STOCK CODE：2616

山隆通運股份有限公司
SHAN-LOONG TRANSPORTATION CO., LTD.

2025 SUSTAINABILITY REPORT



Covering year 2025

About this Report

Period and scope

This report discloses information from January 1, 2025 to December 31, 2025, and summarizes the Company's key policies and performance results in the areas of environmental, social and governance (ESG).
This report covers all of Shanlong Transportation Co., Ltd.'s operating locations, including: the head office, 74 gas stations, 8 transportation locations, and 5 warehouse locations. The individual reported is our company.

Writing principles and publication frequency

This report is prepared in accordance with the materiality analysis plan, the "Regulations Governing the Preparation of Sustainable Reports for Listed Companies," and the GRI guidelines, adhering to the principles of materiality, completeness, accuracy, and verifiability. It also references the SASB, TCFD, SDGs, and the 30 UN human rights guidelines, and is issued by the end of August of the following year.

Certification

The information and data disclosed in this report have been verified by a third-party verification agency, ARS International Verification Co., Ltd., following the disclosure requirements of the GRI guidelines and the AA1000 accountability principle, and a reasonable assurance verification procedure was conducted. The report was officially released after being reviewed and approved by top management.

Feedback and Contact Information

Shan-loong sincerely welcomes all stakeholders to continue communicating with us. Please provide valuable suggestions and guidance through the contact information:

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※ This English version of the 2025 Shang-Loong ESG report provides a summary of key points. For detailed information and supporting evidence, please refer to the Chinese version of the 2025 Shang-Loong ESG report. https://w3.slc.com.tw/

Letter from the Chairman

Thank you for your continued trust and support of Shan-loong Transportation.

As a company rooted in transportation, logistics, and energy services, we recognize that long-term success depends not only on operational performance but also on our commitment to environmental stewardship, employee well-being, and responsible governance.

- In 2025, we continued to enhance operational efficiency through optimized logistics management, data-driven decision-making, and service improvements. We also completed our annual greenhouse gas inventory and strengthened our environmental management framework, laying a solid foundation for future decarbonization efforts and continuous improvement.

- Our people remain at the heart of everything we do. We have continued to invest in occupational safety, employee development, and workplace well-being, fostering a safe, inclusive, and growth-oriented environment. We believe sustainable growth can only be achieved when responsibility, trust, and respect are embedded throughout the organization.

- Looking ahead, Shan-loong Transportation will continue advancing its sustainability strategy through stronger governance, climate action, and stakeholder engagement. Together with our employees, customers, suppliers, and communities, we remain committed to creating long-term value and contributing to a more sustainable future.

Thank you for being part of our journey.

2026. May



Chapter 1 Sustainable Vision

Since 2025, Shan-loong Transportation adheres to the principles of sustainability-related risks and opportunities have been included in the decision-making scope of the Board of Directors and management, establishing a top-down management system to enhance the company's long-term operational resilience.

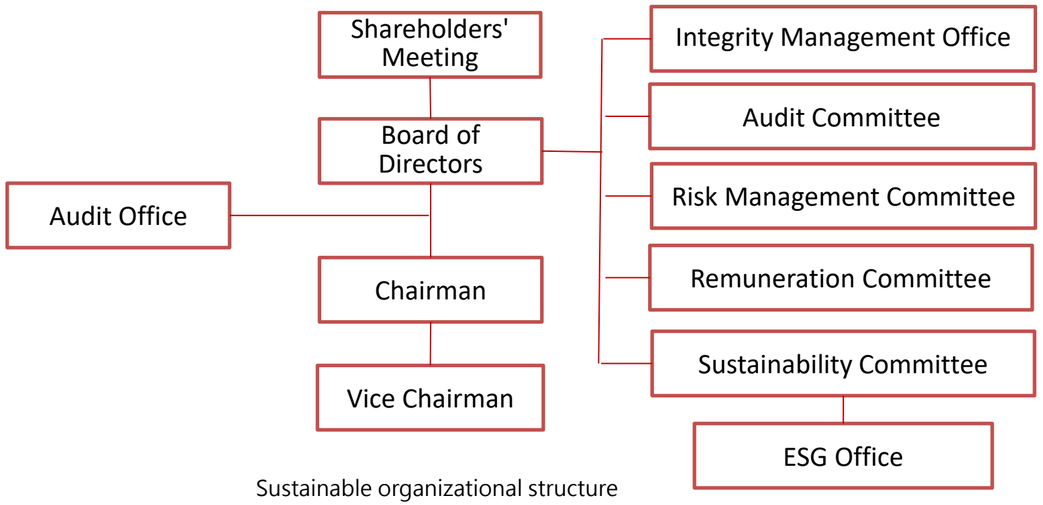
1.1.Sustainable Vision and Goals

Shan-loong Transportation's core sustainable development directions are "Steady Growth, Low-Carbon Transformation, Happy Workplace, and Integrity Governance." We are committed to:

- Creating long-term economic value and enhancing corporate competitiveness.
- Promoting energy conservation and carbon reduction, strengthening climate resilience.
- Implementing employee care and creating a safe and friendly workplace.
- Improving corporate governance and enhancing risk management effectiveness.

1.2 Sustainable Management Framework

In accordance with the "Code of Practice for Sustainable Development" and related organizational procedures, our company has established a board-level oversight mechanism and an executive-level driving structure.



Sustainable organizational structure



1.3 TOP 10 major Topics

Our company conducted a questionnaire survey in 2025 to collect information on stakeholders' concerns regarding sustainability issues. A total of 66 valid questionnaires were collected this year, with a sample size of 65-66 for each question. The data distribution is reasonable and statistically valuable.

2024 Top 10 Material Topics	Ranking	2025 Top 10 Material Topics
Economic performance	1	Economic regulations and regulations
Marketing and Labeling	2	Employee rights
Employee Health and Safety	3	Employee care
Company reputation	4	Market position
Employee care	5	Labor relations - Labor disputes
Economic regulations and regulations	6	Labor turnover rate analysis
Environmental regulations compliance	7	Forced labor
Forced labor	8	Occupational health and safety
Customer information confidentiality	9	No discrimination
Customer health and safety	10	Employee Training and Education

Changes	Comparison between 2024 and 2025	Possible reasons
Rise	Socioeconomic regulations compliance (6→1) Employee care (5→3) Forced labor (8→7)	This demonstrates a significant increase in stakeholders' focus on compliance risks and corporate responsibility, reflecting high societal expectations of the company regarding internal management and employee protection, and echoing the trend of stricter human rights disclosure in the global supply chain.
Decline	Occupational health and safety (3→8)	Its importance remains, but its ranking has shifted slightly backward due to the overall structural adjustment of priority.
Disappear topics	Economic performance, marketing and labelling, market image, environmental compliance, customer privacy, and customer health and safety.	This reflects a shift in stakeholder assessment focus from external image to the quality of internal corporate governance.
New topics	Employee rights, market position, labor relations - labor disputes, employment relations - employee turnover analysis, non-discrimination, training and education	The newly added issues largely focus on labor conditions, human rights protection, and organizational stability, indicating that stakeholders are paying more attention to the strength of internal management and talent development capabilities within companies.This reflects stakeholders' increased focus on organizational stability, talent development intensity, and risk management capabilities within companies.

1.4 Analysis of the impact of sustainability issues

Our company conducts a dual-axis assessment (including probability of occurrence and degree of impact) of "positive impact" and "negative impact" for the top ten issues of concern to stakeholders, with management and directors performing the assessment. Based on this, we create a sustainability issue impact matrix, serving as a basis for risk warning and opportunity identification.

Ranking	major Topics	Positive shocks	Negative shocks	Total impact
1	Economic regulations and regulations	12.83	16.23	29.06
2	Employee rights	12.69	11.88	24.57
3	Employment Relations - Employee Turnover Analysis	9.30	15.02	24.31
4	Labor relations - Labor disputes	11.06	12.40	23.46
5	Employee care	9.60	13.61	23.21
6	Employee training and education	11.31	8.43	19.74
7	Forced labor	9.54	8.95	18.48
8	No discrimination	7.92	9.50	17.43
9	Market position	8.38	7.94	16.32
10	Occupational health and safety	7.17	6.45	13.62

1.5. Future Response Strategies

Based on key issues, our company focuses its management actions on three main areas: environment, society, and governance:

- Environment: Upgrading the fleet, improving energy efficiency, and establishing a carbon information management system to strengthen emissions management and data quality.
- Society: Strengthening employee rights, occupational safety and health, and labor-management communication mechanisms to enhance organizational stability and employee participation.
- Governance: Refining the risk management framework, strengthening board oversight and performance management mechanisms to ensure continuous tracking and improvement of key issues.

Contact Information	
Shareholders/ Investors	Prolocutor：Mr. Tseng (CEO) Acting Prolocutor：Mr. Xia（CFO） Contact ：Corporate Governance Department Tel：(02) 2959-9611
Stakeholders	Contact ：Eric Lin (ESG Office) Tel：(02) 2959-9611*677
Customer	Customer service hotline Tel: 0800-051-566 Email: service@slc.com.tw
Supplier	Purchasing Department Tel: (02) 2959-9611
Employee/ Community	General Affairs Department Tel: (02) 2959-9611

1.5.1 Carbon reduction goals and strategies

Based on the analysis of key issues for 2025, our company has integrated sustainability goals into our annual business plan. We adhere to the GRI 3-3 management principle, establishing a systematic goal management mechanism and regularly submitting reports to the Board of Directors for oversight, ensuring a high degree of consistency between sustainability performance and corporate operating strategy. Our company uses 2024 as the baseline year for greenhouse gas inventory, and plans key short-, medium-, and long-term development milestones based on the Science-Based Reduction Pathway (SBTi) and international net-zero emissions trends. We are committed to the integrated transformation of the three dimensions of ESG, and through a rolling review mechanism, we ensure that target settings can be dynamically improved as our operations grow and inventory data matures.

2024-2030(short-term)

30%



Objectives: We using 2024 as the base year, the plan is to reduce greenhouse gas emissions by 30% by 2030 compared to the base year, serving as a phased target for low-carbon operations.
Key Drivers: Fleet replacement and upgrading, low-carbon energy assessment and implementation, energy efficiency management, and the establishment of a carbon emissions tracking mechanism.
Management Direction: Strengthen energy use and emissions data management, consider incorporating it into internal performance management, and encourage partners to jointly promote environmental responsibility.

2030-2040(medium-term)

50%



Objectives: The plan aims to reduce greenhouse gas emissions by 50% by 2040 compared to the 2024 baseline year, and to gradually promote the transformation of operational structure and energy use patterns.

Key Drivers: Expanding the proportion of low-carbon vehicles, increasing the proportion of renewable energy use, supplier carbon emission management, and promoting the circular economy.

Management Direction: Refining carbon management systems and gradually incorporating carbon costs and climate risks into investment and operational decisions.

2040-2050(long-term)

100%



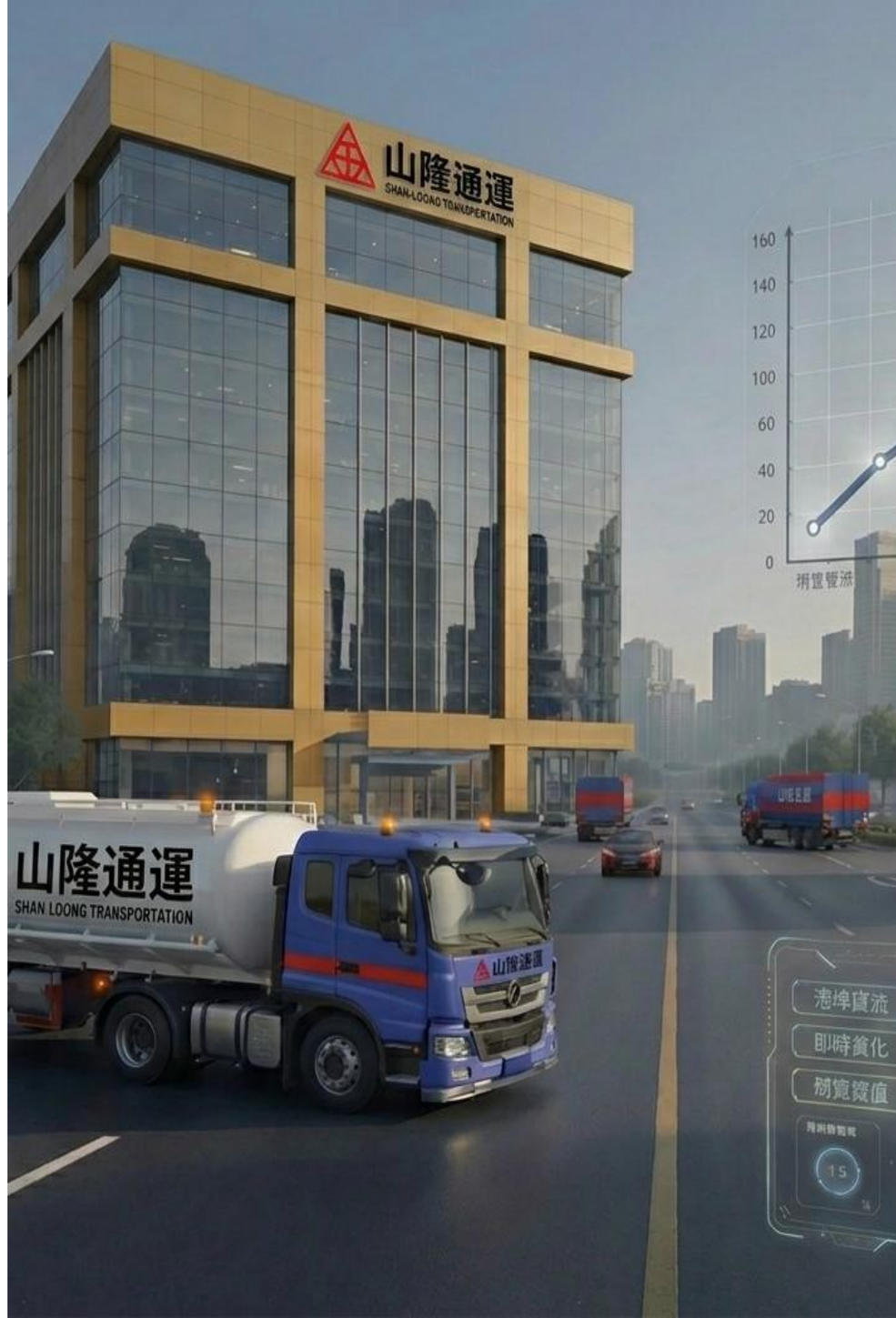
Objectives: In line with the global net-zero trend, we will continue to advance towards deep carbon reduction and low-carbon transformation, and prudently evaluate remaining emissions management methods.
Key Drivers: Refine carbon management systems and gradually incorporate carbon costs and climate risks into investment and operational decisions.
Management Direction: We will continue to monitor international sustainability and climate governance trends, gradually align with relevant standards, and deepen our long-term sustainability competitiveness.

Chapter 2 Company Profile

2.1 Company Profile and Operating Scale

Company's operating performance in fiscal year 2025 showed that CPC Corporation delivered 206,954 metric volumes of oil, while Formosa Plastics Group delivered 68,605 metric volumes. In response to the challenges of climate change and energy transition, the company has formally incorporated sustainability issues into its governance and decision-making mechanisms, and improved resource allocation efficiency through data-driven management to ensure the accuracy and traceability of environmental and social performance disclosure. Furthermore, through strengthening its organizational structure and information systems, the company has integrated sustainability issues into its corporate governance and operational decisions.

Company Name	SHAN-LOONG TRANSPORTATION CO., LTD.
Company Type	TPEx-listed Company
Stock Code	2616
Chairman	Jen-Hong-Zheng
Date of Establishment	1976.04.06
Industry Category	Oil, gas and power generation industry
Main Products and Services	Car freight industry ,Oil transportation, Gas station, Warehousing
Paid-in Capital	NT$1,372 million (as of Dec 31, 2025)
Number of Employees	1,082 (Average in 2025)
Operating Locations	1 F., No. 1-2, Sec. 1, Minsheng Rd., Banqiao Dist., New Taipei City 220357, Taiwan (R.O.C.)



2.1.2 Important development milestones

1976

Establishment and transportation infrastructure

The company was established and initially focused on general cargo transportation.

1997

Capital Expansion and Scale

Expand capital to support the establishment of bases and oil logistics networks throughout Taiwan.

1998–2000

Oil distribution system takes shape

Establish the first gas station and gradually expand to the north, central and southern regions.

2004

Internationalization and cross-border capabilities

Establish cross-border logistics and customs clearance capabilities, extending the service scope from domestic to both sides of the Taiwan Strait.

2010

Strengthening regional delivery efficiency

Enhance the distribution efficiency of industrial clusters in the central region and improve the oil logistics scheduling capabilities.

2012

Starting with digital operations

Establish a digital management foundation for energy channels to enhance transaction transparency and data traceability.

2016

Supply chain security standards implementation

Certified by RSQAS and AEO.

2018

ASEAN Market Layout

The Vietnamese Son Long was established.

Starting in 2022

Institutionalization of Climate and Carbon Management

Import ISO 14064-1 Greenhouse Gas Inventory and Verification.

2024

Deepening the sustainable governance system

Revise the sustainability information management procedures and report verification procedures.

2025

Institutionalization of cost and operational data

Formulate the "Cost Analysis Management Measures"

2025

Sustainable Information System

Formulate the "Sustainable Information Management and Development Measures"

2.2 Company Operating Strategies and Policies

Our company has transformed from a traditional transportation enterprise into a smart energy logistics company. Its operational strategy focuses on digital and intelligent development, introducing unmanned refueling stations, smart system applications, and electronic operation management to improve service efficiency and operational flexibility.In terms of operations, the company prioritizes energy efficiency optimization, risk control in the transportation of hazardous materials, and information transparency. Through ISO management systems, supply chain security certification, and sustainable information governance systems, we closely link sustainability goals with business decisions, ensuring that business development balances risk management and environmental responsibility.

2.3 Future Operations Plan(in ESG comparison)

Our company's future operations will focus on site optimization, sustainable systematization, and operational resilience to improve management efficiency and risk resistance. In terms of environmental and social aspects, the company is committed to integrating fleet scheduling and facility energy conservation to reduce operational carbon intensity, while implementing training on hazardous materials transportation to reduce occupational safety risks. In terms of corporate governance, the company will integrate a sustainable management framework for data across all group sites and implement information security mechanisms and account access management to ensure the security of operational and customer data.

Item	Action Plan		Expected benefits
	Direction of Action	Specific practices	
Environment	Fleet fuel efficiency management	Importing TMS fuel consumption and mileage monitoring and driving behavior management	Reduce fuel consumption and carbon intensity
	Energy conservation of station buildings and facilities	Energy conservation improvement and energy management of gas stations and storage facilities	Reduce electricity consumption and operating carbon footprint
	Carbon reduction management system	Establish a carbon emission data connection and verification mechanism	Strengthening climate governance and disclosure capabilities
	Scheduling optimization	Reduce repeated trips and empty vehicle rate	Improve transportation efficiency and reduce energy waste
Society	Occupational safety and hazardous materials management	Strengthen education and training, accident prevention and site safety management	Reduce occupational injury and public safety risks
	Base Optimization	Station integration and functional improvement	Improving urban logistics efficiency and community safety
	Employee Management	KPI and Driving Behavior Management System	Improve workplace safety and service quality
	Reduce community impact	Leakage warning, equipment upgrade	Reduce impact on the surrounding environment and residents
Governance	Sustainable Information System	Oracle ERP, TMS, and cloud system integration	Operational and Sustainable Data Integration Management
	Sustainable Information System	Tracking of performance and cost structure at each location	Improve decision-making transparency and efficiency
	Digital management	Real-time data from gas stations, fleets, and warehouses	Enhance management precision
	Information security	Strengthening account permissions and cybersecurity systems	Ensure operational and customer data security

2.4 Shareholder Structure Analysis (ESG Governance Link)

Shareholder structure is the foundation of corporate governance, directly impacting decision-making stability and long-term business strategies. Our company's shareholding structure combines dispersion and stability, contributing to maintaining decision-making independence and a medium- to long-term development perspective.I. Shareholder Structure Analysis (based on 2025 data):

Analysis of the positive impact of the shareholder Structure on the company		
ESG	Shareholder characteristics	Positive impact
Environment	Corporate shareholders have medium- to long-term investment characteristics	It is conducive to supporting long-term investments in carbon reduction, energy conservation, and equipment improvement.
Society	High proportion of domestic individual shareholders	Strengthening local connections enhances corporate social responsibility and the foundation of trust.
Governance	Dispersed shareholding and management shareholding	Enhance governance transparency and reduce agency problems and moral hazards.

2.5 Public Associations

Our company operates in high-risk areas such as oil product distribution, hazardous materials transportation, and logistics warehousing. To strengthen safety governance and sustainable transformation, we adhere to the principles of "institutional participation and responsible collaboration," actively participating in industry associations and associations to internalize industry standards and governance requirements into our internal processes, ensuring operational compliance and supply chain resilience. As of the reporting year, the major associations and associations in which our company is a formal member or actively involved are as follows:

Contributions of participating public associations to ESG		
Public Associations	**Taiwan Chemical Industry Responsible Care Association (TRCA)**	**Local Gas Station and Motor Transport Associations Across Taiwan**
Environment	Safety in transporting hazardous materials reduces leakage and environmental risks.	Improve cross-border logistics efficiency and reduce redundant transportation
Society	Driving safety education and disaster response mechanisms	International logistics cooperation and supply chain stability
Governance	High-risk transportation law compliance with liability care system	International supply chain governance and supply chain information sharing

Chapter 3 Climate change

3.1 Governance structure and responsibilities

Our company views climate change as a key governance issue. In response to the TCFD governance framework requirements, we have established a governance structure with board oversight, management coordination, and departmental implementation.

I. Governance Structure UpgradeOn December 29, 2025, our company established a Board-level "Sustainability Committee," elevating climate and sustainability issues to the highest decision-making level, thereby enhancing governance strength and decision-making efficiency. Simultaneously, we optimized the executive team organization to strengthen cross-departmental collaboration and execution effectiveness.

II. Division of Responsibilities: Upgrade of Sustainability Governance System and Board-Level Governance from 2025To strengthen the status of climate and sustainability governance, on December 29, 2025, our board resolved to establish the "Sustainability Committee Organizational Regulations" in accordance with relevant codes of practice, formally establishing a Board-level "Sustainability Committee," elevating climate and sustainability governance to the highest decision-making level, and simultaneously adjusting the "Sustainability Execution Team" to an "Execution Team" to optimize efficiency.



3.1.2 Climate Risk Management Information Reporting System

To effectively incorporate climate risk into operational decision-making, the Company has established a traceable and reporting management mechanism, enabling on-site operational information to be aggregated level by level to management and the Board of Directors, thus implementing TCFD governance requirements.

I. Information Collection and Data Management MechanismBased on existing operational data, the Company plans to implement a "Sustainability Information Management System" as a centralized management platform.

II. All operational and risk data provided by the various responsible units are compiled and integrated by the "Sustainability Implementation Team" into consistent management content, and submitted to the Sustainability Committee and the Board of Directors for review.

III. Reporting Process and Governance Hierarchy for Climate Risk Information.
Our company has established a hierarchical climate risk information reporting system. Relevant data is regularly provided by the operations and responsible units, compiled and analyzed by the Sustainability and Environment Group, and then submitted to the Sustainability Development Implementation Team for final reporting.

IV. Disclosure Standards and Management Guidelines for Climate Risk Information To enhance the transparency and comparability of climate information, our company aligns its risk management and disclosure with international standards as the core basis for sustainability reporting.

3.1.3 Greenhouse gas management

Our company views greenhouse gas management as the foundation of climate governance and risk management, and integrates it into our existing internal management structure. The management principle adopts a "compliance first, system-first, and progressively improved" approach to ensure that inventory operations and information disclosure comply with regulations and international standards, serving as the basis for subsequent risk assessments, energy management, and carbon reduction planning.

Explanation of Inspection Methods and Data Management Mechanism	
Item	illustrate
Inspection methods	Energy and fuel usage data are compiled separately for each operational activity, and emissions are calculated accordingly.
Source of information	**Fleet driving and fuel consumption records, electricity bills, and operations management system**
Data compilation	The Sustainability and Environment Group integrates the original data provided by each unit.
Internal confirmation	Regularly review and verify the reasonableness of the data.
Internal confirmation	Incorporate it into a sustainable information management system to ensure data consistency and traceability.

3.1.4 Organizational energy consumption

Our company has integrated energy use into its sustainable governance framework, with management leading cross-departmental collaboration to establish an internal mechanism for managing and applying energy information in decision-making.

3.2 Climate Risk Response Policies for Enterprises

Our climate risk management process integrates existing risk management systems with mechanisms for addressing critical sustainability issues, and references the TCFD and IFRS S2 frameworks to incorporate climate change-related risks and opportunities into the overall corporate risk management cycle.

Analysis of the Significance of Climate Change and Countermeasures

Our company adopted a consistency scoring criterion to quantitatively assess the "probability (P)" and "impact (I)" of climate issues. After aggregating cross-departmental opinions and obtaining an average, a risk importance score was calculated using P × I. Based on this score, issues were ranked and their significance determined. This framework ensures the objectivity, consistency, and comparability of climate risk analysis, and facilitates the identification, scoring, and ranking of climate risks and opportunities. The analysis results are summarized in the table below.

	Risk type		Description	Probability of occurrence (P)	Impact level (I)	Risk Score (P)x(I)
Risk identification results	Entity Risk	R1	Extreme changes in rainfall and climate patterns have caused disruptions or delays to the company's transportation and oil sales operations.	3.65	3.58	13.07
		R2	Extreme changes in rainfall and climate patterns have triggered supply chain disruptions or shipping delays for companies.	3.62	3.69	13.35
		R3	Extreme changes in rainfall and climate patterns increase the frequency and cost of equipment maintenance.	3.96	3.81	15.08
		R4	Rising average temperatures increase energy consumption in the company's transportation and oil sales operations.	3.54	3.54	12.52
		R5	Rising sea levels increase the company's transportation and oil sales operating costs.	3.00	3.04	9.12
	Transformation Risks	R6	The implementation of environmental regulations has increased the company's compliance costs.	3.96	3.73	14.78
		R7	Increased customer demand for green products has led to increased company transformation and R&D investment.	3.85	3.73	14.35
		R8	The transition process has increased costs due to rising company transportation and oil prices.	3.81	3.73	14.21
		R9	Increasing costs by adding employee knowledge and skills to address climate change solutions	3.69	3.38	12.50
		R10	Strengthening carbon emissions disclosure obligations increases company operating costs.	3.65	3.50	12.79
Opportunity Identification Results	Chance	O1	Climate change brings new market development opportunities	3.65	3.58	13.07
		O2	Enhance the company's market competitiveness by adopting green technologies and renewable energy.	3.73	3.65	13.63
		O3	Participation in environmental protection projects may increase company profits.	3.46	3.46	11.98
		O4	Develop new technologies to reduce the company's carbon footprint	3.77	3.69	13.92
		O5	Strengthen environmental management of the supply chain to improve operational efficiency	3.77	3.65	13.77

3.3 Develop science-based reduction targets (SBTi) and climate resilience strategies.

In response to climate change and the trend of low-carbon transition, our company continues to refine its greenhouse gas emissions management and reduction efforts. While our current priority is establishing an inventory system and improving data maturity, and we have not yet formally submitted an SBTi commitment, we have integrated its scientific reduction principles into our medium- and long-term climate strategy. With "measurable, traceable, and verifiable" as our core principles, we are gradually building a carbon reduction management framework that aligns with the characteristics of transportation and logistics operations, ensuring that all reduction targets and practical actions have a scientific basis and are effectively implemented.

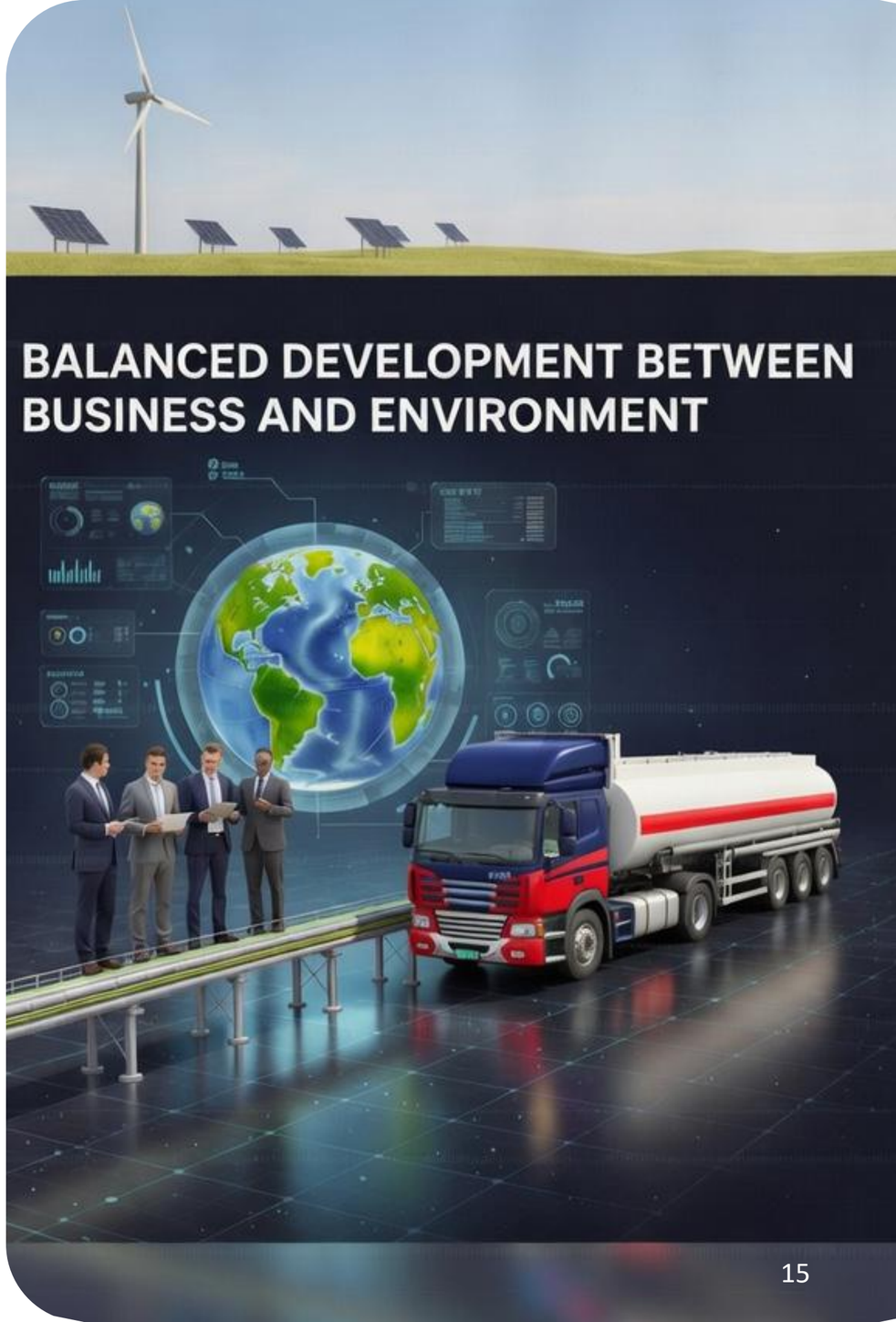
(SBTi) Reference Orientation and Climate Resilience Strategy			
Oriented	Planning Focus	Current practice	Medium and long-term development direction
Greenhouse gas emissions inventory and boundary management	Establish an emissions audit foundation that conforms to the spirit of SBTi	The inventory of emission sources in categories one and two has been completed, and the completeness of the annual inventory and verification data has been verified.	• At least one boundary review and data quality check should be conducted annually. • At least one new category of assessment should be added each year.
Fleet fuel and energy efficiency	Reduce transportation fuel intensity	Vehicle fuel consumption management and scheduling optimization, monitoring fuel usage	• At least one fleet energy-saving or low-carbon vehicle assessment project per year; • continuously reduce fuel intensity.
Energy Management at Operating Sites	Reduce power consumption and equipment energy consumption at the base	Energy management and replacement planning for office and operational site equipment	• Implement at least one energy-saving improvement or equipment replacement plan annually; • Assess the introduction of renewable energy or low-carbon equipment.
Low-carbon technologies and energy transition	Assessment of alternative energy sources and low-carbon transportation	Continuously collecting information on low-carbon transportation and alternative fuels	• Implement at least one energy-saving improvement or equipment replacement plan annually; assess the introduction of renewable energy or low-carbon equipment.
Carbon reduction management and investment decisions	Incorporating emissions and energy into investment assessments	Energy efficiency has been taken into account in equipment upgrades and operational improvements.	• 100% of major equipment or operating investments must be included in energy and emissions impact assessments.
Climate resilience and operational stability	Strengthening operational sustainability under extreme weather conditions	Fleet dispatch, backup, and equipment maintenance management	• Conduct at least one extreme weather response or dispatch drill annually to improve preparedness coverage.
Climate governance and tracking mechanisms	Establish SBTi aligned management and disclosure rhythm	Fleet dispatch, backup, and equipment maintenance management	• At least once a year, conduct a phased assessment of the feasibility of the SBTi commitments through a carbon reduction pathway review.
Climate governance and tracking mechanisms	Establish measurable carbon reduction and resilience indicators	Tracking energy and fuel usage	• Establish at least one emissions or energy intensity indicator and track improvements annually.

Chapter 4 Environmental protection

Balanced development between enterprises and the environment

Our company strives for a balance between economic development and environmental protection. In response to climate risks and regulatory requirements, we actively implement environmental protection strategies to mitigate operational impacts. Our environmental policy is integrated into the dual-track framework of the Sustainability and Risk Management Committee, ensuring cross-departmental execution and strategic integration capabilities for environmental issues. We implement safety countermeasures for environmental risks, combining occupational health and safety procedures with incident reporting to achieve proactive management, responding to community needs and complying with local regulations. Regarding contracting and hazardous chemical management, we clearly define protection, notification, and shutdown procedures for outsourced operations in accordance with the "Contractor Environmental Health and Safety Management Procedures," and implement the "Hazard Awareness Management Procedures" for chemicals such as diesel and cleaning agents, ensuring labeling, ventilation, and explosion-proof internal controls. To ensure these measures are quantifiable, verifiable, and continuously optimized, the company conducts regular training.

Shan-loong Logistics upholds social responsibility, continuously building a forward-looking environmental risk control system, striving to enhance operational resilience, and moving towards a carbon-neutral and sustainable logistics vision. To further strengthen the control of the environmental impact of operations, the company has planned various safety measures from three aspects: management strategy, risk mitigation, and personnel training.



4.1 Environmental protection related questionnaire

- Survey Background and Purpose: In 2026, Shanlong will conduct an environmental questionnaire survey. Through a "Governance-Strategy-Risk Management" framework, it will identify gaps in implementation and distribution of awareness. The survey results will be submitted to the Sustainability Committee to optimize environmental education, system revisions, and resource allocation, thereby deepening the organization's internal sustainability culture.

- Questionnaire Design Principles and Content: Shanlong plans a structured questionnaire, adhering to three principles: behavioral linkage, cross-departmental perspective, and parallel qualitative and qualitative analysis. Items cover core themes such as policy, climate, and resources, and are aligned with GRI and government assessments. Through periodic comparisons and performance linkages, environmental governance will become a driving force for continuous learning within the company.

- Questionnaire Implementation and Sample Description: The company coordinated 76 environmental questionnaires, achieving a 100% response rate. Based on the GRI and TCFD framework, 24 questions were designed to quantify members' awareness and concern regarding climate and resources. The results will serve as a basis for identifying major issues and resource allocation, guiding cross-departmental dialogue and optimizing medium- and long-term sustainability strategies.

Scope	Issues covered	average score
Environmental	Oil and gas recovery and vehicle exhaust gas testing.	3.72
	Oil-water separation facilities and car wash wastewater treatment (water pollution).	3.68
	Fuel management and route optimization for transport fleets (energy conservation and carbon reduction)	3.62
	Waste disposal	3.66
	Employee Health and Safety	3.67
	Energy conservation training or education program	3.30
	Environmental accident handling measures	3.57
	Overall assessment of environmental safety	3.50
Greenhouse gas inventory and carbon emission management	Greenhouse gas emission levels	3.43
	Knowledge of greenhouse gas emissions	3.18
	Knowledge of greenhouse gas emissions	3.25
	Efforts to reduce greenhouse gas emissions	3.42
	Understanding of the direct emissions of greenhouse gases (Category 1)	3.39
	Understanding of indirect emissions (Category 2)	3.33
	Measures to offset carbon emissions	3.37
Supply Chain ESG Responsibility - For Sustainable Supplier and Customer Management	Have the suppliers taken appropriate measures to address environmental protection?	3.30
	Have the suppliers taken effective measures to reduce environmental impact?	3.26
	Suppliers fulfilling their social responsibilities	3.21
	Do suppliers comply with labor laws and protect employee rights?	3.37
	Performance of the company's suppliers in improving socio-economic benefits	3.37
	Overall, this impacts the sustainability performance of the company's suppliers.	3.38
Environmental laws and regulations	Are you familiar with the environmental regulations currently applicable to the company?	3.22
	Have employees been provided with training related to environmental regulations?	3.26
	The company's performance in complying with environmental regulations	3.46
Open-ended questions and answers	What improvements can the company make in terms of greenhouse gas emissions and inventory?	
	What other improvements can the company make in terms of environmental safety?	
	What other improvements can the company make in terms of environmental compliance?	
	Has the company ever violated any environmental regulations?	

Greenhouse gas inventory check boundaries

In 2025, based on the scope of this inspection, Shan-loong's operational locations include: the Taipei headquarters office, 74 gas stations throughout Taiwan, and transportation management (8 transportation plants + 7 warehousing and logistics plants and 8 warehouses). Third-party verification is expected to be completed between 2027 and 2028 to ensure the accuracy of the data for subsequent internal and external auditors to track and verify.

Greenhouse gas inventory results

Category 1 : 6,896.2969 tCO2e
Category 2 : 2,871.3911 tCO2e
Category 4 : 819.3839 tCO2e
Total: 10,587.0720 tCO2e

2024-2025 Greenhouse gas emission reduction ratio

2025： 10,587.0720 tCO2e
2024：14,608.7262 tCO2e
Reduction of greenhouse gas emissions:
-27.53%

4.2 Greenhouse gas emissions and inventory

Scope of investigation

Shan-loong Transportation establishes its inventory boundaries according to ISO 14064-1, adopting the operational control method, encompassing the head office, gas stations, and all operating offices, and conducting data collection and boundary confirmation on an annual basis. Emissions are classified into categories 1, 2, and 4 based on the reports; category 1 covers mobile combustion, stationary combustion, and fugitive sources; category 2 includes indirect emissions from purchased electricity; and category 4 includes other indirect emission sources. The company simultaneously establishes an emissions source inventory, classifying various operational activities as the basis for emissions calculation, trend analysis, and subsequent reduction management.

Item	content
Organizational Boundaries	Head office, gas stations, and intermodal transport department
Category 1	Direct emissions
Category 2	Purchased electricity
Category 4	Other indirect emissions
Inspection Standards	Processing based on annual inventory boundaries and register data

Investigation Results and Pre- and Post-Inspection Analysis

Based on the 2025 greenhouse gas inventory results, Shan-loong Transportation's total emissions were 10,587.0720 metric tons of CO2e, of which Category 1 accounted for 6,896.7836 metric tons of CO2e (53.97%), Category 2 for 3,193.6054 metric tons of CO2e (24.99%), and Category 4 for 819.3839 metric tons of CO2e (21.04%). The overall emission structure still shows that Category 1 remains the primary source, indicating that operational emissions are still primarily concentrated in direct emission activities, as shown in Figure 4-10. Compared to 14,608.7262 metric tons of CO2e in 2024, the total emissions in 2025 decreased by 1,830.2030 metric tons of CO2e, a decrease of 12.53% year-on-year. The main reason for the decrease this period is the significant reduction in Category 1 emissions, with direct emissions from mobile combustion sources decreasing from 11,113.6272 metric tons of CO2e to 6,474.4799 metric tons of CO2e, which is the primary source of reduction this year (Figure 4-11).Compared to 14,608.7262 metric tons of CO2e in 2024, total emissions in 2025 decreased by 1,830.2030 metric tons of CO2e, a year-on-year reduction of 27.53%%. The main reason for the decrease this period is the significant reduction in Category 1 emissions, with direct emissions from mobile combustion sources decreasing from 11,113.6272 metric tons of CO2e to 6,474.4799 metric tons of CO2e, which is the primary source of reduction this year.

Analysis of the structural differences between the early and later stages shows that Category 2 CO2e increased from 2,616.6349 metric tons to 3,193.6054 metric tons, a growth of 22.05%; while Category 4 increased from 745.6356 metric tons to 2,688.1342 metric tons, an increase of 1,942.4986 metric tons. This result indicates that although direct emissions have shown a significant decline, the proportion of emissions from purchased electricity and upstream energy sources has increased, and the emission structure has gradually shifted from a single, highly concentrated pattern to a multi-source composition. Analysis of greenhouse gases by type shows that carbon dioxide (CO2) will remain the primary emission source in 2025, with emissions of 6,731.3229 metric tons of CO2e per year, accounting for the largest share of major gas emissions. This is followed by hydrofluorocarbons (HFCs) at 332.9346 metric tons of CO2e per year, methane (CH4) at 99.4520 metric tons of CO2e per year, and nitrous oxide (N2O) at 93.0741 metric tons of CO2e per year. No emissions of PFCs, SF6, and NF3 were recorded this year. Overall, the results indicate that energy-related CO2 emissions will remain the primary source of emissions for Shan-loong Transportation, with equipment emissions mainly reflected in HFC projects, which should be a priority focus for future equipment management and refrigerant reduction.

4.3 Environmental performance

Water Resources Management

- Implementing a wastewater recycling system at car washes to reduce tap water usage.
- Establishing a regular maintenance mechanism for water-using equipment to prevent leaks.
- Regularly tracking water intake (approximately 100,056.1291 thousand cubic meters in 2025). This water is primarily used for vehicle washing, facility maintenance, and domestic water use; the operating model does not require large amounts of process or cooling water. This improves the quality and transparency of resource efficiency assessments.

Continuous Improvement.

- Planning water reduction targets and a real-time monitoring mechanism.
- Introducing third-party verification to enhance data credibility.Through institutionalized management and data tracking, improve water efficiency and reduce operational risks.

Waste Management

Management Measures:

- Implement source reduction and classification management.
- Establish dedicated temporary storage areas and hazard labeling.
- Entrust qualified treatment providers and maintain records of manifests.

Monitoring and Improvement

- Establish a manifest verification mechanism and conduct regular spot checks.
- Strengthen management consistency through education and training and internal audits.

Through institutionalized control and continuous verification, ensure regulatory compliance, reduce environmental risks, and gradually promote resource recycling.

4.4 Environmental Control Sustainability Strategy Blueprint

Facing the impacts of climate change, the pressures of energy transition, and the carbon emission hotspots in the transportation industry, Shanlong Transportation recognizes that environmental risks are not a single-department issue, but rather a challenge for overall operations. With sustainable operation at its core, the company has developed an "Environmental Control Sustainability Strategy Blueprint," implementing a systematic governance structure that combines employee feedback with regulatory trends to establish a forward-looking and continuously optimized management path. This blueprint focuses on three integrated aspects and four practical principles, with target milestones for 2030, 2040, and 2050, driving the company from compliance-oriented to innovation-driven.

Action axis	Strategy Content
2024- 2030	Complete carbon and energy inventory at all locations, improve employees' basic understanding of climate risks, and establish a questionnaire tracking system and regular review mechanism.
2031 - 2040	Achieve the target of reducing mid-range temperature emissions (20% reduction based on 2019 baseline), replace 50% of operating vehicles with low-carbon models, and increase the green pact signing rate of the supply chain to 80%.
2041 - 2050	Going to net-zero carbon emissions operations, completing the sustainable transportation transformation framework, incorporating the entire product and service lifecycle into consideration, and achieving a win-win situation for operations, the environment, and society.

4.5 Sustainable supply chain carbon reduction

Supply chain carbon reduction strategy

The key areas for evaluating a supplier's environmental performance include: whether they possess an ISO 14001 or equivalent environmental management system; whether they have publicly disclosed carbon emission information or completed greenhouse gas audits; whether they have any environmental violations in the past three years; and the energy use patterns and carbon intensity of their transportation or production processes.

- Initial Screening Stage (Qualification Review): New suppliers must submit basic information, business registration, and, depending on their size, a sustainability report, committing to compliance with environmental, social, and business integrity standards.
- ESG Risk Assessment: In accordance with the "Supplier Management Regulations," a preliminary ESG risk identification will be conducted on suppliers, including their ISO 14001 environmental management system, greenhouse gas audit status, labor disputes, and major environmental violations, and will incorporate a basic inventory of carbon emissions and energy use.

Timeline	Goal	Action & Strategies	Execution progress
2024-2030	• Carbon emissions reduced by 30%; carbon inventory integration of all owned facilities and fleet completed.	• Establish a digital carbon inventory and management platform, integrating fuel, electricity, fleet dispatch, and driving data. • Implement carbon intensity indexing for gas stations and fleet units, and establish assessment models for “carbon emissions per kilometer of delivery” and “fuel consumption-carbon emission conversion factor".	• In 2024, our company integrated fuel consumption, dispatch, electricity, and equipment data to accurately grasp key carbon emission factors. • We initiated site assessments and piloted the introduction of solar panels at select gas stations, gradually establishing a foundation for self-generated power and renewable energy use.
2031 - 2040	• Reduce carbon emissions by 50% • Establish carbon management guidelines and auditing systems for third-party transporters, and expand the scope of Scope 3 audits.	• Establish carbon emission disclosure and low-carbon cooperation indicators for third-party logistics partner fleets as a condition for outsourcing capacity. • Improve vehicle dispatching efficiency and reduce idling and empty vehicle ratios to optimize fleet carbon emission efficiency. • Assess fleet electrification or new energy conversion rates to reach 25%, and align with government policy planning project subsidies and investment opportunity assessments.Incorporate compliance results into the annual performance evaluation of key operating unit managers.	Route optimization will be implemented to reduce empty vehicle rates and idling time, serving as a core strategy for improving transportation efficiency and carbon emission intensity management. Strategies for introducing electric vehicles and alternative energy vehicles are under consideration, and preliminary assessments of project subsidies and operational pilot programs have been conducted to align with the 2050 Net Zero Vision and government vehicle transition policies. Environmental regulatory compliance has been incorporated into internal audits and managerial performance evaluations, establishing internal control mechanisms and accountability systems to strengthen management's emphasis on regulatory compliance and risk management.
2041 - 2050	• Cumulative carbon reduction to achieve carbon neutrality • Achieve transparency of the carbon footprint of the supply chain (including fuel suppliers) and full adoption of renewable energy.	• Establish connections between carbon emission data, fuel consumption management, dispatch scheduling, and energy procurement data to achieve automated disclosure and verification preparation. • For high-carbon emission routes and locations, a carbon credit offsetting scheme should be introduced, and a long-term cooperative carbon trading strategy should be established. • Establish a mechanism for sharing carbon data with major suppliers such as CPC Corporation and Formosa Petroleum to promote transparency in the carbon footprint of fuel sources and collaborative carbon reduction initiatives. • The annual sustainability report continuously discloses compliance with regulations, carbon performance, and low-carbon transition outcomes, fulfilling its commitment to accountability to stakeholders.	The plan will incorporate all vehicle trip carbon emission data into the carbon inventory system as a basis for verification and disclosure. An assessment will be conducted to establish a low-carbon cooperation mechanism with CPC Corporation and Formosa Petroleum, which will be incorporated into the future assessment of fuel source carbon footprint disclosure and carbon trading instruments. An annual sustainability report will be compiled to systematically disclose carbon inventory, energy, regulations, and carbon reduction performance, and to implement information transparency and accountability systems in accordance with the GRI and TCFD frameworks.

4.6 Environmental laws and regulations

To ensure full compliance with regulations and sustainable governance principles, Shanlong Transportation has established an "Environmental Law Compliance System" in collaboration with its Operations Department and Environmental Hygiene Department. This system systematically implements regulatory identification, operational monitoring, anomaly response, and preventative measures, and is incorporated into annual internal audits. It covers key processes such as nationwide locations, fuel distribution, and logistics transportation to reduce risks and enhance compliance transparency.

Chapter 5 Corporate Social Responsibility

Our company operates in the energy transportation and logistics sector, and its operations are highly intertwined with public safety, labor rights, environmental protection, and social stability. Corporate social responsibility (CSR) is not an ancillary aspect of operations but rather a core component of our governance structure. We institutionalize relevant management principles and policy commitments through internal systems and operational processes, ensuring that all responsibility-related issues are integrated into daily operations and have traceable and auditable documentation.

5.1.1 Corporate Social Responsibility

Our company incorporates the impact of energy transportation and logistics services on stakeholders into its business decisions to enhance resilience. Through policy commitments, internal regulations, and operational standards, we implement social responsibility in daily operations, ensuring traceability. The company allocates resources based on materiality analysis, prioritizing responses to substantial risks. Each location implements unified management standards through routine management, communication, and training. Furthermore, the company promotes workplace equality and non-discrimination policies, protecting employee rights and placing fairness and respect at the core of its governance.

5.1.2 Core Principles of Social Responsibility

The company transforms its core business philosophy into the foundation of its social responsibility values, establishing consistent decision-making and behavioral guidelines, and implementing the principles of "consistency" and "practicability" to avoid formalism. In light of industry characteristics and social impact, the company incorporates relevant principles into its labor rights, workplace management, talent development, and occupational health and safety management framework. Regarding workplace respect, the company adheres to the principle of non-discrimination, maintaining fairness through systems and communication to ensure employees develop in a respectful environment.



5.2 Labor Human Rights Strategy

Given the multi-location and multi-job characteristics of logistics and energy transportation, our company incorporates labor rights requirements into daily operations management based on the principles of "systematization, traceability, and improvement." The management scope covers company employees and related personnel performing business within the premises, thereby clarifying responsibilities and reducing management gaps. In terms of governance structure, our company prioritizes policy commitments, implementing workplace respect, equal treatment, and prevention of illegal infringements into management processes. We have also established a transparent and accessible grievance mechanism to ensure that employee concerns are addressed promptly and that processing records are maintained, facilitating continuous improvement of system effectiveness. This strategy directly addresses high-concern issues such as "employee rights," "labor relations," "forced labor," and "non-discrimination," reducing labor risks and maintaining stable employment relationships through governance and oversight mechanisms.

Overall, the company regularly reviews the operation of its systems and identifies potential risks to ensure that human rights protection principles are implemented in daily operations and continuously improved.

Year	2025	2024
Classification	work overtime	work overtime
Hours	5,227	4,848
Classification	Compensation	Compensation
Hours	1,055	1,216

5.2.1 Diversified employment

Our company adheres to the principles of equal opportunity and competency-based recruitment and appointment, using job-specific professional competence as the evaluation benchmark, without being influenced by gender, age, or non-job-related factors, ensuring that talents from diverse backgrounds can participate fairly in organizational operations. To examine trends in human resource structure changes, the company regularly compiles statistics on the gender and age distribution of new and departing employees; detailed data can be found in Tables 5-5 and 5-6. Regarding diversity in management, the proportion of female managers in 2025 was , an increase from 5.63% in 2024, demonstrating the company's progress in promoting gender balance and talent development. Through quantitative analysis of human resource structure, the company continuously adjusts its recruitment strategies and human resource planning to strengthen organizational resilience and long-term development momentum.

New employees

Item	Classification	2025				2024			
		male		female		male		female	
		Number	%	Number	%	Number	%	Number	%
Age Range	< 30 years old	67	38.68%	26	15.21%	99	30.27%	71	21.71%
	31-50 years old	37	21.67%	35	20.17%	67	20.49%	79	24.16%
	>51 years	3	1.60%	5	2.67%	3	0.92%	8	2.45%
Gender total		107	61.95%	65	38.05%	169	51.68%	158	48.32%
Total		172				327			

Departing employees

Item	Classification	2025				2024			
		male		female		male		female	
		Number	%	Number	%	Number	%	Number	%
Age range	<30 years old	11	27.03%	7	17.07%	41	28.48%	23	14.17%
	31-50 years old	11	26.63%	8	19.51%	223	29%	121	15.73%
	>51 years	3	7.11%	1	2.64%	73	9.49%	24	3.12%
Gender total		25	60.77%	16	39.23%	515	66.97%	254	33.03%
Total		41				769			

5.3. Salary Comparison Analysis and Benefits Description

To ensure market competitiveness and reasonable compensation, the company regularly cross-references the average and median salaries for supervisory and non-supervisory positions to examine the stability of the salary structure distribution. The compensation adjustment mechanism is incorporated into the compensation decision-making process and is reviewed by the responsible unit to ensure consistency and transparency. The company conducts annual analysis of the gender pay ratio: in 2025, the ratio of women's base salary to men's was 73.49%; in 2024, it was 77.63% (see Table 5-8 for details). Simultaneously, the company discloses the proportion of salary and benefits expenditure to revenue (see Table 5-9 for details) to measure the level of human capital investment and resource allocation strategy. Cross-year comparisons show that, under the same job and performance conditions, there is no institutional gender difference in salary payments, and the compensation system conforms to the principle of fairness.

Analysis of average and median salaries for supervisory and non-supervisory positions

Job level	2025				2024			
	male	female	male	female	male	female	male	female
Management	83	56	59	50	72	54	57	44
Technicians	38	28	33	30	39	28	32	27
General job	45	38	41	36	41	36	38	32

※Average salary (NTD 1,000 per person)
※Median salary: After arranging all salary data from smallest to largest, take the middle value; if the number of data points is even, take the average of the two middle values.

Year	Item	Welfare Committee	Welfare allowance	Bonus	Salary	Overtime pay
2024	Amount to be allocated	6,056,041	3,443,190	35,904,844	589,526,712	21,421,856
	%	0.06%	0.03%	0.33%	5.44%	0.20%
2025	Amount to be allocated	4,532,337	3,137,220	30,652,758	538,878,754	24,057,854
	%	0.06%	0.04%	0.37%	6.59%	0.29%

5.4 Comprehensive talent cultivation

The company considers talent development as the core of maintaining organizational competitiveness and operational stability. Regarding training, the company plans annual courses covering professional skills, safety education, regulatory compliance, and management capabilities, categorized by job type.

Item	Classification	2025				2024			
		male		female		male		female	
		Number	%	Number	%	Number	%	Number	%
Country of Citizenship	native	648	59.9%	432	39.94%	751	62.43%	450	37.43%
	Non-native	1	0.09%	1	0.07%	1	0.08%	1	0.06%
Age range	<30 years old	212	19.59%	125	11.57%	243	20.18%	151	12.59%
	31-50 years old	342	31.60%	271	25.01%	387	32.20%	259	21.5%
	>51 years	95	8.81%	37	3.43%	122	10.13%	41	3.4%
Position	General job	93	8.61%	142	13.16%	98	8.11%	156	12.98%
	Technicians	466	43.09%	217	20.02%	559	46.47%	227	18.88%
	Management	90	54.84%	74	45.16%	95	58.28%	68	41.72%
Gender total		649	59.99%	433	40.01%	752	62.51%	451	37.49%
total		1082				1203			

The proportion of local residents employed in senior management positions

Year	2025	2024
	Number of people	Number of people
Senior executives	10	9
Senior executives are locals	9	8
%	90%	88.89%

5.5 Local Sustainable Care

In 2025, the company's social welfare efforts will be supported through donations to the "Cheng Huo-Tian Charity Foundation" and the "Cheng Lung Children's Care Foundation," jointly supporting care for the disadvantaged and children's welfare services. Major projects will be conducted in cooperation with the affiliated company, the Cheng Lung Group. The "Cheng Lung Paper Library" and "Social Emergency Relief" projects will be participated in annually. By 2025, the total number of paper libraries donated will reach 34 across Taiwan, with 3 new libraries added in 2025. Major neighborhood emergency relief projects in 2025 include donations for the New Taipei City Shanxia major traffic accident and condolences for firefighters who died in the line of duty in Xindian District. Multiple blood donation drives will also be held. Shan Lung fulfills its corporate social responsibility through charitable activities, investing social resources. All donations are reviewed and managed according to internal procedures to ensure transparency and traceability in resource use. Given that the management focus in 2025 is on strengthening the governance structure and infrastructure of the Sustainability and Risk Management Committee, the company will prioritize resources for deepening these systems. In the future, based on operational stability and resource allocation, we will evaluate and introduce diverse participation models to gradually expand the forms of public welfare and build a strategic and long-term cooperative relationship with the local community.





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Public blood donation drive

Following the operational transformation and leadership transition in 2025, our company will strengthen the transparency of deliberation and decision-making on major issues through board participation mechanisms, fulfilling our governance commitments. To adapt to global changes, in addition to the existing governance system, a risk management mechanism will be added, and a "Sustainability Committee" will be established by the end of the year to coordinate major issues and corporate impact management, enhancing governance levels and decision-making consistency.

Chapter 6 Corporate Governance

6.1 Corporate Governance Philosophy and Strategies

Our company upholds integrity in its operations and prioritizes strengthening and increasing the transparency of our board of directors' functions as core aspects of our governance. We consider our sustainability reports as crucial financial documents, ensuring the accuracy of information, and we integrate climate change, resource scarcity, and supply chain transformation into our overall governance structure. As the highest governing body, the board of directors has dedicated committees that oversee climate risks and opportunities. This oversight is implemented through five key areas: process, participation, analysis, decision-making, and connectivity, ensuring alignment between our sustainability strategy and long-term business direction. Furthermore, we disclose our responsibilities and skills in monitoring climate risks, enhancing governance transparency.

Item	Year	Goals	Specific content	2025 Specific Action Indicators and Outcomes
Short-term goals	2030	Honest business practices and implementation of internal controls	• Improve governance and organizational structure • Deepen internal control and auditing • Enhance the quality of information disclosure	• The board of directors has established sound functions and convenes regular board meetings. In accordance with the tiered management system, important business decisions should be made by the board. A total of 17 board meetings were held in 2025. • The board is committed to promoting diversity among its members and enhancing decision-making transparency to continuously optimize governance efficiency.
Medium-term goals	2040	Optimize operational efficiency and risk management	• Promote supply chain risk management • Strengthen innovation decision-making management • Improve governance assessment ranking	• We have rigorously constructed an internal control system with the goal of comprehensively monitoring financial soundness and various operational risks. • In addition to adhering to domestic regulatory requirements, we proactively align with international sustainability principles to ensure that the company's operations meet international compliance standards.
Long-term goals	2050	Practicing Sustainable Governance and Stakeholder Values	• Deepen the culture of integrity in governance • and integrate the ESG decision-making system.	• Establish transparent and open communication channels to deepen mutual trust with investors and stakeholders (such as shareholders and customers). • Deeply integrate ESG strategies into the core decision-making system, implementing policy monitoring and enforcement through a top-down approach.



6.2 Board of Directors

This Board of Directors is the highest decision-making body, coordinating operational policies and sustainable development strategies. Board members possess professional backgrounds in industry, finance, law, and sustainability, and decision-making is guided by the Chairman. The Board regularly reviews operational results and risk management, incorporating the impact of climate change on operating costs, energy efficiency, supply chain, and finances into investment and capital allocation assessments.To strengthen governance quality, the Company implements the following core mechanisms:

- Diversity and Professionalism: The Board consists of 9 members (including 3 independent directors), ensuring cross-disciplinary complementarity.
- Independent Oversight: Independent directors are appointed to implement conflict of interest avoidance, ensuring professional review of major decisions
- Information Transparency: Sound communication channels are established to ensure the traceability of ESG data.
- Continuing Education: Directors regularly participate in professional courses and conduct annual self- and external performance evaluations.
- Integrated Sustainability Responsibility: The Sustainability Committee coordinates the setting of indicators, integrating ESG into the decision-making process.

Vision for Sustainable Development

- Professional Oversight: Incorporating 10 key issues into strategy and performance evaluation; utilizing a "Ten-Circle Internal Control Framework" to review compliance and requiring the supply chain to sign integrity clauses.
- Climate Disclosure: Planning a net-zero path compliant with SBTi; having a dedicated team prepare GRI and TCFD reports and implementing rigorous verification to ensure data accuracy.
- Layered Review: Adopting a "team preparation, committee review, board approval" model to ensure the rigor of sustainable governance decisions.

Board of Directors		
Job title	Name	Main educational background
Chairman	Jen-Hong-Zheng	Chairman of Shanloong Transportation Co., Ltd.General Manager of Shanloong Transportation Co., Ltd.Master of Commerce, Waseda University, Japan
Vice Chairman	Yu-Lanhui	Vice Chairman of Shanlong Transportation (Stock Co., Ltd.), General Manager of Shanloong Transportation (Stock Co., Ltd.), Yongda Industrial College
director	Qi-Ailing (Representative of Cheng Loong Corporation)	MFS Investment Management Asia Representative, Vice President
director	Lu-Juanjuan (Representative of Shanfa Construction Co., Ltd.)	Director of Shanfa Construction (Stock) Co., Ltd.; Shih Chien Home Economics College
director	He-Tai-jie (Representative of Shanfa (Stock) Co., Ltd.)	Vice President of Cheng Loong Corporation, Master of Management from Tamkang University
director	Zheng-Genpei	Deputy General Manager of Shanloong Transportation (Co., Ltd.), Master's Degree from Northrop University
Independent Directors	Huang-Yiu-ming	Retired accountant from Anhou Construction Company; Accounting Group, Department of Business Administration, National Taiwan University
Independent Directors	He-Xufeng	Vice General Manager of Cheng Loong Corporation, Zhongyuan University of Technology
Independent Directors	Wang-Maojun	Deputy General Manager of Shanloong Transportation (Co., Ltd.), Zhongli Commercial Vocational School

Vision for Sustainable Development		
Strategy Direction	SDGs	Promote project content
mprove energy efficiency	SDG 7: Ensure that everyone has access to affordable, reliable and sustainable energy. SDG 12: Ensuring Sustainable Consumption and Production Patterns SDG 13: Take urgent action to address climate change and its impacts	Actively develop renewable energy, strive to achieve a 30% renewable energy usage rate by 2030, and promote energy technologies to benefit a wider community.
Develop green facilities and renewable energy	SDG 7: Ensure that everyone has access to affordable, reliable and sustainable energy. SDG 13: Take urgent action to address climate change and its impacts	We established the Sustainable Development Committee on December 29, 2025, to formulate and implement medium- and long-term carbon reduction targets: a 30% reduction in carbon emissions by 2030, a 50% reduction in carbon emissions by 2040, and carbon neutrality by 2050.
Optimize operating environment and processes	SDG 9: Build resilient infrastructure to promote sustainable industrialization and innovation	By investing in technological research and development, we can improve the efficiency of the supply chain and introduce intelligent management to ensure the resilience and efficiency of energy infrastructure.

Social Responsibility and Sustainability Vision

Our company deepens its connections with customers, employees, and the community, promoting a diverse, equitable, and inclusive (DEI) workplace culture. We bridge the digital divide through widespread technology education, cultivate talent, and unite all stakeholders to build a harmonious and inclusive society, fulfilling our corporate social responsibility.

Corporate Governance Sustainable Vision

Our company is committed to implementing honest business practices and sound corporate governance, strengthening the Board's oversight and guidance on sustainability issues, and systematically incorporating ESG issues into the decision-making process to ensure high transparency and credibility in governance. Environmentally, the company promotes energy-saving equipment and process improvements to reduce resource consumption and assesses climate risks to enhance corporate resilience. Furthermore, we enhance employee sustainability awareness through education and training, encourage cross-departmental collaboration, and build a system of company-wide participation to create long-term sustainable value.

Social Responsibility and Sustainability Vision		
Strategy Direction	**SDGs**	**Promote project content**
Enhance employee well-being and safety	SDG 3: Ensure and promote healthy living and well-being for all ages.	Establish an occupational health and safety management system (such as ISO 45001), implement regular health checkups, psychological counseling, and driver fatigue management systems to protect the physical and mental health of employees and workplace safety.
	SDG 8: Promote inclusive and sustainable economic growth and full and productive employment	
Promoting gender and opportunity equality	SDG 5: Achieving gender equality and empowering all women and girls.	Provide gender-neutral hiring and promotion channels, develop childcare-friendly and flexible working hour policies, and protect career development opportunities for women and different ethnic groups.
	SDG 10: Reduce inequality at the national and international levels.	
Local community integration	SDG 11: Building inclusive, safe, resilient and sustainable cities and human settlements	Actively participate in local public welfare activities (such as traffic safety promotion and logistics talent training), care for the disadvantaged and educational sponsorship, and promote mutual benefit between enterprises and communities.

Corporate Governance Sustainable Vision		
Strategy Direction	**SDGs**	**Promote project content**
Strengthen the Board of Directors' Perpetual Oversight Function	SDG 16: To promote peaceful and diverse societies, ensure equality in the judicial process, and establish a credible and inclusive system.	Promote internal transparency and integrity in management, create a fair and harmonious working environment, and enhance positive social impact through a responsible business model.
Enhancing operational sustainability and environmental performance	SDG 13: Take urgent action to address climate change and its impacts	Incorporate climate change risk and opportunity assessments, actively expand the application of environmental protection technologies, promote circular economy models, enhance operational momentum, actively promote energy transition, and reduce environmental impact.
Building a culture of sustainability and internal participation mechanisms	SDG 4: Ensure that education is accessible, equitable, and of high quality, and promote lifelong learning.	We invest resources in employee education and skills development, and organize community renewable energy and climate education activities (approximately 30 hours) to cultivate the next generation's awareness and commitment to sustainability.

6.3 Laws and regulations

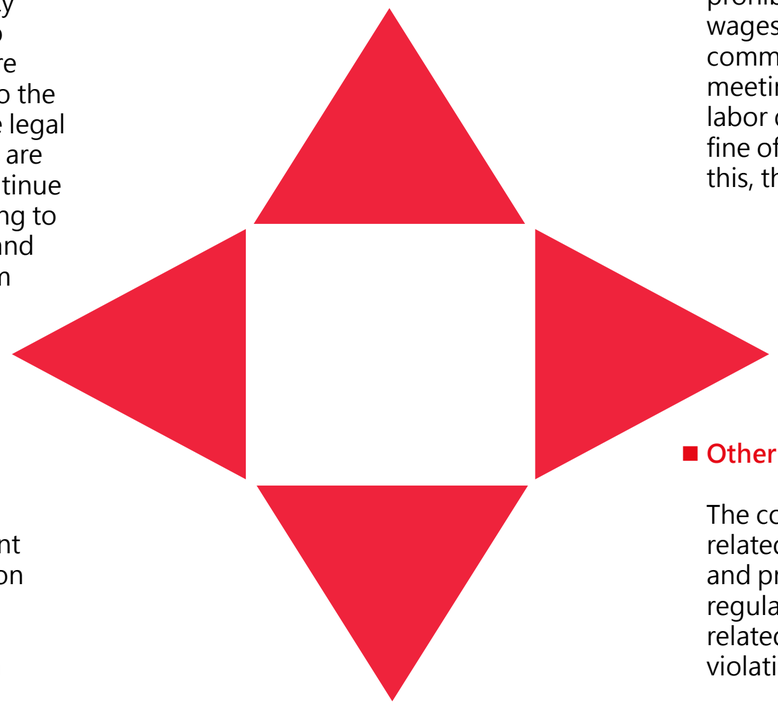
Our company regards legal compliance as a bottom line in its operations and conducts regular compliance reviews and risk monitoring through rigorous internal control and auditing systems. In 2025, the company fully implemented compliance measures and did not incur any significant fines or non-monetary sanctions due to violations.

■ Gender Equality Act Compliance

Our company has established a handling process and complaint channel in accordance with the Sexual Harassment Prevention Act of 2025. Gender Equality Complaint Handling Summary: Case Overview: Two complaints have been filed. Currently, both cases are under investigation. Company Support: Adhering to the principle of protecting employee rights, we provide legal support and assistance to ensure that the incidents are handled compliantly and fairly. Shan-loong will continue to strengthen gender equality education and training to enhance female employees' workplace autonomy and rights protection, and prevent similar incidents from recurring.

■ Compliance with Labor Laws

Our company strictly adheres to the Labor Standards Act, prohibiting child labor and forced labor, and ensuring that wages and benefits are compliant. We maintain smooth communication through quarterly labor-management meetings to protect employee rights. In 2025, there were 3 labor disputes (see section 5.4.4 for details), resulting in a fine of NT$60,000 from the competent authority. Apart from this, there were no other major violations of labor laws.



■ Environmental regulatory compliance status

Our company monitors its operational environmental impact using ISO 14001 management principles and is committed to resource conservation and carbon reduction. Throughout the fiscal year 2025, we were not penalized for violating environmental regulations, nor were we involved in any major environmental disputes.

■ Other major violations

The company continuously monitors legal developments related to taxation, fair competition, and data protection, and proactively mitigates compliance risks through regular training and internal audits. No lawsuits or fines related to anti-corruption, anti-competitive conduct, or violations of customer privacy occurred in 2025.

6.6 Information Disclosure and Security

In the era of digital transformation, information security has become a core aspect of operational risk management. Our company has a dedicated information security unit responsible for information security. Our professionals hold information security certifications and receive regular training and certification to ensure robust information security protection and uphold our commitment to integrity towards stakeholders.

6.6.1 Information security policy

Our company ensures the confidentiality, integrity, and availability of assets in accordance with the "Information Security Management Regulations." Governance is the responsibility of a dedicated unit under the General Office, overseen by the Risk Management Team, which is responsible for system construction, vulnerability scanning, and monitoring. Regarding legal compliance, we strictly adhere to the "Personal Data Protection Act" and have established Standard Operating Procedures (SOPs) for cross-border operations to meet domestic and international cybersecurity requirements.

6.6.2 Current Status of Information Security Implementation

In 2025, a two-pronged strategy will be adopted: establishing firewalls, email filtering, and off-site backup to ensure uninterrupted operations. The "principle of least privilege" will be implemented, and regular access audits and vulnerability patching will be conducted. Since its inception, the company has never experienced any disruptions caused by customer privacy violations, data loss, or hacking attacks.

6.6.3 Information security education and training

The company views all employees as the first line of defense and implements the following systematic training programs: periodically issuing cybersecurity alerts and phishing email identification cases to enhance risk awareness; providing practical training on password management, mobile device security, and personal data protection for administrative and operations teams. In 2025, cybersecurity staff will receive 1017 hours of training on personal data protection, with 1017 trainees; and 1014 hours of training on information security topics, with 1014 trainees.

Looking Ahead



Shan-Loong Transportation recognizes that sustainability is no longer an option, but a key driver of long-term competitiveness.

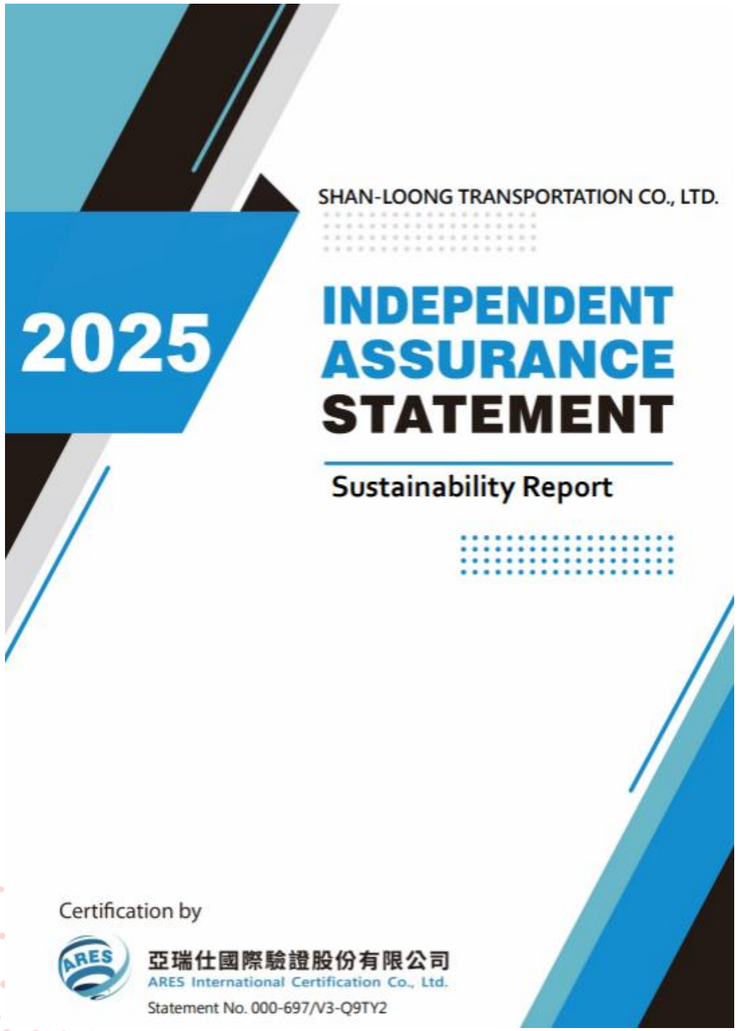
Building on the foundation established in 2025, the Company will continue to strengthen climate governance, improve carbon management capabilities, and accelerate digital transformation across transportation, logistics, and energy services.

Our focus will be on:

- Achieving a 30% reduction in greenhouse gas emissions by 2030
- Expanding low-carbon transportation solutions
- Enhancing supply chain sustainability management
- Strengthening employee development and workplace safety
- Integrating ESG performance into strategic decision-making

Through continuous improvement, transparent disclosure, and stakeholder collaboration, Shan-Loong Transportation remains committed to creating sustainable value for society, the environment, and future generations.

Certificate



亞瑞仕國際驗證股份有限公司
ARES International Certification Co., Ltd.

Independent Assurance Statement

Statement No. 000-697/V3-Q9TY2

This Independent Assurance Statement by ARES Certification Co., Ltd. on SHAN-LOONG TRANSPORTATION CO., LTD. ESG Sustainability Report of 2025.

ARES International Certification Co., Ltd. and SHAN-LOONG TRANSPORTATION CO., LTD. are mutually independent organizations. In addition to the assessment and verification of 2025 ESG Sustainability report, ARES International has no financial relationship with SHAN-LOONG TRANSPORTATION CO., LTD.

The purpose of this Independence Assurance Statement (hereinafter referred to as Statement) is only to conclude that the relevant issues within the scope of the SHAN-LOONG TRANSPORTATION CO., LTD.'s ESG Sustainability Report are guaranteed, but not for other purposes. Except for this Statement on the verified facts, for any use of other purposes, or any person who read this Statement, ARES International is not responsible or liable for any legal or other responsibility.

This Statement is based on the conclusions made from the verification of the relevant information provided ARES International by SHAN-LOONG TRANSPORTATION CO., LTD. Therefore, the scope of the verification is based on and confined to the content of these provided information, and ARES International shall consider that the contents of the information are complete and accurate.

All concerning and questions about the contents or the relevant issues contained in ESG Sustainability Report shall be answered by the SHAN-LOONG TRANSPORTATION CO., LTD.

The Scope of Assurance

The agreed scope of assurance by SHAN-LOONG TRANSPORTATION CO., LTD. and ARES International includes the following:

- The contents of the entire ESG Sustainability Report and all operating performance of SHAN-LOONG TRANSPORTATION CO., LTD. from January 1st, 2025 to December 31st, 2025.
- According to the type 1 of application of the AA1000 Assurance Standard (v3), the assessed nature and degree of the SHAN-LOONG TRANSPORTATION CO., LTD.'s compliance with the AA1000 Accountability Principles (2018) but excluding the verification of the reliability of the information or data disclosed in the ESG Sustainability Report.

This statement is prepared in Chinese and has an English version for reference. In the event of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.

亞瑞仕國際驗證股份有限公司
ARES International Certification Co., Ltd.

SASB Standard and TCFD

SHAN-LOONG TRANSPORTATION CO., LTD. provides declaration of compliance with the SASB and TCFD. Based on the results of the review, we confirmed that the relevant ESG Sustainability indicators referred to SASB standard and TCFD in the report have been completely disclosed, partially disclosed or omitted. In our professional opinions, this declaration covers the Sustainability topics of SHAN-LOONG TRANSPORTATION CO., LTD.

Assurance Level

According to the AA1000 Assurance Standard (v3), we verify this statement as a medium level of assurance, as in the scope and method described in this statement.

Responsibility

The responsibility of this ESG Sustainability report, as stated in this statement, is owned by the person in charge of SHAN-LOONG TRANSPORTATION CO., LTD. The responsibility of ARES International is to provide professional opinions based on the described scope and method, and to provide an independent assurance statement for the stakeholders.

Ability and Independence

ARES International is composed of experts in a various field of management systems. The verification team is composed of members in the professional backgrounds with the qualifications of lead auditor trained in sustainable development, environmental and social management standards such as AA1000AS, AA1000AP, ISO 14001, ISO 14064-1, ISO 14067, ISO 45001 and ISO 9001. This independent assurance statement is based on the ARES International's fairtrade guidelines.

On behalf of the assurance team
August 04, 2026
ARES International Certification Co., Ltd. (ARES Certification Group)
Taiwan, Republic of China

Signed by

Lead Verifier

C.E.O
Calvin Chen

AA1000
Licensed Report
000-697/V3-Q9TY2

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※ This English version of the 2025 Shang-Loong ESG report provides a summary of key points. For detailed information and supporting evidence, please refer to the Chinese version of the 2025 Shang-Loong ESG report. https://w3.slc.com.tw/

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山隆通運股份有限公司
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