment. These sessions evaluate the progress of departmental objectives and chart future strategic directions. All relevant outcomes, stakeholder engagement summaries, and the Committee's recommendations are submitted to the Chief Commissioner for review, then presented to and approved by the Board of Directors each year.

The material topics and stakeholder interests identified in 2024 were formally reported to the Board on December 30, 2024, as outlined below:

Stakeholder Group	Engagement Methods & Frequency	2024 Engagement Highlights (2024/01/01-2024/12/31)
Employees	<ol style="list-style-type: none"> 1. Monthly department and administrative meetings 2. Quarterly Employee Welfare Committee meetings 3. Quarterly Occupational Safety and Health Committee meetings 4. Bi-monthly labor-management dialogue sessions 5. Quarterly Labor Pension Supervisory Committee meetings 6. Quarterly Employee Stock Trust Committee meetings 7. Monthly collective bargaining sessions with the labor union <p>Human Resources Department Director Chen e-mail : tjchen@ecotek.com.tw Welfare Committee Secretary-General: dhlin@ecotek.com.tw OSH Committee: chanaoc@ecotek.com.tw Labor-Management Dialogue: ylou@ecotek.com.tw Pension Supervisory Committee: hlchen@ecotek.com.tw Employee Stock Trust: mlsong@ecotek.com.tw</p>	<ol style="list-style-type: none"> 1. 180 department and office meetings were held to facilitate communication; decisions made during these sessions were assigned to relevant departments and escalated to the President for follow-up and resolution. 2. 4 Welfare Committee meetings were held. The Company organized 9 employee team-building events in 2024, with a total of 1,638 family members participating. Additional club-sponsored activities included 2 bowling tournaments, a billiards match, a badminton competition, a softball game, and a barbecue outing. 3. The Occupational Safety and Health Committee convened 4 times to guide the planning, promotion, and supervision of occupational health and safety matters. 4. 6 regular labor-management meetings were held to foster constructive labor relations; no ad hoc sessions were required. 5. The Company processed retirement for 3 employees under the legacy pension system. 6. The Employee Stock Trust Committee met 4 times in 2024. 7. Monthly collective bargaining sessions with the labor union continued throughout the year, with 6 meetings held in total. The second collective agreement was signed on November 27, 2024.

Non-Governmental Organizations	<ol style="list-style-type: none"> 1. Participate in activities of unions, associations, and academic societies; conduct irregular visits and exchanges; proactively issue press releases. 2. Attend seminars, research projects, and conduct irregular visits and exchanges. <p>Business Department Director Kuo email: wykuo@ecotek.com.tw</p>	<ol style="list-style-type: none"> 1. Participated in activities of 6 unions, 3 associations, and 3 academic societies. 2. Departments intermittently dispatch personnel to participate in various exchange activities.
Central or Local Government Authorities	<ol style="list-style-type: none"> 1. Regular regulatory compliance audits. 2. Submission of various tax declarations. <p>Finance Department Director Yang email: ymyang@ecotek.com.tw</p>	<ol style="list-style-type: none"> 1. Participated in compliance briefings held by Deloitte, Taiwan Stock Exchange, and the Taiwan Depository & Clearing Corporation, as well as continuing education courses for accounting supervisors hosted by National Cheng Kung University, totaling 41 attendees. 2. Regularly filed housing tax, fuel tax, license tax, customs duties, and commodity tax; bi-monthly filings of business tax and stamp tax, with total payments amounting to NT\$171,268 thousand.
Shareholders	<ol style="list-style-type: none"> 1. Hold an annual general meeting once per year. 2. Publish major information in both Chinese and English as required by regulatory authorities. 3. Publish annual and quarterly (Q1, Q2, Q3) financial statements as mandated by regulators. 4. Monthly disclose revenue and related party transaction information. 5. Hold two investor conferences annually. 6. Maintain a dedicated website for investor inquiries, with designated personnel responsible for receiving and responding to questions. <p>Finance Department Professional Administrator Hung email: cyhung@ecotek.com.tw</p>	<ol style="list-style-type: none"> 1. The Annual General Meeting was held on June 25, 2024. Meeting manuals, annual reports, and minutes are available on the company's website. 2. Major information in both Chinese and English, as well as financial statements and revenue announcements, can be found on the Market Observation Post System (MOPS). 3. Investor conferences were held on May 24 and November 21, 2024. Chinese and English presentation materials and full audio and video recordings are disclosed on MOPS.
Suppliers	China Ecotek maintains ongoing communication with suppliers, clearly defining all relevant requirements within purchase orders.	<ol style="list-style-type: none"> 1. During quotation requests, suppliers receive detailed explanations of procurement requirements and regulations, with strict demands for timely delivery to specified locations and adherence to

	<p>Procurement Department Director Wu e-mail: dhwu@ecotek.com.tw</p>	<p>contractual obligations. Significant breaches trigger penalties under the company's "Supplier Integrity Violation Handling Policy," with suppliers liable for any resulting damages or losses.</p> <p>2. Contracts include two key clauses emphasizing suppliers' responsibilities toward human rights and environmental stewardship:</p> <p>(1) Suppliers must operate in compliance with Taiwanese laws, strictly prohibiting child labor and any forms of human rights violations, including forced or compulsory labor.</p> <p>(2) Both parties must uphold their sustainability policies throughout the contract. Should a supplier violate these policies or cause substantial environmental or social harm to their supply communities, China Ecotek reserves the right to terminate the agreement immediately.</p> <p>3. Suppliers are encouraged to advance environmental protection, energy efficiency, carbon footprint reduction, support for green energy initiatives, safety and health improvements, and human rights respect. These efforts collectively support sustainable business practices and robust risk management and business continuity plans.</p> <p>4. Procurement aligns fully with TIPS certification standards, marking quotation requests with confidentiality and classification designations, and requires suppliers to comply with the company's "Integrity and Cleanliness Clause" as well as confidentiality agreements.</p>
Subcontractors	<ol style="list-style-type: none"> 1. Conduct monthly Safety and Health Committee meetings for subcontractors separately at the Dragon Steel and China Steel plant zones. 2. Clarify contract terms and conditions related to subcontracting agreements. 3. Provide risk notifications. 4. Enforce construction insurance requirements. 5. Define communication protocols and frequency with 	<ol style="list-style-type: none"> 1. A total of 24 Subcontractor Safety and Health Committee meetings have been convened to draft, plan, promote, advocate, and supervise occupational safety and health matters across all plant areas. 2. Contract clarifications and inquiries are managed by having project units accompany bid openings. Vendors may request clarifications before bidding and official bid openings to ensure all subcontractors submit bids based on the same criteria, upholding

	<p>subcontractors.</p> <p>6. Implement vendor evaluations and completion performance assessments.</p> <p>Safety and Health Department Director Chou e-mail: fschou@ecotek.com.tw</p> <p>Procurement Department Director Wu e-mail: dhwu@ecotek.com.tw</p>	<p>fairness and transparency.</p> <p>3. Subcontractor risk disclosure includes explaining commercial terms such as project duration, payment methods, late penalties, performance bonds, warranty, and construction insurance. Prior to commencement, “Work Safety Meetings” are held to inform subcontractors of environmental and construction hazards, requiring strict adherence to safety procedures.</p> <p>4. Require all subcontractors to obtain construction insurance when entering contracts. Provide risk notifications related to subcontracting. Explain the commercial terms of the contract to each subcontractor, including project duration, payment methods, late penalties, performance guarantees, warranty, and construction insurance. Additionally, promote the holding of a “Work Safety Meeting” before commencement to inform subcontractors of environmental and construction hazards, and require strict compliance with all safety procedures during construction.</p> <p>5. Irregular site visits and vendor meetings are conducted. An annual safety banquet recognizes vendors with excellent performance based on evaluations.</p> <p>6. Every two years, long-term contract guidelines are promoted, emphasizing:</p> <p>(1) Gambling, drinking, fighting, possession of contraband, or harboring suspects anywhere on or near the construction site is prohibited. Any damage to the company or its personnel or property will incur liability and may lead to contract termination without prior notice if not rectified within a specified period.</p> <p>(2) Employment of child labor, illegal foreign workers, violations of human rights, forced labor, or restrictions on workers’ freedom of association are strictly prohibited. Discovery of violations may result in immediate contract termination.</p> <p>(3) Insurance:</p> <p>① Employers must carry workers’ compensation liability</p>
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		<p>insurance, as well as personal accident or group accident insurance.</p> <p>② Monthly submission of labor insurance lists, pension calculation rosters, and health insurance premium statements to China Ecotek Corporation is mandatory during invoicing. Proof of payments for labor insurance, pension, and national health insurance must also be submitted monthly. Serious breaches may lead to contract termination.</p> <p>7. Subcontractor performance evaluations are regularly conducted.</p>
Clients	<ol style="list-style-type: none"> 1. Sales staff conduct periodic interviews with clients. 2. The company website is regularly updated with the latest product and service information. 3. Annual customer satisfaction surveys are conducted consistently. 4. Senior management conducts occasional client visits. 5. Participate intermittently in forums and seminars hosted by clients or potential clients to stay informed on industry trends. <p>Sales Department Director Kuo e-mail: wykuo@ecotek.com.tw</p>	<ol style="list-style-type: none"> 1. Proactively visit key and prospective clients to maintain ongoing engagement, support project teams, and offer professional advice. 2. Conduct surveys for projects exceeding NT\$10 million. As of December 31, 2024, survey results include: <ol style="list-style-type: none"> (1) Warranty period customer satisfaction: 22 surveys distributed, 15 responses received, average score 94.4. (2) Project completion satisfaction: 35 surveys distributed, 33 responses received, average score 95.39. (3) Operation outsourcing satisfaction: 5 surveys distributed and returned, average score 95.6. (4) Water treatment additives satisfaction: 7 surveys distributed and returned, average score 96.86. <p>All scores exceed 90 points, demonstrating very high customer satisfaction aligned with quality goals.</p> 3. Track business leads within public and private sectors, visit clients regularly to explore business opportunities. 4. Participate in seminars organized by industry associations and government agencies to collect industry development and market intelligence.

3.9 Quality, Environmental, Occupational Health and Safety, and Information Security Management

3.9.1 ISO 9001 Quality Management System

Since first obtaining ISO 9001 certification in 1999, China Ecotek Corporation has maintained compliance through major standard revisions in 2000 and 2008. In July 2017, the company achieved certification to the ISO 9001:2015 standard following a successful external audit. Ongoing improvements are pursued in line with the company's commitment to continuous enhancement and comprehensive quality management. External audits are conducted regularly, and the most recent certificate can be found in [Appendix 7](#).

Management Philosophy and Quality Policy

- I. Management Philosophy: Guided by its core values, Excellence, Technology, Integrity, and Quality, China Ecotek's leadership and employees are committed to sustainable growth. The company's strategic direction is structured around four pillars: Engineering, Operations & Maintenance, Circular Economy, and Sales Business. By delivering value alongside its clients, the company aims to be a trusted long-term partner.
- II. Quality Policy: With a focus on both corporate values and customer expectations, the President has established a clear quality policy: "Deliver customer satisfaction through outstanding technology and dependable service."
- III. Management Commitment: Leadership is fully committed to the ongoing enhancement of the quality management system. The quality policy is actively communicated to all employees, through meetings, announcements, and digital platforms, to ensure it is well understood and effectively implemented across the organization.
- IV. The quality policy is regularly reviewed during Management Review Meetings to ensure continued relevance and is revised when necessary.

3.9.2 ISO 14001 Environmental Management System

China Ecotek Corporation takes environmental responsibility seriously, implementing robust environmental management practices in line with national environmental regulations and international agreements. Since earning ISO 14001 certification in August 2006, the company has maintained this standard through consistent third-party audits conducted annually. These efforts reflect a deep commitment to environmental stewardship and continuous improvement. The most recent certification is included in [Appendix 8](#).

Environmental Policy of China Ecotek Corporation

- I. Fully comply with relevant environmental laws and all applicable requirements, while actively promoting water treatment and outsourced operation projects that meet environmental management standards.
- II. Fully comply with relevant environmental laws and all applicable requirements, while actively promoting water treatment and outsourced operation projects that meet environmental management standards.
- III. Regularly audit and review the environmental management system to improve environmental performance through continuous refinement.
- IV. Communicate the company's environmental policy to all relevant stakeholders and maintain active engagement to jointly protect the environment, conserve energy, reduce carbon emissions, and build a sustainable, green enterprise.
- V. Support and align with the parent group's initiatives to foster a green lifestyle among China Ecotek Corporation's employees.

3.9.3 ISO 14064-1 Greenhouse Gas Emissions

With climate change and global warming among the world's most pressing challenges, carbon reduction has become a shared global responsibility. In alignment with this effort, China Ecotek Corporation proactively began conducting its greenhouse gas (GHG) inventory in 2022, ahead of schedule, in coordination with its parent group. The company has laid out a phased strategy toward carbon neutrality, establishing 2022 as the baseline year and setting short-, medium-, and long-term reduction goals. (Note: Carbon neutrality involves balancing carbon emissions, measured through carbon footprint

and GHG inventories, with equivalent reductions or offsets, such as tree planting or renewable energy adoption. The goal is to achieve net-zero emissions, meaning no net increase in atmospheric CO₂.)

The short-term goal targets a 1.5% reduction in emissions by 2025 compared to the 2022 baseline. Key initiatives include upgrading all office lighting to LED panel fixtures, promoting green procurement, and gradually replacing company vehicles with hybrid models.

The medium-term goal is a 21.5% reduction by 2030. Measures include replacing all high-energy-consumption equipment, such as HVAC systems, with appliances that meet Tier 1 energy efficiency standards, digitizing site logs and inspection records, and continuing the phased replacement of company vehicles with hybrids.

The long-term goal focuses on achieving carbon neutrality. The core strategies are maximizing energy efficiency and transitioning to green energy, which include switching all material-handling vehicles to electric or green-powered alternatives, converting all forklifts to electric models, and fully replacing the company's vehicle fleet with electric vehicles.

Under the ISO 14064-1:2018 standard, China Ecotek Corporation has defined its GHG inventory boundaries to cover the entire company, including subsidiaries, across seven key office and operational sites: 8th and 4th Floor (Sections A and B) of the CEC Headquarters of China Steel Building (Qianzhen District, Kaohsiung), Bao-Cheng Technical Office of CEC (Qianzhen District, Kaohsiung), Pinghe Factory of CEC (Xiaogang District, Kaohsiung), China Steel site-office of CEC (Xiaogang District, Kaohsiung), China Dragon site-office of CEC (Lungjing District, Taichung), China Ecotek Vietnam Company Ltd. (HCMC, Vietnam), and Xiamen Ecotek PRC Co., Ltd. (Xiamen, Fujian). In 2023, total GHG emissions were recorded in tons of CO₂ or equivalent (CO₂e), with detailed breakdowns by emission category available in Appendix Tables 1 and 2. (Note: Emission figures are based on the verification report (See [Appendix 9](#)) issued by SGS Taiwan Ltd. in November 2024, covering the period from January 1 to December 31, 2023. Categories 1 and 2 received “reasonable assurance” per the standards recognized by regulatory bodies, while Categories 3 to 6 were verified at a “limited assurance” level.)

China Ecotek Corporation Greenhouse Gas Policy Statement

China Ecotek Corporation is committed to managing energy use within its facilities and conducting comprehensive inventories of greenhouse gas (GHG) emissions. Based on the results of these inventories, the company actively promotes various GHG emission reduction measures. Through continuous improvement programs and initiatives, we strive to mitigate the environmental and climate impacts of our GHG emissions and contribute to the fight against global warming.

In pursuit of our goal of sustainable corporate development, we recognize our responsibility to society and are dedicated to the thorough implementation of this policy. We also aim to educate our employees to understand and proactively support our efforts through effective actions. Our commitments are as follows:

- I. Implement the ISO 14064-1 system and undergo third-party verification annually to obtain the ISO 14064-1 verification statement.
- II. Continuously promote and support energy-saving and carbon reduction measures as part of our corporate social responsibility.
- III. Encourage the participation of all employees in environmental initiatives, starting with carbon reduction in everyday life.
- IV. Conserve energy at all times to minimize the generation of greenhouse gases.
- V. Comply with all applicable environmental laws and regulations, customer requirements, and other relevant obligations.

Appendix Table 1: Breakdown of Organizational Greenhouse Gas Emissions by Scope, 2023 (China Ecotek Corporation)

Category	Scope 1: Direct Emissions	Scope 2: Indirect Emissions from Energy Use	Total Emissions (Tons CO ₂ e/year)
Emissions	250.9727	418.5601	669.5328
Percentage Share	37.49%	62.51%	100%

Appendix Table 2: Greenhouse Gas Emissions by Office, 2023 (China Ecotek Corporation)

Reporting Boundary			Total Greenhouse Gas Emissions (Tons CO ₂ e/year)
Emission Type		Description	
Direct Emissions		Stationary combustion emissions	250.9727
		Mobile combustion emissions	
		Process emissions from anthropogenic systems	
Indirect Emissions	Purchased Electricity	Indirect emissions from externally purchased electricity	418.5601
	Transportation Emissions	Upstream distribution-related indirect GHG emissions: Indirect greenhouse gas emissions generated from upstream distribution of products accounting for over 80% of total weight, extrapolated to 100%, including land and sea transportation Downstream distribution-related indirect GHG emissions: Indirect greenhouse gas emissions generated from downstream distribution of products accounting for over 80% of total weight, extrapolated to 100%, including land transportation Employee commuting-related indirect GHG emissions: Indirect greenhouse gas emissions resulting from employee commuting via car, motorcycle, bus, and metro Business travel-related indirect GHG emissions: Indirect greenhouse gas emissions resulting from business travel by airplane, high-speed	5,983.6799

		rail, train, taxi, and metro	
	Emissions from Organizational Activities	Indirect greenhouse gas emissions from fuel- and energy-related activities not included in Scope 1 or Scope 2, including electricity, gasoline, diesel, and tap water; emissions from waste incineration treatment (including transportation)	232.7332
	GHG emissions from the use of products sold by the organization	Not significant.	—
	Other sources of GHG emissions	Not significant.	—
Total Direct + Indirect Emissions			6,885.9459

3.9.4 ISO 27001 Information Security Management System Compliance

China Ecotek Corporation has successfully passed the ISO/IEC 27001:2022 certification audit conducted by the British Standards Institution (BSI), Taiwan Branch, an internationally recognized ISO certification body (see [Appendix 10](#)).

In response to escalating cybersecurity threats, including global hacking, ransomware attacks, and data breaches, China Ecotek has taken proactive steps to reinforce its network infrastructure and information systems. Beyond achieving certification under the ISO/IEC 27001 framework, the company has made significant investments in cybersecurity hardware and software, real-time monitoring systems, and security testing mechanisms. These initiatives have laid the foundation for a robust information security management system, improving the company's incident response capabilities, enhancing organizational resilience, and strengthening its long-term sustainability.

Demonstrating its commitment to information security and aligning with the cybersecurity strategy of the CSC Group, China Ecotek established the "Information Security Enhancement Task Force" in October 2022. Adhering to the ISO/IEC 27001:2013 standard, the company has implemented a full suite of security management practices, including risk assessments, internal audits, and backup drills. Emphasizing the PDCA (Plan-Do-Check-Act) continuous improvement cycle, the company also offers specialized training and general awareness programs to enhance employees' cybersecurity knowledge and professional skills across all departments.

3.9.5 ISO 45001 Occupational Health and Safety Management System

China Ecotek Corporation enhances employees' occupational health and safety awareness and capabilities through education, training, and effective management, with the ultimate goal of achieving zero workplace incidents. To uphold the management system requirements and comply with Article 1-1 of the Occupational Safety and Health Act, the company engages third-party auditors for annual external audits and reviews post-certification. The most recent recertification audit, part of the three-year cycle, was successfully completed in March 2022 (refer to [Appendix 11](#)), reflecting China Ecotek's strong commitment to occupational health and safety management and regulatory compliance.

The 2024 ISO 45001 external audit identified 24 recommendations. In light of these, and given that contract clauses with clients clearly specify related compliance requirements, all employees are mandated to fully implement personal protective measures, conduct necessary inspections, and maintain accurate documentation. The company takes these recommendations seriously and ensures that related SOPs are revised and rigorously followed. This reflects the company's proactive approach to aligning ISO documentation, processes, and practices consistently.

Occupational Health and Safety Policy

- I. Eliminate workplace hazards that could result in falls, electric shocks, collapses, poisoning, impacts, illnesses, and other dangers during engineering operations.
- II. Enhance workplace safety and health facilities to prevent injuries and occupational diseases, promote employee health management and wellness activities, implement comprehensive protective measures, and continuously improve safety and health management performance.
- III. Strictly comply with occupational safety laws and meet reasonable requirements from clients and stakeholders, persistently advance the "zero-accident" initiative, and maintain effective hazard prevention practices.
- IV. Communicate policies and regulatory requirements clearly to all employees through education, training, safety observations, engagement, and consultation, while continuously promoting occupational health and safety principles among subcontractors.
- V. Transparently share our occupational health and safety policies, initiatives, and performance results to build trust with employees, customers, clients, communities, government agencies, and stakeholders in China Ecotek Corporation.

4. Shareholders

4.1 Financial Operations

To provide shareholders with accurate and comprehensive information for their investment decisions, China Ecotek Corporation discloses monthly and cumulative revenue figures after closing each month, following the Taiwan Stock Exchange's regulations on information disclosure and reporting. This data is also published on the company's official website (<https://www.ecotek.com.tw>). Besides accessing information online, shareholders are encouraged to participate in the annual general meeting for direct dialogue with management or to review the company's operational strategies and results in the annual report. Additionally, shareholders can contact the company's spokesperson and deputy spokesperson via dedicated phone lines and email to submit questions or suggestions, all of which are promptly addressed by assigned personnel.

4.1.1 Business Performance and Profit Distribution

Since adopting IFRS in 2013, China Ecotek Corporation's financial statements provide detailed insights into the company's operational results and financial condition. For comprehensive information, please consult the 2024 Annual Report available at https://www.ecotek.com.tw/?prog=shold_meeting

Operating Revenue

- I. In 2024, China Ecotek Corporation's total annual operating revenue reached NT\$10.859 billion, marking an 11.27% increase from 2023. However, the overall gross profit margin declined by 1% compared to the previous year. The company's pre-tax profit for 2024 was NT\$625 million, down 8.83% from 2023.

Unit: Thousand NT\$

Category	2023	2024	Change Amount	Change %
Sales Revenue	136,189	147,397	11,208	8%
Engineering Revenue	9,344,305	10,403,418	1,059,113	11%
Technical Service Revenue	278,832	307,992	29,160	10%
Total Operating Revenue	9,759,326	10,858,807	1,099,481	11%

II. Operating Costs

Unit: Thousand NT\$

Category	2023	2024	Change Amount	Change %
Sales Costs	108,226	114,149	5,923	5%
Engineering Costs	8,435,556	9,456,155	1,020,599	12%
Technical Service Costs	242,799	281,342	38,543	16%
Total Operating Costs	8,786,581	9,851,646	1,065,065	12%

III. Non-operating Income and Expenses

Unit: Thousand NT\$

Category	2023	2024	Change Amount	Change %
Interest Income	91,265	76,220	-15,045	-16%
Other Income	15,540	30,531	14,991	96%
Other Gains and Losses	-12,692	-17,907	-5,215	41%
Finance Costs	-1,354	-2,256	-902	67%
Share of Profit (Loss) of Associates Accounted for Using Equity Method	128,145	58,555	-69,59	-54%

IV. Earnings Distribution

In 2024, distributable earnings totaled NT\$1,041,872 thousand. The Company plans to distribute NT\$371,227,656 in cash dividends to shareholders, equivalent to NT\$3 per share.

Earnings Per Share Over the Past Three Years:

Category	2022	2023	2024
Operating Revenue	NT\$8,844,053 Thousand	NT\$9,759,326 Thousand	NT\$10,858,807 Thousand
Net Income After Tax	NT\$520,519 Thousand	NT\$556,892 Thousand	NT\$501,893 Thousand
Earnings Per Share (EPS)	NT\$4.21	NT\$4.50	NT\$4.06

Cash Dividend Yield Performance Over the Past Three Years:

Category	2022	2023	2024
Price-Earnings Ratio	9.99	11.69	16.11
Price-to-Book Ratio	14.02	15.95	21.8
Cash Dividend Yield	7.13	6.27	4.59

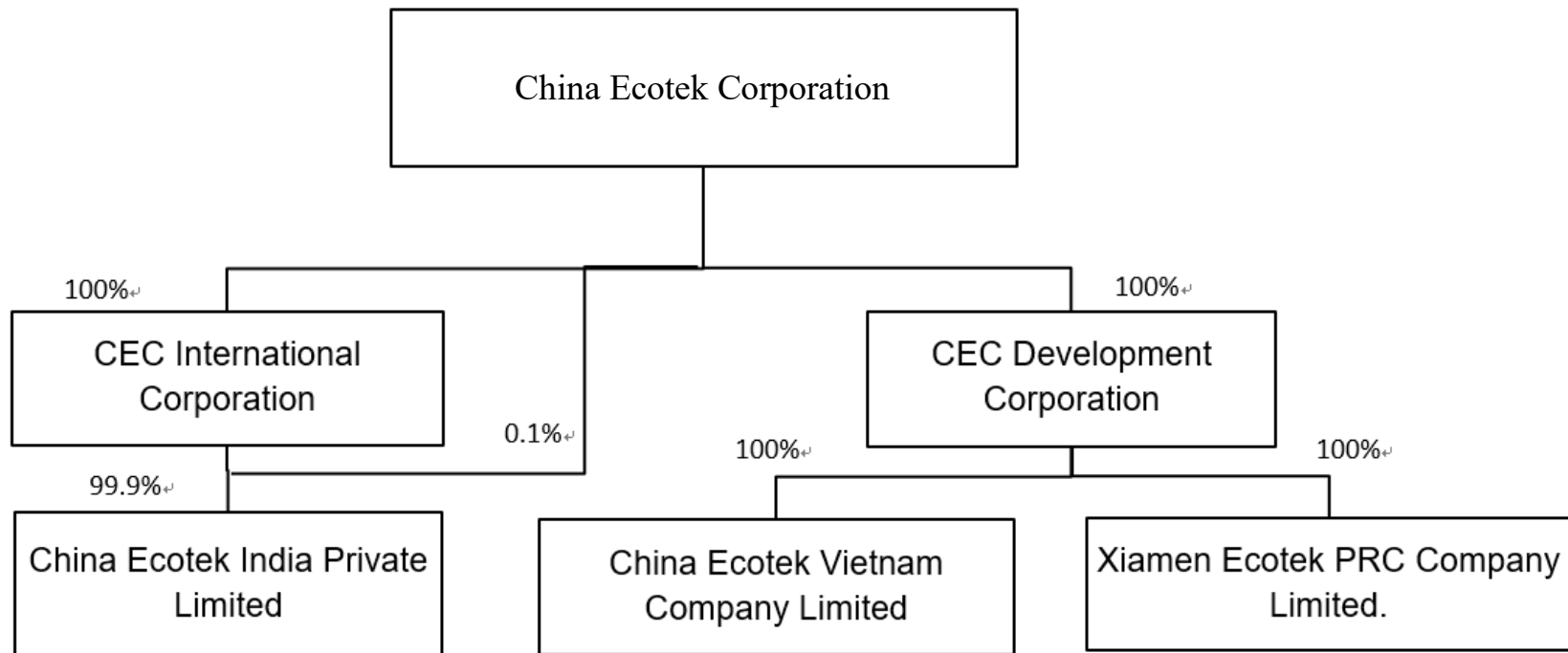
As stipulated in China Ecotek Corporation's Articles of Incorporation, if the company posts a profit for the year, the Board of Directors shall allocate no less than 0.1% of the profit for employee compensation and no more than 1% for directors' compensation. Eligible employees may include those from qualifying subsidiaries. However, in the event of any accumulated losses, such losses must first be offset before any allocation of employee or director compensation.

The proposed allocation of employee and director compensation must be approved by the Board and reported to the shareholders. After closing the annual accounts, any profit will be distributed in the following order:

- (I) Offset prior years' accumulated losses;
- (II) Allocate 10% of the profit as a legal reserve until the reserve equals the company's total paid-in capital;
- (III) Distribute any remaining earnings in accordance with a profit distribution plan drafted by the Board and approved by the shareholders at the annual general meeting.

4.1.2 Investment Operations

To facilitate the growth of its international engineering business, China Ecotek Corporation has established subsidiaries in Vietnam, Mainland China, and India. These subsidiaries operate across sectors such as engineering and construction, industrial materials, and financial investments.



The performance of these subsidiaries in 2024 is summarized below:

- I. Vietnam: China Ecotek Vietnam Company Limited achieved an after-tax profit of NT\$29.99 million.
- II. Mainland China: Xiamen Ecotek PRC Company Limited generated an after-tax profit of NT\$4.917 million.
- III. India: China Ecotek India Private Limited recorded an after-tax profit of NT\$0.358 million.

4.1.3 Capital Sources and Government Subsidies

As of the most recent share registration suspension date, the shareholder composition of China Ecotek Corporation is as follows:

Shareholder Type	Ownership
Government (Public Sector) Entities	0
Domestic Financial Institutions	0
Domestic Securities Investment Trust Funds	0
Domestic Individual and Institutional Investors	98.45%
Overseas Individuals, Foreign Entities, Trust Funds, and Others	1.55%
Total	100%

4.1.4 Tax Policy Framework

I. Tax Strategy

China Ecotek Corporation is committed to robust tax risk management through transparency and regulatory compliance. The company actively supports government-endorsed tax incentives aimed at driving local economic growth and industrial innovation, aligning with its long-term vision for sustainable development.

II. Tax Risk Governance

- (I) Tax assessments tied to strategic decisions are conducted collaboratively by qualified in-house tax professionals and external advisors.
- (II) All material corporate decisions undergo thorough tax impact analysis and require approval at the highest executive level.

- (III) Tax reporting is carried out with transparency to ensure compliance with applicable regulations and disclosure standards.
- (IV) Transactions among affiliated entities adhere to the OECD’s internationally recognized transfer pricing guidelines and the Base Erosion and Profit Shifting (BEPS) framework, maintaining fair and arm’s length pricing.
- (V) The company avoids using tax havens or low-tax jurisdictions for aggressive tax planning, in alignment with global anti-avoidance regulations.
- (VI) Interactions with tax authorities are guided by integrity, transparency, and legal compliance. China Ecotek engages constructively and proactively on significant tax matters, fostering mutual trust and supporting the effective allocation of resources by both parties.

III. Commitment to Sustainable Development

China Ecotek Corporation embraces tax incentive programs initiated by the government as a means to drive local economic growth and industrial innovation. These initiatives align with the company’s sustainability objectives and aim to enhance long-term shareholder value and ensure business continuity. Under the “Statute for Upgrading Industries,” China Ecotek Corporation qualified for a five-year corporate income tax exemption starting in January 2007, benefiting from full exemption over the designated period. Following the enactment of the “Industrial Innovation Act” by Taiwan’s Legislative Yuan in April 2010, Article 10 allows companies to claim up to 15% of their R&D expenditures as a deduction against their annual corporate income tax, with the total deduction capped at 30% of the tax payable for that year. In line with this policy, China Ecotek Corporation has applied R&D-related investment tax credits in recent years to reduce its corporate income tax burden. The claimed amounts for the past three years are summarized below:

Unit: NT\$ thousands

Year	2022	2023	2024
R&D Tax Credit Utilized	875	323	258

4.2 Research and Innovation

The R&D team of China Ecotek Corporation is composed of members from technical and project departments under the leadership of the Vice President of the Engineering Group. With over 30 years of rich engineering experience, the company has consistently invested in research and development to meet the needs of green and energy-saving engineering. In 2024, R&D expenditures totaled NT\$8,224 thousand.

The company currently holds 5 invention patents and 8 utility model patents in the fields of water treatment, air pollution control, and LED lighting systems. Furthermore, in areas such as raw material conveyance system design, LED lighting design, and refractory materials, China Ecotek Corporation has actively pursued integrated turnkey engineering innovations in recent years. These proprietary engineering technologies have become valuable intellectual assets and are protected through strict confidentiality and management protocols.

Guided by sustainable development principles, the company continues to minimize the environmental and ecological footprint of its construction and operational activities. Its environmentally effective service offerings have earned customer satisfaction and have fostered green energy development and awareness throughout the entire supply chain, securing long-term competitiveness and sustainability both upstream and downstream.

China Ecotek Corporation provides clients with engineering designs and planning services that are both technically sound and environmentally compliant. Projects are implemented at client-specified locations, with each phase, from bidding and contract award to construction and final acceptance, carried out through close coordination with the client, ensuring proper risk assessment and environmental management.

Technological Sophistication and R&D Developments in Core Business Areas:

Advancing Water Recycling Technologies	At present, China Ecotek Corporation's primary water recycling systems utilize ultrafiltration (UF) and reverse osmosis (RO) membranes. With the advent of stricter environmental regulations and evolving technologies, new integrated solutions that combine biological treatment with membrane processes have begun to take shape. In anticipation of future water scarcity challenges, the company remains committed to the research and refinement of integrated and optimized water recycling technologies.
Air Pollution Control Innovations	In the realm of air pollution control, China Ecotek Corporation is proactively adapting to the trend of increasingly stringent environmental laws. The company has concentrated its efforts on sulfur oxide (SOx) emission reduction from stationary sources. Notably, its wet limestone desulfurization system deployed at China Steel's Power Plant No. 2 has achieved a guaranteed SO ₂ emission level (post oxygen correction) of less than 4 ppm. In partnership with China Steel's R&D division, we also developed an integrated removal process that targets both SO ₂ and fine particulate matter (PM _{2.5}). This hybrid solution, combining a honeycomb wet scrubber (HWS) with a Wet Electrostatic Precipitator (WESP), demonstrated desulfurization efficiency of up to 99% and PM _{2.5} removal rates reaching 95% during pilot testing. Full-scale engineering deployment is scheduled once performance stability is confirmed. Regarding NO _x control, we worked with China Steel's R&D team to evaluate a low-to-medium temperature Selective Catalytic Reduction (SCR) system designed for new coke oven installations. Pilot tests showed a denitrification efficiency of up to 80%. When scaled up, the system is expected to reduce fuel consumption significantly compared to traditional high-temperature catalysts, delivering both environmental and energy-saving outcomes.

4.2.1 Development of Eco-Friendly and Green Energy Products and Technologies

I. Solar Photovoltaic (PV) System Deployment

In alignment with the government's renewable energy policies, China Ecotek Corporation has actively supported the China Steel Group in promoting the development of alternative energy sources. This includes assisting in the installation of solar power systems on rooftops across various China Steel Group facilities. Leveraging government subsidy programs for installation and feed-in tariffs, the generated electricity is sold to Taipower (Taiwan Power Company). The initiative not only enhances the value of the circular economy through collaboration with domestic equipment manufacturers and construction industries but also strengthens the Group's public image and engineering profitability, creating a mutually beneficial outcome for all stakeholders.

From 2017 through the end of 2024, China Ecotek Corporation has successfully completed the installation of a cumulative 100 MW in solar PV capacity for the Group. This achievement meets the Group's staged commitments to the government and contributes significantly to the realization of green energy and circular economy goals. In addition to fulfilling corporate social responsibility, the project has facilitated deeper integration within the domestic renewable energy value chain, indirectly creating more job opportunities and setting a benchmark for the promotion of green energy across Taiwan.

Since 2021, in response to the Renewable Energy Development Act mandating large electricity consumers to install a certain proportion of renewable energy systems, the China Steel Group has proactively identified the renewable energy capacity shortfalls across its subsidiaries. China Ecotek Corporation was tasked with planning and implementing these installations in phases. These efforts have gradually fulfilled the Group's regulatory obligations and advanced its transition toward energy diversification, self-sufficiency, and long-term environmental sustainability. Looking ahead, in line with national renewable energy policies, China Ecotek Corporation will continue to develop and implement solar PV projects within the China Steel Group. In parallel, the company is also expanding its energy storage capabilities, having achieved 6 MW of installed storage capacity. Through SWOT analysis, the company is identifying optimal development paths and extending its services to external enterprises beyond the Group. These efforts aim to establish a scalable and systematic solar PV and energy storage operation model.

II. Pre-treatment Development for Industrial Wastewater Purification Facilities

To address water shortages exacerbated by climate change, industrial wastewater purification facilities provide a sustainable source of reusable water, reducing dependence on natural water bodies and lowering wastewater discharge and environmental burden. In an effort to enhance water recovery rates and improve economic performance, China Ecotek Corporation, in partnership with China Steel Corporation, brought together domestic experts and skilled construction teams to design and implement a pre-treatment system. This initiative not only supports long-term water sustainability but also expands the company's practical engineering capabilities and reinforces the Group's commitment to ESG excellence.

The core technologies employed in these facilities are Ultra Filtration (UF) and Reverse Osmosis (RO). UF membranes, with pore sizes typically ranging from 0.001 to 0.1 μm , remove fine particulates from the water. RO systems use high pressure to drive water through semi-permeable membranes, separating out dissolved salts and other impurities to achieve high-quality water purification. However, increasing recovery rates presents technical challenges, including membrane fouling from organic matter and the elevated ammonia-nitrogen content in the concentrated wastewater. To overcome these barriers, the team deployed a Moving Bed Biofilm Reactor (MBBR) in the pre-treatment phase. Verified through pilot testing, this biological approach uses microorganisms attached to suspended biocarriers (BioCapture) to effectively break down organic compounds and ammonia-nitrogen.

After nearly two years of full-scale operation, the system has demonstrated a significant reduction in both ammonia-nitrogen and organic content in the influent water. The need for chemical cleaning of UF and RO membranes has declined notably, cutting both operational costs and wastewater treatment fees. This project has strengthened China Ecotek Corporation's expertise in integrating biological treatment with membrane technologies, delivered measurable economic returns, and further enhanced the Group's reputation in sustainable water resource management.

5. Customers

5.1 Engineering Services

China Ecotek Corporation specializes in delivering comprehensive engineering services. Unlike conventional construction firms in Taiwan that primarily focus on architectural and civil works, Ecotek operates in a cross-disciplinary space—bridging construction, consulting, equipment manufacturing, software design, and specialized service sectors. Centered around client needs, Ecotek collaborates with partners across the value chain, functioning as an ecosystem to provide tailored engineering solutions. As is typical for engineering service providers, ownership of the completed facilities and their sustainability outcomes lies with the client, not the company itself. This project-based business model is highly mobile, projects are wherever clients are, with durations that vary significantly, making geographic analysis of operations less meaningful. The transient nature of job sites also limits the ability to directly correlate environmental impacts with Ecotek’s corporate operations. In 2024, Ecotek reported domestic revenue of NT\$10.685 billion and overseas revenue of NT\$174 million. Key clients included China Steel Corporation, Dragon Steel, CSC Solar, and Formosa Ha Tinh Steel. The company undertook no projects in countries ranked among the lowest 20 on Transparency International’s 2024 Corruption Perceptions Index, nor did it engage in projects related to fossil fuels. **With no human-caused defects or safety issues, China Ecotek incurred no rework costs and faced no related legal losses in 2024.**

2024 Breakdown of Major Services

Category	Share of Services (%)	Ongoing Projects (Count)	Completed Projects (Count)	Value of Ongoing Projects (NT\$ thousand)
Environmental Engineering	14.02	43	13	6,105,716
Mechanical & Electrical Engineering	57.57	109	42	19,013,960
M&E Maintenance, Facility Operations & Others	28.41	0	80	0
Total	100	152	135	25,119,676

2024 Overseas Market Overview

Region	Share of Revenue (%)	Ongoing Projects (Count)	Completed Projects (Count)	Value of Ongoing Projects (NT\$ thousand)
Vietnam	1.6	9	5	1,410,478

5.2 Customer Privacy Protection

China Ecotek Corporation is committed to delivering high-quality services to its clients while ensuring the utmost protection and confidentiality of customer information. **In 2024, the Company recorded zero complaints related to data breaches, information theft, or loss of customer data.** To facilitate communication, China Ecotek Corporation provides multiple channels on its official website, including a message submission system, telephone hotline, email address, and fax number, allowing clients to easily get in touch with the Company.

The Company implements the following measures to safeguard customer privacy and data:

- I. Electronic data and system access rights are strictly managed, with regular audits conducted to ensure compliance and security.
- II. All company computers are equipped with antivirus software to protect against malware and prevent the spread of computer viruses, especially through online transactions.
- III. Detailed logs are maintained for all data access and external data transfers to ensure traceability and accountability.
- IV. Confidential documents exchanged with clients are securely destroyed once or twice annually, typically at the end of June and December, to safeguard client privacy and comply with data retention policies.

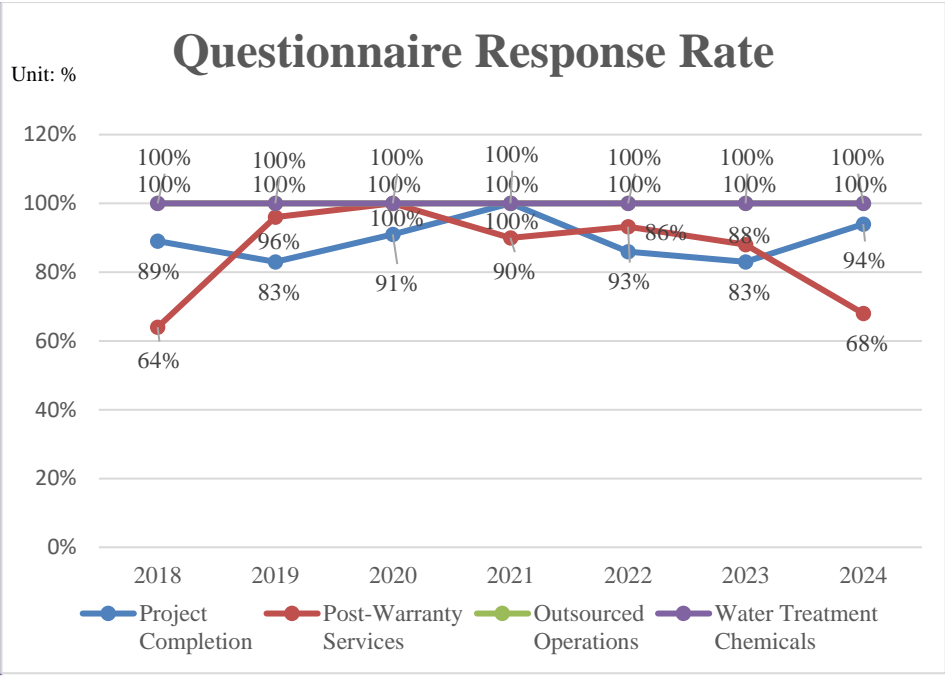
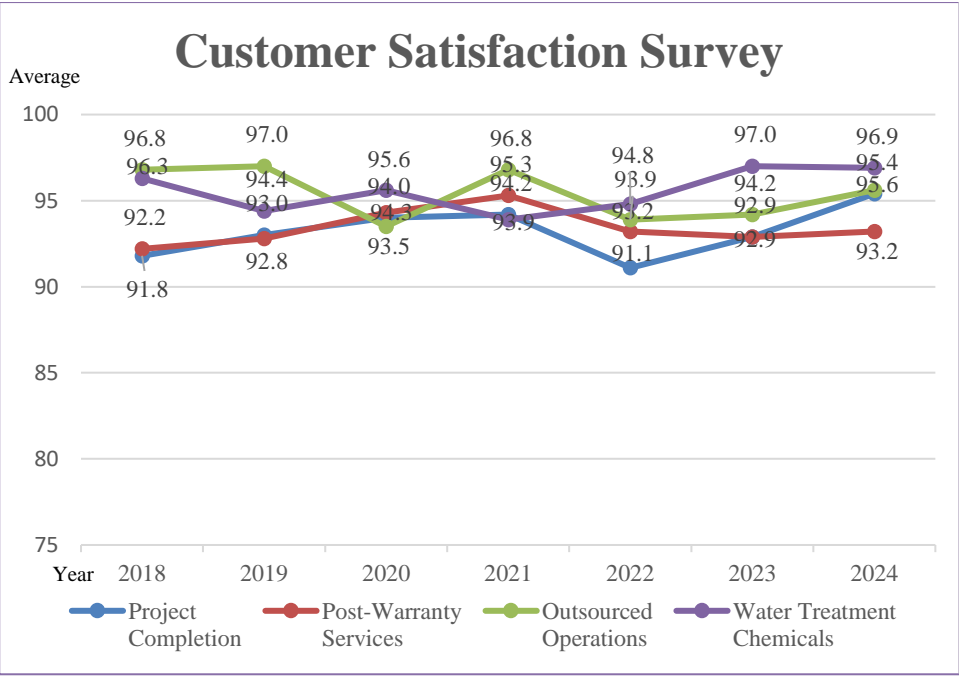
5.3 Customer Satisfaction Survey

China Ecotek Corporation conducts a comprehensive “Customer Satisfaction Survey” every June and December, covering all clients served during the year. The results are analyzed to identify customer concerns and prioritize areas for improvement, which in turn inform the company’s business strategies. The survey evaluates four service areas—project completion, post-warranty service, outsourced operations, and water treatment chemical support. The three lowest-rated aspects, along with associated feedback, are submitted to the responsible departments to develop and implement corrective action plans. Execution is tracked through a “Customer Satisfaction Review” and a “Customer Feedback Response Form,” both of which ensure transparent communication and demonstrate accountability to the client. These findings are reviewed during management meetings to monitor progress and results. This structured feedback loop reflects the company’s commitment to respecting and valuing its clients. It helps address client concerns proactively while fostering shared understanding and mutual trust.

Performance Indicator	2024 Quality Target	2024 Results
Customer Satisfaction	Score of 90 or higher	Project Completion: 95.39 Post-Warranty Service: 94.4 Outsourced Operations: 95.6 Water Treatment Chemicals: 96.86

China Ecotek Corporation evaluates customer satisfaction across four key service areas, each with a tailored set of criteria to ensure a thorough and meaningful assessment:

Project Completion	Evaluations are based on ten aspects: construction quality, functionality, adherence to schedule, coordination during construction, health and safety standards, site management, service efficiency, attitude of service personnel, professional expertise, and communication effectiveness.
Post-Warranty Services	Ten metrics are used to assess service quality after the warranty period, including engineering and maintenance quality, technical proficiency, service efficiency and attitude, ability to resolve technical inquiries, accuracy of service delivery, responsiveness, communication, and overall service performance.
Outsourced Operations	For outsourced operation periods, satisfaction is evaluated based on: operational quality and efficiency, on-site safety and health, management of the work site, staff professionalism and coordination, cooperation with the client, service efficiency and attitude, and overall service quality.
Water Treatment Chemicals	In this category, evaluations focus on ten factors: product quality and effectiveness, on-site safety and management, technical expertise and coordination of personnel, cooperation with clients, service efficiency, attitude, and overall service delivery.



6. Environment

6.1 Internal Energy Consumption

In alignment with national energy conservation and carbon reduction policies, as well as the ESG objectives of the CSC Group, China Ecotek Corporation launched a 21W LED flat panel light that received the highest-level Energy Label (140 LM/W) from Taiwan's Bureau of Energy on April 21, 2023. Designed with 400 LED chips and optimized to reduce power loading, this product effectively minimizes heat generation, extending the lifespan of the light fixture, and achieves a luminous efficacy of over 140 lumens per watt. This not only meets the functional needs of indoor lighting applications but also reduces maintenance frequency and associated costs.

In 2024, the company initiated a lighting retrofit project for CSC-owned floors of the CSC Group Headquarters, replacing 2,400 traditional 66W T5 fixtures with new 21W LED flat panel lights. The installation was completed in January 2025. The project is projected to save approximately 270,000 kWh of electricity annually and reduce carbon emissions by 133.4 tons of CO₂e, marking a significant step towards advancing the Group's ESG and energy efficiency commitments.

China Ecotek Corporation's business model centers on integrated engineering services, setting it apart from traditional construction firms focused primarily on building and civil engineering. Positioned at the intersection of construction, consulting, equipment manufacturing, software development, and service provision, the company takes a customer-centric approach and works closely with upstream and downstream partners to deliver tailored engineering solutions. Since project sites shift based on client needs, it is challenging to assess the overall environmental impact of operations. As such, the company discloses electricity and water usage based on its fixed office locations. In 2024, the total electricity usage across its seven primary offices was 770,940 kWh, and total water consumption reached 8.553 million liters.

Electricity Consumption Metrics Over the Past Three Years

CEC Headquarters			
Year	Total Electricity Consumption	Electricity Intensity	Notes
	(1,000 kWh)	(1,000 kWh per ping)	
2022	407.75	0.5	Initiated inventory; consumption calculated by dividing total electricity expense by average price (2.845 NTD)
2023	86.621	0.11	Based on electricity usage figures from landlord CSC's payment notice
2024	37.129	0.047	
Technical Office of CEC			
Year	Total Electricity Consumption	Electricity Intensity	Notes
	(1,000 kWh)	(1,000 kWh per ping)	
2022	224.370	0.49	
2023	191.441	0.42	
2024	156.011	0.342	
Xiaogang Office of CEC			
Year	Total Electricity Consumption	Electricity Intensity	Notes
	(1,000 kWh)	(1,000 kWh per ping)	
2022	95.80	0.12	Inventory initiated
2023	167.765	0.21	Increased meters due to additional tenants and new lab setup
2024	135.448	0.169	
China Steel Site-Office of CEC			
Year	Total Electricity Consumption	Electricity Intensity	Notes
	(1,000 kWh)	(1,000 kWh per ping)	
2022	359.31	0.57	Inventory started; consumption estimated from CSC office electricity expenses and average price (2.845 NTD)
2023	126.672	0.20	Office lease expanded to 674.65 ping; usage based on landlord's payment notice

2024	420.337	0.66	Significant increase due to CSC major overhaul and 24-hour operations at China Steel site-office of CEC
Taichung Office of CEC			
Year	Total Electricity Consumption	Electricity Intensity	Notes
	(1,000 kWh)	(1,000 kWh per ping)	
2022	-	-	Owner's supply
2023	-	-	Owner's supply
2024	-	-	Owner's supply
China Ecotek Vietnam Company Limited			
Year	Total Electricity Consumption	Electricity Intensity	Notes
	(1,000 kWh)	(1,000 kWh per ping)	
2022	43.95	0.24	Inventory initiated
2023	29.16	0.16	
2024	19.79	0.108	
Xiamen Ecotek PRC CO., LTD.			
Year	Total Electricity Consumption	Electricity Intensity	Notes
	(1,000 kWh)	(1,000 kWh per ping)	
2022	2.66	0.26	Inventory initiated
2023	2.22	0.22	
2024	2.225	0.22	

Water Consumption Metrics Over the Past Three Years

CEC Headquarter office			
Year	Total Water Usage	Water Usage Intensity)Notes
	(Million Liters)	(Million Liters per Ping)	
2022	41.9	0.0516	Initial assessment based on total water bill divided by average water price (9.24 NTD)
2023	1.480	0.002	Measured from water meter readings
2024	1.349	0.0018	
Technical Office of CEC			
Year	Total Water Usage	Water Usage Intensity	Notes
	(Million Liters)	(Million Liters per Ping)	
2022	1.867	0.004	
2023	2.717	0.006	
2024	2.591	0.0057	
Xiaogang office of CEC			
Year	Total Water Usage	Water Usage Intensity	Notes
	(Million Liters)	(Million Liters per Ping)	
2022	1.326	0.002	Initial assessment
2023	1.320	0.002	
2024	1.175	0.0017	
China Steel site-office of CEC			
Year	Total Water Usage	Water Usage Intensity	Notes
	(Million Liters)	(Million Liters per Ping)	
2022	3.35	0.005	Initial assessment based on total water bill divided by average water price (9.24 NTD)

2023	42.067 (2.629)	0.062 (0.004)	The 2023 data were based on 2022 water meter readings without deducting prior usage, resulting in an overstatement. Actual consumption confirmed by the landlord is 2.629 million liters, with an intensity of 0.004 million liters per ping.
2024	2.034	0.003	
Taichung Office of CEC			
Year	Total Water Usage	Water Usage Intensity	Notes
	(Million Liters)	(Million Liters per Ping)	
2022	-	-	Owner's supply
2023	-	-	Owner's supply
2024	-	-	Owner's supply
China Ecotek Vietnam Company Limited.			
Year	Total Water Usage	Water Usage Intensity	Notes
	(Million Liters)	(Million Liters per Ping)	
2022	9.11	0.001	Initial assessment
2023	7.319	0	Usage rounded to zero due to precision limits (0.00004 million liters)
2024	1.404	0.0107	Purchased RO drinking water this year; office area leased: 432.18 sqm (130.73 ping)
Xiamen Ecotek PRC CO., LTD.			
Year	Total Water Usage	Water Usage Intensity	Notes
	(Million Liters)	(Million Liters per Ping)	
2022	0	0	Initial assessment; water supplied by property management
2023	0	0	Water supplied by property management
2024	0	0	Water supplied by property management

6.2 Greenhouse Gas Emissions

6.2.1 Direct Greenhouse Gas Emissions (Scope 1)

The annual usage of fuel oil, diesel, and electricity, representing direct emissions from mobile combustion sources, was compiled based on the 2024 expense reports covering gasoline, diesel, electricity, and general water consumption across all offices. Total greenhouse gas emissions were calculated using recognized emission factors.

Greenhouse Gas Emission Summary

Year	Direct GHG Emissions (Tons CO2 equivalent) (Tons CO2e / Kiloliter)	Remarks
2022	220.2124	Inventory initiated for seven major offices
2023	250.9727	Inventory initiated for seven major offices
2024*	388.7245	Includes additional 33.7089 kiloliter of diesel consumption for the China Steel site-office of CEC E7 vacuum sweeper, corresponding to 91.733 Tons CO2e

Note: Data for 2022 and 2023 were restated based on third-party verification. The 2024 figures are provisional internal estimates pending third-party verification scheduled for October 2025.

Fuel Consumption and Emissions Detail

Year	Gasoline / Diesel Usage (liters)	Direct GHG Emissions (Tons CO2 equivalent) (Tons CO2e / Kiloliter)	Remarks
2022	33,006/5,780	89.758	Inventory initiated for seven major offices
2023	48,442/2,451	163.8131	Inventory initiated for seven major offices
2024	59,475/78.83	287.79	Includes additional 33.7089 kiloliter of diesel consumption for the China Steel site-office of CEC E7 vacuum sweeper, corresponding to 91.733 Tons CO2e

Note: Emission factors used are 2.2631 kg CO2e per liter of gasoline and 2.606 kg CO2e per liter of diesel.

6.2.2 Indirect Greenhouse Gas Emissions from Electricity Consumption (Scope 2)

Greenhouse Gas Emissions Summary (2024 verification scheduled for October 2025)

Year	Electricity Consumption (1,000 kWh)	Indirect GHG Emissions (Tons CO ₂ e) (Tons CO ₂ e per 1,000 kWh)	Remarks
2022	619.090	312.4142	1. Initiated GHG inventory across seven main offices 2. Verification statement obtained on October 7, 2023 (Statement No. TW23/00516GG).
2023	826.3282	418.5601	1. Inventory boundary continued to include the seven office areas. 2. Although additional office space was added, electricity use and GHG emissions did not decline. Since actual electricity consumption was used for calculations, the carbon emissions reflect typical usage without reduction. 3. Verification opinion obtained on November 29, 2024 (Opinion No. TW24/00727GG).
2024	770.9502	380.8490	Data represents preliminary internal estimates. External verification is planned for October 2025.

Note 1: Emission factors for electricity were 0.509, 0.495, and 0.494 kgCO₂e/kWh for the years 2022, 2023, and 2024, respectively.

6.2.3 Other Indirect Greenhouse Gas Emissions (Scope 3)

China Ecotek Corporation operates primarily within office buildings and does not have any fixed emission sources associated with manufacturing. Equipment at the headquarters, such as air conditioners, refrigerators, fire extinguishers, high-voltage insulation systems, and septic tanks, do not contain or emit any ozone-depleting substances regulated under international protocols. As the company is not engaged in production activities, it does not emit nitrogen oxides (NO_x), sulfur oxides (SO_x), or other hazardous gases, and therefore does not generate emissions harmful to the ozone layer. To uphold thorough GHG accounting and provide transparent carbon footprint data, the company includes the following under Scope 3 emissions: Emissions from logistics and transportation, including upstream and downstream movement of goods (covering more than 80% of product weight); Indirect emissions

from employee commuting and business travel; Emissions associated with organizational resource consumption, such as upstream emissions from purchased electricity, fuel, and water; refrigerant leakage from leased vehicles; and emissions from waste collection and disposal.

6.2.4 Greenhouse Gas Reduction Strategies and Specific Short-, Medium-, and Long-Term Actions

I. Baseline Year and Reduction Targets

To establish a clear strategy for reducing greenhouse gas (GHG) emissions, China Ecotek Corporation has designated 2022 as the baseline year. The company aims to achieve a 1.5% reduction by 2025 (short-term goal) and a 21.5% reduction by 2030 (medium-term goal); both compared to the baseline year, through concrete implementation measures.

II. GHG Reduction Strategies and Specific Action Plans

Strategy	Specific Action Plan
Improving energy efficiency	<p>Short-term: Replace all office lighting with LED panel lights</p> <p>Medium-term: Replace all high-energy-consuming equipment such as air conditioners with models that meet the highest energy efficiency standards</p>
Promoting green procurement / using green energy vehicles	<p>Short-term: <ol style="list-style-type: none"> 1. Gradually replace company vehicles with hybrid vehicles 2. Promote green procurement </p> <p>Medium-term: <ol style="list-style-type: none"> 1. Digitize forms such as construction logs and site inspection records 2. Continue replacing company vehicles with hybrids </p> <p>Long-term: <ol style="list-style-type: none"> 1. Fully transition material handling equipment to green-energy-powered vehicles, with all forklifts in factories converted to electric models 2. Fully transition transportation vehicles to electric vehicles </p>

6.3 Water and Effluent Management

Pinghe Plant of CEC, located in Xiaogang District, Kaohsiung City, is dedicated to manufacturing specialty chemicals for water treatment. These products are supplied to industrial clients for use in boiler water, cooling systems, and wastewater treatment processes. The facility relies on municipal tap water to support both its production operations—including chemical manufacturing and laboratory use—and general domestic needs. Given the plant’s limited production capacity, both water usage and effluent discharge remain low. The table below summarizes the plant’s process-related water usage, excluding domestic consumption:

Pinghe Plant of CEC Process Water Usage (Unit: million liters)

Year	2022	2023	2024
Total Water Withdrawal ¹	1.326	1.293	1.173
Total Water Consumption ²	1.02	0.934	0.840
Total Effluent Discharge	0.36	0.359	0.333

Note 1: Based on water meter readings for both water withdrawal and effluent discharge.

Note 2: Calculated as: total water withdrawal minus total effluent discharge.

To treat wastewater generated on-site, the plant operates a biological treatment system that handles both process wastewater and domestic sewage. These waste streams are combined and processed sequentially through a manhole, equalization tank, aeration tank, and final sedimentation tank. After treatment, the effluent is tested in an on-site water quality lab. Only when it meets the discharge standards set by Taiwan’s Environmental Protection Administration, specifically, COD below 100 mg/L and suspended solids (S.S.) below 30 mg/L, is the treated water released via a designated outlet.

Because effluent volumes are minimal and primarily consist of domestic wastewater, the plant was granted an exemption from routine effluent testing and reporting, effective August 5, 2022 (Approval No. Kaohsiung EPA Document Tu-Zi-11137922500). Therefore, China Ecotek Corporation has not carried out a water security risk assessment related to its wastewater discharge.

6.4 Waste Management

China Ecotek Corporation generates waste primarily from two sources: routine business operations and engineering project activities. Office-generated waste, such as paper, food containers, and other daily refuse, is handled responsibly through collaboration with building management or cleaning service providers. Waste produced during engineering projects is identified and classified according to government regulations. Recyclable materials are processed through designated recycling channels, while non-recyclable waste is carefully managed through licensed and reputable disposal vendors. Whether the waste is general, industrial, construction-related, or classified as hazardous, all disposal activities are entrusted to qualified service providers to ensure full regulatory compliance and avoid illegal dumping. The greatest potential risk in waste management lies in the improper handling or illegal dumping by third-party contractors. To mitigate this, CEC strictly vets its vendors, selecting only those with strong track records, extensive experience, and no history of legal or ethical violations. Contracts are signed only after thorough due diligence to safeguard the company's interests. During execution, a waste tracking manifest system is enforced to monitor the entire disposal process. CEC also conducts unscheduled audits to confirm that all waste is legally and properly handled.

At the company's headquarters and Technical Office, all waste generated is categorized as general domestic waste. It is processed according to legal procedures by the building's management and then transferred to licensed waste handlers.

As a non-manufacturing business, CEC does not implement internal wastewater recycling in its offices or engineering stations. All wastewater is directed to the respective building or client wastewater systems, which are connected to centralized collection or public sewage networks for proper treatment.

As of 2024, China Ecotek Corporation reported no significant environmental impact related to waste disposal.

The Pinghe Plant Office of CEC, located in Linhai Industrial Park, generates general industrial waste as required by applicable regulations. The reported volumes are as follows:

Year	2022	2023	2024
Reported Volume (Tons)	12.84	12.726	11.73

6.5 Environmental Assessment of Suppliers

China Ecotek Corporation does not engage in product manufacturing; all supplier production facilities are located within legally designated industrial zones or science parks established by the government. These suppliers strictly comply with applicable environmental regulations. **In 2024, no negative environmental impacts were reported among China Ecotek Corporation's suppliers.** While no issues have occurred, the company continues to pursue its long-term goals of net-zero carbon emissions and renewable energy promotion. To support this, China Ecotek Corporation is developing a green energy supplier evaluation system and preparing to establish a dedicated green energy supplier database, aiming to prioritize such suppliers in future procurement processes.

7. Supply Chain

7.1 Fair, transparent, and honest collaboration models on the basis of mutual benefit

I. Strict requirements for qualifications

China Ecotek Corporation is a comprehensive engineering company in the engineering service industry. We provide integrated one-stop shopping services tailored to clients' needs. For the engineering projects, we need to put together many suppliers and subcontractors (contractors). Suppliers are located in China, Japan, Europe, the United States, Southeast Asia, and mainland China. We need to control supplier's equipment quality and delivery time; and subcontractors' (contractors') construction skills and quality will directly affect clients' satisfaction.

To manage subcontractors (contractors) and suppliers, we pay on-site visits or conduct quality inspections from time to time to learn if they meet quality requirements, evaluate their quality and subcontractors' (contractors') performance of contracts, and include the results as a reference for supplier selection when outsourcing construction projects next time.

When evaluating new subcontractors (contractors) and suppliers, we will conduct on-site inspections and fill out supplier evaluation forms, and require them to provide relevant certification documents to prove that they are legally registered with the government, have sound financial position, and have no tax arrears records, while confirming that they comply with the Labor Standards Act in respect of human rights and labor conditions and purchase labor insurance and health insurance for employees and employer accident liability insurance in accordance with law.

We have regarded suppliers as our partners and are committed to guiding suppliers for long-term collaboration, to jointly establish a sustainable supply chain for the engineering industry with stable development. In addition to taking into account the quality, delivery time, and prices of suppliers' products, we urge them to protect the environment, improve safety and health, and value human rights, to jointly fulfill our corporate social responsibility and duly implement risk management and a business continuity plan.

II. Clear social responsibility regulations

To promote suppliers' sustainable development, we include the clause, "Party B or its subcontractors shall not employ child workers or illegal

foreign workers or violate any human rights laws and shall not bear forced or compulsory labor risks or engage in activities that undermine employees' freedom of association or mutual agreement. Once found, Party A may terminate the contract” in contracts with subcontractors. We require suppliers to comply with applicable laws and regulations on labor rights and conflict minerals. Suppliers should comply with the laws on no child labor, working hours, wages and benefits, humane treatment, and non-discrimination to protect labor rights and conditions, while requiring them to comply with the government’s environmental laws and regulations, particularly the local government's applicable environmental laws and regulations on air pollution prevention, water pollution prevention, as well as waste and resource management. We also disclose information through the media to supervise suppliers or subcontractors for any major violations of human rights or regulations on labor, environment, safety, and health. If so, we will require them to propose corresponding improvement plans and make improvements before a deadline to meet the expectations of the public and fulfill their corporate social responsibility.

III. Emphasis on environmental management

To duly implement environmental management measures, we have established four environmental and energy management concepts: compliance with environmental laws and regulations, protection of earth resources, improved ecological protection, and fulfillment of social responsibility. We hope that China Ecotek can achieve accurate planning and effective integration and implement management and control measures in environmental management. Also, as for activities open to the public, we motivate employees to participate in social charity events, such as mountain cleanup, and invite their families to participate, so as to integrate social charity, employees, social and environmental education, and our business characteristics. Either internal business administration or connection with external environmental protection movements, we aim to become an eco-friendly and sustainable enterprise. We hope that the concept of environmental protection and energy conservation, through a two-pronged approach: organizational operations and performance management, will be in the DNA of our corporate culture, and we will gradually become an international eco-friendly and sustainably growing company in line with international trends. We work with suppliers to reduce the impact on the environment and resources and pollutants from products, to comprehensively reduce the impact of our products on the environment.

IV. Mutual benefit to create a win-win outcome

To assist suppliers with financial management, we have established a supplier price inquiry and payment system, including sending emails to notify payment amounts and schedules in advance. It also allows them to check the invoice or payment progress online after applying for a user ID. All payments will be received as scheduled after the sign-off process is completed.

We have long been treating all suppliers and subcontractors as partners based on integrity and fairness. We work closely with them, helps each other, and share prosperity, so that qualified suppliers and subcontractors (contractors) can provide products or services in line with the quality requirements to the designated location at an appropriate time and price and in the correct quantity, while ensuring that clients, China Ecotek, and suppliers and subcontractors (contractors) can create multiple wins.

V. Partnership with suppliers

Due to the accelerated pace of internationalization today, we source in the global context. In the past, procurement personnel and suppliers used to compete against each other in a zero-sum manner and were on guard against each other. Thus, it was not easy to establish a partnership of mutual trust. However, to integrate and share resources, they need to establish strategic alliances to become partners to enhance a company's competitive advantage.

7.2 Supplier Management Policy

China Ecotek Corporation's suppliers play a critical role in supporting its large-scale client projects, which span a wide range of engineering services including environmental solutions (such as water treatment, air pollution control, and waste incineration plants), electromechanical integration, cogeneration facilities, solar photovoltaic systems, conveyor systems, biotechnology engineering, equipment maintenance, and intelligent monitoring solutions. Due to the varied nature and scope of each project, procurement needs differ from case to case. To ensure the timely and reliable delivery of quality materials and equipment, China Ecotek actively evaluates supplier selection, conducts site visits when necessary, and assesses vendors' ability to meet contractual obligations and quality standards.

The company ensures all business operations adhere to applicable laws and regulations. All commercial relationships with suppliers and subcontractors are built on mutual agreement and a commitment to legal compliance and human rights. Any violations may lead to contract termination to safeguard the interests of stakeholders.

China Ecotek sources a diverse range of suppliers and subcontractors, varying in both size and capabilities, to meet client-specific project requirements. At present, suppliers are contractually obligated to uphold human rights and legal compliance. However, formal due diligence and early-warning mechanisms are not yet in place. Looking ahead, China Ecotek plans to build a tiered supplier database and collaborate with clients to incorporate relevant regulatory compliance into future contracts. Currently, the commitment to ethical conduct, particularly human rights, is already formalized in its contracts. The company is prepared to revise its contracts if clients require more extensive ESG-related clauses in the future. It also plans to hold training sessions during management meetings to reinforce these commitments, allocate responsibilities across organizational levels, and embed policy compliance into long-term business strategy.

I. Comprehensive and Rigorous Supplier Selection Criteria

China Ecotek Corporation is dedicated to building a sustainable supply chain with a strong emphasis on global environmental protection. The company actively influences its suppliers to adopt environmentally responsible practices. It consistently promotes green procurement, focusing on products that are low-pollution, energy-efficient, recyclable, and help reduce social costs. When selecting suppliers, procurement officers must conduct timely site visits to assess whether suppliers can fulfill their contractual obligations, maintain financial stability, have robust quality management systems, demonstrate sound organizational and management structures, and sustain stable labor conditions. The evaluation criteria during factory audits include technical expertise (manufacturing capacity, product quality, and technical proficiency), sales performance (competitive pricing and proven track record), product status (suitability, quality standards, and quality control), service attitude (responsiveness, delivery reliability, and after-sales support), factory environmental health and safety records, corporate reputation, and financial strength. China Ecotek Corporation actively promotes a green lifestyle, repeatedly communicating the policy of "Everyone practices environmental protection, low-carbon living for a happy and fulfilling life" in various forums. The company strives to embed this mindset deeply within its organization and surrounding communities, contributing to Taiwan's goal of becoming a low-carbon and sustainable nation.

China Ecotek Corporation maintains a strong commitment to green procurement and corporate sustainability. Through regular meetings with diverse suppliers, the company aims to communicate sustainable development principles and foster an ESG-driven mindset within all partners, encouraging efforts toward energy efficiency, carbon reduction, and environmental stewardship in procurement practices.

The company places great importance on the environmental and social impacts on supplier communities and collaborates closely with suppliers to advance sustainable development. Since late 2021, China Ecotek Corporation has included a clause in its inquiry and purchase orders stating that both parties must adhere to their sustainable development policies. Should a supplier breach these policies and cause significant harm to the environment or communities in the supply chain, China Ecotek reserves the right to terminate or cancel the contract immediately. This measure helps enforce supplier accountability and minimize negative environmental effects throughout the supply chain.

China Ecotek Corporation Green Supplier Management Evaluation:

- (I) Products must possess green product certifications, carbon reduction labels, environmental labels, energy efficiency labels, or green building material certifications issued by Taiwan's Bureau of Standards, Metrology and Inspection, or recognized international labels accredited by Taiwan.
- (II) Environmental compliance: Products must meet all applicable environmental laws and standards.
- (III) Product life cycle assessment: Materials and components are evaluated for ease of disassembly, recyclability, and reuse.
- (IV) Product composition analysis: Testing reports must confirm the absence of toxic or harmful substances and regulated concentrations.
- (V) Energy-saving modes: Products should display energy usage clearly to enable effective energy management.
- (VI) Packaging must comply with green standards.
- (VII) Electronic waste must be properly managed and disposed of.

The supply chain features a complex multi-layered division of labor, and suppliers often find themselves in a reactive role. This reflects that industry-wide consensus on sustainability is still developing. Therefore, influencing suppliers is challenging and requires time to build into a broader industry norm. Managing suppliers, from selection through ongoing oversight and support, is a continuous process. Historically, suppliers were chosen based on low cost, high quality, and reliable delivery. Today, with green supply chain management, ESG and sustainability criteria are increasingly incorporated into supplier selection. The key is to make a strong public commitment, drawing supplier attention to sustainability issues, and gradually extending these practices throughout the entire supply chain.

II. Fair Business Operations Management

In adherence to the principle of integrity, China Ecotek Corporation has established clear regulations regarding the treatment of suppliers who breach this principle, publicly posted on the company's integrated resource planning (ERP) platform. Suppliers are strictly forbidden from offering bribes, gifts, commissions, payments, tokens of appreciation, or any other improper benefits to China Ecotek Corporation's appointed managers, employees, part-time workers, their spouses, immediate family members, consultants, or contracted design and planning firms. Any violations will result not

only in legal action in accordance with government regulations but also permanent disqualification as a supplier with China Ecotek Corporation. Employees involved in such incidents will face disciplinary measures consistent with company policies on workplace conduct.

III. Collaborative Promotion of Green Procurement with Supply Chain Partners

In response to government initiatives on energy conservation, carbon reduction, and environmental protection, China Ecotek Corporation has, since 2012, integrated products bearing energy-saving, water-saving, environmental, or green building certifications in office renovations and lighting upgrades. Newly constructed offices and factories utilize energy-efficient lighting. Together with property owners and downstream contractors, China Ecotek Corporation prioritizes the selection of green and eco-friendly materials, fully supporting government policies aimed at sustainability. The company also encourages the use of environmentally certified office supplies, computer equipment and accessories, recycled paper towels, and eco-friendly cleaning products.

China Ecotek Corporation is deeply committed to promoting a green lifestyle. At various company meetings, it consistently advocates the policy of “Everyone practices environmental protection, lives a low-carbon lifestyle, and enjoys happiness and fulfillment,” aiming to embed this ethos at all levels and extend its influence, helping Taiwan progress toward a low-carbon and sustainable society.

The company places ongoing high priority on green procurement and corporate sustainability. Through regular meetings with diverse suppliers, China Ecotek Corporation strives to instill sustainable development values and attitudes, encouraging partners to embed ESG principles in their business practices. The company advances green procurement initiatives focused on energy saving, carbon reduction, and environmental stewardship. Across all its offices, China Ecotek promotes continuous environmental awareness and energy efficiency by establishing open long-term contracts for eco-friendly materials, selecting recycled paper and energy-efficient lighting, and utilizing certified green building materials and 3C (computer, communication, consumer electronics) products.

7.3 Analysis of Key Suppliers

China Ecotek Corporation does not maintain fixed standard products. Its main procurement consists of labor costs and machinery and equipment inputs. The duration of various projects is determined by specific contracts and often extends across multiple years, leading to variable procurement timelines.

The procurement spending distribution by supplier region in 2024 is as follows:

Region	Number of Suppliers	Percentage of Suppliers (%)	Percentage of Spend (%)
Taiwan	413	94.29%	88.93%
China	10	2.28%	0.38%
Japan	5	1.14%	8.61%
Hong Kong	1	0.23%	1.58%
Singapore	3	0.68%	0.09%
Vietnam	1	0.23%	0.06%
Germany	4	0.91%	0.21%
United States	1	0.23%	0.14%

7.4 Collaborative Partners

Guided by the principle of partnership, China Ecotek Corporation actively works with subcontractors to improve their workforce composition and labor conditions. The company fosters mutual trust by providing subcontractors with stable outsourcing opportunities, offering guidance, training, evaluations, and implementing management systems. All personnel assigned by subcontractors to client sites must comply with government insurance requirements, wear standardized uniforms and safety gear, and adhere to the client's safety and health regulations. Any violations will be subject to disciplinary action. China Ecotek Corporation evaluates subcontractors according to its management policies, temporarily suspending those who breach regulations while offering necessary support and coordination with site teams.

China Ecotek Corporation has established long-term business partnerships with subcontractors by signing long-term maintenance and project contracts. By supporting subcontractors in training skilled mechanical and electrical maintenance staff, the company effectively reduces its own labor costs. Each subcontractor is able to apply their specialized expertise and nurture professional talent over the long term. This collaborative approach has earned sustained support and recognition from clients.

To build stable partnerships with subcontractors, China Ecotek Corporation employs the following methods:

- I. Rigorous qualification screening: Subcontractors must demonstrate relevant contracting experience, proper construction grading, environmental, safety, and health certifications, compliance with national product standards, sound financial standing, good reputation, and performance evaluation records. They must also complete vendor registration before qualifying as bidders for China Ecotek Corporation's projects.
- II. Well-structured contracting process: Every contract with subcontractors must undergo a formal bidding process before being awarded. The process is as follows:
 - (I) Project contracting request: The project team submits a contracting request through the ERP system. Once approved by the authorized supervisor, the request goes to the Procurement Department for processing.

- (II) Proposal for contractor selection and price negotiation: This step involves selecting subcontractors and determining contracting methods. The Procurement Department may invite other qualified subcontractors, beyond those suggested by the project team, to participate in the bidding. This adheres to ISO 9001 “Project Contracting Management Procedures” (excluding designated vendors) and helps prevent organizational bias or subcontractor collusion that could undermine fair market competition.
- (III) Contracting method approval: According to the “Project Contracting Responsibility Division Procedures,” an opening host is designated and a base price is set. This base price remains confidential until the host confirms it at the bid opening. No one may access the base price beforehand, and it remains undisclosed even after the bidding process concludes.
- (IV) Invitation to bid: Authorized personnel send bidding documents, including “Bidding Instructions,” “Quotation Forms,” and “Construction Descriptions and Drawings,” to approved subcontractors, formally inviting them to bid.
- (V) Bid opening and evaluation: On the scheduled date stated in the “Bidding Instructions,” the bid opening host, procurement staff, and other relevant personnel conduct the bid opening alongside the bidders. The winning subcontractor signs the “Project Agreement.” Procurement then records the bid results in the ERP system for supervisory approval before finalizing the contract.

III. Clear and Rigorous Breach of Contract Policies

In the event of any breach during contract execution, the following principles will apply:

- (I) Penalties for project delays or violations of environmental, safety, and health regulations will be deducted from payments according to contract terms.
- (II) For severe breaches, actions will be taken based on the severity as follows:
 - 1. Suspension of eligibility for one year, in accordance with China Ecotek Corporation’s “Vendor Performance Evaluation” policy.
 - 2. Permanent termination of business relations, also governed by the “Vendor Performance Evaluation” policy.
 - 3. Contract termination as stipulated in the “Contract Termination” clause of the respective agreements.

- IV. Objective Scoring and Oversight System: Subcontractors are assessed on engineering controls, construction quality, operational standards, and occupational safety and health for each contracted project.
- V. Multiple Communication Channels for Contract Dispute Resolution: Throughout the bidding, awarding, contracting, and contract execution phases, if any disputes occur between China Ecotek Corporation and its subcontractors, the following communication protocols are followed to ensure effective resolution:
- (I) During the bidding and bid opening phase, all commercial terms must be clearly specified in the bidding instructions and specifications before price bids are opened. The organizing unit is responsible for clarifying these terms and documenting them in the "Engineering Agreement" before proceeding with bid opening.
 - (II) At the awarding and contract signing stage, winning bidders must submit a performance bond as required by China Ecotek Corporation's "Bidding Instructions." If a subcontractor cannot provide the bond, the management unit will notify the organizing unit to discuss and assist in resolving the issue.
 - (III) During contract execution, disputes are addressed as follows:
 - 1. For disputes unrelated to pricing, subcontractors should directly contact the project organizer for assistance.
 - 2. For disputes involving pricing terms, subcontractors should first seek verbal clarification with the project organizer following the above process. If no agreement is reached, a written statement should be submitted. The project organizer will then coordinate with relevant departments to determine the best solution and respond to the subcontractor.
 - 3. While all contracts include a litigation clause, China Ecotek Corporation generally avoids pursuing legal action to resolve serious disputes in favor of maintaining long-term partnerships. Litigation will only be pursued if a subcontractor maliciously defaults and refuses to cooperate.

VI. Comprehensive Insurance Coverage for All Personnel

China Ecotek Corporation mitigates financial risks from occupational accidents by annually providing Employer's Liability and group insurance coverage for employees and subcontractors. Visitors are covered by Third-Party Liability Insurance. Each contract requires subcontractors to insure their employees with Employer's Liability and Workers' Compensation Insurance. This ensures risk distribution and provides comprehensive occupational safety and accident protection for all personnel involved.

VII. Transparent and Proactive Financial Management Support

China Ecotek Corporation maintains a good relationship with subcontractors by assisting them in financial management. In addition to proactively notifying subcontractors of payment information via email, the company also provides a web portal where subcontractors can log in to check historical payment records. If subcontractors have funding needs, upon passing project progress inspections, China Ecotek Corporation may approve early payment within the scope of deducting necessary costs, helping subcontractors better control and manage their cash flow.

VIII. Subcontractor Performance Evaluation

China Ecotek Corporation implements a strict evaluation system for subcontractors. Regarding occupational safety, besides rigorous inspections and penalties, each worksite conducts monthly evaluations of subcontractors' safety performance. Quarterly bonuses are awarded to subcontractors who excel in safety performance. Additionally, individual workers with outstanding safety records are reported monthly by each worksite and given appropriate rewards.

Due to the wide variety and differing scales of contracted projects, the company categorizes and grades subcontractors through evaluations to select qualified partners that meet China Ecotek Corporation's requirements, ensuring project quality and schedule. Subcontractor evaluations are classified as follows:

- (I) Professional subcontractors within the CSC Group
- (II) Professional subcontractors outside the CSC Group

Subcontractors are categorized based on their professional expertise, including technical services (design), civil and construction engineering, instrumentation and electrical engineering, steel structure fabrication, mechanical fabrication, piping, insulation, fire protection, cold work and welding, environmental engineering, pickling and painting, automotive and machinery maintenance, storage tank fabrication, refractory installation, scaffolding, air conditioning, biotechnology plants, and others. Evaluation criteria include capital size, quality management systems, business management, manufacturing equipment, technical capabilities, equipment skills, and environmental, safety, and health management. Higher evaluation scores will prioritize subcontractors as preferred bidders during negotiations.

IX. Integrity Clause

China Ecotek Corporation and its subcontractors agree to adhere to strict integrity standards. The following violations will lead to permanent termination of business relationships:

- (I) Subcontractors causing significant losses due to contractual breaches.
- (II) Deliberately making false accusations against China Ecotek Corporation employees or the company to government officials, resulting in criminal or administrative penalties.
- (III) Proven involvement in illegal activities such as bid manipulation or collusion.
- (IV) Proven cases of offering bribes, gifts, commissions, gratuities, or other improper benefits to China Ecotek Corporation's appointed managers, employees, part-time staff, their spouses, immediate family members, consultants, or design and planning contractors.
- (V) Subcontractors must comply with all human rights laws and must not engage in forced or compulsory labor, or infringe on employees' rights to freedom of association and collective bargaining. Discovery of any violations may result in immediate contract termination.

X. Contract Management

To mitigate performance risks, from contract negotiation and signing with the client through to the fulfillment and completion of all subcontractor agreements, the following measures are implemented:

- (I) Conduct contract analysis to minimize performance risks.
- (II) Ensure project progress and performance comply with contractual requirements.
- (III) Monitor personnel to ensure contract compliance.
- (IV) Support the resolution of any issues arising during contract execution.
- (V) Maintain records of relevant facts, evidence, and documentation throughout the contract lifecycle.

Key objectives:

- (I) Identify and control risks to minimize their occurrence.
- (II) Monitor project progress, assess status, and report any deviations.
- (III) Guarantee that all services provided by the client, China Ecotek Corporation staff, subcontractors, and suppliers adhere strictly to contract terms.

7.5 Membership Associations

The associations in which the Company participates are mainly related to the Company's business and strategic needs. Through exchanges with and learning from other members, we can enhance our relevant knowledge and skills and expand the network of contacts. The associations in which the Company participates are as follows:

Category	Name	Position	Reasons for participation
Association	Taiwan Energy/Engineering Service Company Association	Member	Acquiring new energy skills and industry knowledge to help clients improve energy efficiency.
	Water Affairs Organization · Taiwan	Member	Strengthening information sharing and collaboration within the water industry.
	Taiwan Power and Energy Engineering Association	Member	Strengthening information sharing and collaboration within the electric power and energy sector.
Societies	Chinese Institute of Mining and Metallurgical Engineers	Member	Promoting information exchange and cooperation in the mining and metallurgy business.
	Chinese Institute of Engineers, Kaohsiung	Member	Strengthening exchanges and collaboration with engineers and adopting new engineering technologies.
	Chinese Institute of Engineers	Member	Strengthening exchanges and collaboration with engineers and adopting new engineering technologies.
Industry Associations	Taiwan Electrical Contractors Association	Member	Legal requirement
	Taiwan Plumbing Engineering Industry Association	Member	Legal requirement
	Kaohsiung Chamber of Industry	Member	Legal requirement
	Kaohsiung Professional Environmental Engineers Association	Member	Legal requirement
	PVGSA	Member	Increasing communication and interaction with other competitors in the region to enhance professional skills and experience
	Taiwan Environmental Engineering Association	Member	Legal requirement

8. Employees

8.1 Talent selection, cultivation, and retention

To select, educate and retain talents, we are aware of and meet our employees' needs with a complete system and sincerity. We have taken the following measures:

- I. Implementing a performance management system as the basis for rewards, pay rise, and promotions;
- II. Actively implementing a mentoring system to allow new employees to pick up engineering skills and understand our corporate culture, while shorten their personal learning curve with senior employees as their mentors;
- III. Implementing a work rotation mechanism, paying attention to employees' career development paths and self-realization, and providing assistance when they apply for job transfer due to personal reasons. A total of 19 employees had job rotations and participated in the training program during 2024.

The employee turnover rate has stabilized in recent years, which is conducive to our talent training and sustainable development.

8.2 Workplace Equality and Non-Discrimination

To support sustainable development and protect the basic human rights of employees, customers, and stakeholders, China Ecotek Corporation adheres to international human rights standards, including the United Nations Universal Declaration of Human Rights and International Labour Organization conventions. The company respects fundamental rights such as freedom of association, care for vulnerable groups, the eradication of forced labor, and the elimination of discrimination in employment. It also complies fully with local labor laws. China Ecotek Corporation strictly follows the Labor Standards Act, has never employed child labor, and **from its founding through 2024 has never hired anyone under 16 years old, nor allowed forced labor.**

Committed to equal employment opportunities as a core human right, China Ecotek Corporation evaluates job candidates and employees solely on their professional skills and experience. The company's hiring, selection, placement, performance reviews, and promotions are free from discrimination based on race, social status, language, beliefs, religion, political affiliation, origin, birthplace, gender, sexual orientation, age, marital status, appearance, physical or mental disabilities, zodiac sign, blood type, or past union membership. **In 2024, there were no reported incidents of human rights violations or discrimination in recruitment or employment.**

8.3 Employee Structure

As of the end of 2024, China Ecotek Corporation employed 1,181 full-time permanent staff, including 1,177 Taiwanese employees and 4 foreign nationals. Among them, 8 employees were indigenous people (0.67% of the workforce) and 16 were persons with disabilities (1.35%). The average age of employees was 44.1 years, with an average tenure of 14.1 years. The company does not employ temporary workers, guaranteed-hour employees, or part-time staff. To meet business demands, China Ecotek Corporation engaged 27 agency-dispatched workers at the end of 2024 (18 men and 9 women). These workers performed roles such as executive chauffeurs, administrative management, engineering sales, design, supervision, and operations maintenance. Starting in 2023, for the third phase construction project of the coking furnace and CDQ system, the company began hiring foreign migrant workers under fixed-term project contracts. By the end of 2024, 75 foreign migrant workers were employed under these contracts. Because China Ecotek operates within the engineering services sector, the workforce is predominantly male, resulting in a noticeable gender imbalance.

Company-Wide Full-Time Permanent Employees by Role and Gender

Year	Category Gender	Managerial		Professional		Entry-Level		Subtotal		Total
		Female	Male	Female	Male	Female	Male	Female	Male	
2022		12	133	61	343	91	542	164	1,018	1,182
2023		12	128	66	343	95	551	173	1,022	1,195
2024		13	130	68	335	93	542	174	1007	1,181

Foreign Migrant Workers on Fixed-Term Project Contracts by Role and Gender

Year	Category Gender	Managerial		Professional		Entry-Level		Subtotal		Total
		Female	Male	Female	Male	Female	Male	Female	Male	
2023		0	0	0	0	0	82	0	82	82
2024		0	0	0	0	0	75	0	75	75

Company-Wide Analysis of Non-Employee (Agency-Dispatched) Workers

Year	Male	Female	Total
2022	14	4	18
2023	16	11	27
2024	18	9	27

2024 Age Distribution of Full-Time Permanent Employees (Including Both Domestic and Foreign Nationals)

Age	Managerial				Professional				Entry-Level				Subtotal				Total
	Female	%	Male	%	Female	%	Male	%	Female	%	Male	%	Female	%	Male	%	
21-25	0	0	0	0	3	0.74	1	0.25	1	0.16	7	1.10	4	0.34	8	0.68	12
26-30	0	0	0	0	3	0.74	15	3.72	8	1.26	38	5.98	11	0.93	53	4.49	64
31-35	0	0	1	0.70	10	2.48	22	5.46	19	2.99	42	6.61	29	2.46	65	5.50	94
36-40	2	1.40	8	5.59	15	3.72	60	14.89	20	3.15	116	18.27	37	3.13	184	15.58	221
41-45	2	1.40	26	18.18	16	3.97	87	21.59	19	2.99	153	24.09	37	3.13	266	22.52	303
46-50	4	2.80	22	15.38	8	1.99	59	14.64	15	2.36	112	17.64	27	2.29	193	16.34	220
51-55	4	2.80	37	25.87	5	1.24	48	11.91	8	1.26	48	7.56	17	1.44	133	11.26	150
56-60	0	0.00	26	18.18	5	1.24	33	8.19	2	0.31	20	3.15	7	0.59	79	6.69	86
≥61	1	0.70	10	6.99	3	0.74	10	2.48	1	0.16	6	0.94	5	0.42	26	2.20	31
Total	13	9.10	130	90.89	68	16.86	335	83.13	93	14.65	542	85.34	174	14.73	1,007	85.27	1,181

8.4 Employee Turnover

China Ecotek Corporation manages personnel transfers and retirements in compliance with regulations. Employees who reach the age of 65 may choose to retire under the Labor Standards Act, negotiate for an extension with the company, or voluntarily retire early in accordance with the law. The guidelines for transfers and retirements are as follows:

- I. Transfers: Transfers require prior discussion and approval from the direct supervisor before implementation and announcement. All labor transfers adhere to the five principles outlined in the Labor Standards Act. If a transfer causes difficulties in fulfilling job duties, employees may terminate their labor contract according to resignation policies or file complaints handled under labor dispute procedures.
- II. Retirement and Separation: The company has formal policies covering retirement, pensions, occupational injury compensation, and severance. Beyond statutory requirements, the company offers pension and occupational injury benefits that exceed legal standards.
A legally established Labor Retirement Fund Supervisory Committee oversees contributions. Based on actuarial evaluations, the company makes monthly contributions to the old pension system fund at a rate of 5.98% of total salaries for employees under that system. For those covered by the new pension system, the company contributes 6% of insured wages monthly to individual accounts managed by the Labor Insurance Bureau. Employees may also make voluntary additional contributions.
Employees who are laid off receive advance notice or wage compensation as required by law, and the company reports the layoffs accordingly. In addition to severance pay, the company supports employees in applying for government unemployment benefits due to involuntary separation.
- III. Employee Departures: In 2024, 46 employees left the company, representing a turnover rate of 3.89% (departures divided by year-end headcount). Additionally, there were 7 retirements, 3 deaths while employed, 3 unpaid leaves of absence, and no transfers to affiliated companies.
- IV. New Hires: In 2024, 29 new employees joined the company. Among them, 3 returned from unpaid leave, and 3 managers were seconded from the parent company, China Steel Corporation.

Analysis of Domestic Employee Turnover

Turnover		2022		2023		2024	
		Number	Percentage	Number	Percentage	Number	Percentage
Gender	Male	22	1.86%	32	2.68%	38	3.22%
	Female	1	0.08%	4	0.33%	8	0.68%
Age Group	>50	1	0.08%	4	0.33%	10	0.85%
	30~50	15	1.27%	25	2.09%	31	2.62%
	<30	7	0.59%	7	0.59%	5	0.42%

Note: Year-end total headcount was 1,182 in 2022, 1,195 in 2023, and 1,181 in 2024.

Analysis of Domestic Employee Recruitment

Recruitment		2022		2023		2024	
		Number	Percentage	Number	Percentage	Number	Percentage
Gender	Male	24	2.03%	35	2.93%	22	1.86%
	Female	8	0.68%	9	0.75%	7	0.59%
Age Group	>50	1	0.08%	0	0	1	0.08%
	30~50	16	1.35%	19	1.59%	17	1.44%
	<30	15	1.27%	25	2.09%	11	0.93%

Note: Total headcount at year-end was 1,182 in 2022, 1,195 in 2023, and 1,181 in 2024.

2024 Full-Time Employee Length of Service Analysis Table

Length of Service	Managerial				Professional				Entry-Level				Subtotal				Total
	Female	%	Male	%	Female	%	Male	%	Female	%	Male	%	Female	%	Male	%	
0-5	0	0.00	2	1.40	17	4.22	40	9.93	22	3.46	98	15.43	39	3.30	140	11.85	179
6-10	5	3.50	8	5.59	22	5.46	71	17.62	27	4.25	120	18.90	54	4.57	199	16.85	253
11-15	3	2.10	16	11.19	15	3.72	87	21.59	27	4.25	184	28.98	45	3.81	287	24.30	332
16-20	2	1.40	42	29.37	6	1.49	82	20.35	11	1.73	105	16.54	19	1.61	229	19.39	248
21-25	0	0.00	12	8.39	0	0.00	8	1.99	0	0.00	6	0.94	0	0.00	26	2.20	26
>25	3	2.10	50	34.97	8	1.99	47	11.66	6	0.94	29	4.57	17	1.44	126	10.67	143
Total	13	9.10	130	90.91	68	16.88	335	83.14	93	14.66	542	85.36	174	14.74	1,007	85.26	1,181

8.5 Employee Benefits

China Ecotek Corporation is committed to creating a supportive and comprehensive work environment by offering strong employment conditions and a wide range of employee benefits. In addition to organizing welfare activities through an internal Employee Welfare Committee, the company provides the following benefits to all full-time employees:

- I. Beyond statutory labor and health insurance, the company offers group insurance that includes life, medical, accident, and cancer coverage. Employees' spouses and children can also join this insurance plan at preferential self-paid rates, easing the financial burden of family care and offering greater protection against unexpected life events.
- II. In the unfortunate event of an employee's death while in service (non-occupational), the company not only assists with funeral arrangements but also ensures financial support for the family. For employees who were under the old pension scheme governed by the Labor Standards Act, a lump-sum compensation is provided to the surviving family members based on the old retirement standards. A minimum of five years of service is used for the calculation, even if the employee had served less. However, any retirement funds already contributed under the new system (Labor Pension Act) are deducted. For all other employees under the new scheme, benefits are provided in accordance with its provisions. In addition, if suitable positions are available, the company may offer employment opportunities to the deceased employee's family members.
- III. To help employees build financial security after leaving the company or retiring, China Ecotek launched the "Employee Stock Subscription Guidelines" in 1998 and established the "Shareholding Trust Committee" in 2006. These initiatives encourage employees to become shareholders and align their professional growth with the company's success, offering a sense of ownership and long-term financial benefits.

In 2023, the labor-management committee, aiming to bridge the gap between the old and new pension systems and boost the company's competitiveness in retaining talent, proposed an increase in retirement benefits under the new scheme. With board approval, the company began contributing an additional 2% of corporate funds into the employee shareholding trust accounts to strengthen future retirement security.

Starting in 2024, employees who were originally under the old pension system and voluntarily switched to the new Labor Pension Act system can

apply to settle their old-system seniority. Final settlements will be calculated based on Article 55 of the Labor Standards Act. The company has committed to transferring the full settlement amount directly into the employee's individual account under the new system. This allow the funds to accrue interest, ultimately enhancing future retirement payouts.

The company is also working proactively with group insurance providers to secure better premium rates and enhanced insurance terms for retirees, further supporting their financial well-being after retirement.

IV. Employee Welfare Activities Administered by the China Ecotek Corporation Employee Welfare Committee

- (I) The Employee Welfare Committee hosts annual team-building events and sports competitions to enhance employee cohesion and promote well-being. In 2024, a total of nine team-building activities were conducted, with participation from 1,638 employee family members. Club-organized large-scale events throughout the year included bowling and billiards tournaments, badminton and slow-pitch softball games, and a company-wide camping trip.
- (II) To support employee wellness and work-life balance, China Ecotek Corporation actively encourages the formation of employee clubs. The company provides seed funding for newly established clubs and allocates annual subsidies to support ongoing activities. For larger club-led events, additional manpower and financial resources are also offered. By the end of 2024, the company had established 23 clubs. Annual welfare expenditures totaled NT\$22,439,269, an increase of NT\$3,225,269 compared to the previous year.

(III) Other Welfare Programs Provided

Employee consumer loan facilitation at preferential interest rates
Cash gifts for holidays and birthdays
Financial support for marriage and childbirth, as well as consolation payments for hospitalization or bereavement
Access to cultural and arts events
Team-building programs
Discounts through affiliated partner stores
Seasonal gift packages
Support for employee club activities

8.6 Employees on unpaid parental leave

Family is an crucial source of motivation for employees to work. We encourage and support employees to apply for unpaid parental leave if necessary, so that they can take care of their families. For those who have been employed for six full months, they can be on unpaid parental leave before each of their children turns three. For those who are taking care of two or more children at the same time, their parental leave period is counted together, and the longest period is two years for the youngest child.

Item	2022			2023			2024		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Number of people who are qualified to apply for unpaid parental leave for the year (A)	27	128	155	14	81	95	8	14	22
Number of people who applied for unpaid parental leave in the year (B)	7	2	9	2	0	2	3	0	3
Number of people who should be reinstated after unpaid parental leave in the year (C)	6	1	7	5	1	6	1	0	1
Number of people who should be reinstated after unpaid parental leave and were reinstated in the year (D)	6	1	7	4	1	5	1	0	1
Reinstatement rate (D/C) x100	100%	1	100%	80%	1	83%	100%	0	100%
Number of people who were reinstated after unpaid parental leave in the prior year (E)	2	1	3	6	1	7	4	1	5
Number of people who were still employed 12 months after reinstatement from unpaid parental leave (F)	2	1	3	2	1	3	4	1	5
Retention rate (F/E) x100	100%	100%	100%	33.3%	100%	42.9%	100%	100%	100%

Note 1: (A): Number of employees who took maternity or paternity leave during the reporting year.

(F): Number of employees who returned from parental leave in the previous year and remained employed for at least 12 months.

Return-to-work rate = (Total number of employees who actually returned from parental leave / Total number of employees expected to return from parental leave) × 100

Retention rate = (Number of employees still employed 12 months after returning from parental leave / Number of employees who returned from parental leave during the previous reporting period) × 100

Note 2: The retention rate for 2023 appears relatively low because employees who had returned from leave but had not yet reached 12 months of continuous service were excluded.

8.7 Long-term recuperation and care for employee with injuries or illnesses

When an employee suffers from an injury or illness, the total number of days of regular sick leave (no hospitalization) exceeds 30 in one year, such a number (including hospitalization) exceeds one year in two years, or such a number (including both no hospitalization and hospitalization) exceeds one year in two years, and if they have not yet recovered even after the all personal leave or paid leave has been used, they may apply for unpaid leave for no more than one year. There were six male and no female employees applying for unpaid leave due to illness in 2024.

There are 15 days of paid regular sick leave per year. If an employees still needs to continue to take sick leave after using paid leave may apply for special regular sick leave in accordance with the regulations below:

- I. Those who need to be hospitalized or recuperate at home due to a non-serious injury or illnesses may apply for special sick leave with half pay for the first six months and no pay for the remaining six months or apply for unpaid special regular sick leave for one year. There were four male and no female employees applying for special sick leave with half pay or no pay in 2024.
- II. Those who need to be hospitalization or long-term recuperation due to a serious injury or illnesses may apply for special regular sick leave with full pay for the first six months and half pay for the remaining six months. There were a total of two male and no female employees applying for special sick leave with full pay in 2024.

8.8 Employee education and training

Employees are an enterprise's most crucial asset for sustainable development. The Human Resource Division under the Management Division is responsible for drawing up and executing training plans and budgets. To train the talents needed for the Company's business development, it reviews business conditions per year and offers training accordingly, while motivating employees to engage in self-directed learning to enhance their professional knowledge and relevant skills.

Talent cultivation and development strategy						
Company strategy	Goals	Developing six core engineering fields; moving outside the group and toward the global stage Enhancing the competitiveness of EPC projects and creating a sustainable enterprise where employees work happily				
Organizational analysis	Each department's strategic plan		Each unit's action plan		Organizational restructuring	
Manpower examination	Future manpower needs analysis		Current manpower analysis		Manpower needs plans	
Human resources activities	Salary performance management	Recruitment and selection	Attendance and performance management	Training and development	Career development program	Others

- I. New employee training: China Ecotek Corporation attaches great importance to personnel training. After new employees are hired, we immediately offer training on their rights, internal rules and regulations (including the anti-corruption policy and procedure), the Occupational Safety and Health

Act, and the Labor Standards Act, as well as other training on human rights. In the process of developing talents, we are also constantly exploring organizational and personal needs, reviewing business conditions and skills needed for positions at any time, planning a training and development system and regulations, while gradually carrying out various necessary training projects, along with ph

- II. Training and Education: In compliance with relevant regulations, China Ecotek Corporation actively promotes occupational safety and health training programs within the organization to ensure employee safety and well-being. In addition, the Company provides various forms of professional training for its employees. In 2024, with the easing of pandemic-related restrictions, in-person training sessions resumed, and digital learning courses were also acquired. Total training expenses amounted to NT\$2.24 million. The average training hours per employee across the Company reached 13.1 hours, including internal training, digital courses, and external training programs.

Education and training in 2024

	Number of trainees	Total hours of training	Total number of employees	Average hours per person
Female	183	2,465	174	14.2
Male	1,032	13,053	1,007	12.9
Managerial positions	144	1,596	143	11.2
Professional positions	413	6,183	403	15.3
Entry-level positions	658	7,739	635	12.2
Total	1,215	15,518	1,181	13.1

III. A successor training program and mentoring mechanism: It is to maintain the organization's core competitiveness, create a culture of sharing to pass on skills, stimulate personal enthusiasm for learning, and enliven the organizational atmosphere.

We have developed a complete training system based on our talent development strategy. During the year-end performance evaluation, we review all employees' performance and assess their job plan. Through an e-training management system, we establish individual learning maps, carefully assess training courses, and develop diverse learning means to allow employees to continue to grow through learning. In line with the Company's development strategy toward internationalization, we also launched an international language training program to broaden employees' international horizon. To improve engineering design skills, we actively purchase various 3D software products, hold 3D design seminars and training camps, establish 3D design modules, and adopt 4D (time factor included) construction procedures. We continue to cultivate better and more international talents as the Company's core strategy and necessary long-term investment. We spare no effort to optimize learning resources to improve the our training quality so as to become an internationalized company.

8.9 Employee Rights

China Ecotek Corporation abides by labor and human rights laws and regulations at home and abroad and treats all employees in an equal and respectful manner, including:

- I. We set working conditions in accordance with the government's labor laws and regulations;
- II. We provide equal job opportunities to all job seekers in accordance with the Employment Service Act;
- III. We provide employees with a grievance channel when their legitimate rights are infringed or they are mistreated and cannot reasonably resolve it;
- IV. When an employee receives a major reward or punishment from the Company, the responsible unit should submit a report for review, and the Guidelines on the Establishment of a Reward and Punishment Evaluation Committee are in place;
- V. To provide employees and job seekers with a work environment free from sexual harassment and prevent sexual harassment from happening in the workplace, we have the Regulations for Establishing Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment at Workplace in place.
- VI. We have clear rules and complete systems for employees' salary, evaluation, promotion, rewards and punishments, and bonuses in place, and have published them in the internal rules on the intranet for employees to check at any time.
- VII. We have formulated work rules in accordance with the Labor Standards Act and the Act of Gender Equality in Employment. We comply with the laws and regulations on all employees' labor contracts, wages, working hours, break, vacations, leave, and retirement. Our occupational accident compensation and death in service compensation policies are also better than legal requirements.
- VIII. We select and send labor representatives in accordance with the law to participate in labor-management meetings, collective bargaining agreement meetings, Employee Welfare Committee meetings, Occupational Safety And Health Committee meetings, Reward and Punishment Review Committee meetings, Supervisory Committee of Labor Retirement Reserve meetings, and Sexual Harassment Prevention Committee meetings, to protect workers' rights and benefits.

- IX. Employee health examination: We hold physical health examinations and occupational illness prevention health examinations for each employee per year, better than the interval and examination items specified by laws and regulations. We are committed to taking care of employees' health and paying attention to their physical conditions at work at all times, so that they can work without worries and their families can rest assured.

8.9.1 Comprehensive Compensation Management System

China Ecotek Corporation has established a comprehensive compensation system, along with clear promotion and performance appraisal mechanisms, and rigorously implements performance-based management. In 2024, the total employee compensation (including bonuses and incentives) amounted to NT\$1.623 billion, representing an increase of NT\$56 million compared to 2023. The average annual salary adjustment ranged between 3.5% and 4.5%. In addition to mandatory labor insurance and health insurance, the Company contributes to employee retirement accounts in accordance with the Labor Standards Act and the Labor Pension Act. Our core compensation principles include:

- I. Starting salaries for new employees are determined based on prevailing market rates, taking into consideration the individual's academic background, professional experience, and relevant years of service. No differentiation is made on the basis of race, class, language, ideology, religion, political affiliation, place of origin, birthplace, gender, sexual orientation, age, marital status, appearance, facial features, physical or mental disability, astrological sign, blood type, or previous labor union membership.
- II. In 2024, the minimum starting salary for new employees was 1.27 times the statutory minimum wage. The average monthly salary for entry-level positions held throughout the year was 1.66 times the statutory minimum wage, 1.72 times for male employees and 1.51 times for female employees.
- III. In 2024, the average basic salary ratio between female and male employees in Taiwan was 1:1.14, while the average total compensation ratio was 1:1.21. Due to the nature of the engineering industry, female employees predominantly hold administrative or office-based positions, whereas male employees are often assigned to on-site or overseas project locations. These roles typically receive additional allowances, subsidies, and project-based bonuses, leading to higher overall compensation for male employees. Furthermore, the highly flexible personnel deployment required for

each engineering project results in significant variations in workforce structure, making it impractical to analyze gender-based compensation ratios by operational location. Therefore, gender-based compensation analysis is conducted using the aggregate numbers across all job categories throughout the company.

Analysis of the ratio of women's monthly minimum wage to men's

2024	Managerial position		Professional position		Entry-level position		Subtotal	
	Female	Male	Female	Male	Female	Male	Female	Male
Ratio of women's average monthly minimum wage to men's	1.00	1.09	1.00	1.31	1.00	1.14	1.00	1.14
Ratio of women's average annual salary to men's	1.00	1.13	1.00	1.19	1.00	1.19	1.00	1.21

- IV. One should apply for paid leave during the year in which the leave is granted. The number of unused days of the leave can be converted to pay at the end of the year or one can choose to retain it for the following year but it should be ten days or fewer, and the total number of days of the annual paid leave should not exceed 30 days. For unused hours of leave converted from working overtime, overtime pay will be paid.
- V. We have annual bonuses for not taking days off and earnings performance bonuses in place that are better than the requirements under the Labor Standards Act and have the employee remuneration payout regulations in place in accordance with the Company Act.
- VI. The ratio of the annual total remuneration of the Company's highest-paid individual to the median annual total remuneration of all other employees (excluding the highest-paid individual) is 4.87 to one. (Including the salaries of domestic and foreign migrant employees who have served for more than six months, so the ratio has increased significantly.)
- VII. The ratio of the median annual total remuneration increase (%) of the Company's highest paid individual to the median annual total remuneration increase percentage (%) of all other employees (excluding the highest paid individual) is 2.06 to one. (Including the salaries of domestic and foreign migrant employees who have served for more than six months, so the ratio has increased significantly.)
- VIII. Information on non-managerial full-time employees:

Item	2023 (A)	2024 (B)	Difference(B-A)
Number of non-managerial full-time employees	1,266 People	1,262 People	-4
Average annual benefit expenses for non-managerial full-time employees	NT\$17,582/person/year	NT\$10,180/person/year	-7,402
Average salary of non-managerial full-time employees	NT\$1,134,617/year	NT\$1,160,040/year	25,423
Median salary of non-managerial full-time employees	NT\$1,039,103/year	NT\$1,091,066/year	51,963

Note: Full-time employees not in managerial positions refer to personnel excluding the Chairman, President, Vice President of the Administration Group, Vice President of the Engineering Group, and Head of Accounting.

Note: The reported figures include both domestic and foreign employees who have been employed for more than six months, resulting in an increase in both headcount and salary figures compared to the previous year.

IX. China Ecotek Corporation hires residents in the place where the Company is located (Taiwan) as senior managers, who accounted for 0.68% of all full-time employees.

8.9.2 Salary of new hires

We established salary standards by evaluating the supply and demand of the labor market and the salary level in the market to ensure we provide salaries better than the standard set by the Ministry of Labor. We determine individual salaries based on the position held, education, work experience, and manpower demand in the market, as well as the salary of existing employees or those who hold the same position or with the same length of service. The starting salary for entry-level employees is NT\$29,000 to NT\$30,000 per month, and the starting salary for professional-level employees is NT\$36,000 to NT\$38,000 per month. We adjust new employees' salaries after they have worked for three full months as per their evaluation results.

8.9.3 Performance evaluation, pay raise, and promotion system

The Company's performance evaluation system is based on the business policy and business strategy and we launch various action plans accordingly:

- I. We have established the Evaluation Regulations and conduct regular performance evaluation (online) in the middle of the year and at the end of the year. According to the "Employee Promotion Regulations", the personnel to be promoted will be determined through the review by the Employee Promotion Review Committee.
- II. The evaluation is divided into six levels: Excellent, A+, A-, B, C, and D. The levels are linked to the salary and influence pay raise and earnings performance bonuses. Those whose are rated as D will be laid off. Those whose are rated as B will not have a pay raise, but if there is a company-wide annual pay raise, they may be given a pay raise; and their supervisors should have a meeting with them and provide them with a performance improvement plan.
- III. According to Article 3 of China Ecotek's Evaluation Regulations, the year-end evaluation period begins from January 1 to December 31 per year and is conducted in December of the same year. The results take effect in January of the following year as the main basis for pay raise and bonus distribution. During the evaluation period, those who are in service, those who worked for a period and are on unpaid parental leave, those who were on personal, sick, or special sick leave, or transferred to an investee (on unpaid leave) for fewer than 180 days, and new employees have served for three full months by June 30 or November 30 and passed the probation period can be evaluated.

Year-end evaluation analysis in 2024

2024	Managerial position		Professional position		Entry-level position		Subtotal		Total
	Female	Male	Female	Male	Female	Male	Female	Male	
Total number of employees at the end of the year	13	130	68	335	93	542	174	1007	1181
Number of employees evaluated at the end of the year	13	130	66	339	92	535	171	1004	1175
Number of people evaluated at the end of the year as a % of total number of employees at the end of the year	100%	100%	97.1%	101.2%	98.9%	98.7%	98.3%	99.7%	99.5%

- Note 1: The number of women evaluated >100% means that the employees worked for a period and were then on unpaid parental leave during the evaluation period.
- Note 2: The number of people evaluated at the end of the year > the number of people at the end of the year is because of the fact that the employees were no longer employed after the evaluation, so they were not included in the number of people as of December 31.
- Note 3: The number of people evaluated at the end of the year < the number of people at the end of the year is because of the fact that new employees are not yet qualified for the evaluation.

Our promotion system is based on a two-pronged approach, featuring "management" and "professionalism". We promote employees based on their characteristics, specialty, competencies, work performance, and potential for being leaders. During promotion, nominations are made by each respective unit, and its responsible supervisor decides to approve the promotion based on their work performance, work experience, moral character and integrity, occupational safety and environmental performance, as well as education and training results.

8.9.4 Employee Development

We believe that "people" are the Company's most precious asset. Thus, we attach great importance to employee development with different development and growth measures in place to enable employees to continue to grow:

- I. Enhancing employees' self-understanding: We analyze the professional skills of each position and bridge the gaps in competencies through internal and external training; as such, everyone can continue to unleash their potential, enhance self-growth in a team, and develop core knowledge and skills to develop our competitive advantages.
- II. Rewarding those who acquired professional skills certificates: To duly train talents, we coach employees to acquire skills and certificates, so that they will have diverse skill sets and multiple certificates. If they can effectively apply such skills to their work, we will offer rewards or pay raise to link the training results with performance. It also serve as a proof of their professional skills if they resign or retire, helping them to get better pay.
- III. Encouraging job rotation and providing growth opportunities: We diversify the jobs to motivate everyone to enhance experience and meet challenges, expand their work horizons, and unleash their potential. Before any job rotation, we will seek the supervisor's opinions and gain employees' agreement first.
- IV. Cultivation of second specialty In addition to actively cultivating employees' professional knowledge and skills, we recommend potential employees to participate in training through the cultivation of second specialty, so that they can have different skills in addition to their existing specialty and enhance their professional skills and growth, and can develop without limitation.

8.9.5 Harmonious and pleasant labor-management relations

The Company has emphasized employee treatment and benefits and actively trains talents. We treat employees with integrity and respect to create a harmonious and pleasant work environment. There are various communication channels between employees and the Company (see the table below) to ensure adequate communication and effective problem-solving. There have been no serious labor disputes occurring since the Company was established, and we established a labor-management meeting in 2013 to discuss labor-management issues. **There was no complaint about human rights violations or gender discrimination in 2024.**

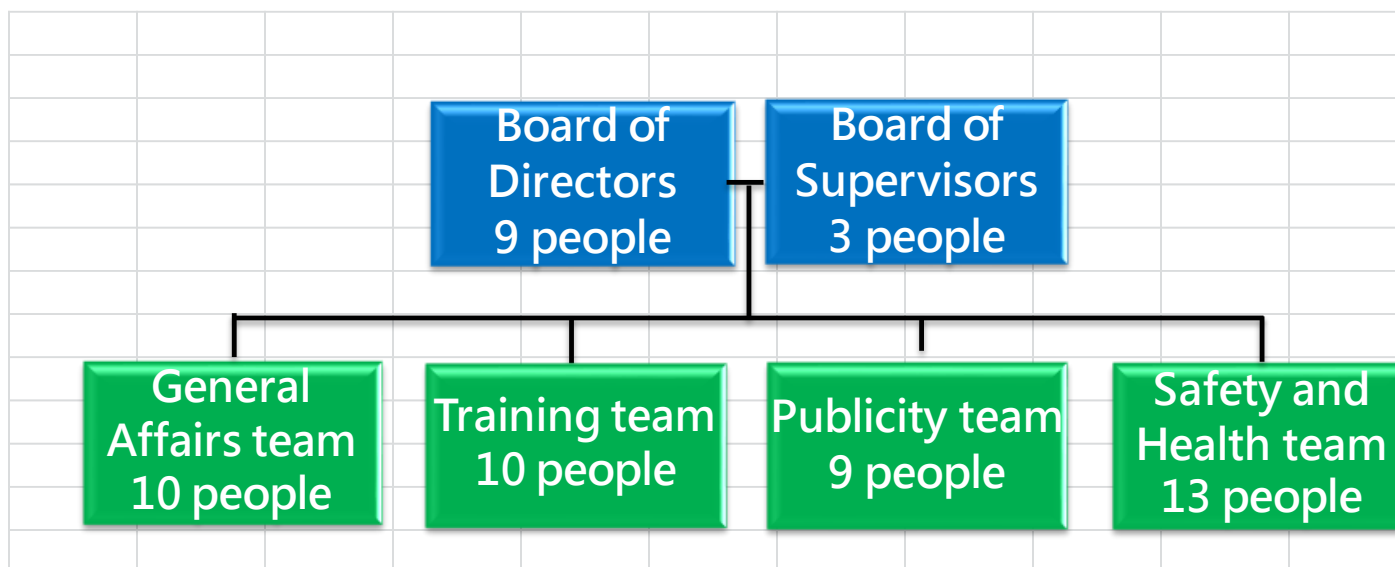
Item	Communication channel	Issue reflected
1	Administrative system (Department of directors, Assistant Vice Presidents, Vice Presidents, the President, and the Chairman)	Any individual or unit with an attempt to express its opinions should first report it to their immediate supervisor through the administrative system. Supervisors at all levels should assist it in being a liaison with other relevant units to handle it. If an individual or unit believes that the issue has not been properly handled, it can seek solutions through the channels, such as the Employee Welfare Committee, Occupational Safety and Health Committee, or a department consultation and communication meeting.
2	Employee Welfare Committee	Regarding employees' benefits and rights.
3	Occupational Safety and Health Committee	Regarding safety, health, and environmental protection issues.
4	Supervisory Committee of Labor Retirement Reserve	Regarding retirement reserve saving, use, and management.
5	Department meetings	Regarding each unit's business reports and occupational safety health awareness raising.
6	Email	Regarding incidents with immediate supervisors involved or sexual harassment, for such complaints can be made directly to the given supervisor or the responsible unit through the Company's email with the name indicated and evidence attached.
7	Email for sexual harassment complaints	help@ecotek.com.tw
8	Labor-management meeting	Regarding labor-management issues
9	Union	<ol style="list-style-type: none"> 1. Facilitating the formulation and revision of policies and work rules related to China Ecotek Corporation's workers' rights. 2. Responding to China Ecotek Corporation's major labor disputes and supporting relevant tasks. 3. Promoting member benefits, services, and teambuilding activities or launching savings projects. 4. Promoting matters related to improving working conditions. 5. Finalizing, amending, or revoking China Ecotek Corporation's collective bargaining agreements. 6. Conducting surveys and research on members and other labor issues. 7. Raising suggestions about the formulation of, amendment to, and revocation of labor rules and regulations. 8. Putting China Ecotek Corporation's workers together to protect members' rights and improve their working conditions and lives.

8.9.6 Subcontractors' benefits and protection

We regard our subcontractors (contractors) as part of our organization and require them to abide by applicable labor laws and regulations, such as salary not being lower than the legal requirement, annual employee health examinations, and working hours not exceeding the legal requirement. In addition to purchasing labor and health insurance and contributing to the pension fund, we require them to purchase group accident and employer accident liability insurance. We will regularly check their conformance with the requirements once per year and hold an Outstanding Occupational Safety Suppliers (Subcontractors) Commendation Ceremony at the end of each year.

8.9.7 Enterprise union

Established in July 2015, the labor union of China Ecotek Corporation is founded on the principles of selflessness, integrity, and unity. All employees across the company's operational locations are free to join. By the end of 2024, the union had 945 members, 909 regular and 36 supporting members, representing 79% of the total workforce, an increase of 17 members from the previous year. The union elected 30 member representatives through voting by all members with a board of directors, a board of supervisors, a general affairs team, a publicity team, a training team, and a safety and health team in place. It regularly holds board meetings and meetings of each team and sends labor representatives to participate in labor-management meetings, collective bargaining agreement meetings, Employee Welfare Committee meetings, Occupational Safety And Health Committee meetings, Reward and Punishment Review Committee meetings, Supervisory Committee of Labor Retirement Reserve meetings, Sexual Harassment Prevention Committee meetings, and Stock Ownership Trust Committee meetings in accordance with the law.



The union aims to formulate and amend policies and work rules related to the Company's labor rights, respond to major labor disputes and support tasks; promote member benefits, services, and teambuilding activities or launch savings projects, promote matters related to improving working conditions, finalize, amend, or revoke China Ecotek's collective bargaining agreements, conduct surveys and research on members and other labor issues, raise suggestions about the formulation of, amendment to, and revocation of labor rules and regulations, as well as put workers together to protect members' rights and improve their working conditions and lives.

In addition to the regular meetings held by each team to discuss team affairs and labor rights issues related to members in real time, the union communicates with other unions and competent authorities from time to time to seek suggestions, while offering training or sending members to other training sessions to enhance member representatives and leaders' relevant professional knowledge. It hires an attorney to attend its meetings regularly to provide members with consultation service (the consultation dates are available in the ERP announcement). Also, the Company's 2024 group insurance provider sent personnel to the meetings to provide consulting services on the afternoon of the third Friday per month. In the future, it will also plan to

organize teambuilding activities for members to promote exchanges between members.

To commend outstanding workers, we have held model employee selections per year since 2017 and entrusted the union to assist with the selection process. In addition to commending the selected employees, we provide overseas self-enhancement subsidy of NT\$22,000 per person. Since the beginning of 2020, the union provides an additional overseas self-enhancement subsidy to each member who is elected as a model employee in the amount of with NT\$5,000.

Also, to commend the senior employees' long-term contributions the union holds senior employee commendation ceremony per year starting from 2021. Those who have served at the Company for 25 years and have joined the union for three years will be awarded a long-term commendation souvenir worth about NT\$5,000. We also organize two retirement banquets per year to commend retirees' endeavors and give them a retirement souvenir worth about NT\$5,000.

8.9.8 Collective Bargaining Agreement

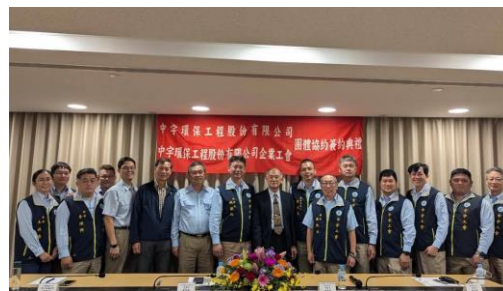
China Ecotek Corporation and its labor union initiated their first collective bargaining session on November 3, 2017. After nearly three years and 31 negotiation meetings, both parties reached consensus on 75 articles at the 31st meeting on September 22, 2020. The agreement was approved at the company's 10th Board of Directors' 3rd meeting on September 29, 2020. Following Article 9 of the Collective Agreement Act, the labor union held its 2nd Session, 2nd Extraordinary General Assembly on October 7, 2020, where members voted to ratify the agreement. It applies to all regular and supporting union members. On October 21, 2020, China Ecotek Corporation and the labor union signed the first collective agreement during a ceremony held at the China Steel Corporation headquarters' conference room. The Ministry of Labor awarded a subsidy of NT\$200,000.

On July 25, 2023, the labor union formally requested a second round of collective bargaining. China Ecotek Corporation responded promptly, and negotiations officially began on September 25, 2023. After nine meetings, the parties reached full agreement on all terms by August 29, 2024. Following approval by the members' general assembly, the second collective agreement was formally signed on November 27, 2024, witnessed by Deputy Director

Shih-Wei Chen of the Kaohsiung City Labor Bureau. This agreement represents a significant advancement in improving the working conditions and benefits for all union members.

Beyond compliance with labor standards, the collective agreement grants benefits exceeding legal requirements, including paid leave for union activities, bereavement leave, marriage leave, enhanced special leave for new hires, and flexible use of annual personal leave. The agreement also expands health checkup items and increases their frequency to better protect members' physical and mental well-being. It mandates that the company establish incentive programs to promote lifelong learning, helping employees maintain competitiveness while boosting overall company performance. Crucially, the agreement stipulates that when the company achieves annual profits, performance bonuses, year-end bonuses, and employee remuneration must be distributed. This reflects the belief that sustainable growth and stable livelihoods are ensured only through alignment between the company and its workforce.

Currently, the collective bargaining agreement covers 100% of the workforce since the union has not requested any exemptions for non-members.



8.10 Occupational safety and health

8.10.1 Safety and health statement

The occupational safety and health statement that all employees of China Ecotek Corporation abides by is:

Respecting the values of workers' lives and fulfilling corporate social responsibility;

Developing a high-quality safety and health culture and pursuing zero disaster.

To achieve "zero disaster", we are committed to:

- I. Engineering hazard prevention: Eliminating hazards, such as falls, electric shocks, collapses, poisoning, bruises, or illness that may occur during engineering operations;
- II. Safety and health management: Enhancing the safety and health equipment in the work environment, preventing the occurrence of injuries or illness, conducting labor health management and holding health promotion activities, carrying out various protective safety and health tasks, and continuing to improve safety and health management and performance;
- III. Zero disaster promotion: Abiding by occupational safety and health laws and regulations and the reasonable requirements from owners and other stakeholders, and continuing to implement the “zero disaster” measures to prevent disasters;
- IV. Promotion through various channels: Conveying policies and laws to each employee through education and training, awareness-raising, safety observations, safety participation, and consultation and communication and continuing to raise subcontractors' awareness of occupational safety and health policies and concepts;
- V. Stakeholders: We publicly announce our occupational safety and health policies, measures, and safety and health management performance, in order to gain the trust of central or local government authorities, shareholders, non-governmental organizations, employees, clients, suppliers, and subcontractors (contractors) in the Company.

8.10.2 Occupational Health and Safety Policy, Goals, and Implementation Plans

To enhance awareness and implementation of occupational health and safety (OHS) management, China Ecotek Corporation's Safety and Health Department sets measurable annual goals aligned with the company's OHS policy. These targets comply with Article 3-2 of the Occupational Safety and Health Management Regulations and apply comprehensively to all employees, activities, and work environments, including all subcontractors. Data is collected and analyzed both separately and jointly to ensure effective oversight. For 2024, the company has set the core objective: "Ensure operational safety through training, communication, and audits." This is supported by three key principles: "awareness with capability, inspections with effectiveness, and reviews with persistence." Specific targets include achieving an overall proactive safety performance score above 90, reducing the average workplace safety violation rate by 30% over a four-year period, keeping the disabling injury frequency rate (including contractors) below 0.3, cutting traffic-related disabling injuries by 30%, and maintaining a zero rate of major incidents. Each department appoints a program lead to define and manage initiatives aligned with these goals. Progress is reviewed quarterly during the company's OHS Committee meetings. To foster company-wide awareness, all major facilities and offices display the official goals and plans endorsed by the President, reinforcing the shared responsibility of maintaining a safe and healthy work environment.

I. Occupational disaster investigation

Most of China Ecotek Corporation's daily operations are carried out in the China Steel's and Dragon Steel's plants. In addition to responding to the group's parent company and different owners' different needs for occupational disaster investigation measures, we conduct internal investigations in accordance with the occupational accident investigation procedures of China Ecotek Corporation's ISO 45001 occupation safety and health management system.

Relevant personnel engage in the investigation of different types of occupational accidents as planned, and it is summarized in the table below:

Type of accident	Participants
False alarm	On-site supervisor or safety and health personnel call in the parties involved.
Medical records, minor injury, or equipment damage	The department's second level supervisor, union representatives, and given safety and health personnel form an investigation team.
Disabling accident	The department's first level supervisor, Safety and Health Division, union representatives, and given safety and health personnel form an investigation team.
Major occupational accident	The Vice President, Assistant Vice President, first level supervisor, union representative, Safety and Health Division, and given safety and health personnel form an investigation team.

II. Occupational Injury Statistics and Analysis

In 2024, China Ecotek Corporation employees logged a total of 2,469,157 work hours. **No cases of occupational disease or work-related fatalities were reported.** There was one occupational injury incident (excluding commuting accidents), which was classified as a disabling injury. The incident involved a non-employee who entered a restricted work area to deliver documents and was struck by a dislodged high-pressure pipeline. Following the event, the departments involved conducted a review of the pipeline pressure testing procedures. New operational standards were subsequently implemented to tighten on-site access control and define clear pressure testing protocols, aiming to prevent recurrence. **Additionally, no cases of occupational illness related to high-risk tasks or jobs associated with specific diseases were reported in 2024.**

Incidence of occupational accidents of all employees

Year	Disabling injury frequency rate (F.R.) ^{Note 1}	Disabling injury severity rate (S.R.) ^{Note 2}	Fatalities	Death rate (%) ^{Note 3}	Number of severe occupational injury	Severe occupational injury frequency rate ^{Note 4}	Number of recordable occupational injury	Total recordable injury frequency rate ^{Note 5}
2022	0	0	0	0	0	0	0	0
2023	0	0	0	0	0	0	0	0
2024	0.40	729	0	0	1	0.40	1	0.40

Note 1: F.R. = Number of disabling injuries/total working hours x 1 million working hours

Note 2: Total number of days with disabling injuries/total working hours x 1 million working hours

Note 3: Death rate due to occupational injuries = number of fatalities due to occupational accidents ÷ number of hours worked × 1,000,000.

Note 4: Severe occupational injury frequency: For every million working hours, the number of injuries (excluding deaths) due to occupational injuries that make it difficult to return to the state of health before the injury within six months. The formula is: number of severe occupational injuries × 1,000,000 ÷ number of working hours.

Note 5: Total recordable injury frequency rate : The number of recordable occupational injuries that occurred every one million working hours (including incidents of death or disabling injuries for more than one day). The formula is: number of recordable occupational injuries x 1,000,000 ÷ number of working hours.

III. In 2024, no cases of occupational disease or work-related fatalities were reported among contractors working with China Ecotek Corporation. However, there were two recorded occupational injury incidents: one disabling injury and one minor injury. The types of hazards involved included one case of being caught in machinery and one case of cuts or abrasions. The frequency rate (F.R.) for disabling injuries among contractors was 0.19. Contractor personnel logged a total of 5,141,376 work hours during the year. Although one occupational injury was linked to high-risk operations, **there were no cases of occupational illness resulting from exposure to specific disease-related job functions.**

Incidence of occupational accidents of employees of supplier (subcontractors)

Year	Disabling injury frequency rate (F.R.)	Disabling injury severity rate (S.R.)	Fatalities	Death rate (%)	Number of severe occupational injury	Severe occupational injury frequency rate	Number of recordable occupational injury	Total recordable injury frequency rate
2022	0.22	39	0	0	0	0	1	0.22
2023	0.22	1360	1	0.22	0	0	1	0.22
2024	0.19	21	0	0	0	0	1	0.19

Note: The incidence of occupational accidents among the suppliers (subcontractor)' employees is counted starting from 2023. Death rate due to occupational injuries = number of deaths due to occupational accidents/working hours x 1,000,000.

IV. Reducing Occupational Safety Violations and Incident Rates

To continuously reduce occupational accidents and safety violations, China Ecotek Corporation sets nine control metrics each year (see table below). These targets are jointly pursued through safety and health goals set by the Safety and Health Department, along with tailored action plans developed by each department. In 2024, while some metrics showed progress, several targets were not met. These included the frequency of minor injuries among China Ecotek Corporation employees, as well as the frequency and severity of commuting-related disabling injuries (commuting incidents are governed by the Labor Standards Act and are excluded from F.R. and S.R. statistics, and thus omitted from the table). Only the occupational safety violation rate and the disabling and minor injury frequencies among contractors met the established benchmarks. To address this, the company continued to require all departments to formulate 2024 action plans and, as in previous years, establish control values to reduce employer-imposed safety penalties, occupational injuries among contractors and in-house personnel, and commuting-related incidents. Furthermore, China Ecotek Corporation is planning to designate project-specific contact personnel within the Safety and Health Department to directly lead initiatives aimed at improving safety performance on engineering projects. Through strengthened safety promotion and control measures, the company is committed

to reducing both the frequency and severity of occupational injuries. **China Ecotek Corporation does not conduct operations that are associated with a high incidence of occupational diseases.**

Incidence of occupational safety violations and occupational accidents in 2024

Category	Item	Actual value 2023	Actual value 2024	Actual value 2024
Occupational Safety Compliance Violations	Incidence of occupational safety violations	0.09	0.13	0.11
General Incidents by Contractors	F.R.	0.22	0.22	0.19
	Frequency of minor injuries	0.45	0.44	0.19
General Incidents at China Ecotek Corporation	F.R.	0	0	0.4
	S.R.	0	0	729
	Frequency of minor injuries	0.40	0	0.4
Traffic Incidents at China Ecotek Corporation	F.R.	0.09	0.81	1.78
	Severity of injuries	0.22	12	51.8
	Frequency of minor injuries	0.45	0	0.4

Note: Incidence of occupational safety violations = Number of violations fined by owners x 1000/number of days with workers sent by subcontractors

V. Accident data record and reporting system

The Safety and Health Division is responsible for recording all occupational safety accidents in the Company. All accidents, including deaths, disabling injuries, minor injuries, or medical treatments (minor injuries are excluded from the calculation of the injury rate (IR)), all are recorded in detail in the annual occupational accident list. It is also regularly reported to and reviewed at the Company's Occupational Safety and Health Committee meetings, first-level supervisor meetings, and management review meetings to control the progress.

At the end of the year, we will also review and analyze the data, formulate preventive measures for the following year, and draw up plans and projects for improvement. As for the reporting process of all accidents, the person who discovers the accident directly reports it to their supervisor

and the Safety and Health Division, and then the supervisor reports to the one at the next level.

The above accident data record and reporting system is directly regulated by the ISO 9001 quality management system and the ISO 45001 occupation safety and health management system (the management review procedures, the emergency preparedness and response management procedures, and the occupational accident investigation procedures).

We continue to be committed to providing workers with a safe and comfortable work environment by establishing safety and health regulations, analyze the causes of all occupational accidents, develop and implement improvement plans, and regularly analyze various indicators of occupational accidents while reporting the results in all safety and health meetings to require departments with indicators above the control values to continue to improve. When disabling injuries occur in a construction project of the Company or to an employee of another company, we will raise all personnel's (including suppliers (subcontractors)') awareness of occupational safety at various meetings or zero-disaster campaigns, to prevent similar accidents from happening again and minimize disabling injuries.

8.10.3 Strengthening Worker Engagement in Safety and Enhancing Hazard Identification Skills

- I. To effectively reduce accidents resulting from unplanned or temporary changes in work methods, China Ecotek Corporation continued to reinforce the review process for high-risk operations, particularly hoisting activities, in 2024. Safety reviews were conducted through random site inspections by the occupational safety and health team or other supervisory staff, accompanied by project personnel. These inspections assessed whether actual site practices aligned with project plans and regulatory requirements. All findings were compiled and submitted to senior management, while simultaneously shared across project teams to promote safety awareness. A total of 126 safety review sessions were held throughout the year, resulting in 695 items verified as compliant, 34 improvement recommendations, and 1 identified deficiency. In cases where non-compliance posed a serious safety risk, project personnel were empowered to log the issue in the safety inspection system, alert supervisors, halt operations, and require a renewed hazard identification and risk assessment before resuming work.

- II. In 2024, 20 training sessions were delivered to onsite personnel at the China Steel Corporation site, with 825 total attendees. These sessions were designed not only to fulfill operational needs but also to cultivate a culture of safety among both internal staff and contractors. Additionally, China Ecotek Corporation provided specialized training for foreign workers involved in its projects, focusing on workplace safety and regulatory awareness.
- III. At the corporate headquarters, China Ecotek Corporation took part in semi-annual fire drills organized in coordination with the local fire department. These drills included hands-on evacuation exercises and training to ensure every employee could properly use various types of firefighting equipment.

8.10.4 Health care and health promotion

To be in line with the requirements of occupational safety and health regulations, we formulated the company-level anthropogenic hazard prevention program and the maternal health implementation program in 2015; amended the heavy workload-induced disease prevention program in 2016 and continued to implement it in 2024, to achieve the ultimate goal of balancing employees' physical and psychological health and achieving family happiness through systematic management. In 2024, we also continued to hold health seminars to increase employees' knowledge of disease prevention, invited professionals to convey correct concepts of health and enhance employees' understanding of health, and provided consultation service for related health topics.

I. Promotion of abnormal workload-induced disease prevention program:

In 2024, we were implementing an abnormal workload-induced disease prevention program and selected 25 employees in the high-risk health group to fill out the overwork and risk factor survey questionnaire. If there were rated as high to medium risk, medical staff would have a health interview to understand their disease control situation and workload, provide correct health knowledge, inform their supervisors, and follow up on their health. We would adjust their workload when necessary.

II. Implementation of anthropogenic hazard prevention program:

In 2024, we requested the personnel of Electrical and Instrumentation Department to fill out a musculoskeletal injury questionnaire to screen out people with potential musculoskeletal hazards and educate them on correct working postures, and encourage them to stretch more before work and during breaks and develop regular exercise habits to reinforce their muscle strength.

III. Implementation of maternal health implementation program:

We conducted a questionnaire survey on female employees after pregnancy and within one year after giving birth in 2024, totaling five people. We assessed if there were any harmful substances in the workplace that might cause harm to maternal health and provided health protection measures, such as health guidance, hazard notification, and work adjustments if necessary, to ensure their physical and psychological health during the pregnancy, postpartum, and breastfeeding periods to achieve the purpose of maternal health protection.

IV. Annual health examination:

We provide general health examinations and special occupational health examinations to employees per year and their family members can also take the general health examinations. We manage the general and special health examination results at different levels based on the annual health examination analysis results, compile and provide the data with abnormal results to their immediate supervisors as a reference for assigning tasks, and provide them with personal health guidance. In addition, we put the health examination materials in an envelope and give it to employees for review, while inputting the data into the ERP system to establish a personal health profile so that they can check their own health examination information at any time, keep abreast of their own health data trends, and manage and control health on their own.

V. Various health services by full-time nursing staff:

In accordance with the Labor Health Protection Rules, full-time nursing staff should conduct health management and provide on-site health services, take occupational and general injury prevention and treatment measures, as well as analyze, evaluate, manage, and keep labor health records. In 2024, we appointed occupational health specialists to provide on-site services 12 times and offer 24 first-aid training sessions, to enhance employees' health and first aid knowledge and skills and invited professionals to convey correct concepts of healthcare about employees' health issues, allowing

them to live a healthy life. Also, we provide guidance to employees who have three-hypers as per the health examination results, give them a health follow-up form per month, and ask their supervisors to urge them to control their health.

VI. Suppliers (Subcontractors)' health management:

China Ecotek Corporation regard suppliers (subcontractors) as our partners and attach great importance to their personnel's health conditions. When they apply for a license for our construction projects, our full-time nursing staff will check their health examination reports and compile a list of personnel who have reached the care level and our medical staff provide them with health care and guidance, and the person in charge of each of our construction sites requires their persons in charge to duly take up the responsibility and regularly follow up on their treatment and examination results per month. Before their health conditions are stable, they should not be assigned to do work that is not suitable according to the Labor Health Protection Rules.

VII. Management of workers with high incidence of occupational illness and high occupational risks:

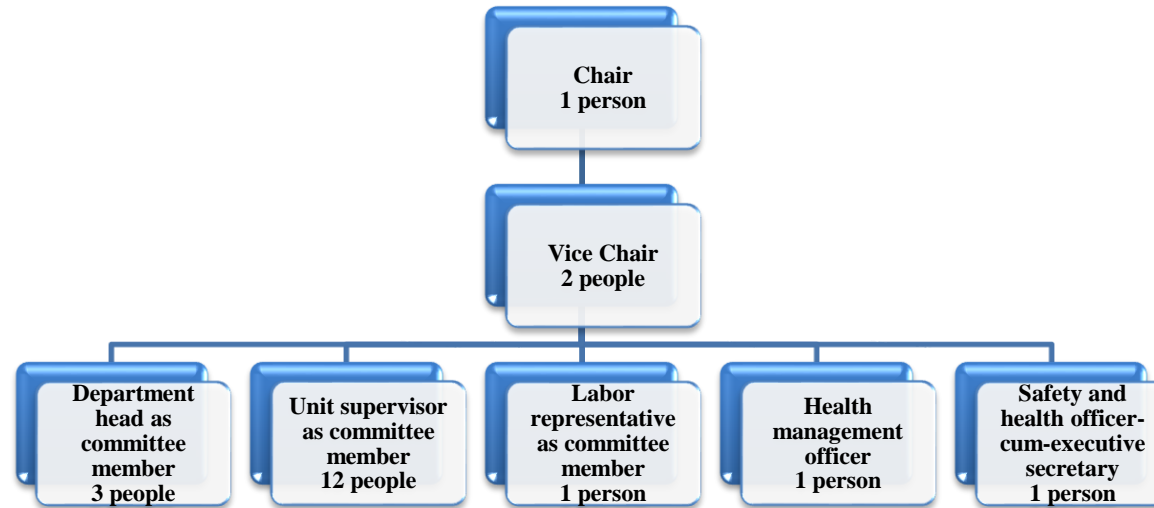
As for the Company's workers with high incidence of occupational illness and high occupational risks, their work and workplace are well-controlled by our owners. To cooperate with our owners, our employees undergo occupational illness prevention health examinations as required per year before engaging in operations that are particularly hazardous to health, and their health is managed at different levels.

Employees whose health is rated level 2 are provided with personal health guidance; we also ask occupational health specialists to follow up on the health of those at level 3, conduct on-site assessments of suspected occupational illness if necessary, adopt hazard control and relevant management measures, and establish a health management database.

8.10.5 Workers' participation, consultation, and communication

The Occupational Safety and Health Committee holds a meeting every three months and can hold extraordinary meetings when necessary. The committee consists of 32 members, of which 12 are labor representatives (37.5%). The President serves as the chair and the safety and health officer concurrently serves as the executive secretary, responsible for formulating, planning, implementing, and supervising the occupational safety and health business.

Organizational structure of Occupational Safety and Health Committee



Occupational Health and Safety Committee meetings

- I. We hold suppliers (subcontractors) safety and health committee meetings per month by region. We hold suppliers (subcontractors) safety and health committee meetings per month in central and southern Taiwan, respectively, to coordinate and communicate the safety and health issues to be noted with subcontractors. We also commend outstanding personnel who took the initiative to report false alarms, role models in occupational safety, excellent personnel who proposed safety and health improvement measures, and award-winning suppliers (subcontractors) in occupational safety competitions at the meetings and reward them with appropriate bonuses from an occupational safety fine account.



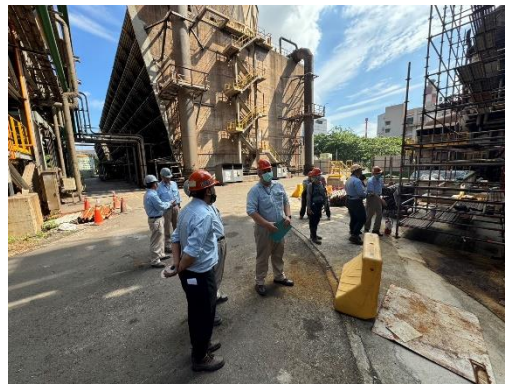
Suppliers (Subcontractors) safety and health committee meetings

- II. We hold occupational safety personnel education and training and seminar regularly per month. We discussed the safety and health management methods and the improvement to defects at the monthly seminar with each construction site, and inform them of the latest requirements and practices under the Occupational Safety and Health Act, thereby increasing on-site occupational safety personnel's professional knowledge and safety and health management skills. We designate participants in advance and have them take turn giving presentations on stage and answer questions from all participants to train their ability to set topics and lecture. A total of 12 physical meetings were held during 2024.



Occupational safety personnel education and training and seminar

III. On-site safety and health joint inspections: We conduct on-site safety and health joint inspections regularly per month in central and southern Taiwan. The Safety and Health Division designates construction sites for inspection, and each unit's second-level supervisor participates in the audit throughout the process as well. In addition to increasing the inspection skills and experience of each unit's safety and health personnel and second-level supervisor, they can refer to other units' safety and health management approaches during the audit process in the joint inspections, thereby correcting and improving each construction site's safety and health management work. The Safety and Health Division will also bring up the advantages, disadvantages, or suggestions in the inspections at the suppliers (subcontractors) safety and health committee meetings for review.



On-site safety and health joint inspections

IV. Other communication channels of China Ecotek Corporation are as follows:

1. We hold a first-level supervisor meeting per month, at which the Safety and Health Division discusses occupational safety reports, reviews, and suggestions.
2. Each construction site should hold a negotiation organization meeting with suppliers (subcontractors) per month.
3. The department head (first-level unit) holds an internal affairs meeting per month and invites the persons in charge of the relevant projects and labor representatives to participate in the meeting to put forth safety and health suggestions and opinions and keep meeting minutes. If a response from the Safety and Health Division is required, it should be sent to the division first and submitted to the President for approval.
4. The Employee Welfare Committee holds a meeting per quarter, at which members can submit proposals to discuss opinions on occupational safety and health issues.
5. We hold a labor-management meeting per quarter, at which labor representatives can submit proposals to discuss opinions on occupational safety and health issues.
6. The Knowledge Management Committee holds a meeting every six months, at which members can submit proposals to discuss occupational safety and health needs.
7. We hold a management review meeting every year to discuss occupational safety and health proposals.
8. We hold an ESG Management Committee meeting per year to discuss occupational safety and health proposals.

8.10.6 Safety and health management and education and training for subcontractors (contractors)

- I. Hazard identification and risk notification before a construction project is launched: We hold a work safety meeting before each project/work is launched to inform the environment and construction hazards and other risks and require compliance with various safe construction procedures. We also establish an negotiation organization meeting and require all suppliers (subcontractors) to join. We regularly hold a monthly negotiation organization meetings to discuss on-site occupational safety and health management issues and improvement measures for non-conformance.
- II. Daily hazard notification: Before starting work every day, each construction site and suppliers (subcontractors) conduct zero-disaster activity to observe, visually check, or ask construction workers about their vitality, check if they wear protective equipment, remind them of potential hazards in the work environment, and inform them of the safety operation standard (SJP) for the day's work, to improve their ability to predict dangers. We also work to avoid unsafe acts and potential hazards in the unsafe environment through safety observation and interviews, to prevent disasters from happening.



Zero-Disaster Activity

Occupational Safety Workshop

III. Alcohol breath test control: To ensure no alcohol at work and no work after drinking alcohol, we have a breathalyzer in place at each site to test workers' alcohol concentration at any time. If it shows an reaction with alcohol, a worker is not allowed to enter the construction site to work on that day.



Alcohol breath test control



Blood pressure measurement

- IV. Blood pressure measurement: We provide blood pressure monitors for our own personnel and suppliers (subcontractors)' employees to use, which helps them prevent and control the harm caused by high blood pressure and reminds those with high blood pressure to take blood pressure medications regularly to avoid potential accidents caused by elevated blood pressure. The tasks per day are assigned as appropriate based on their blood pressure measurement results. For example, those with high blood pressure should not work at height to care for and promote their health.
- V. On-the-job training on safety and health: We regularly offer on-the-job training on safety and health for all in-service employees per year to enhance their ability to identify hazards and predict dangers, so as to meet the regulatory requirements for education and training. The trainees include our own personnel and suppliers (subcontractors)' employees as well. The training focuses on occupational safety and health laws and regulations, SJP, occupational accident case study, and promotion of traffic safety and health management.



On-the-job training on safety and health

VI. Occupational safety certificate acquisition through external training and refresher training: Every year, employees can file online applications depending on the needs of their units and construction projects from time to time. After approval, they can proceed to receive training (or take exams after training) and acquire certificates or proofs for effectiveness evaluation after training. If training is offered during the day, only an application is required, and additional subsidies for missed meals and transportation costs (NT\$60 per hour) will be provided at our discretion for training offered at night. The training costs will be fully covered by the Company. We sent 796 people to training in 2024.

8.11 Legal compliance

8.11.1 Environmental laws and regulations

China Ecotek Corporation is in the professional technical service industry, and we pay attention to relevant waste discharge or spills during construction.

We also actively adopt various environmental and energy-saving technologies to reduce human negligence and address problems.

Year	2022	2023	2024
Type of pollution	Construction of China Ecotek Corporation Linyuan Plant	-	-
Unit punished	Environmental Protection Bureau of Kaohsiung City Government	-	-
Number of fine and amount	2/NT\$12,000 (Note 1)	0	0

Note 1: The Linyuan Plant violated Article 31, paragraph 1, subparagraph 1 of the Waste Disposal Act because we began the demolition work without submitting a business waste cleanup plan.
The Linyuan Plant violated Article 31, paragraph 1, subparagraph 2 of the Waste Disposal Act because we began the demolition work without filing a waste flow proposal online.

8.11.2 Labor laws and regulations

Our operations were in line with various rules and regulations in 2024 without violating national laws, government regulations, and the Company's policies.

8.11.3 Health and safety laws and regulations

I. Law and regulation identification

The ISO 45001 management system requires organizations to be committed to complying with applicable laws and regulations and identify relevant applicable laws and regulations and other requirements. The Safety and Health Division conducts identification in accordance with applicable laws and regulations and sends the applicable safety and health regulations announced by the government to all relevant responsible units for implementation and cooperation. **In 2024, the Occupational Safety and Health Administration, Ministry of Labor, did not update any regulatory matters. Therefore, after the identification of regulations, there were no relevant safety and health regulations that needed to be amended, implemented, or reported.**

II. Legal compliance

We had no fine imposed by a labor inspection agency in 2024. Our violations of occupational safety and health laws and regulations over the past three years are as shown in the table below:

Year	2022	2023	2024
Unit	-	Labor Standards Inspection Office, Labor Affairs Bureau, Kaohsiung City Government	-
Number of fine/total amount	0	2 cases / totaling NT\$250,000	0

Note 1: China Ecotek Corporation, while contracted for a project by an owner, subcontracted part of it to other companies. However, China Ecotek Corporation failed to notify these subcontractors of relevant hazardous factors in advance, which violated Article 26 of the Occupational Safety and Health Act.

Note 2: China Ecotek Corporation's Linyuan Plant and subcontractors hired workers to collaborate on a project. Despite an existing agreement to set up an organization, they failed to conduct thorough inspections or actively carry out specific communication and adjustments as required. This oversight violated Article 27, paragraph 1, subparagraphs 2 and 3 of the Occupational Safety and Health Act.

III. Procurement in line with CNS standards:

It is our responsibility to provide equipment, devices, and protective equipment in line with the safety and health standards for employees to use. In particular, as the Company's business is more focused on the business of outsourcing construction projects and mechanical and electrical maintenance and operations, we do not have control over many tasks and sites; as such, we have the responsibility to strive to prevent and mitigate negative safety and health impacts directly related to such operations or services with the influence from our organization and business relationships. To be in compliance with Articles 7, 8, and 9 of the Occupational Safety and Health Act, we have designed corresponding links in the requisition, procurement, delivery, and acceptance system on the ERP intranet. If a procurement project fails to meet the CNS national standards, the system has been designed to automatically reject such a project, to achieve the ultimate goal of safety and health management.

9. People

9.1 Concept and scope of people

- I. Taking the initiative to take the responsibility: We take our and suppliers (subcontractors)' employees' safety, health, and health care as our duty and actively fulfill our corporate responsibility in the aspects of remuneration, benefits, equality, and training to employees and subcontractors' personnel.
- II. Diverse dedication: We focus on shareholders, employees, suppliers (subcontractors), and local people's rights, insist on legal operations, and maintain fair play, while contributing our share to national public policies and international affairs.

9.2 Principles of participation in public affairs

It is a long-standing tradition for our employees not to get involved in politics in their official capacity, **nor does the Company make political donations.**

Our major principles of participation in public affairs are as follows:

- I. Diversity and tolerance: Taking into account our stakeholders' views and our social responsibility.
- II. Professional statement: Expressing opinions based on international and domestic professional information.
- III. Fairness and justice: Adhering to the principle of fair play in line with social justice.



9.3 Participation in people's activities and expenditures

Regarding engagement with people in 2024, we did it mainly through the Administration Group. The main events we participated are as follows:

Category of work	Focus of work
Human rights and human development	Sharing reasonable work environment policy and knowledge with subcontractors (contractors)
Safety and health	Preventing accidents and occupational illness caused by enterprises, infectious diseases defined in law, and epidemic diseases
Central and local public affairs	Participating in domestic and overseas exchanges, maintaining harmony with the community, caring for people, and participating in emergency rescue work
Care for people	Maintaining positive interaction with elected representatives, administrative agencies, and the media, participating in emergency relief and rescue work, taking care of the vulnerable, and protecting the ecological environment



9.4 Public Engagement Contributions

Guided by its corporate philosophy of “taking from society and giving back to society,” China Ecotek Corporation actively supports public welfare initiatives, with a strong focus on aiding disadvantaged groups. In 2024, in addition to its ongoing sponsorship of the CSC Group Education Foundation, the company was involved in various charitable causes (such as the Down Syndrome Caring Association R.O.C., Kaohsiung Autism Foundation, Cihuei Garden Orphanage of the Kaohsiung Red Cross, and rural education at Sanzilin Junior High School in Kaohsiung), commercial engagements (including a hospital fundraising project for a Hyperbaric Oxygen Therapy Center and the Net-Zero Economy Summit Forum), and community efforts (such as the Shoushan Zoo animal adoption program and local cultural events organized by Longji Temple and Wufu Village in Linyuan District).

Details of major contributions in 2024 are summarized below:

Category	Purpose	2023	2024
Charitable Initiatives	Supporting social and local welfare initiatives; improving conditions for disadvantaged communities	318,000	210,000
Commercial Engagements	Supporting public-interest forums, art and cultural events	1,213,000	1,150,000
Community Involvement	Promoting and preserving local culture	166,000	273,000
Educational Sponsorships	Supporting cultural and educational development, with a focus on engineering talent cultivation	250,000	330,000
Total		1,947,000	1,963,000

Appendix 1: GRI Standards Table

Statement of Use	China Ecotek Corporation has reported its information for the period covering January 1, 2024 to December 31, 2024 in accordance with the GRI Standards.
GRI 1 Used	GRI 1: Foundation 2021
Applicable Sector Standards	None

General disclosures - (*indicates material topics)

GRI Standards	No.	Item	Chapter	Topic	Page No.	Remarks
GRI 2 General disclosures 2021	1. The organization and its reporting practices					
	2-1	Organizational details	2.2	About China Ecotek	11	
	2-2	Entities included in the organization's sustainability reporting	1	About This Report	6	
			4.1.2	Investment Operations	103	
	2-3	Reporting period, frequency and contact point	1	About This Report	6	
	2-4	Restatements of information	6.2.1	Direct Greenhouse Gas Emissions (Scope 1)	98	2022 and 2023 data revised in accordance with the verification statement.
	2-5	External assurance	1	About This Report	6	
	2. Activities and workers					
	2-6	Activities, value chain and other business relationships	2.4	Business Overview and Revenue Breakdown	15	
			5.1	Engineering Services	109	
			7.3	Analysis of Key Suppliers	133	
	2-7	Employees	8.3	Employee Structure	144	
	2-8	Workers who are not employees				

*3. Governance					
2-9	Governance structure and composition	3.6	<u>Board of Directors, Audit Committee, Corporate Sustainable Development Committee, and Remuneration Management Committee</u>	42	
2-10	Nomination and selection of the highest governance body	3.6	<u>Board of Directors, Audit Committee, Corporate Sustainable Development Committee, and Remuneration Management Committee</u>	42	
2-11	Chair of the highest governance body				
2-12	Role of the highest governance body in overseeing the management of impacts Delegation of responsibility for managing impacts	3.2	<u>Risk Management Assessment and Response Strategies</u>	19	
		3.6.1	<u>Board of Directors</u>	42	
		3.6.3	<u>Corporate Sustainability Development Committee</u>	52	
		3.8.1	<u>Identifying Key Stakeholders</u>	71	
		3.8.2	<u>Stakeholder Communication: Topics, Identification, and Categorization</u>	71	
2-13	Delegation of responsibility for managing impacts	3.2	<u>Risk Management Assessment and Response Strategies</u>	19	
2-14	Role of the highest governance body in sustainability reporting	1.	<u>About This Report</u>	6	
		3.6.3	<u>Corporate Sustainability Development Committee</u>	52	
2-15	Conflicts of interest	3.6.1	<u>Board of Directors</u>	42	
2-16	Communication of critical concerns	1	<u>About This Report</u>	6	No key major event occurred to the Company in 2024
		3.7.3	<u>Internal Audit and Corrective Measures</u>	65	
2-17	Collective knowledge of the highest governance unit	3.7	<u>Collective Knowledge of the Top Governance Body</u>	57	
2-18	Evaluation of the performance of the highest governance body	3.7.1	<u>Governance Performance Evaluation</u>	60	
2-19	Remuneration policies	8.9.1	<u>Comprehensive Compensation Management System</u>	157	
		8.9.2	<u>Salary of new hires</u>	159	
		8.9.3	<u>Performance evaluation, pay raise, and promotion system</u>	160	
2-20	Process to determine remuneration	3.6	<u>Board of Directors, Audit Committee, Corporate Sustainable Development Committee, and Remuneration Management Committee</u>	42	
2-21	Annual total compensation ratio	8.9.1	<u>Comprehensive Compensation Management System</u>	157	

*4 Strategies, policies and practices					
2-22	Statement on sustainable development strategy	2.1	<u>A Message from the Management</u>	8	
2-23	Policy commitments	3.1	<u>Short-, Medium-, and Long-Term Plans and Visions for Sustainable Development</u>	16	
2-24	Embedding policy commitments	3.	<u>Corporate Governance and Sustainable Development</u>	16	
		3.1	<u>Short-, Medium-, and Long-Term Plans and Visions for Sustainable Development</u>	16	
		3.6.3	<u>Corporate Sustainability Development Committee</u>	52	
		7.2	<u>Supplier Management Policy</u>	129	
2-25	Processes to remediate negative impacts	3..2	<u>Risk Management Assessment and Response Strategies</u>	19	
2-26	Mechanisms for seeking advice and raising concerns	3.7.3	<u>Internal Audit and Corrective Measures</u>	65	
2-27	Legal compliance	8.11	<u>Legal compliance</u>	185	
2-28	Membership associations	7.5	<u>Membership Associations</u>	140	
5. Stakeholder engagement					
2-29	Approach to stakeholder engagement	3.8.1	<u>Identifying Key Stakeholders</u>	71	
		3.8.4	<u>Stakeholder Engagement</u>	85	
2-30	Collective bargaining agreements	8.9.8	<u>Collective Bargaining Agreement</u>	166	

Material topics

Material topics						
GRI Standards	No.	Item	Chapter	Topic	Page No.	Remarks
GRI 3 Material topics 2021	3-1	Process to determine material topics	3.8.2	<u>Stakeholder Communication: Topics, Identification, and Categorization</u>	71	
	3-2	List of material topics	3.8.3	<u>Management Approach, Responses, and Improvement Goals for Material Topics</u>	78	
	3-3	Management of material topics				

Topic disclosures - Economy

GRI Standards	No.	Item	Chapter	Topic	Page No.	Remarks
GRI 201 Economic Performance 2016	201-1	Direct economic value generated and distributed	4.1.1	<u>Business Performance and Profit Distribution</u>	99	
	201-3	Defined benefit plan obligations and other retirement plans	8.4	<u>Employee Turnover</u>	146	
	201-4	Financial assistance received from government	4.1.3	<u>Capital Sources and Government Subsidies</u>	104	

Topic disclosures - Environment

GRI Standards	No.	Item	Chapter	Topic	Page No.	Remarks
GRI 302 Energy 2016	302-1	Energy consumption within the organization	6.1	<u>Internal Energy Consumption</u>	114	

Topic disclosures - People

GRI Standards	No.	Item	Chapter	Topic	Page No.	Remarks
GRI 401 Employment 2016	401-1	New employee hires and employee turnover	8.4	<u>Employee Turnover</u>	146	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	8.5	<u>Employee Benefits</u>	149	
			8.7	<u>Long-term recuperation and care for employee with injuries or illnesses</u>	152	
	401-3	Parental leave	8.6	<u>Employees on unpaid parental leave</u>	151	
GRI 403 Occupational Health and	403-1	Occupational health and safety management system	8.10.1	<u>Safety and health statement</u>	168	
			8.10.2	<u>Occupational Health and Safety Policy, Goals, and Implementation Plans</u>	169	

Safety 2018	403-2	Hazard identification, risk assessment, and incident investigation	8.10.2	<u>Occupational Health and Safety Policy, Goals, and Implementation Plans</u>	169	
			8.10.6	<u>Safety and health management and education and training for subcontractors (contractors)</u>	181	
	403-3	Occupational health services	8.10.4	<u>Health care and health promotion</u>	175	
	403-4	Worker participation, consultation, and communication on occupational health and safety	8.10.5	<u>Workers' participation, consultation, and communication</u>	177	
	403-5	Worker training on occupational health and safety	8.10.6	<u>Safety and health management and education and training for subcontractors (contractors)</u>	181	
	403-6	Promotion of worker health	8.10.4	<u>Health care and health promotion</u>	175	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	8.11.3	<u>Health and safety laws and regulations</u>	185	
	403-8	Workers covered by an occupational health and safety management system	8.10.2	<u>Occupational Health and Safety Policy, Goals, and Implementation Plans</u>	169	
	403-9	Work-related injuries				
	403-10	Work-related ill health	8.10.4	<u>Health care and health promotion</u>	175	

Appendix 2: TCFD Disclosure Table

Aspect	Code	TCFD Recommended Disclosures	Chapter	Topic	Page No.
Governance	TCFD 1(a) TCFD 1(b)	1. Describe the board's oversight of climate-related risks and opportunities. 2. Describe management's role in assessing and managing climate-related risks and opportunities.	3.3	<u>TCFD Four Core Elements</u>	31
Strategy	TCFD 2(a) TCFD 2(b) TCFD 2(c)	1. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term. 2. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning. 3. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.			
Risk management	TCFD 3(a) TCFD 3(b) TCFD 3(c)	1. Describe the organization's processes for identifying and assessing climate-related risks. 2. Describe the organization's processes for managing climate-related risks. 3. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.			
Metrics and targets	TCFD 4(a) TCFD 4(b) TCFD 4(c)	1. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process. 2. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks. 3. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.			

Appendix 3: SASB Table (Version 2023-12)

Topic	Code	Unit	Metrics	Chapter	Topic	Page No.
Environmental Impacts of Project Development	IF-EN-160a.1	Absolute quantity	Number of incidents of non- compliance with environmental permits, standards, and regulations	8.11.1	<u>Environmental laws and regulations</u>	185
	IF-EN-160a.2	Not applicable	Discussion of processes to assess and manage environmental risks associated with project design, siting, and construction	4.2	<u>Research and Innovation</u>	106
Structural Integrity and Safety	IF-EN-250a.1	Amount	Amount of (human-induced) defect- and safety-related rework costs	5.1	<u>Engineering Services</u>	109
	IF-EN-250a.2	Amount	Total amount of monetary losses as a result of legal proceedings associated with (human-induced) defect- and safety-related incidents			
Workforce Health and Safety	IF-EN-320a.1	Ratio	1. Employee accident incidence rate and death rate 2. Accident incidence rate and death rate of subcontractors (contractors)	8.10.2	<u>Occupational Health and Safety Policy, Goals, and Implementation Plans</u>	169
Lifecycle Impacts of Buildings and Infrastructure	IF-EN-410a.1	Absolute quantity	1. Number of commissioned projects certified to a third-party multi-attribute sustainability standard 2. Number of active projects seeking such certification	4.2	<u>Research and Innovation</u>	106
	IF-EN-410a.2	Not applicable	Discussion of process to incorporate operational-phase energy and water efficiency considerations into project planning and design	3.3	<u>TCFD Four Core Elements</u>	31
Climate Impacts of Business Mix	IF-EN-410b.1	Amount	Amount of backlog for hydrocarbon-related and renewable energy projects	5.1	<u>Engineering Services</u>	109
	IF-EN-410b.2	Amount	Amount of backlog cancellations associated with hydrocarbon-related projects	There was no such incident in 2024	-	-
	IF-EN-410b.3	Amount	Amount of backlog for non-energy projects associated with climate change mitigation	5.1	<u>Engineering Services</u>	109
Business Ethics	IF-EN-510a.1	Absolute quantity and amount	Number of active projects and backlog in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	There was no such incident in 2024	-	-
	IF-EN-510a.2	Amount	Total amount of monetary losses as a result of legal proceedings associated with charges of bribery or corruption and anticompetitive practices	There was no such incident in 2024	-	-
	IF-EN-510a.3	Not applicable	Description of policies and practices for prevention of (1) bribery and corruption, and (2) anticompetitive behavior in the project bidding processes	7.4	<u>Collaborative Partners</u>	134
Activity metric	IF-EN-000.A	Absolute quantity	Number of active projects	5.1	<u>Engineering Services</u>	109
	IF-EN-000.B	Absolute quantity	Number of commissioned projects			
	IF-EN-000.C	Amount	Amount of construction in progress			

Appendix 4: Mapping to ISO 26000 Social Responsibility Guidelines

Main topics		Corresponding chapter	Remarks
Organizational governance	A system by which an organization makes and implements decisions to achieve its objectives	3.8 <u>Stakeholder Engagement</u>	
Human rights	Due diligence	3.7.2 <u>Ethical management</u>	
	Human rights risk situations	7. <u>Supply chain</u> 8.2 <u>Workplace Equality and Non-Discrimination</u> 8.9.7 <u>Enterprise Union</u> 8.9.8 <u>Collective bargaining agreements</u>	
	Avoidance of complicity	3.7.2 <u>Ethical management</u>	
	Resolving grievances	8.9.5 <u>Harmonious and pleasant labor-management relations</u> 8.9.7 <u>Enterprise Union</u>	Better than the Labor Standards Act
	Discrimination and vulnerable groups	8.9 <u>Employee rights</u>	All are in compliance with the Labor Standards Act and applicable laws and regulations
	Civil and political rights	8.9 <u>Employee rights</u> 7. <u>Supply chain</u>	
	: Economic, social and cultural rights	9. <u>People</u>	

	Fundamental principles and rights at work	8.9 <u>Employee rights</u> 8.9.7 <u>Enterprise Union</u> 8.9.8 <u>Collective bargaining agreements</u>	Better than the Labor Standards Act
Labor practices	Employment and employment relationships	8.1 <u>Talent selection, cultivation, and retention</u>	
	Conditions of work and social protection	8.9 <u>Employee rights</u>	Better than the Labor Standards Act
	Social dialogue	3.8 <u>Stakeholder engagement</u>	
	Health and safety at work	8.10 <u>Occupational safety and health</u>	
	Human development and training in the workplace	8.8 <u>Employee education and training</u>	
	Sustainable resource use	4.2 <u>Research and Innovation</u>	
	Climate change mitigation and adaptation	3.4 <u>The Financial Impact of Risks and Opportunities Arising from Climate Change</u>	
	Protection of the environment, biodiversity and restoration of natural habitats	6. <u>Environment</u>	
Fair operating practices	Anti-corruption	3.7.2 <u>Ethical Business Conduct</u>	
		3.7.3 <u>Internal Audit and Corrective Measures</u>	
	Promoting social responsibility in the value chain	7. <u>Supply chain</u>	
	Respect for property rights	3.7.4 <u>Intellectual Property Management Specification</u>	Passed TIPS verification

	Fair marketing, factual and unbiased information and fair contractual practices	7. <u>Supply chain</u>	
Consumer issues	Protecting consumers' health and safety	7. <u>Supply chain</u>	
	Sustainable consumption	7. <u>Supply chain</u>	
	Consumer service, support, and complaint and dispute resolution	5.3 <u>Customer Satisfaction Survey</u>	
	Consumer data protection and privacy	5.3 <u>Customer Satisfaction Survey</u>	
	Access to essential services	2.4 <u>Business Overview and Revenue Breakdown</u>	
	Education and awareness	7. <u>Supply chain</u>	
	Community involvement	9. <u>People</u>	
Community involvement and development	Education and culture	9. <u>People</u>	
	Employment creation and skills development	8.9 <u>Employee rights</u>	
	Technology development and access	4.2 <u>Research and innovation</u>	
	Wealth and income creation	8.9 <u>Employee rights</u>	
	Health	8.10 <u>Occupational safety and health</u>	
	Responsible investment	4. <u>Shareholders</u>	

Appendix 5: United Nations SDGs Table

SDGs	Company's goal	Corresponding chapter	Practices
SDG 1 No Poverty: End poverty in all its forms everywhere.	Making donations to the disadvantaged in Taiwan.	9.4 <u>Public Engagement Contributions</u>	A donation of NT\$210,000 was made to support disadvantaged groups in Taiwan.
	Safeguarding employees' remuneration and life after retirement	8.5 <u>Employee Benefits</u>	<ol style="list-style-type: none"> The company offers a starting salary for new hires that is 1.27 times higher than the legal minimum wage. Employees are guaranteed an annual salary equivalent to 13 months of base pay. The average annual salary for non-managerial employees reached NT\$1,160,040. An employee stock ownership trust is in place to help ensure financial security after retirement. Beginning in 2024, employees who were originally part of the old labor pension system and continue to work at China Ecotek Corporation may choose to switch to the new system under the Labor Pension Act. Those who opt in may settle their service years under the old scheme, with payouts calculated according to Article 55 of the Labor Standards Act. The company will deposit the full settled amount into each employee's personal pension account under the new system, ensuring it earns interest to increase future retirement payouts.
		8.9.1 <u>Comprehensive Compensation Management System</u>	
		8.9.2 <u>Salary of new hires</u>	
		8.9.4 <u>Employee development</u>	
SDG 3: Good health and well-being: Ensure healthy lives and promote well-being for all at all ages	Reduction of the incidence of occupational safety violations and occupational accidents	8.10.2 <u>Occupational Health and Safety Policy, Goals, and Implementation Plans</u>	Establish OSH goals and actively enhance the safety and health performance of engineering projects.
	Balancing employees' physical and psychological health and family happiness	8.10.4 <u>Health care and health promotion</u>	<ol style="list-style-type: none"> Promote a prevention program for illnesses caused by excessive or abnormal workloads. Implement measures to prevent ergonomic-related hazards in the workplace. Carry out a health protection program tailored for female employees during pregnancy and maternity. Provide annual health screenings for all employees. Designated nursing staff deliver comprehensive occupational health services. Extend health management initiatives to include suppliers (contractors) and subcontracted workers. Organize wellness campaigns focused on healthy weight management. Monitor and manage employees working in roles with a high incidence or elevated risk of occupational diseases.
SDG 4 Quality education: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	Continuing to offer professional training and enabling employees to acquire various certificates	8.8 <u>Employee education and training</u>	<ol style="list-style-type: none"> New hire training. Occupational safety and professional education and training. Successor training.

SDG 5 Gender equality: Achieve gender equality and empower all women and girls.	There are no differences in salary, bonuses, training, unpaid parental leave, leave, benefits, or promotions due to gender.	8.2 <u>Workplace Equality and Non-Discrimination</u> 8.5 <u>Employee Benefits</u> 8.6 <u>Employees on unpaid parental leave</u> 8.7 <u>Long-term recuperation and care for employee with injuries or illnesses</u> 8.8 <u>Employee education and training</u> 8.9 <u>Employee rights</u>	<ol style="list-style-type: none"> 1. A complete salary management system. 2. Salary of new hires. 3. Performance evaluation, pay raise, and promotion system. 4. Employee development. 5. Employee benefits. 6. Collective bargaining agreements. 7. Employees on unpaid parental leave. 8. Long-term recuperation and care for employee with injuries or illnesses. 9. Death in service compensation. 10. Employee education and training. 11. Various subsidies. <p>There is no difference in any of the above due to gender.</p>
SDG 6 Clean water and sanitation: Ensure availability and sustainable management of water and sanitation for all.	Wastewater recycling and reduction	4.2.1 <u>Environmental and green energy product and technology development</u>	We cooperated with China Steel to gather together domestic experts, scholars, and professional construction teams to assist in the development and construction of a pre-treatment system to promote the sustainable use of water resources.
SDG 7 Affordable and clean energy: Ensure access to affordable, reliable, sustainable and modern energy for all.	Promoting solar energy	4.2.1 <u>Environmental and green energy product and technology development</u>	<ol style="list-style-type: none"> 1. Supported the installation of solar power systems on rooftops across various plants within the China Steel Corporation (CSC) Group. By utilizing government incentives and feed-in tariff programs, the electricity generated from these photovoltaic systems is sold to Taipower. The project also engages key domestic equipment suppliers and construction partners, reinforcing circular economy value across the industry supply chain. 2. Fulfilled the mandatory renewable energy installation capacity, advancing the Group's transition toward a diversified and self-sufficient energy portfolio and reinforcing its commitment to environmental sustainability. 3. Promoted the development and deployment of energy storage systems
SDG 8 Decent work and economic growth: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	<ol style="list-style-type: none"> 1. Providing job opportunities 2. Protecting women and child workers in hazardous work 	8.4 <u>Employee Turnover</u> 8.2 <u>Workplace Equality and Non-Discrimination</u> 8.10.4 <u>Health care and health promotion</u>	<ol style="list-style-type: none"> 1. Hired 44 full-time employees in 2024. 2. As of 2024, no child workers under the age of 16 were employed and no human rights violations or instances of discrimination were reported within the Company. 3. Implementing a maternal health program

SDG 10 Reduced Inequalities: Reduce inequality within and among countries	Guaranteeing that employees' annual salary is higher than the average in the engineering industry	8.9.1 <u>A complete salary management system</u>	The median annual salary of the Company's full-time non-managerial employees is about NT\$1,091,066, and the average annual salary of the Company's full-time non-managerial employees is NT\$1,160,040.
SDG 16 Peace, justice and strong institutions: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	Preventing all forms of corruption	3.7.2 <u>Ethical Business Conduct</u>	1. Ethical management. 2. Recusal from conflicts of interest. 3. Fraud prevention. 4. Regulations on lobbying and entertainment.
		3.7.3 <u>Internal Audit and Corrective Measures</u>	1. Internal auditing 2. Correction and operation
SDG 17 Partnership for the Goals: Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development.	Forming sustainable development partnerships	7. <u>Supply chain</u>	1. Fair, transparent, and honest collaboration models on the basis of mutual benefit 2. Supplier management. 3. Stable and high-quality suppliers. 4. Partners.

Appendix 6: TIPS certificate



TIPS
台灣智慧財產管理規範
驗證通過證書
Certificate of Taiwan Intellectual Property Management System

中宇環保工程股份有限公司
CHINA ECOTEK CORPORATION

級別 Level : **A**
證書號 Number of Registration : TIPS-2023-cert-013
證書有效期 Date of Expiration : December 31, 2025

管理標的 Item	專利 Patent	商標 Trademark	著作權 Copyright	營業秘密 Trade Secret
受評部門：採購處、人資處、業務處、企研室、法務室、 耐材工程處				
受評地點：高雄市前鎮區成功二路 88 號 8 樓				

Registered Department : Procurement Department, Human Resources Department, Marketing Department, Corporate Planning Office, Legal Office, Refractory Engineering Department
Registered Address : 8F., No. 88, Chenggong 2nd Rd., Qianzhen Dist., Kaohsiung City 80661, Taiwan, R.O.C.

產業發展署 署長
Director General
Industrial Development Administration, MOEA

連錦漳 *Ching-Chang Lien*

Appendix 7: ISO 9001 Certification

Certificate TW07/03352

The management system of

CHINA ECOTEK CORPORATION

8F., No. 88, Chenggong 2nd Rd., Qianzhen Dist., Kaohsiung City 806618, Taiwan (R.O.C.)

has been assessed and certified as meeting the requirements of

ISO 9001:2015

For the following activities

- (1) THE PROVISION OF DESIGN, CONSTRUCTION AND SUPERVISION FOR ENGINEERING OF WATER AND WASTEWATER TREATMENT PROJECT.
- (2) THE PROVISION OF CONSTRUCTION AND INSTALLATION FOR MECHANICAL/ELECTRICAL ENGINEERING OF POWER PLANT AND REFUSE INCINERATOR PLANT.
- (3) THE PROVISION OF MAINTAIN FOR INCINERATOR.
- (4) DESIGN AND MANUFACTURE OF SPECIALITY CHEMICALS FOR WATER TREATMENT.

This certificate is valid from 15 January 2025 until 15 January 2028 and remains valid subject to satisfactory surveillance audits.

Issue 9. Certified since 15 March 2002

Certified activities performed by additional sites are listed on subsequent pages.

L. Moran

Authorised by

Liz Moran
Business Manager

SGS United Kingdom Ltd

Rossmore Business Park, Ellesmere Port, Cheshire, CH65 3EN, UK

t +44 (0)151 350-6666 - www.sgs.com



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Certificate TW07/03352, continued

CHINA ECOTEK CORPORATION

SGS

ISO 9001:2015

Issue 9

Sites

CHINA ECOTEK CORPORATION

8F., No. 88, Chenggong 2nd Rd., Qianzhen Dist., Kaohsiung City 806618, Taiwan (R.O.C.)

- (1) THE PROVISION OF DESIGN, CONSTRUCTION AND SUPERVISION FOR ENGINEERING OF WATER AND WASTEWATER TREATMENT PROJECT.
- (2) THE PROVISION OF CONSTRUCTION AND INSTALLATION FOR MECHANICAL/ELECTRICAL ENGINEERING OF POWER PLANT AND REFUSE INCINERATOR PLANT.
- (3) THE PROVISION OF MAINTAIN FOR INCINERATOR.
- (4) DESIGN AND MANUFACTURE OF SPECIALITY CHEMICALS FOR WATER TREATMENT.

CHINA ECOTEK CORPORATION CSC Headquarter Building

8F., No. 88, Chenggong 2nd Rd., Qianzhen Dist., Kaohsiung City 806618, Taiwan (R.O.C.)

ADMINISTRATIVE PROCESS IN SUPPORT OF THE CERTIFICATION SCOPE.

CHINA ECOTEK CORPORATION BaoCheng Office

8F., No. 8, Minquan 2nd Rd., Qianzhen Dist., Kaohsiung City 806615, Taiwan (R.O.C.)

- (1) THE PROVISION OF DESIGN AND CONSTRUCTION FOR ENGINEERING OF WATER AND WASTEWATER TREATMENT PROJECT.
- (2) THE PROVISION OF CONSTRUCTION AND INSTALLATION FOR MECHANICAL/ELECTRICAL ENGINEERING OF POWER PLANT AND REFUSE INCINERATOR PLANT.

CHINA ECOTEK CORPORATION XiaoGang Office

No. 201, Pinghe Rd., Xiaogang Dist., Kaohsiung City 812002, Taiwan (R.O.C.)

- (4) DESIGN AND MANUFACTURE OF SPECIALITY CHEMICALS FOR WATER TREATMENT.

CHINA ECOTEK CORPORATION CSC Site Office

No. 1, Zhonggang Rd., Xiaogang Dist., Kaohsiung City 812401, Taiwan (R.O.C.)

- (3) THE PROVISION OF MAINTAIN FOR INCINERATOR.
- ENGINEERING MANAGEMENT IN SUPPORT OF THE CERTIFICATION SCOPE (1) and (2).



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Appendix 8: ISO 14001 Certification

Certificate TW13/10650 / 證書 TW13/10650

The management system of / 下述組織

CHINA ECOTEK CORPORATION
中宇環保工程股份有限公司
 No.100, Longchang Rd., Longling Dist. Taichung City, 434, Taiwan (R.O.C.)
 434 台中市龍井區重南路 100 號

has been assessed and certified as meeting the requirements of
 的管理体系經過審核，並被證明符合下述要求
ISO 14001:2015

For the following activities / 所涵蓋的活動範圍
 Provision operation and maintenance service of water treatment plant.
 水處理工廠營運管理

This certificate is valid from 29 July 2022 until 29 July 2025 and remains valid subject to satisfactory surveillance audits.
 Issue 4. Certified since 29 July 2013.
 此證書的有效期自 2022 年 07 月 29 日至 2025 年 07 月 29 日 且其有效性應繫於持續符合的定期稽核
 版本 4. 原始註冊日期 2013 年 07 月 29 日

Authorized by / 簽署



SGS United Kingdom Ltd
 Rosemore Business Park, Ellesmere Port, Cheshire, CH65 5EN, UK
 T +44 (0)151 360 6666 - www.sgs.com

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Appendix 9: ISO 14064-1 Verification Statement

查驗意見編號 TW24/00727GG

SGS

溫室氣體查驗意見

2023 年溫室氣體排放資訊

中宇環保工程股份有限公司
80661 高雄市前鎮區成功二路 88 號 8 樓

經本公司依據 ISO 14064-3:2019 完成查驗並符合下列標準要求

ISO 14064-1:2018

直接溫室氣體排放量
250.9727 公噸二氧化碳當量

間接溫室氣體排放量
6,634.9732 公噸二氧化碳當量

直接與間接溫室氣體總排放量
6,885.946 公噸二氧化碳當量

簽署人



鮑柏宇
管理與永續事業群副總裁
日期: 2024年11月29日
版次:1

TGP568-15-1 2411
台灣檢驗科技股份有限公司
240010 新北市金山區(衛社路舊正)五丁路 136 之 1 號
t (02) 22993279 f (02)22999453 www.sgs.com



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第1頁 共8頁

	  <small>By Royal Charter</small>							
<h1>Certificate of Registration</h1>								
INFORMATION SECURITY MANAGEMENT SYSTEM - ISO/IEC 27001:2022								
This is to certify that:								
China Ecotek Corporation 8F., No. 88, Chenggong 2nd Qianzhen Dist. Kaohsiung City 806618 Taiwan								
Holds Certificate No:	IS 796911							
and operates an Information Security Management System which complies with the requirements of ISO/IEC 27001:2022 for the following scope:								
The provision of development, operation and maintenance of China Ecotek Corporation Official Website and Refractory Engineering and Material Management System, and management of related network infrastructure, server room and support activities within Information Technology Section I, Information Technology Section II.								
This is in accordance with the Statement of Applicability, A3-1-IS-01, version 1.1 dated 14 June 2024.								
For and on behalf of BSI:	 Michael Lam - Managing Director Assurance, APAC							
Original Registration Date: 2023-11-07	Effective Date: 2023-11-07							
Latest Revision Date: 2024-09-22	Expiry Date: 2026-11-06							
  	Page: 1 of 2							
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<small>This certificate was issued electronically and remains the property of BSI and is bound by the conditions of contract. An electronic certificate can be authenticated online. Printed copies can be validated at www.bsi-global.com/CertDirectory or telephone +886 (02)2656-0333.</small>								
<small>Taiwan Headquarters: 2nd Floor, No.37, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C. A Member of the BSI Group of Companies.</small>								
<div style="float: left; width: 45%;">Certificate No: IS 796911</div> <table border="1" style="width: 100%;"><thead><tr><th>Location</th><th>Registered Activities</th></tr></thead><tbody><tr><td>China Ecotek Corporation 8F., No. 88, Chenggong 2nd Qianzhen Dist. Kaohsiung City 806618 Taiwan</td><td>The provision of development, operation and maintenance of China Ecotek Corporation Official Website and Refractory Engineering and Material Management System, and management of related network infrastructure, server room and support activities within Information Technology Section I, Information Technology Section II.</td></tr><tr><td>China Ecotek Corporation 8F. No. 8, Minquan 2nd Rd. Qianzhen Dist. Kaohsiung City 806616 Taiwan</td><td>The provision of server room management.</td></tr></tbody></table>			Location	Registered Activities	China Ecotek Corporation 8F., No. 88, Chenggong 2nd Qianzhen Dist. Kaohsiung City 806618 Taiwan	The provision of development, operation and maintenance of China Ecotek Corporation Official Website and Refractory Engineering and Material Management System, and management of related network infrastructure, server room and support activities within Information Technology Section I, Information Technology Section II.	China Ecotek Corporation 8F. No. 8, Minquan 2nd Rd. Qianzhen Dist. Kaohsiung City 806616 Taiwan	The provision of server room management.
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<div style="float: right; text-align: right;">Page: 2 of 2</div> <small>This certificate relates to the information security management system, and not to the products or services of the certified organisation. The certificate reference number, the mark of the certification body and/or the accreditation mark may not be shown on products or stated in documents regarding products or services. Promotion material, advertisements or other documents showing or referring to this certificate, the trademark of the certification body, or the accreditation mark, must comply with the intention of the certificate. The certificate does not of itself confer immunity on the certified organisation from legal obligations.</small>								
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Appendix 11: ISO 45001 Certification

Certificate TW17/00343
The management system of
CHINA ECOTEK CORP.


8F., No. 88, Chenggong 2nd Rd., Qianzhen Dist., Kaohsiung City 800618, Taiwan
has been assessed and certified as meeting the requirements of
ISO 45001:2018

For the following activities
The provision of design, construct and supervision for engineering of water and wastewater treatment project.
The provision of construction, maintenance and installation for mechanical / electrical engineering.
The provision of maintenance for incinerator.
The operation and maintenance for water treatment plant.

This certificate is valid from 09 March 2025 until 09 March 2028 and remains valid subject to satisfactory surveillance audits.
Issue 5. Certified since 10 February 2020
Certified activities performed by additional sites are listed on subsequent pages.


Authorised by
Stephen Pao
Director

SGS Taiwan Limited
No. 136-1, Wu Kung Road, New Taipei Industrial Park, Wu Ku District, New Taipei City 24803, Taiwan
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Appendix 12: BSI Independent Assurance Opinion Statement



獨立保證意見聲明書

中宇環保 2024 年 ESG 永續報告書

英國標準協會與中宇環保工程股份有限公司(簡稱中宇環保)為相互獨立的公司。英國標準協會除了針對中宇環保 2024 年 ESG 永續報告書進行評估和查證外，與中宇環保並無任何財務上的關係。

本獨立保證意見聲明書之目的，僅作為對中宇環保 2024 年 ESG 永續報告書所界定範圍內的相關事項進行保證之結論，而不作為其他之用途。除對查證事實提出獨立保證意見聲明書外，對於其他目的之使用，或閱讀此獨立保證意見聲明書的任何人，英國標準協會並不負有或承擔任何有關法律或其他之責任。

本獨立保證意見聲明書係英國標準協會審查中宇環保提供之相關資訊所作成之結論，因此審查範圍乃基於並局限於這些提供的資訊內容之內，英國標準協會認為這些資訊內容都是完整且準確的。

對於這份獨立保證意見聲明書所載內容或相關事項之任何疑問，將由中宇環保一併回覆。

查證範圍

中宇環保與英國標準協會協議的查證範圍包括：

1. 本查證作業範疇與中宇環保 2024 年 ESG 永續報告書揭露之報告範疇一致。
 2. 依照 AA1000 保證標準 V3 的第 1 應用類型評估中宇環保遵循 AA1000 當責性原則(2018)的本質和程度，不包括對於報告書揭露的資訊/數據之可信程度的查證。
- 本聲明書以英文作成並已翻譯為中文以供參考。

意見聲明

我們總結中宇環保 2024 年 ESG 永續報告書內容，對於中宇環保之相關運作與永續績效則提供了一個公平的觀點。基於保證範圍限制事項，中宇環保所提供資訊與數據以及抽樣之測試，此報告書並無重大之不實陳述。我們相信有關中宇環保的環境、社會及治理等績效資訊是誠正確無誤地呈現。報告書所揭露之永續績效資訊展現了中宇環保對識別利害關係人的努力。

我們的工作是由一組具有依據 AA1000 保證標準 V3 查證能力之團隊執行，以及策劃和執行這部分的工作，以獲得必要之訊息資料及說明。我們認為就中宇環保所提供之足夠證據，表明其符合 AA1000 保證標準 V3 的報告方法與自我聲明依據 GRI 永續性報導準則係屬公允的。

查證方法

為了收集與作成結論有關的證據，我們執行了以下工作：

- 對來自外部團體的議題相關於中宇環保政策進行訪談，以確認本報告書中聲明書的合適性；
- 與管理者討論有關利害關係人參與的方式，然而，我們並無直接接觸外部利害關係人；
- 訪談 4 位與永續性管理、報告書編製及資訊提供有關的員工；
- 審查有關組織的關鍵性發展；
- 審查內部稽核的發現；
- 審查報告書中所作宣告的支持性證據；
- 針對公司報告書及其相關 AA1000 當責性原則(2018)中有關包容性、重大性、回應性及衝擊性原則之流程管理進行審查。

結論

針對 AA1000 當責性原則(2018)之包容性、重大性、回應性及衝擊性與 GRI 永續性報導準則的詳細審查結果如下：

包容性

2024 年報告書反映出中宇環保已持續尋求利害關係人的參與，並建立重大永續主題，以發展及達成對永續具有責任且策略性的回應。報告書中已公正地報告與揭露環境、社會及治理的訊息，足以支持適當的計畫與目標設定。以我們的專業意見而言，這份報告書涵蓋了中宇環保之包容性議題。

重大性

中宇環保公布對組織及其利害關係人之評估、決策、行動和績效會產生實質性影響與衝擊之重大主題。永續性資訊揭露使利害關係人得以對公司之管理與績效進行判斷。以我們的專業意見而言，這份報告書適切地涵蓋了中宇環保之重大性議題。

回應性

中宇環保執行來自利害關係人之期待與看法之回應。中宇環保已發展相關道德政策，作為提供進一步回應利害關係人的機會，並能對利害關係人所關切之議題作出及時性回應。以我們的專業意見而言，這份報告書涵蓋了中宇環保之回應性議題。

衝擊性

中宇環保已制定以公平和有效之量測及揭露方式公正展現其衝擊。中宇環保已建立監督、量測、評估和管理衝擊之流程，從而在組織內實現更有效之決策和結果管理。以我們的專業意見而言，這份報告書涵蓋了中宇環保之衝擊性議題。

GRI 永續性報導準則

中宇環保提供有關依據 GRI 永續性報導準則 2021 之自我宣告，並對每個涵蓋其行業準則和具相關性的 GRI 主題準則之重大主題，其揭露項目依據全報報導要求的相關資料。基於審查的結果，我們確認報告書中參照 GRI 永續性報導準則之永續發展相關揭露項目已被報告、部分報告或省略。以我們的專業意見而言，此自我宣告涵蓋了中宇環保的永續性主題。

保證等級

依據 AA1000 保證標準 V3 我們審查本聲明書為中度保證等級，如同本聲明書中所描述之範圍與方法。

責任

這份 ESG 永續報告書所屬責任，如同責任信中所宣稱，為中宇環保負責人所有。我們的責任為基於所描述之範圍與方法，提供專業意見並提供利害關係人一個獨立的保證意見聲明書。

能力與獨立性

英國標準協會於 1901 年成立，為全球標準與驗證的領導者。本查證團隊係由具專業背景，且接受過如 AA1000AS、ISO 14001、ISO 45001、ISO 14064 及 ISO 9001 之一系列永續性、環境及社會管理標準的訓練，具有稽核員資格之成員組成。本保證係依據 BSI 公平交易準則執行。



For and on behalf of BSI:

Peter Pu, Managing Director BSI Taiwan

Statement No: SRA-TW-806850

2025-06-09

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INDEPENDENT ASSURANCE OPINION STATEMENT

China Ecotek 2024 Environmental Social Governance Report

The British Standards Institution is independent of China Ecotek Corporation (hereafter referred to as CEC in this statement) and has no financial interest in the operation of CEC other than for the assessment and verification of the sustainability statements contained in this report.

This independent assurance opinion statement has been prepared for the stakeholders of CEC only for the purpose of assuring its statements relating to its sustainability report, more particularly described in the Scope below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by CEC. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to CEC only.

Scope

The scope of engagement agreed upon with CEC includes the followings:

1. The assurance scope is consistent with the description of China Ecotek 2024 Environmental Social Governance Report.
 2. The evaluation of the nature and extent of the CEC's adherence to AA1000 Accountability Principles (2018) in this report as conducted in accordance with type 1 of AA1000AS v3 sustainability assurance engagement and therefore, the information/data disclosed in the report is not verified through the verification process.
- This statement was prepared in English and translated into Chinese for reference only.

Opinion Statement

We conclude that the China Ecotek 2024 Environmental Social Governance Report provides a fair view of the CEC sustainability programmes and performances during 2024. The sustainability report subject to assurance is free from material misstatement based upon testing within the limitations of the scope of the assurance, the information and data provided by the CEC and the sample taken. We believe that the performance information of Environment, Social and Governance (ESG) are fairly represented. The sustainability performance information disclosed in the report demonstrate CEC's efforts recognized by its stakeholders.

Our work was carried out by a team of sustainability report assurers in accordance with the AA1000AS v3. We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that CEC's description of their approach to AA1000AS v3 and their self-declaration in accordance with GRI Standards were fairly stated.

Methodology

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- a review of issues raised by external parties that could be relevant to CEC's policies to provide a check on the appropriateness of statements made in the report.
- discussion with managers on approach to stakeholder engagement. However, we had no direct contact with external stakeholders.
- 4 interviews with staffs involved in sustainability management, report preparation and provision of report information were carried out.
- review of key organizational developments.
- review of the findings of internal audits.
- review of supporting evidence for claims made in the reports.
- an assessment of the organization's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness, and Impact as described in the AA1000AP (2018).

Conclusions

A detailed review against the Inclusivity, Materiality, Responsiveness, and Impact of AA1000AP (2018) and GRI Standards is set out below:

Inclusivity

This report has reflected a fact that CEC has continually sought the engagement of its stakeholders and established material sustainability topics, as the participation of stakeholders has been conducted in developing and achieving an accountable and strategic response to sustainability. There are fair reporting and disclosures for the information of Environment, Social and Governance (ESG) in this report, so that appropriate planning and target-setting can be supported. In our professional opinion the report covers the CEC's inclusivity issues.

Materiality

CEC publishes material topics that will substantively influence and impact the assessments, decisions, actions and performance of CEC and its stakeholders. The sustainability information disclosed enables its stakeholders to make informed judgements about the CEC's management and performance. In our professional opinion the report covers the CEC's material issues.

Responsiveness

CEC has implemented the practice to respond to the expectations and perceptions of its stakeholders. An Ethical Policy for CEC is developed and continually provides the opportunity to further enhance CEC's responsiveness to stakeholder concerns. Topics that stakeholder concern about have been responded timely. In our professional opinion the report covers the CEC's responsiveness issues.

Impact

CEC has identified and fairly represented impacts that were measured and disclosed in probably balanced and effective way. CEC has established processes to monitor, measure, evaluate, and manage impacts that lead to more effective decision-making and results-based management within the organization. In our professional opinion the report covers the CEC's impact issues.

GRI Sustainability Reporting Standards (GRI Standards)

CEC provided us with their self-declaration of in accordance with GRI Standards 2021 (For each material topic covered in the applicable GRI Sector Standard and relevant GRI Topic Standard, comply with all reporting requirements for disclosures). Based on our review, we confirm that sustainable development disclosures with reference to GRI Standards' disclosures are reported, partially reported, or omitted. In our professional opinion the self-declaration covers the CEC's sustainability topics.

Assurance level

The moderate level assurance provided is in accordance with AA1000AS v3 in our review, as defined by the scope and methodology described in this statement.

Responsibility

The Environmental Social Governance Report is the responsibility of the CEC's chairman as declared in his responsibility letter. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Competency and Independence

The assurance team was composed of auditors experienced in relevant sectors, and trained in a range of sustainability, environmental and social standards including AA1000AS, ISO 14001, ISO 45001, ISO 14064, and ISO 9001. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

For and on behalf of BSI:

Peter Pu, Managing Director BSI Taiwan



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2025-06-09

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