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SHAN-LOONG TRANSPORTION CO.,LTD
2025 Annual Report

Published on April 20, 2026

I. The name, position, telephone number, and email address of the spokesperson and deputy spokesperson of the Company
Spokesperson: Cai-Hong Zeng
Position: Chief Executive Officer
Tel: (02)2959-9611
Email address:jacky.tseng@slc.com.tw

Acting Spokesperson: Wei-Teng Hsiao
Position: Chief Finance Officer
Tel: (02)2959-9611
Email address:robert.hsiao@slc.com.tw

II. The addresses and telephone numbers of the head office, branches, and factories
General Management Office
1F, No. 1-2, Sec. 1, Minsheng Rd., Banqiao Dist., New Taipei City
Tel: (02)2959-9611 Fax: (02)2959-9441

Eastern Area Operations Office
No. 1, Ziqiang Rd., Su'ao Township, Yilan County
Tel: (03)990-8582 Fax: (03)990-8585

Northern Area Operations Office
No. 2-10, Chaoyin Rd., Beigang Vil., Dayuan Dist., Taoyuan City
Tel: (03)386-8833 Fax: (03)386-6375

Central Area Operations Office
No. 568, Zili Rd., Wuqi Dist., Taichung City
Tel: (04)2639-2151 Fax: (04)2639-8192

Mailiao Township Operations Office
No. 222-24, Hou'an Road, Neighborhood 12, Hou'an Vil., Mailiao Township, Yunlin County
Tel: (05)691-0283 Fax: (05)691-0631

Southern Area Operations Office
No. 26-3, Yanhai 3rd Rd., Fengming Vil., Neighborhood 1, Xiaogang Dist., Kaohsiung City
Telephone: (07)871-6691~5 Fax: (07)871-6619

III. Name, address, website, and telephone number of the stock transfer institution
Name: Stock Affairs Section, Shan-Loong Transportation Co., Ltd.
Address: 3F, No. 3, Sec. 1, Minsheng Rd., Banqiao Dist., New Taipei City
URL: http://www.slc.com.tw/
Tel: (02)2222-5131 Ext. 260-265

IV. Name of the certifying CPA, CPA firm, address, website, and telephone number for the latest annual financial report
Name of the CPA: Charming Mei, Yang-Lun Kuo
CPA firm: KPMG Taiwan
Address: 68F., No. 7, Sec. 5, Xinyi Rd., Taipei City (Taipei 101 Building)
URL: http://www.kpmg.com.tw/
Tel: (02)8101-6666

V. Name and information of the trading venues of overseas marketable securities: None

VI. Company http://www.slc.com.tw/

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Chapter 1. Letter to Shareholders

Dear Shareholders,

As a pioneer in the digital transformation of traditional industries, the Company took a critical step forward in 2025. Through the upgrade of hardware facilities and the construction of digital systems, we have not only optimized the on-site service environment but also integrated the concepts of "intelligent, convenient, and sustainable" into every customer experience.

We understand deeply that true evolution comes with challenges. During the upgrade period, we consider "safety" as the top priority. While this results in short-term operational limitations and a period of adjustment for reshaping customer habits, it is precisely the necessary process towards achieving excellence. Currently, the smart station systems across Taiwan are fully operational, significantly enhancing information management efficiency. This not only demonstrates the Company's strong execution capabilities but also heralds the limitless possibilities of future digital operations and diversified energy services.

The following is the Company’s and its subsidiaries’ consolidated operating performance report for 2025:

- Transport: Consolidated revenue for 2025 was NT$1.46509 billion, a decrease of NT$710.05 million or 32.64% compared to NT$2.17514 billion in 2024.
- Oil products: Consolidated revenue for 2025 is NT$6.71483 billion, down NT$1.95184 billion or 22.52% from NT$8.66667 billion in 2024.

In 2025, overall consolidated revenue was NT$8.17992 billion, representing a decrease of NT$2.66189 billion or 24.55% compared to NT$10.84181 billion in 2024. The net loss after tax for the year was NT$840.3 million, with a net loss per share (EPS) of NT$6.25.

Looking ahead, the Company will continue to integrate technological tools and deepen data applications to enhance management efficiency and operational flexibility, while actively expanding cross-industry collaborations and application value. Through a strategy of balancing innovation and stability, the Company will strengthen its operational foundation, respond flexibly to market changes, and further enhance overall profitability and long-term competitiveness.

Unit: In Thousands of New Taiwan Dollars

	2025 Year	2024 Year	Increase (Decrease) Amount	Increase (Decrease) %
Operating revenue	8,179,922	10,841,809	(2,661,887)	(24.55)
Operating profit	(805,821)	(537,473)	(268,348)	(0.50)
Net Profit After Tax	(840,304)	(446,567)	(393,737)	(0.88)

Item		2025 Year	2024 Year
Financial Structure	Debt Asset Ratio (%)	68.07	56.10
	Long-term Capital to Fixed Assets Ratio (%)	141.02	155.41
Solvency	Current Ratio (%)	73.17	78.87
	Quick Ratio (%)	65.12	69.87
Profitability	Return on Assets (%)	-9.74	-3.98
	Return on Equity (%)	-31.31	-9.96
	Net Profit Margin (%)	-10.27	-33.58
	Basic Earnings Per Share (NT$)	-6.25	-3.43

We hereby present outlines of the Company's annual business plan for 2025 as follows:

I. Comprehensive revenue growth:

1. Continued expansion of the diesel market:
    - Actively expand the diesel fuel business, combining diversified value-added service programs to increase customer loyalty and per-customer fuel sales, strengthening long-term cooperative relationships.
    - Continuously promote and optimize the application of smart fuel dispensers to enhance fueling efficiency and customer experience, while effectively reducing labor costs and improving overall operational performance.
2. Integrating service resources to attract corporate clients:
    - Focus on large corporate and key enterprise customers, deepening service cooperation with leading companies in the transportation, warehousing, and logistics industries to establish stable strategic partner relationships.
    - Enhance the digital interface and system integration capabilities of the petroleum business unit to provide corporate customers with real-time, transparent, and comprehensive solutions for fuel and account management, thereby increasing service value.
3. Diversified Operation of Site Services:
    - Plan to expand new locations in urban areas to enhance location coverage and service accessibility.
    - Develop a membership management mechanism to promote a diversified membership points and rewards system, increasing return visits and overall customer loyalty.
4. Emerging market deployment and development of diverse revenue streams:
    - Actively evaluate and deploy service setups at new energy-related sites to preemptively enter future growth markets and establish mid- to long-term operational momentum.

II. The most efficient and effective way to operate

1. Optimization of the transportation system:
    - Improve the new transportation system to achieve more detailed vehicle dispatch and transportation information management.
    - Integrate transportation data with fuel dispensing data to create operational synergies across business units.
2. Cost control and per capita output enhancement:
    - Continuously review cost structure to reduce redundant expenses.
    - Introduce data-driven performance management tools to improve per capita output.
    - Maximize existing assets and enhance voluntary trips through the "Rush Trip System" and "Time-based Trip Bonus" (based on achieving basic performance targets), to increase the daily output value per vehicle.
3. Rapid replenishment of operational manpower (drivers):
    - Short-term: By relaxing the standards for rehiring personnel, training costs can be reduced, quickly

restoring operational support capacity, and preventing a decline in service quality due to insufficient manpower.

- Medium-term: In the current situation of a shortage in the existing driver labor market, conduct medium- to long-term talent reserve via channels such as retraining existing employees, industry-academia collaboration, and cooperation with driving schools, to address the aging workforce structure and the long-term insufficient supply in the external recruitment market.

III. Creating a new cycle of benefits

1. Deepening supply chain collaboration:

    - Build stronger partnerships with suppliers to offer integrated services such as vehicle provision, diesel supply, and maintenance.
    - Expand supply chain financing and related services to enhance business stickiness.

2. Resource circular utilization:

    - Improve the circular resource ecosystem to enhance the overall user experience for suppliers.

IV. Comprehensive revenue growth strategy: Promote the development of new businesses

1. Promote the productization of systems through research and development, and develop enterprise-grade software solutions. The company continues to invest in R&D resources, organizing and modularizing existing operational systems to develop vertical industry software products that meet practical industry needs. The scope of application includes:

    - Energy Retail Management: Gas Station Management System (PMS)
    - Transportation and Fleet Management: Fuel, Passenger, and Freight Dispatch System (TMS, CMS)
    - Logistics and Storage Management: Warehouse, Storage Tank Monitoring, and Distribution Management System (WMS)

    The relevant systems are prioritized for application within the Company's internal operational units to support daily operations, enhance scheduling efficiency, strengthen compliance management, and reduce human error. Once the system's functionality and stability are mature, it will be commercially available for sale. The revenue sources from external software business include:

    - License Revenue
    - Cloud Subscription Revenue (SaaS Subscription)
    - Implementation & Support Revenue

2. Introduce Zero-Knowledge Transaction (ZK Transaction) technology, develop value-added and fuel transaction services. The company plans to introduce the Zero-Knowledge Transaction (ZK Transaction) technology framework as the technical foundation for future member transactions, corporate fuel use, and value-added services to support transaction privacy, data security, and cross-system integration needs. The technical architecture is expected to be applied to the following specific service models:

    - Points Redemption for Fuel Services:

      Cooperate with points systems from Finance, e-commerce, convenience stores, and telecommunications to provide a transaction mechanism for points exchange for fuel as a source of revenue for member promotions and partnership profit-sharing.

- Corporate Fueling Transactions (B2B Fueling):

  Corporate customers can complete fueling and fuel settlement operations through their own or third-party member apps to simplify corporate fueling processes and enhance corporate customer loyalty.
- Integration of electronic payment:

  Integrate with major domestic electronic payment platforms to allow members to make purchases at Shan-Loong gas stations using electronic payment methods. This expands payment options and increases customer traffic and fuel sales revenue.

Finally, I would like to thank all shareholders for your trust, encouragement, and advice to Shan-Loong Transportation Co., Ltd. I look forward to your continuous support and protection in the future. Here, I would like to offer my sincere thanks and wishes!

Sincerely, Chairman

Chapter 2. Corporate Governance Report

I. Archive information of the Company’s directors, president, vice presidents, associate managers, and the supervisors of all the Company’s departments and branches.

(I) Director

1. Director

2026.04.20

Position	Nationality/ Place of incorporation	Name	Gender Age	Date Elected	Term	Date of election	Shares held when elected		Shares held currently		Shares held by spouse and minor children		Shares held through nominee arrangement		Primary work or academic experiences	Titles held at the Company and other companies	Other supervisors or directors who are spouses or within the second degree of kinship			Remark
							Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio			Position	Name	Relationship	
Chairman	Republic of China	Jen-Hong Cheng	Male 51~60 years old	2023 05 30	3 Year	2014 06 26	4,328,876	3.15	4,328,876	3.15	—	—	—	—	Chairman, Shan-Loong Transportation Co., Ltd. President, Shan-Loong Transportation Co., Ltd. Master of Commerce, Waseda University, Japan	Chairman, Shan-Loong Transportation Co., Ltd. Chairman, Ko Loong Industry Co., Ltd. Director, Jen Yun Co., Ltd. Director, Sun Favorite Co. Ltd. Director, Shine Far Construction Co., Ltd. Director, Shine Far Co., Ltd. Chairperson, Shan-Loong International & Customs Broker Co., Ltd. Chairperson, Shan-Loong Automobile Co., Ltd. Chairperson, Shan-Loong Investment Co., Ltd. Long Yun Investment Holdings. Co., Ltd. (Director Long Yun) Chairperson Loong De Investment Co., Ltd. (Loong De) Chairman Shan-Loong Holdings.Co., Ltd.Chairman Shanghai Shantong Storage and Transportation Co., Ltd. Director of Co., Ltd. Shan-Loong Logistics Co., Ltd. Director of Co., Ltd. Shan-Loong Information Technology Vietnam Co., Ltd. Shan-Loong Transportation Co., Ltd. Sustainable Development Committee Member	Director	Chuan-Chuan Lu	Parent	None
																	Director	Ai-Ling Chi	Couple	None

Position	Nationality/ Place of incorporation	Name	Gender Age	Date Elected	Term	Date of election	Shares held when elected		Shares held currently		Shares held by spouse and minor children		Shares held through nominee arrangement		Primary work or academic experiences	Titles held at the Company and other companies	Other supervisors or directors who are spouses or within the second degree of kinship			Remark
							Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio			Position	Name	Relationship	
Vice Chairman	Republic of China	Lan-Hui Yu	Male 61~70 years old	2023 05 30	3 Year	2005 06 17	304,691	0.22	405,908	0.30	16,312	0.01	—	—	Vice Chairman, Shan-Loong Transportation Co., Ltd. President, Shan-Loong Transportation Co., Ltd. Yung-Ta Industrial Vocational School	Sustainable Development Committee Member, Shan-Loong Transportation Co., Ltd.	None	None	None	None
Director	Republic of China	Cheng Loong Corporation	Male 71~80 years old	2023 05 30	3 Year	2023 05 30	12,690,010	9.24	12,690,010	9.24	—	—	—	—	Vice president, Cheng Loong Corporation Tamkang College of Arts and Sciences	Vice president, Cheng Loong Corporation Director, Ming Fong Plastic Co., Ltd. Director, Shanfa Long-term Care Association	None	None	None	None
		Representative: Ching-Hui Yu (2025.05.16 Dismissal)					24,000	0.02	24,000	0.02	—	—	—	—						
Director	Republic of China	Cheng Loong Corporation	Female 41~50 years old	2023 05 30	3 Year	2025 05 16	12,690,010	9.24	12,690,010	9.24	—	—	—	—	MFS Investment Management Asia representative, Vice President University of Washington Business administration finance, intl business	Director, Cheng Loong Corporation MFS Investment Management Asia representative, Vice President	Chairman	CHENG, JEN HONG	Couple	None
		Representative: Ai-Ling Chi (2025.05.16 New appointment)					—	—	—	—	4,328,876	3.15	—	—						
Director	Republic of China	Shine Far Construction Co., Ltd.	Female 71~80 years old	2023 05 30	3 Year	2002 06 21	6,743,227	4.91	6,743,227	4.91	—	—	—	—	Director, Shine Far Construction Co., Ltd. Shih Chien College of Home Economics	Director, Shine Far Construction Co., Ltd. Director, Shine Far Co., Ltd. Director, Jen Yun Co., Ltd. Director, Sun Favorite Co. Ltd.	Chairman	CHENG, JEN HONG	Parent	None
		Representative: Chuan-Chuan Lu					866,450	0.63	866,450	0.63	418,000	0.30	—	—						

Position	Nationality/ Place of incorporation	Name	Gender Age	Date Elected	Term	Date of election	Shares held when elected		Shares held currently		Shares held by spouse and minor children		Shares held through nominee arrangement		Primary work or academic experiences	Titles held at the Company and other companies	Other supervisors or directors who are spouses or within the second degree of kinship			Remark
							Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio			Position	Name	Relationship	
Director	Republic of China	Shine Far Co., Ltd.	Male 71~80 years old	2023 05 30	3 Year	2023 05 30	8,367,944	6.10	8,367,944	6.10	–	–	–	–	Vice president, Cheng Loong Corporation Master of management, Tamkang University	Vice president, Cheng Loong Corporation Director, Hsin Chung Ming International Co., Ltd. Risk Management Committee Member, Shan-Loong Transportation Co., Ltd.	None	None	None	None
		Representative : Tai-Lang Ho					–	–	–	–	–	–	–	–						
Director	Republic of China	Ken-Pei Cheng	Male 51~60 years old	2023 05 30	3 Year	2004 06 26	85,986	0.06	230,986	0.17	–	–	–	–	Vice President, Shan-Loong Transportation Co., Ltd. Master, Northrop University	Director, Ko Loong Industry Co., Ltd. Director, Chuan Cheng Shi Jia Co., Ltd.	None	None	None	None
Independent Director	Republic of China	Yao-Ming Huang	Male 71~80 years old	2023 05 30	3 Year	2017 06 22	–	–	–	–	–	–	–	–	Retired accountant at KPMG in Taiwan Accounting Division, Business Department, National Taiwan University	Member of the Audit Committee / Committee Member / Risk Management Committee Member / Committee Member, Shan-Loong Transportation Co., Ltd.	None	None	None	None
Independent Director	Republic of China	Hsu-Feng Ho	Male 71~80 years old	2023 05 30	3 Year	2020 05 29	–	–	–	–	–	–	–	–	Vice president, Cheng Loong Corporation Chung Yuan Christian College of Science and Engineering	Member of the Audit Committee / Committee Member / Risk Management Committee Member / Committee Member, Shan-Loong Transportation Co., Ltd.	None	None	None	None
Independent Director	Republic of China	Mao-Chun Wang	Male 71~80 years old	2023 05 30	3 Year	2017 06 22	50,506	0.04	50,506	0.04	–	–	–	–	Vice President, Shan-Loong Transportation Co., Ltd. Zhong Li Commercial Senior High School	Member of the Audit Committee / Committee Member / Sustainable Development Committee Member, Shan-Loong Transportation Co., Ltd.	None	None	None	None

2. Major shareholders of the institutional shareholders

2026.04.20

Name of institutional shareholders	Major shareholders of the institutional shareholders	
Cheng Loong Corporation	Sun Favorite Co., Ltd.	6.62%
	Shine Far Construction Co., Ltd.	5.23%
	Jen Yun Co., Ltd.	4.49%
	Wenjing Development Co., Ltd.	4.42%
	Trust share account, Cheng Loong Corporation, Taipei Fubon Bank	3.69%
	Employee Welfare Committee, Cheng Loong Corporation	3.11%
	Shan-Loong Investment Co., Ltd.	2.87%
	Shine Far Co., Ltd	2.46%
	Shan-Loong Transportation Co., Ltd.	1.75%
	Special ESOP account of Cheng Loong Corporation entrusted in CTBC Bank	1.68%
Shine Far Construction Co., Ltd.	Jen-Ming Cheng	26.49%
	Ai-Ling Chi	26.49%
	Cheng-Lung Cheng	21.39%
	Su-Yun Cheng	15.00%
	Chiao-Yun Cheng	10.27%
	Wenjing Development Co., Ltd.	0.36%
Shine Far Co., Ltd	Sun Favorite Co., Ltd.	52.81%
	Jen Yun Co., Ltd.	23.71%
	Shine Far Construction Co., Ltd.	17.23%
	Shine Far Co., Ltd	3.22%
	Chuan-Chuan Lu	1.53%
	Shan-Loong Transportation Co., Ltd.	0.87%
	Ai-Ling Chi	0.51%
	Cheng-Lung Cheng	0.12%

3. The major shareholders of institutional shareholders that are themselves institutional shareholders

2026.04.20

Name of legal entity shareholder	Major shareholders of the legal entity	
Shan-Loong Transportation Co., Ltd.	Cheng Loong Corporation	9.24%
	Shine Far Co., Ltd	6.10%
	Chiung-Miao Yeh	5.96%
	Shine Far Construction Co., Ltd.	4.91%
	Jen-Ming Cheng	4.77%
	Cheng Loong Investment Co., Ltd.	3.55%
	Jen-Hong Cheng	3.15%
	Sun Favorite Co., Ltd.	1.39%
	Jen Yun Co., Ltd.	1.04%
	Shan-Loong Investment Shares Co., Ltd.	0.99%
Jen Yun Co., Ltd.	Chung Win Investments Limited	23.53%
	Cheng-Lung Cheng	19.55%
	Jen-Ming Cheng	14.12%
	Su-Yun Cheng	14.12%
	Ai-Ling Chi	14.12%
	Chiao-Yun Cheng	11.76%
	Jen Yun Co., Ltd.	2.80%
Wenjing Development Co., Ltd.	Cheng-Lung Cheng	46.23%
	Jen-Ming Cheng	24.91%
	Su-Yun Cheng	16.04%
	Sun Favorite Co., Ltd.	12.83%
Director, Ming Fong Plastic Co., Ltd.	Sun Favorite Co., Ltd.	22.02%
	Cheng-Lung Cheng	19.53%
	Shine Far Construction Co., Ltd.	19.31%
	Chuan-Chuan Lu	13.91%
	Cheng Loong Corporation	8.14%
	Shine Far Co., Ltd	3.91%
	Lin Lu Zhu-Er	3.57%
	Lin Jin-Chung	3.57%
	Lin Shun-Hsing	2.76%
	Employee Welfare Committee, Min Feng Corporation	2.02%
Ko Loong Industry Co., Ltd.	Shan-Loong Transportation Co., Ltd.	20.92%
	Cheng Loong Corporation	12.94%
	Shine Far Construction Co., Ltd.	12.35%
	Tian-You Wang	2.94%
	Ai-Ling Chi	2.55%

Name of legal entity shareholder	Major shareholders of the legal entity	
	San Zhi Co., Ltd.	2.35%
	Cheng-Lung Cheng	2.16%
	Gu Min-Chun	2.06%
	Chiao-Yun Cheng	1.76%
	Bo-Yao Chi	1.76%
Sun Favorite Co., Ltd.	Ai-Ling Chi	22.39%
	Cheng-Lung Cheng	21.20%
	Jen-Ming Cheng	20.90%
	Chiao-Yun Cheng	17.53%
	Su-Yun Cheng	17.53%
	Jen Yun Co., Ltd.	0.45%
Shan-Loong Investment Co., Ltd.	Shan-Loong Transportation Co., Ltd.	100.00%
Fubon Life Insurance Co., Ltd.	Fubon Financial Holding Co., Ltd.	100.00%
Cheng Loong Corporation	Kindly refer to the annual report on page 8	
Shine Far Construction Co., Ltd.		
Shine Far Co., Ltd		

4. Disclosure of the professional qualifications of directors and the information on the independence of independent directors:

Criteria / Name	Professional Qualification and Work Experience	Independence criteria	Number of Other Public Companies in Which the Individual Is Concurrently Serving as An Independent Director
Jen-Hong Cheng	1. More than 5 years of working experience in business and company affairs President, Shan-Loong Transportation Co., Ltd. 2. Without any conditions defined in Article 30 of the Company Act	N/A	0
Lan-Hui Yu	1. More than 5 years of working experience in business and company affairs President, Shan-Loong Transportation Co., Ltd. 2. Without any conditions defined in Article 30 of the Company Act	N/A	0
Cheng Loong Corporation Representative: Ai-Ling Chi (Note 1)	1. More than 5 years of working experience in business and company affairs, MFS Investment Management Asia representative, Vice President 2. Without any conditions defined in Article 30 of the Company Act	N/A	0

Criteria / Name	Professional Qualification and Work Experience	Independence criteria	Number of Other Public Companies in Which the Individual Is Concurrently Serving as An Independent Director
Shine Far Construction Co., Ltd. Representative: Chuan-Chuan Lu	1. More than 5 years of working experience in business and company affairs Director, Shine Far Construction Co., Ltd. 2. Without any conditions defined in Article 30 of the Company Act	N/A	0
Representative: Tai-Lang Ho, Shine Far Co., Ltd.	1. More than 5 years of working experience in business and company affairs Vice President, Cheng Loong Corporation 2. Without any conditions defined in Article 30 of the Company Act	N/A	0
Ken-Pei Cheng	1. More than 5 years of working experience in business and company affairs Vice President, Shan-Loong Transportation Co., Ltd. 2. Without any conditions defined in Article 30 of the Company Act	N/A	0
Yao-Ming Huang	1. With experience in business, accounting and corporate business. A certified CPA and a retired accountant at KPMG Taiwan 2. Without any conditions defined in Article 30 of the Company Act	The Company's independent directors meet the independence criteria as follows: 1. Including but not limited to the individual, spouse, or relatives within the second degree of kinship, etc., not having served as a director, supervisor or employee of the Company or its affiliated enterprises; 2. The individual, spouse, or relatives within second degrees of kinship, etc. do not hold shares in the Company; 3. Has not served as a director, supervisor, or employee of a company with a specific relationship with the Company; 4. Has not served any positions in the last 2 years to provide business, legal, financial, accounting and other services for the remuneration received by the Company or its affiliated enterprises.	0
Hsu-Feng Ho	1. More than 5 years of working experience in business and company affairs Vice President, Cheng Loong Corporation	The Company's independent directors meet the independence criteria as follows: 1. Including but not limited to the	0

Criteria / Name	Professional Qualification and Work Experience	Independence criteria	Number of Other Public Companies in Which the Individual Is Concurrently Serving as An Independent Director
	2. Without any conditions defined in Article 30 of the Company Act	individual, spouse, or relatives within the second degree of kinship, etc., not having served as a director, supervisor or employee of the Company or its affiliated enterprises; 2. The individual, spouse, or relatives within second degrees of kinship, etc. do not hold shares in the Company; 3. Has not served as a director, supervisor, or employee of a company with a specific relationship with the Company; 4. Has not served any positions in the last 2 years to provide business, legal, financial, accounting and other services for the remuneration received by the Company or its affiliated enterprises.	
Mao-Chun Wang	1. More than 5 years of working experience in business and company affairs Vice President, Shan-Loong Transportation Co., Ltd. 2. Without any conditions defined in Article 30 of the Company Act	The Company's independent directors meet the independence criteria as follows: 1. Including but not limited to the individual, spouse, or relatives within the second degree of kinship, etc., not having served as a director, supervisor or employee of the Company or its affiliated enterprises; 2. The individual, spouse, or relatives within second degrees of kinship, etc. do not hold shares in the Company; 3. Has not served as a director, supervisor, or employee of a company with a specific relationship with the Company; 4. Has not served any positions in the last 2 years to provide business, legal, financial, accounting and other services for the remuneration received by the Company or its affiliated enterprises.	0

Note 1: The original Director Ching-Hui Yu was succeeded by Director Ai-Ling Chi on 2025.05.16.

5. Diversity and Independence of the Board Meeting:

(1) Diversity Policy of the Board of Directors:

The composition of the Board of Directors should consider diversity and develop appropriate diversification policies based on its own operations, business model, and development needs, which should include but are not limited to the following two major criteria:

- Basic Criteria and Value: Gender, Age, Nationality, and Culture, etc.
- Professional knowledge and skills: Professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience, etc.

According to Article 20 of the Company's Code of Practice of Corporate Governance to enhance the structure of the board of directors, members of the board should generally possess the necessary knowledge, skills, and qualifications to perform their duties.

the necessary knowledge, skills, and qualifications to perform their duties. To achieve the Company's corporate governance goals, the overall abilities that the board meeting should possess are as follows:

- Operational judgment.
- Accounting and financial analysis.
- Business management.
- Crisis management.
- Industry know-hows.
- Global market views.
- Leadership skills.
- Decision-making skills.

(2) Specific Management Objectives for Board Diversity:

The Board of Directors of the Company should guide the Company's strategy, supervise management level, take responsibility for the Company and shareholders, and ensure that the board of directors exercises its powers in accordance with laws, regulations, rules of the Company's constitution, or shareholders' meeting resolutions in its various operations and arrangements for the Company's governance system.

The specific management objectives are as follows:

- The Company's board meeting also emphasizes gender equity, with the board members including one female Director.
- The Company's board of directors meeting places emphasis on operational judgment, business management, and crisis management, with the directors possessing the abilities in related core items.
- The independent directors may not serve for more than three terms in order to maintain their independence. The three independent directors have served for six years and are well acquainted with the financial and business operations of the Company.
- The backgrounds of the director members include accountants and senior industrial managerial personnel. The board meeting members have diverse backgrounds in industry and academia, and they can provide professional opinions from different perspectives, which greatly contribute to the Company's business performance and management efficiency.

(3) Board member diversification: The current board consists of 9 members, including 3 independent directors, to ensure the independence of the board meeting. There are three members who also serve as employees, accounting for 33%. And there are 2 female directors to achieve the goal of gender equity. Among the board members, one independent director has a

CPA qualification, specializing in finance and accounting. Other directors have rich experience in operation management, industry experience, and market strategy, each with a relevant professional background, and have the necessary professional knowledge to perform their duties.

The diversity of the board members is as follows:

Director	Composition							Professional competence and industry experience							
	Nationality	Gender	Age		Length of service of independent directors		Also serves as the Company' s employee	Operational judgment capability	Accounting and financial analysis.	Business management capability	Crisis management capability	Industrial Knowledge	International market	Leadership skills	Decision-making skills.
			Below 49	Over Subparagraph 50	Under 3 Years	3 to 9 years									
Jen-Hong Cheng	Republic of China	Male		✓			✓	✓	✓	✓	✓	✓	✓	✓	✓
Lan-Hui Yu	Republic of China	Male		✓			✓	✓	✓	✓	✓	✓	✓	✓	✓
Cheng Loong Corporation Representative: Ai-Ling Chi	Republic of China	Female	✓					✓	✓	✓	✓	✓	✓	✓	✓
Representative: Chuan-Chuan Lu, Shine Far Construction Co., Ltd.	Republic of China	Female		✓				✓	✓	✓	✓	✓	✓	✓	✓
Shine Far Co., Ltd. Representative: Tai-Lang Ho	Republic of China	Male		✓				✓	✓	✓	✓	✓	✓	✓	✓
Ken-Pei Cheng	Republic of China	Male		✓			✓	✓	✓	✓	✓	✓	✓	✓	✓
Yao-Ming Huang (Independent director)	Republic of China	Male		✓		✓		✓	✓	✓	✓	✓	✓	✓	✓
Hsu-Feng Ho (Independent director)	Republic of China	Male		✓		✓		✓	✓	✓	✓	✓	✓	✓	✓
Mao-Chun Wang (Independent director)	Republic of China	Male		✓		✓		✓	✓	✓	✓	✓	✓	✓	✓

(4) Board independence:

A. Board of directors structure:

The selection of the Company's directors is open and fair, in compliance with the Company’s Articles of Incorporation, Rules for Director Elections, Corporate Governance Best Practice Principles, Regulations for the Appointment of Independent Directors of Public Companies and the qualifications for the appointment of independent directors stipulated in Article 14-2 of the Securities Exchange Act. In 2025, the board composition is divided into 33% for three independent directors and 67% for six non-independent directors. Among them, three directors who are employees and managers account for 33%. Among the directors, CHENG, JEN HONG, Ai-Ling Chi, and Chuan-Chuan Lu have a second-degree kinship relationship. Of the Company’s current board of nine directors, from May 16, 2025, there are two female directors, accounting for 22%.

B. The board meeting has independence:

To safeguard shareholders’ rights and treat all shareholders equally the Company has stipulated the procedures for director elections based on fairness, justice, and transparency. It also encourages shareholder participation. The cumulative voting system is adopted in accordance with the regulations of the Company Act to fully reflect shareholders’ opinions.

In accordance with the Securities Exchange Act, the number of independent directors shall not be less than two, and shall not be less than one-fifth of the total number of directors, with the audit committee being composed of all independent directors. For the overall operational policy of the Company, the board of directors is composed of 9 directors, of which 3 are independent directors, accounting for 33% of the total number of directors, which has met the requirement for the size and proportion of the directors’ seats stipulated for independent directors.

The board of directors of the Company emphasizes the functions of independent operation and transparency. All directors and independent directors are independent entities. Among the nine directors, three seats, accounting for 33%, have a second-degree relationship, which complies with the provisions of Articles 26-3 paragraph 3 and 4 of the Securities and Exchange Act. In accordance with the regulations of the competent authority, the Company stipulates in its Articles of Incorporation that the election of directors should adopt the candidate nomination system. The qualifications, educational and career backgrounds of the nominated persons are assessed carefully to ensure that there are none of the circumstances listed in Article 30 of the Company Act, and the procedures are carried out in accordance with Article 192-1 of the Company Act.

(II) Information of the President, Vice President, associate, and the chiefs of various departments and branches

2026.04.20

Position	Nationality	Name	Gender	Date Elected	Shareholding		Spouse’s/Minor’s shareholding		Shares held through nominee arrangement		Primary work or academic experiences	Position Held with Other Companies	Managers who are Spouses or Within Two Degrees of Kinship			Remark
					Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio			Position	Name	Relationship	
President	Republic of China	Lan-Hui Yu	Male	2026.02.01	405,908	0.30	16,312	0.01	—	—	Vice Chairman, Shan-Loong Transportation Co., Ltd. President, Shan-Loong Transportation Co., Ltd. Yung-Ta Industrial Vocational School	None	None	None	None	—
Chief information security officer	Republic of China	David Van	Male	2022.10.01	—	—	—	—	—	—	Chief information officer, Shan-Loong Transportation Co., Ltd. Binghamton University Mathematics and Computer Science	None	None	None	None	—
Vice President	Republic of China	Jia-Liang Guo	Male	2024.06.01	—	—	—	—	—	—	Vice President, Shan-Loong Transportation Co., Ltd. Imperial College London Computing Science	None	None	None	None	—
Audit Executive	Republic of China	Hsiang-I Yu	Female	2024.11.11	—	—	—	—	—	—	Manager, Shan-Loong Transportation Co., Ltd. Industrial Engineering and Management, China University of Science and Technology	None	None	None	None	—
Finance Executive	Republic of China	Wei-Teng Hsiao	Male	2026.02.01	—	—	—	—	—	—	President, Shan-Loong Transportation Co., Ltd. Department of Accounting, Tamkang University	Supervisor, Ko Loong Industry Co., Ltd.	None	None	None	—
Corporate Governance Officer	Republic of China	Cai-Hong Zeng	Male	2026.02.01	—	—	—	—	—	—	Chief Executive Officer, Shan-Loong Transportation Co., Ltd. Graduate Institute of Business Administration, National Cheng-Chi University	None	None	None	None	—

(III) The remuneration paid to directors, independent directors, president, and vice president in recent years.

1. Remuneration for directors and independent directors

Unit: NT$ Thousands 2025.12.31

Position	Name	Remuneration Paid to Directors								Total amount and proportion to net income of items A, B, C and D to ratio		Relevant remuneration received by directors who are also employees								Proportion of total after-tax net income of items A, B, C, D, E, F and G		Compensation paid to directors from an invested company other than the Company's subsidiary
		Compensation (A)		Severance Pay and Pension (B)		Directors (C)		Business Execution Expenses (D)				Salary, Bonuses, and Allowances (E)		Severance Pay and Pension (F)		Employee Compensation (G)						
		The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company		Companies in the consolidated financial statements		The Company	Companies in the consolidated financial statements	
																Cash Amount	Stock Amount	Cash Amount	Stock Amount			
Chairman	Jen-Hong Cheng	—	—	—	—	—	—	1,920	4,920	1920 -0.22	4920 -0.57	4,050	5,250	—	—	—	—	—	—	5970 -0.71	10170 -1.19	3,695
Vice Chairman	Lan-Hui Yu	—	—	—	—	—	—	1,920	1,920	1920 -0.22	1920 -0.22	3,371	4,331	99	99	—	—	—	—	5390 -0.64	6350 -0.74	—
Director	Shine Far Construction Co., Ltd. representative: Chuan-Chuan Lu	—	—	—	—	—	—	1,920	1,920	1,920 -0.22	1,920 -0.22	—	—	—	—	—	—	—	—	1,920 -0.22	1,920 -0.22	1,440
Director	Cheng Loong Corporation Representative: Ching-Hui Yu (Note 1)	—	—	—	—	—	—	1,280	1,280	1,280 -0.15	1,280 -0.15	—	—	—	—	—	—	—	—	1,280 -0.15	1,280 -0.15	—
Director	Cheng Loong Corporation Representative: Ai-Ling Chi (Note 1)	—	—	—	—	—	—	640	640	640 -0.07	640 -0.07	—	—	—	—	—	—	—	—	640 -0.07	640 -0.07	—
Director	Shine Far Co., Ltd Representative: Tai-Lang Ho	—	—	—	—	—	—	1,920	1,920	1920 -0.22	1920 -0.22	—	—	—	—	—	—	—	—	1,920 -0.22	1,920 -0.22	4,649
Director	Ken-Pei Cheng	—	—	—	—	—	—	1,920	1,920	1,920 -0.22	1,920 -0.22	1,913	1,913	83	83	—	—	—	—	3916 -0.46	3916 -0.46	560
Independent Director	Yao-Ming Huang	—	—	—	—	—	—	1,920	1,920	1920 -0.22	1920 -0.22	—	—	—	—	—	—	—	—	1,920 -0.22	1,920 -0.22	—
Independent Director	Hsu-Feng Ho	—	—	—	—	—	—	1,920	1,920	1920 -0.22	1920 -0.22	—	—	—	—	—	—	—	—	1,920 -0.22	1,920 -0.22	—
Independent Director	Mao-Chun Wang	—	—	—	—	—	—	1,920	1,920	1,920 -0.22	1,920 -0.22	—	—	—	—	—	—	—	—	1,920 -0.22	1,920 -0.22	—

1. Please clarify the remuneration payment policy, system, standards and structure for independent directors, and clarify the correlation between the responsibilities, risks, time spent and other factors assumed and the amount of remuneration paid: the remuneration of independent directors of the Company is paid by the Company in accordance with the provisions of Article 16 of the Company's Articles of Incorporation regardless of the operating profit or loss. The Company shall provide wages and salaries. The compensation of all directors shall be determined by the Board of Directors according to the degree of their participation in the operations of the Company and the value of their contribution, taking into account the industry standards.
2. In addition to the disclosures in the table above, the remuneration received for services rendered by directors of the Company in the most recent year (e.g. acting as consultants to non-employees of the parent company/all companies in the financial statements/reinvestment business, etc.): None.

Note 1: The original Director Ching-Hui Yu was succeeded by Director Ai-Ling Chi on 2025.05.16.

2. Remuneration of President and Vice President

Unit: NT$ Thousands 2025.12.31

Position	Name	Salary (A)		Severance Pay and Pension (B)		Bonuses and Allowances (C)		Employee Compensation (D)				Total amount and proportion to net income of items A, B, C and D		Compensation paid to directors from an invested company other than the Company’s subsidiary
		The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company		Companies in the consolidated financial statements		The Company	Companies in the consolidated financial statements	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
President	Wei-Teng Hsiao	3,319	3,319	108	108	994	994	—	—	—	—	4,420 -0.52	4,420 -0.52	—
Chief information security officer	David Van	4,800	4,800	—	—	1,012	1,012	—	—	—	—	5,812 -0.69	5,812 -0.68	—
Vice President	Jia-Liang Guo	2,770	2,770	108	108	391	391	—	—	—	—	3,268 -0.38	3,268 -0.38	—
Vice President	I-Hsuan Tai (Note 1)	1,413	1,413	48	48	387	387	—	—	—	—	1,849 -0.22	1,849 -0.21	—

Note 1: Vice President I-Hsuan Tai stepped down on June 10, 2025.

3. Remuneration of the top five highest-paid executive officers

Unit: NT$ Thousands 2025.12.31

Position	Name	Salary (A)		Severance Pay and Pension (B)		Bonuses and Allowances (C)		Employee Compensation (D)				Total amount and proportion to net income of items A, B, C and D		Compensation paid to directors from an invested company other than the Company's subsidiary
		The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company		Companies in the consolidated financial statements		The Company	Companies in the consolidated financial statements	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
Chief information security officer	David Van	4,800	4,800	–	–	1,012	1,012	–	–	–	–	5,812 -0.69	5,812 -0.68	–
Chairman	Jen-Hong Cheng	1,271	2,470	–	–	2,779	2,779	–	–	–	–	4,050 -0.48	5,250 -0.47	3,695
Vice Chairman	Lan-Hui Yu	3,319	3,319	108	108	994	994	–	–	–	–	4,420 -0.52	4,420 -0.52	–
President	Wei-Teng Hsiao	1,631	2,591	99	99	1,740	1,740	–	–	–	–	3,470 -0.41	4,430 -0.52	–
Vice President	Jia-Liang Guo	2,770	2,770	108	108	391	391	–	–	–	–	3,268 -0.38	3,268 -0.38	–

4. Remuneration of Management Team

Unit: NT$ Thousands 2025.12.31

	Position	Name	Stock Amount	Cash Amount	Total	Ratio of Total Compensations to NIAT (%)
Managerial Personnel	Chairman	Jen-Hong Cheng	—	—	—	—
	Vice Chairman	Lan-Hui Yu				
	President	Wei-Teng Hsiao				
	Chief information security officer	David Van				
	Vice President	Jia-Liang Guo				
	Vice President	I-Hsuan Tai				
	Audit Executive	Hsiang-I Yu				
	Accounting officer (Note 1)	Yu-Long Chen				
	Financial Officer (Note 1)	Cheng-Chang Ou				
	Financial Officer (Note 1)	Lin Cheng-Lien				

Note 1: The Accounting Officer Yu-Long Chen and Financial Officer Cheng-Chang Ou assumed their roles on August 13, 2025, succeeding Financial Officer Lin Cheng-Lien.

(IV) Comparison of the analysis of the ratio of total remuneration paid to the directors, supervisors, president and vice president of the Company in the last two fiscal years to the net income after tax of parent-company-only and consolidated financial statements, and instructions concerning the policies, standards and combinations for the payment of remuneration, the procedures for determining remuneration, and the relationship with operational performance for the Company and all companies in the consolidated financial statements, respectively:

1. Analysis of the ratio of total remuneration paid to the directors, president and vice president of the Company in the last two fiscal years to the net income after tax:

Payee	Percentage of total compensations paid to NIAT			
	2025		2024	
	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements
Director	-3.13%	-3.71%	-5.95%	-7.03%
President and Vice President	-1.81%	-1.79%	-3.43%	-3.43%

2. The relationship between the policy, standards and combinations for remuneration payment, the procedures for setting remuneration, and operational performance and future risks:
   (a) The principle of the remuneration paid to the directors of the Company is determined by the board meeting and included in the Company's Articles of Incorporation for execution upon approval by the shareholders' meeting, in accordance with Article 16 of the Company's Articles of Incorporation: When a director performs the business of the Company, regardless of operating profit or loss, the Company should pay wages and salaries. The compensation of all directors shall be determined by the Board of Directors according to the degree of their participation in the operations of the Company and the value of their contribution, taking into account the level of the industry standards.
   (b) The remuneration of the president and vice presidents includes base salary, allowances, bonus, etc. The remuneration structure takes into account the industry standards and considers individual performance, operating performance, and future risks for evaluation, with the principle of meeting the average industry standards. The evaluation items for managers' remuneration includes the achievement of performance goals and the Company's earnings of the year. The performance evaluation link includes important items such as the progress of corporate sustainability work, cost management, and project planning. The Regulations for Employee Salary Management has been set, with pay according to rank and position. The bonus part is paid according to the Regulations for Employee Bonus Payment of the Company, based on the basic salary, job allowance, and the operating performance of the Company in the previous year.
   (c) According to Article 19 of the Articles of Incorporation, the Company shall allocate no less than 1% of the pre tax profit for the current period before deducting the employees' remuneration.

       If the Company itself has pre-tax profit for the current year, no less than 1% should be allocated for the adjustment of salaries or distribution of remuneration to junior employees. The junior employees mentioned above are non-managerial personnel whose salary levels are below the salary level defined for junior employees in the "SME Employee Salary Increase and Expense Deduction Regulations."

II. Implementation of Corporate Governance

(I) Board of Directors

The 15th board meeting convened 7 times in 2025. The attendance of directors and independent directors is as follows:

Position	Name	Actual Attendance	Attendance by proxy	Percentage of Actual Attendance (%)	Remark
Chairman	Jen-Hong Cheng	7	0	100	
Vice Chairman	Lan-Hui Yu	7	0	100	
Director	Cheng Loong Corporation Representative: Ching-Hui Yu	3	0	100	2025.05.16 Dismissal
	Cheng Loong Corporation Representative: Ai-Ling Chi	4	0	100	2025.05.16 New appointment
	Representative: Chuan-Chuan Lu, Shine Far Construction Co., Ltd.	5	2	71	
	Representative: Tai-Lang Ho, Shine Far Co., Ltd.	7	0	100	
	Ken-Pei Cheng	7	0	100	
Independent Director	Yao-Ming Huang	7	0	100	
	Hsu-Feng Ho	7	0	100	
	Mao-Chun Wang	7	0	100	

Other matters to be recorded:

I. If any of the following circumstances occur, the dates of the meetings, sessions, contents of motion, all Independent Directors' opinions and the Company's response should be specified:

(I) Matters referred to in Article 14-3 of the Securities and Exchange Act: As the Company itself has established an Audit Committee, it is not required to fill in the report. Matters referred to in Article 14-5 of the Securities and Exchange Act: please refer to Audit Committee Operations (Pages 29-31).

(II) Other than the matters mentioned above, other resolutions that are objected and reserved by the independent directors and are documented or stated: None.

II. If there are directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified: Second time

- The board meeting held on March 31, 2025:
  After discussing the remuneration committee's proposal regarding distribution of employee compensation for 2024, upon the chairman's judgment, the attending managers were asked to leave the room first for abstention. Chairman CHENG, JEN HONG, vice chairman Lan-Hui Yu, and director Ken-Pei Cheng, who have personal interests involved, may not participate in the discussion and voting on their own remuneration proposals approved by the remuneration committee.
- The board meeting held on December 29, 2025:
  After discussing the remuneration and compensation committee's proposal regarding distribution of managers' year-end bonus for 2025, upon the chairman's judgment, the attending managers were asked to leave the room first for abstention. Chairman CHENG, JEN HONG, vice chairman Lan-Hui Yu, and director Ken-Pei Cheng, who have personal interests involved, may not participate in the discussion and voting on their own remuneration proposals approved by the remuneration and compensation committee.

III. TWSE/TPEx Listed Companies shall disclose information including the evaluation period and duration, evaluation scope, method and evaluation content of self (or peer evaluation of the Board of Directors, and fill in the execution of the assessment by the board of directors.

Frequency	Period	Scope	Method	Content
Assessments are performed at least once every three years by an external independent professional body or a team of external experts and scholars. (reported to the Board of Directors on 2026/03/12)	2025.01.01~2025.12.31	Board of Directors, individual directors, and functional committees	Evaluation of outsourcing to the Investor Relations Association of Taiwan	As shown below
Internal performance assessments are performed annually (reported to the Board of Directors on 2026/05/07)		Performance evaluation of the board of directors	Internal self-assessment of the Board of Directors	I. Participation in the operation of the Company. II. Improvement on the quality of the Board's decisions. III. Composition and structure of the Board of Directors. IV. Election of Directors and Continuous Improvement. V. Internal control.
		Individual directors performance evaluation	Directors’ self-assessment	I. Alignment of the goals and missions of the Company. II. Awareness of the duties of the Directors. III. Participation in the operation of the Company. IV. Management and communication of the internal relations. V. The director's professionalism and continuing improvement. VI. Internal control.
		Performance evaluation of functional committees (Audit Committee / Remuneration Committee)	Internal self-assessment of the functional committee	I. Participation in the operation of the Company. II. Awareness of the duties of the functional committee. III. Improvement of quality of decisions made by the functional committee. IV. Makeup of the functional committee and election of its members. V. Internal control.

(I) The dimensions and content of the external performance evaluation of the Board of Directors are as follows:

- Composition and professional development of the Board of Directors:

  The content covers: board of directors structure, diversity in director composition, advanced training of directors, director training plans, etc.

- Quality of Board's decisions:

  The content covers: the completeness and timeliness of information required for director decisions, directors' level of participation in meetings, board meeting frequency and time allocation, etc.

- Board of Directors Operational Effectiveness:

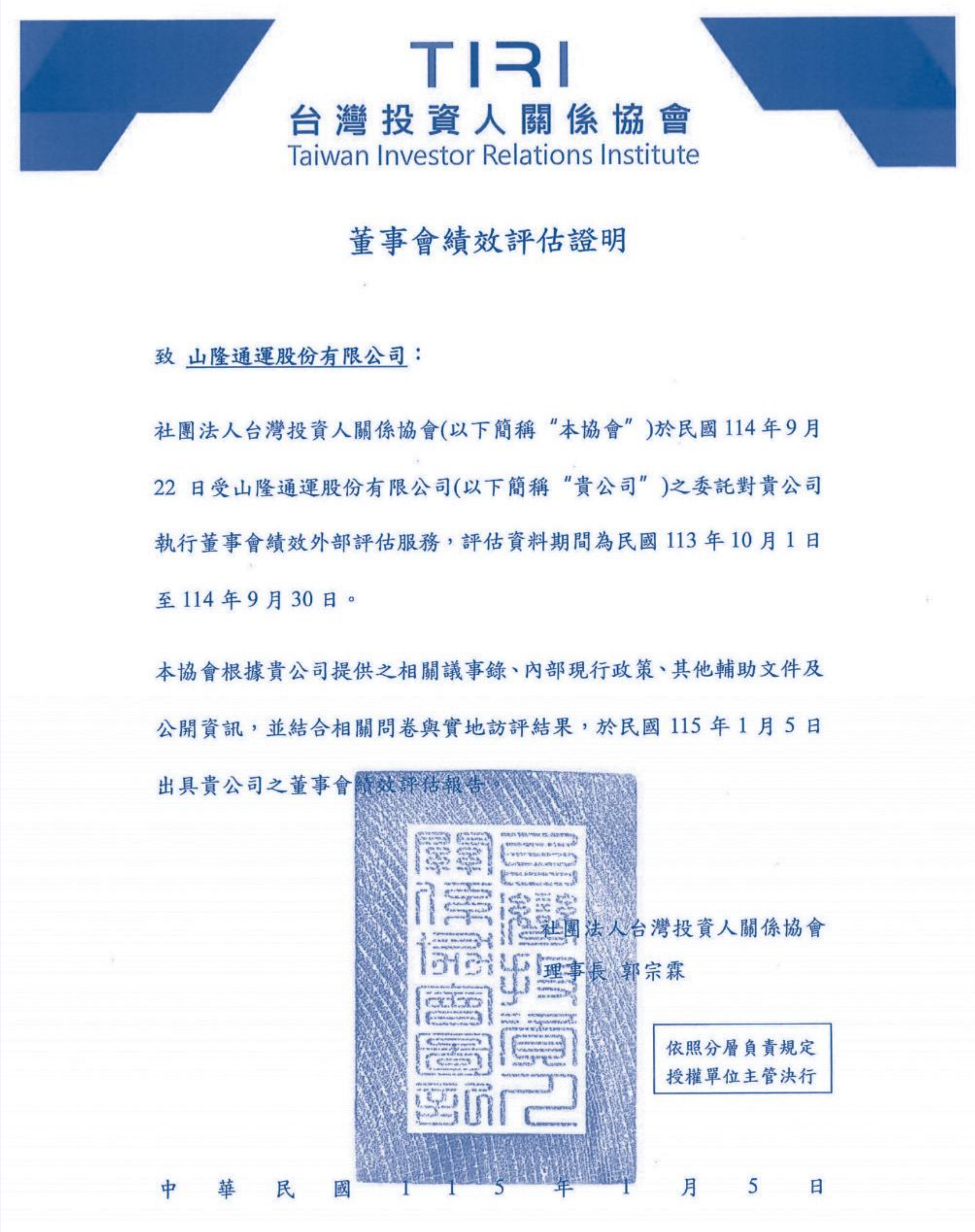
  The content covers: management and communication of internal relations, directors' participation and grasp of the company's operations, and the communication between the board of directors and CPAs, etc.

- Internal control and risk management:
  The content covers: directors' management of the company's operational risks, the formulation and implementation of internal company regulations, supervision of the effectiveness of the company's internal control system, and the smoothness of internal and external reporting channels, etc.
- Degree of the Board of Directors' involvement in Corporate Social Responsibility:
  The content covers: the board of directors' level of attention to ESG, the company's communication channels with external shareholders or stakeholders, the company's degree of participation and investment in ESG, and the company's implementation of governance mechanisms, etc.

(II) The conclusion of the valuation report and optimization suggestions are as follows:

- Appoint female directors to constitute one-third of the board seats, enhancing board diversity; plan ahead for the tenure and structural adjustment of independent directors to comply with regulations that strengthen the independence of the board; establish a Nominating Committee to enhance board functions and governance mechanisms; formulate and disclose specific measures to enhance corporate value, with oversight by the Board of Directors; recommend strengthening the clarity of the system prohibiting insider trading; set up an exclusively (or concurrently) dedicated unit for ethical management implementation and risk management implementation, reporting to the Board of Directors at least once a year; the Board of Directors promotes the inclusion of ESG indicators in the compensation of senior managerial personnel to strengthen sustainable governance. The Company itself has incorporated its professional recommendations as a reference for optimizing the operation of the Board of Directors.

(III) Proof of the performance evaluation of the board of directors



TIRI
台灣投資人關係協會
Taiwan Investor Relations Institute

董事會績效評估證明

致 山隆通運股份有限公司：

社團法人台灣投資人關係協會(以下簡稱“本協會”)於民國114年9月22日受山隆通運股份有限公司(以下簡稱“貴公司”)之委託對貴公司執行董事會績效外部評估服務，評估資料期間為民國113年10月1日至114年9月30日。

本協會根據貴公司提供之相關議事錄、內部現行政策、其他輔助文件及公開資訊，並結合相關問卷與實地訪評結果，於民國115年1月5日出具貴公司之董事會績效評估報告。

社團法人台灣投資人關係協會
理事長 郭宗霖

依照分層負責規定
授權單位主管決行

中　華　民　國　115　年　1　月　5　日

(IV) Internal performance assessments

The internal performance assessments of the Company itself are handled by the Corporate Governance and Integrity Office. The results of the performance evaluation of the board of directors were submitted to the board and functional committees on May 07, 2026. The results of the performance evaluation of the board of directors for the year 2025 are as follows:

1. The overall average score for the board of directors' performance self-assessment is 4.79 out of 5, and the overall average score for the directors’ self-assessment is 4.87 out of 5. The performance evaluation results of the overall board of directors indicate effective operation.
2. The overall average score for the Audit Committee's self-assessment is 4.83 out of 5.
3. The overall average score for the Remuneration Committee's self-assessment is 4.80 out of 5.

IV. Goals of the current and the recent years to improve the functions of Board of Directors (such as establishing audit committee, improving the information disclosure) and evaluation of the implementation: The Company has established an Audit Committee and a Remuneration Committee to assist the Board of Directors in fulfilling its supervisory responsibilities.

(II) Audit Committee Operations

The 3rd Audit Committee convened 7 times in 2025. The attendance of directors and independent directors is as follows:

Position	Name	Actual Attendance	Attendance by proxy	Percentage of Actual Attendance (%)	Remark
Convener of the Audit Committee	Yao-Ming Huang	7	0	100	
Member of the Audit Committee	Hsu-Feng Ho	7	0	100	
Member of the Audit Committee	Mao-Chun Wang	7	0	100	

Other matters to be recorded:

I. With regard to the operation of the Audit Committee, if any of the following circumstances occurs, the dates, terms of the meetings, contents of motions, all Audit Committee resolutions, and the Company's handling of such resolutions shall be specified.

(I) Matters referred to in Article 14-5 of the Securities and Exchange Act: please refer to Pages 70-72.

(II) Except as otherwise disclosed above, any other proposals which failed to obtain the approval of the audit committee, but were approved by two-thirds of the directors: None.

II. If there were independent directors who abstained from voting due to conflict of interest, the independent directors' names, contents of the proposal, and causes of abstention should be specified:

The aforementioned proposals did not involve the interests of independent directors, hence there was no need for abstention. The proposals were unanimously approved by all independent directors.

III. The communication between the independent directors and the manager of internal audit and the CPA (including the major matters, methods and results of communication on the Company's financial and business conditions):

(I) Communication between independent directors and the manager of internal audit:

Date of the meeting	Communication matters	Results
2025.03.14	I. From December 2024 to January 2025, internal audit activities covered various items, including stock affairs, derivatives commodity operations, endorsements and guarantees operations, lending funds to other parties, and the management audit of liabilities, commitments, and contingencies. II. As of January 31, 2025, a total of 71 audit items for the 2025 fiscal year had been completed in accordance with regulations, with no significant deficiencies found in the internal control system.	All independent directors are informed and have no comments.
2025.03.31	I. In February 2025, internal audit activities covered items such as derivative products operations and stock affairs audits. II. As of February 28, 2025, a total of 2 audit items for the 2025 fiscal year had been completed in accordance with regulations, with no significant deficiencies found in the internal control system.	All independent directors are informed and have no comments.
2025.05.14	I. From March to April 2025, internal audit activities included derivative products operations, stock affairs, procurement, operations of long-term and short-term borrowings, management to prevent insider trading, operations related to the use of checks and seals, management of endorsement guarantees, management of lending funds to others, property management operations, and data import and export operations audit. II. As of April 30, 2025, a total of 12 audit items for the 2025 fiscal year had been completed in accordance with regulations, with no significant	All independent directors are informed and have no comments.

	deficiencies found in the internal control system.	
2025.06.18	I. In May 2025, internal audit activities covered items including the management of derivative products operations, stock affairs, access control, information security, personal data protection management, salary work, and audit of precautions for online reporting of information. II. As of May 31, 2025, a total of 21 audit items for the 2025 fiscal year had been completed in accordance with regulations, with no significant deficiencies found in the internal control system.	All independent directors are informed and have no comments.
2025.08.13	I. From June to July 2025, internal audit activities covered a range of items, including stock affairs, derivative products operations, endorsements and guarantees operations, lending funds to other parties, consignment processing, sales invoicing, sales staff management, logistics, sales collections, tasks related to customer information cards, and credit management audit. II. As of July 31, 2025, a total of 34 audit items for the 2025 fiscal year had been completed in accordance with regulations, with no significant deficiencies found in the internal control system.	All independent directors are informed and have no comments.
2025.11.10	I. From August to October 2025, internal audit activities covered various items, including stock affairs, derivative products operations, endorsements and guarantees, lending funds to other parties, ethical business operations, receipt processing, legal compliance audit, gas station oil product operations, execution of the delegation of authority and acting personnel system, long-term and short-term investment operations, cashier cash receipt and payment operations, management of applying international accounting standards, accounting professional judgment procedures, processes of accounting policy and estimate changes, petty cash management, repair and maintenance management, and securities audits. II. As of October 31, 2025, a total of 58 audit items for the 2025 fiscal year had been completed in accordance with regulations, with no significant deficiencies found in the internal control system.	All independent directors are informed and have no comments.
2025.12.29	I. In November 2025, internal audit activities included stock affairs operations, derivative products operations, acquisition and disposal of assets, and management audits of related party transactions. II. As of November 30, 2025, a total of 62 audit items for the 2025 fiscal year had been completed in accordance with regulations, with no significant deficiencies found in the internal control system.	All independent directors are informed and have no comments.

(II) Communication between the independent directors and CPAs:

Date of the meeting	Communication matters	Results
2025.03.31	1. Independence 2. Responsibility of auditors to audit financial statements 3. Audit Scope 4. Audit Findings 5. Important Securities Act Updates	All independent directors are informed and have no comments.
2025.05.14	1. Independence 2. Responsibility of auditors to audit financial statements 3. Audit Scope 4. Audit Findings 5. Important Securities Act Updates	All independent directors are informed and have no comments.
2025.06.18	1. Independence 2. Responsibility of auditors to audit financial statements	All independent directors are informed

		3. Audit Scope 4. Audit Findings 5. Important Securities Act Updates	and have no comments.
	2025.08.13	1. Independence 2. Responsibility of auditors to audit financial statements 3. Audit Scope 4. Audit Findings 5. Important Securities Act Updates	All independent directors are informed and have no comments.
	2025.11.10	1. Independence 2. Responsibility of auditors to audit financial statements 3. Audit Scope 4. Audit Findings 5. Important Securities Act Updates	All independent directors are informed and have no comments.
	2025.12.29	1. Independence 2. Reviewer Responsibilities for Reviewing Interim Financial Statements 3. Types of Review Conclusions 4. Scope of review 5. Review Discovery 6. Annual audit plan 7. Important Securities Exchange Act Updates	All independent directors are informed and have no comments.

(III) Corporate Governance Implementation Status and Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons thereof

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
I. Does the Company establish and disclose the "Corporate Governance Best-Practice Principles" based on "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies"?	✓		In accordance with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, the Company adopted the Corporate Governance Best Practice Principles at the board meeting on November 10, 2016, and it has been disclosed as per regulations on the MOPS and the corporate governance section of the Company's website for reference.	No significant differences
II. Shareholding structure range of outstanding shares and shareholders' rights (I) Does the Company establish an internal operating procedure to deal with shareholders' suggestions, doubts, disputes and litigations, and implement based on the procedure?	✓		The Company has established internal control procedures for the stock affairs unit and has a spokesperson, an acting spokesperson and a stock affairs division for providing shareholder services. The dedicated personnel handles matters such as shareholders' advice, doubts or disputes.	No significant differences
(II) Does the Company have a list of the major shareholders who actually control the Company and the ultimate controllers of the major shareholders?	✓		The Company has a stock affairs unit with dedicated staff managing related information, fully knowing the list of major shareholders who actually control the Company and the ultimate controllers of the major shareholders.	No significant differences
(III) Does the Company establish and execute the risk management and firewall system within its conglomerate structure?	✓		The Company has measures in place to control transactions, endorsements, guarantees, and loans between the Company and its related enterprises. In addition, in accordance with the Regulations Governing Establishment of Internal Control Systems by Public Companies of the Financial Supervisory Commission, the Company has established standard operations for the supervision and management of subsidiaries, implementing risk control mechanisms for subsidiaries.	No significant differences
(IV) Does the Company establish internal rules against insiders trading with undisclosed information?	✓		The Company has agreed on the "Measures for the Administration of Preventive Insider Trading" and the "Guidelines for the Operation Procedures and Conduct of Best Practice", which regulate that insiders of the Company may not use unpublished information on the market to buy and sell marketable securities. The relevant measures have been disclosed on the Company's website for reference. Remind directors and insiders via E-mail not to trade their stocks 30 days before the announcement of the annual financial report and 15 days prior to the	No significant differences

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>announcement of each quarterly financial report.</td><td></td></tr>
<tr><td>III. Composition and Responsibilities of the Board of Directors
(I) Does the Board of Directors have a diversification policy, specific management objectives and implementation plan?</td><td>✓</td><td></td><td>In the Corporate Governance Best Practice Principles, the Company has established a diversification policy for the composition of the board of directors. Through a rigorous selection and nomination process, the Company has established 9 directors according to the scale of the Company’s business development and the shareholding of its major shareholders, taking into account practical operational needs. Of the current 9 directors, about 33% are employees, about 33% are independent directors serving no more than 3 terms, and about 22% are female directors. Of the number of directors of the Company, 8 directors are aged over 50 years old, and 1 is aged below 49 years old. Please refer to page 15 for the implementation of the diversification policy of all board members.</td><td>No significant differences</td></tr>
<tr><td>(II) Does the Company voluntarily establish other functional committees in addition to the remuneration and compensation committee and the audit committee?</td><td>✓</td><td></td><td>The Company has already legally established the remuneration and compensation committee. In the future, it will set up other functional committees based on the actual implementation status and legal regulations.</td><td>No significant differences</td></tr>
<tr><td>(III) Does the Company establish evaluation measures and methods, conduct performance evaluation regularly every year, and submit the result of performance evaluation to the Board, and use it in individual director remuneration and nominating successors for reference</td><td>✓</td><td></td><td>The Company has established performance evaluation methods for the directors and the board of directors. Each year, each director carries out a self-assessment on items such as the grasp of the Company's objectives and missions, recognition of duties, participation in the Company’s operations, management and communication of internal relations, professionalism and continuous improvement, and internal controls through the performance evaluation method for the Board of Directors.
The self-assessment is then handed over to the chairperson’s secretary office for the performance evaluation of the board of directors, where the evaluation is based on items such as the level of involvement in the Company’s operations, improvement of the quality of the board’s decisions, composition and structure of the board, appointment and ongoing improvement of directors, and internal controls. Please refer to pages 25-28.
The performance evaluation results of individual directors of the Company are taken into consideration during the discussion on individual</td><td>No significant differences</td></tr>
</table>

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
			director remuneration at the remuneration committee, and are also provided for reference when the board meeting nominates successors.	
(IV) Does the Company regularly evaluate the independence of CPAs?	✓		The Company's board meeting annually evaluates the independence, suitability and professionalism of certified public accountants in accordance with regulations such as the Certified Public Accountant Act, and obtains an independence declaration issued by the accountant (not in violation of Professional Ethics Announcement No. 10), confirming that the accountant and the Company have no other financial interests and business, except for certification and finance and tax, for the board meeting to discuss their independence. The independence assessment of the accountant has been conducted this year and was submitted to the board meeting for resolution on June 18, 2025. (Note 1 and Note 2)	No significant differences
IV. Does the TWSE/TPEx Listed Companies assign appropriate number of administrators and designate corporate governance director to take charge of corporate governance affairs (including but not limited to providing data required by directors, supervisors implementing business, assistance of directors, supervisors in complying with laws, handling relevant matters of the board meeting and shareholders' meeting, and preparing minutes of Board of Directors and shareholders' meeting)?	✓		1. The Company, as approved by the board of directors on June 6, 2024, has assigned a corporate governance executive with President Wei-Teng Hsiao as the highest executive. Additionally, on January 27, 2026, Cai-Hong Zeng was appointed as Chief Executive Officer, as the highest executive responsible for corporate governance affairs, and appropriate staff have been appointed to handle corporate governance matters. 2. The Corporate Governance Officer is primarily responsible for handling matters related to corporate governance, with assistance from relevant units such as the corporate governance and ethics office. Their duties and annual business execution focuses include handling the Board of Directors and Shareholders' meetings in accordance with the law, preparing minutes of the board of directors and shareholders' meetings, assisting directors in taking office and continuous learning, providing information necessary for directors to carry out their duties, and assisting directors in complying with the laws. 3. Corporate governance executives' advanced training in 2025:	No significant differences

Name	Date	Institution	Course	Hours

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><td rowspan="4">Wei-Teng Hsiao</td><td>2025
10.03</td><td>Securities and Futures Investors Protection Center (SFIPC)
Securities and Futures Market Development Foundation, Republic of China</td><td>The 2025 Insider Trading Prevention Seminar</td><td>3</td></tr>
<tr><td>2025
10.15</td><td>Taiwan Corporate Governance Association</td><td>Digital Technology and Information Security Risk Management</td><td>3</td></tr>
<tr><td>2025
10.20</td><td>Taiwan Corporate Governance Association</td><td>The trend of ESG, CSR, and sustainable governance in 2025 Year.</td><td>3</td></tr>
<tr><td>2026
01.22</td><td>Taiwan Project Management Association (TPMA)</td><td>Training Courses for Directors of Listed Companies - Perspectives on Risk Management in Digital Governance and Information Security</td><td>3</td></tr>
</table>
</td><td></td></tr>
<tr><td>V. Does the Company establish a communication channel and build a designated section on its website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers), as well as handle all the issues they care for in terms of corporate social responsibilities?</td><td>✓</td><td></td><td>To implement sustainable development and respect the rights and interests of stakeholders, the Company communicates with stakeholders through various channels, understands their important issues and needs, and responds appropriately and announces their concerned corporate social responsibility issues to strengthen the content of information disclosure. Please refer to the table below for the Company’s stakeholder communication topics and channels:
<table>
<tr><th>Stakeholder</th><th>Issue</th></tr>
<tr><td>Employee</td><td>• Remuneration and Benefits
• Education and Career Development
• Workplace Safety and Health
• Education and Career Development
• Gender Equity</td></tr>
<tr><td>Investor</td><td>• Operating Performance
• Information Transparency
• Earnings and Dividend Distribution</td></tr>
<tr><td>Customer</td><td>• Quality of Services and Products
• Personal Data Protection</td></tr>
</table>
</td><td>No significant differences</td></tr>
</table>

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td><table>
<tr><td></td><td>• Marketing Activities
• Transaction Safety and Fair Pricing</td></tr>
<tr><td>Procurement Vendor
Cooperative Vendor</td><td>• Credit Status
• Provide a reasonable transaction price</td></tr>
<tr><td>Competent Authority</td><td>• Legal Compliance
• Tax Payment
• Labor Rights</td></tr>
<tr><td>Banks</td><td>• Association Exchange</td></tr>
<tr><td>Community</td><td>• Traffic Safety
• Social Welfare
• Environmental Issues</td></tr>
</table>A stakeholder section is set in the Company’s website, providing a communication window for all stakeholders.
https://w3.slc. com.tw/page/stakeholder
https://w3.slc.com.tw/contact</td><td></td></tr>
<tr><td>VI. Does the Company appoint a professional shareholder service agency to deal with shareholder affairs?</td><td></td><td>✓</td><td>The Company has a stock affairs unit and currently handles the affairs of the shareholders’ meeting independently. The relevant procedures are carefully planned and implemented by dedicated units such as the stock affairs, legal department, and the corporate governance division, in accordance with regulations.</td><td>No significant differences</td></tr>
<tr><td>VII. Information Disclosure
(I) Does the Company have a corporate website to disclose both financial standings and the status of corporate governance?</td><td>✓</td><td></td><td>The Company has set up a website in both Chinese and English, and discloses related financial affairs and corporate governance information in the investors’ section on the Company website. The website address is: www.slc.com.tw.</td><td>No significant differences</td></tr>
<tr><td>(II) Does the Company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?</td><td>✓</td><td></td><td>1. The Company has established websites in both Chinese and English, with dedicated personnel regularly disclosing information related to finance, business, and corporate governance.
2. The Company has established a spokesperson and acting spokesperson system, and provides a contact window on the website, serving shareholders and stakeholders at any time.
3. On August 22, 2025, the Company held a corporate briefing through video conference, and the presentation and video files were placed on the Company’s website.</td><td>No significant differences</td></tr>
</table>

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
(III) Does the Company publicize and declare the annual financial report within two months upon the end of the fiscal year, and Q1, Q2 and Q3 Financial Report and operation status of each month prior to the scheduled period?	✓		1. The Company has not yet announced and filed its annual financial report within two months after the end of the fiscal year. However, key financial information was disclosed on the date the Board of Directors approved the financial statements, and the complete annual and quarterly financial report e-books were announced and filed before the respective deadlines. 2. The operating status of each month is declared before the 10th day of each month (inclusive) in accordance with legal regulations for the operation of the previous month.	No significant differences
VIII. Is there any other important information to facilitate a better understanding of the Company's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, Directors' and Supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and Supervisors)?	✓		1. Employee rights and interests: The Company adheres to the concept of stable and sustainable operation, taking the human-oriented approach and considering its employees as important company assets. Not only does it endeavor to comply with regulations in all management systems, all regulations and implementation status related to corporate governance are also announced on the official website, ensuring its employees understand all relevant matters. 2. Employee care: The Company attaches great importance to employee welfare, establishes the employee welfare committee, and legally allocates funds to enrich the welfare fund. It also provides various welfare subsidies and places high importance on employee safety and health. The Company provides employees with reasonable salary remuneration, various bonuses, and benefit measures. The Company has established mutual trust and reliance with its staff. 3. Investor relations The Company serves as the bridge between the Company and its shareholders through the stock affairs unit. In terms of transparency of company information, the Company has set up an investors’ section on its website, and discloses the necessary reports and information immediately on the MOPS, to provide relevant information to investors. In order to maintain good	No significant differences

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
			relations with investors, the Company has set up a spokesperson system to provide a liaison window for shareholders and corporate investment institutions. 4. Supplier relationships: The Company's purchasing department is dedicated to managing affairs related to suppliers and conducting fair transactions with suppliers, and explicitly forbids bribery by suppliers. Upholding the principles of integrity and reciprocity, the Company strives to create win-win cooperation. In addition to a toll-free service line, there is a stakeholders' section on the Company' s website. 5. Rights of stakeholders: The Company handles all important information in accordance with the relevant provisions of the TWSE Corporation Verification and Public Handling Procedures for Material Information of Listed Companies, to protect the rights and interests of shareholders, stakeholders, and investors. The Company, depending on different situations, authorizes various departments including investor relations, public relations, shareholder services, legal affairs, etc., to communicate with stakeholders, and the contact information of the spokesperson and related business departments is available on the Company's website. 6. Advanced training of directors: The total number of training hours for all directors of the Company meet the requirements of Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies, and the relevant training content has been disclosed on the MOPS. The training status of directors in 2025 is detailed in Note 3, and the required training hours in accordance with legal regulations have been fulfilled. 7. Implementation of risk management policies and risk measurement standards: The Company's risk management policy is aimed at effectively identifying, measuring,	

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
			supervising, and controlling various risks, enhancing the risk awareness of all employees, controlling possible risks within a bearable extent, and achieving a balance between reasonable risk and reward, and optimal efficiency. The Company's audit office carries out audits in accordance with the annual audit plan, implementing supervisory mechanisms and controlling various risk management. 8. Implementation of customer policies: The Company maintains good relations with customers and provides customer service in accordance with various internal management methods. There is a business department specifically responsible for managing customer-related businesses. It maintains stable and good relationships with customers, strictly adheres to the contracts and related regulations signed with customers, ensures customers' rights, and provides high-quality services. 9. Liability insurance that the Company has purchased for directors: Insurance has been purchased for directors, and after renewal in 2025, it was reported at the most recent board meeting.	

IX. Please describe the improved situation regarding the results of the recent corporate governance appraisal issued by the Taiwan Stock Exchange Co., Ltd. Corporate Governance Center, and propose the priority enhancements and measures for those which have not yet improved.

(I) For the results of the 11th Corporate Governance Evaluation released in 2025, the improvements made by the Company are as follows:
The Company itself reviews items that did not score in the corporate governance evaluation and will continue to strive for improvements in corporate governance in the future.

(II) Priority enhancements and measures for those which have not yet improved: None.

Note 1: Evaluation Form for Accountants Independence

114年度會計師獨立性及適任性評估表

評鑑日期：114年6月18日

評鑑原因：□首次　☑例行

(一) 基本資料：

會計師姓名：	梅元貞	**事務所名稱：**	安侯建業聯合會計師事務所
主要學經歷：	學歷：國立政治大學商學院經營管理碩士學程會計組 專業服務經歷： •財務報表簽證及營利事業所得稅簽證申報 •申請公開發行及上市櫃案件之輔導 •國際財務報導準則(IFRS)導入 •內部控制制度評估 •外國稅收遵從法(FATCA)顧問諮詢		

(二) 評估內容(會計師自評)：

參酌會計師法第47條及會計師職業道德規範第10號公報訂定：

項目	會計師自評
1.截至最近一次簽證作業，未有七年未更換之情事。	☑是　□否
2.與委託人無重大財務利害關係。	☑是　□否
3.避免與委託人有任何不適當關係。	☑是　□否
4.會計師應使其助理人員確守誠實、公正及獨立性。	☑是　□否
5.執業前二年內服務機構之財務報表，不得查核簽證。	☑是　□否
6.會計師名義不得為他人使用。	☑是　□否
7.未握有本公司及關係企業之股份。	☑是　□否
8.未與本公司及關係企業有金錢借貸之情事。	☑是　□否
9.未與本公司或關係企業有共同投資或分享利益之關係。	☑是　□否
10.未兼任本公司或關係企業之經常工作，支領固定薪給。	☑是　□否
11.未涉及本公司或關係企業制定決策之管理職能。	☑是　□否
12.未兼營可能喪失其獨立性之其他事業。	☑是　□否
13.與本公司管理階層人員無配偶、直系血親直系姻親或二親等內旁系血親之關係。	☑是　□否
14.未收取任何與業務有關之佣金。	☑是　□否
15.截至目前為止，未受有處分或損及獨立原則之情事。	☑是　□否

填表人(會計師)： 梅元貞

(三) 工作表現及計畫：

過去一年度所執行工作或首次所委任之工作內容：
財務報表簽證、營利事業所得稅簽證申報、內部控制制度評估等。

(四) 評估結果：

經評估，梅元貞會計師未有違反相關法規對獨立性之規定，並符合適任性條件。

核准： 2025.6.18　　**製表：** 陳怡均 2025.06.18

附件：審計會計師超然獨立聲明書

114年度會計師獨立性及適任性評估表

評鑑日期：114年6月18日

評鑑原因：☑首次　　□例行

(一) 基本資料：

會計師姓名：	郭仰倫	**事務所名稱：**	安侯建業聯合會計師事務所
主要學經歷：	學歷：大葉大學會計資訊學系管理學碩士 專業服務經歷： •財務報表簽證及營利事業所得稅簽證申報 •申請公開發行及上市櫃案件之輔導 •國際財務報導準則(IFRS)導入 •內部控制制度評估		

(二) 評估內容(會計師自評)：

參酌會計師法第47條及會計師職業道德規範第10號公報訂定：

項目	會計師自評
1.截至最近一次簽證作業，未有七年未更換之情事。	☑是　□否
2.與委託人無重大財務利害關係。	☑是　□否
3.避免與委託人有任何不適當關係。	☑是　□否
4.會計師應使其助理人員確守誠實、公正及獨立性。	☑是　□否
5.執業前二年內服務機構之財務報表，不得查核簽證。	☑是　□否
6.會計師名義不得為他人使用。	☑是　□否
7.未握有本公司及關係企業之股份。	☑是　□否
8.未與本公司及關係企業有金錢借貸之情事。	☑是　□否
9.未與本公司或關係企業有共同投資或分享利益之關係。	☑是　□否
10.未兼任本公司或關係企業之經常工作，支領固定薪給。	☑是　□否
11.未涉及本公司或關係企業制定決策之管理職能。	☑是　□否
12.未兼營可能喪失其獨立性之其他事業。	☑是　□否
13.與本公司管理階層人員無配偶、直系血親直系姻親或二親等內旁系血親之關係。	☑是　□否
14.未收取任何與業務有關之佣金。	☑是　□否
15.截至目前為止，未受有處分或損及獨立原則之情事。	☑是　□否

填表人(會計師)： 郭仰倫

(三) 工作表現及計畫：

過去一年度所執行工作或首次所委任之工作內容：
財務報表簽證、營利事業所得稅簽證申報、內部控制制度評估等。

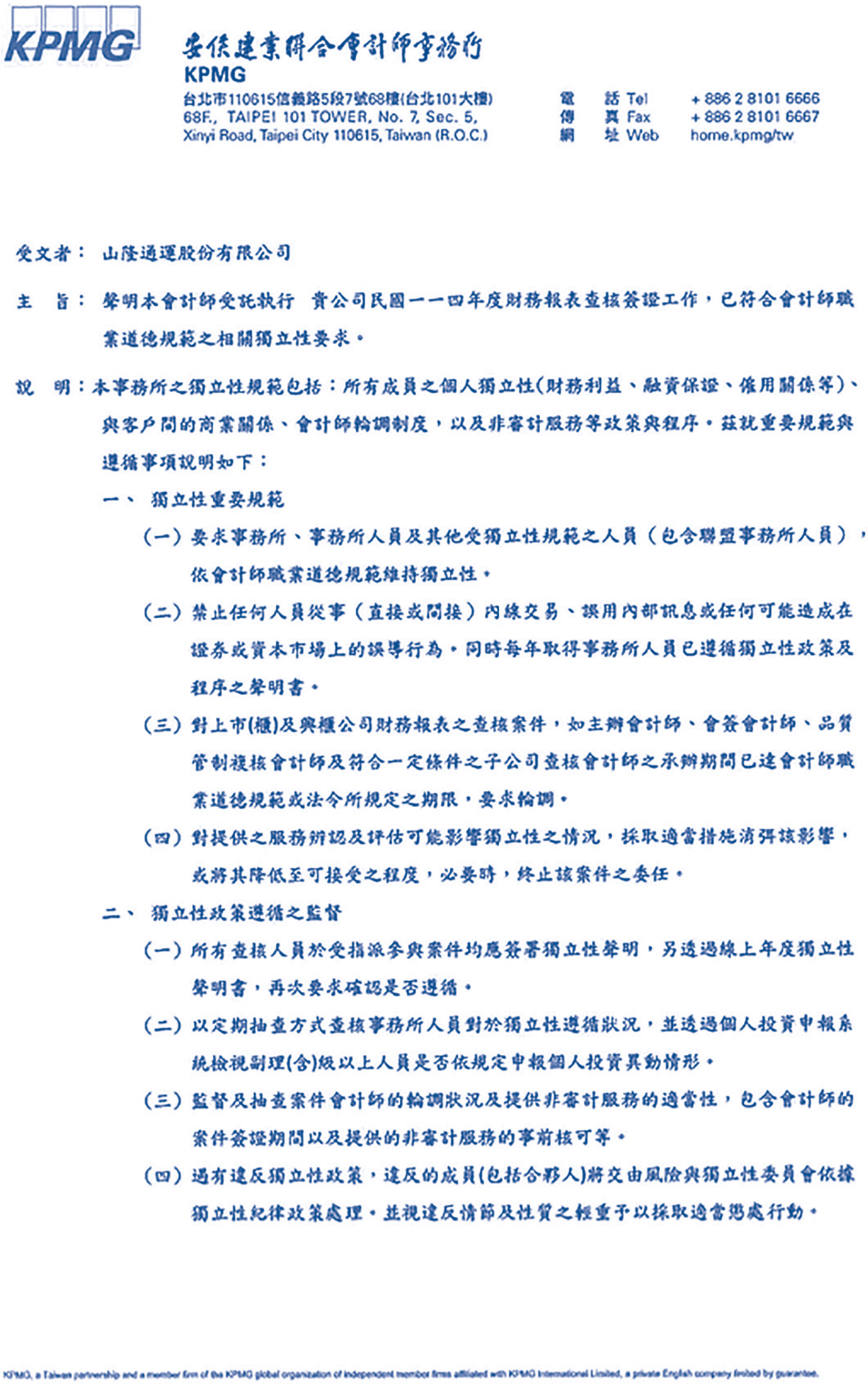
(四) 評估結果：

經評估，郭仰倫會計師未有違反相關法規對獨立性之規定，並符合適任性條件。

核准： 2025.6.18　　　**製表：** 陳怡均 2025.06.18

附件：審計會計師超然獨立聲明書

Note 2: Statement issued by KPMG Taiwan



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受文者：　山隆通運股份有限公司

主　旨：　聲明本會計師受託執行　貴公司民國一一四年度財務報表查核簽證工作，已符合會計師職業道德規範之相關獨立性要求。

說　明：本事務所之獨立性規範包括：所有成員之個人獨立性(財務利益、融資保證、僱用關係等)、與客戶間的商業關係、會計師輪調制度，以及非審計服務等政策與程序。茲就重要規範與遵循事項說明如下：

一、　獨立性重要規範

（一）要求事務所、事務所人員及其他受獨立性規範之人員（包含聯盟事務所人員），依會計師職業道德規範維持獨立性。

（二）禁止任何人員從事（直接或間接）內線交易、誤用內部訊息或任何可能造成在證券或資本市場上的誤導行為。同時每年取得事務所人員已遵循獨立性政策及程序之聲明書。

（三）對上市(櫃)及興櫃公司財務報表之查核案件，如主辦會計師、會簽會計師、品質管制複核會計師及符合一定條件之子公司查核會計師之承辦期間已達會計師職業道德規範或法令所規定之期限，要求輪調。

（四）對提供之服務辨認及評估可能影響獨立性之情況，採取適當措施消弭該影響，或將其降低至可接受之程度，必要時，終止該案件之委任。

二、　獨立性政策遵循之監督

（一）所有查核人員於受指派參與案件均應簽署獨立性聲明，另透過線上年度獨立性聲明書，再次要求確認是否遵循。

（二）以定期抽查方式查核事務所人員對於獨立性遵循狀況，並透過個人投資申報系統檢視副理(含)級以上人員是否依規定申報個人投資異動情形。

（三）監督及抽查案件會計師的輪調狀況及提供非審計服務的適當性，包含會計師的案件簽證期間以及提供的非審計服務的事前核可等。

（四）遇有違反獨立性政策，違反的成員(包括合夥人)將交由風險與獨立性委員會依據獨立性紀律政策處理。並視違反情節及性質之輕重予以採取適當懲處行動。

KPMG, a Taiwan partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

綜上，本會計師受託執行　貴公司民國一一四年度之財務報表查核工作，已保持嚴謹公正之態度及超然獨立之精神，並無違反職業道德規範公報第十號所規定之情事。

安侯建業聯合會計師事務所

梅　元　貞

會計師：

郭　仰　倫

民國 一一四 年 六 月 十八 日

Note 3: The training status of directors in 2025

Position	Name	Date	Organizer	Course	Hours taken in a year
Chairman	Jen-Hong Cheng	2025.10.15	Taiwan Corporate Governance Association	Digital Technology and Information Security Risk Management course	6
		2025.10.20	Taiwan Corporate Governance Association	The trend of ESG, CSR, and sustainable governance in 2025.	
Vice Chairman	Lan-Hui Yu	2025.10.15	Taiwan Corporate Governance Association	Digital Technology and Information Security Risk Management course	6
		2025.10.20	Taiwan Corporate Governance Association	The trend of ESG, CSR, and sustainable governance in 2025.	
Legal Representative Director	Chuan-Chuan Lu	2025.10.15	Taiwan Corporate Governance Association	Digital Technology and Information Security Risk Management course	6
		2025.10.20	Taiwan Corporate Governance Association	The trend of ESG, CSR, and sustainable governance in 2025.	
Legal Representative Director	Ai-Ling Chi	2025.09.26	Securities and Futures Market Development Foundation, Republic of China	The 2025 Insider Trading Prevention Seminar of the Year 2025	12
		2025.10.15	Taiwan Corporate Governance Association	Digital Technology and Information Security Risk Management course	
		2025.10.20	Taiwan Corporate Governance Association	The trend of ESG, CSR, and sustainable governance in 2025.	
		2025.12.02	Taiwan Project Management Association (TPMA)	Training Courses for Directors of Listed Companies - Board of Directors Performance Indicators and Measurement	
Legal Representative Director	Tai-Lang Ho	2025.10.15	Taiwan Corporate Governance Association	Digital Technology and Information Security Risk Management course	6
		2025.10.20	Taiwan Corporate Governance Association	The trend of ESG, CSR, and sustainable governance in 2025.	
Director	Ken-Pei Cheng	2025.10.15	Taiwan Corporate Governance Association	Digital Technology and Information Security Risk Management course	6
		2025.10.20	Taiwan Corporate Governance Association	The trend of ESG, CSR, and sustainable governance in 2025.	
Independent Director	Yao-Ming Huang	2025.10.15	Taiwan Corporate Governance Association	Digital Technology and Information Security Risk Management course	6
		2025.10.20	Taiwan Corporate Governance Association	The trend of ESG, CSR, and sustainable governance in 2025.	
Independent Director	Hsu-Feng Ho	2025.10.15	Taiwan Corporate Governance Association	Digital Technology and Information Security Risk Management course	6
		2025.10.20	Taiwan Corporate Governance Association	The trend of ESG, CSR, and sustainable governance in 2025.	
Independent Director	Mao-Chun Wang	2025.10.15	Taiwan Corporate Governance Association	Digital Technology and Information Security Risk Management course	6
		2025.10.20	Taiwan Corporate Governance Association	The trend of ESG, CSR, and sustainable governance in 2025.	

(IV) Profile of members of each functional committee and its operation.

1. Attendance of Members at Remuneration Committee Meetings:

(1) Professional Qualifications and Independence Analysis of Remuneration Committee Members

Criteria Name Identity Name		Professional Qualification and Work Experience	Independence criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as a Remuneration Committee Member
Independent Director (Convener)	Yao-Ming Huang	For disclosure of the professional qualifications of directors and supervisors and the information on the independence of independent directors, please refer to Page 10~13.		0
Independent Director	Hsu-Feng Ho			0
Independent Director	Mao-Chun Wang			0

(2) Attendance of Members at Remuneration Committee Meetings

(a) The remuneration and compensation committee of the Company consists of 3 members, all of whom are independent directors.

(b) The term of office of the members of the Fifth remuneration committee: From May 30, 2023 to May 29, 2026. Two meetings of the 2025 Fifth remuneration committee of the Company were held (A).

(c) The qualifications and attendance of members are as follows:

Position	Name	Actual Attendance (B)	Attendance by proxy	Percentage of Actual Attendance (%)（**B/A**）	Remark
Convener	Yao-Ming Huang	2	0	100	
Committee Member	Hsu-Feng Ho	2	0	100	
Committee Member	Mao-Chun Wang	2	0	100	
Other matters to be recorded: I. If the board meeting does not adopt or revise the Remuneration Committee's proposals, the board meeting's date, period, motion contents, and resolution decisions as well as the method in which the Company handles the Remuneration Committee's opinions shall be disclosed in detail (e.g. if the salary rate adopted by the board committee is superior to that proposed by the Remuneration Committee, the differences and reasons shall be explained): None. II. Where the resolutions of the remuneration committee include dissenting or qualified opinion which is on record or stated in a written statement, the date, session, proposal contents, opinions from every member, and actions in response to the opinions of the members shall be stated: None.					

2. Sustainable Development Committee Implementation Status Information:

In order to achieve The Company's sustainable development goal and strengthen sustainable governance, a Sustainable Development Committee is established in accordance with The Company's Corporate Governance Best Practice Principles and Sustainable Development Best Practice Principles. The responsibilities are as follows:

- Formulate, promote, and enhance the company's sustainable development policies, annual plans, and strategies, etc.
- Review, track, and revise the implementation and effectiveness of sustainable development.
- Supervise the disclosure of sustainability information and review the sustainability report.
- Oversee the implementation of the Company’s Sustainable Development Code of Practice or other sustainability-related tasks resolved by the Board of Directors.

The Committee, authorized by the Board of Directors, shall faithfully perform the following duties with the care of a good manager, and report to the Board of Directors:

(1) Sustainable Development Committee Member Information

Identity Name Name Criteria		Professional Qualification and Work Experience	Independence criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as a Remuneration Committee Member
Convener	Jen-Hong Cheng	For disclosure of the professional qualifications of directors and supervisors and the information on the independence of independent directors, please refer to Page 10~13.		0
Committee Member	Lan-Hui Yu			0
Committee Member	Mao-Chun Wang			0

(2) Sustainable Development Committee Implementation Status Information:

(a) The Sustainable Development Committee consists of three committee members, with the term of office from December 29, 2025 to May 29, 2026. In the future, meetings will be held once a year in accordance with the organizational regulations of the Sustainable Development Committee.

3. Risk Management Committee Implementation Status Information:

Established in accordance with the "Risk Management Best-Practice Principles for TWSE/TPEx Listed Companies" and The Company's "Risk Management Policies and Procedures" to strengthen corporate governance and enhance the risk management mechanism.

(1) Professional Qualifications and Independence Analysis of Risk Management Committee Members

Identity Name Name Criteria		Professional Qualification and Work Experience	Independence criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as a Remuneration Committee Member
Convener	Yao-Ming Huang	For disclosure of the professional qualifications of directors and supervisors and the information on the independence of independent directors, please refer to Page 10~13.		0
Committee Member	Tai-Lang Ho			0
Committee Member	Hsu-Feng Ho			0

(2) Risk Management Committee Implementation Status Information:

(a) The Risk Management Committee consists of three committee members, with the term of office from December 29, 2025 to May 29, 2026. In the future, meetings will be held once a year in accordance with the organizational regulations of the Risk Management Committee.

4. Nomination Committee Operations:

In order to enhance the functions of the Company's Board of Directors and strengthen the management mechanism, the Company formulated the "Nominating Committee" organizational regulations in accordance with Article 27, Paragraph 3 of the Company's Corporate Governance Best Practice Principles.

(1) Professional Qualifications and Independence Analysis of Nominating Committee Members

Identity Name Name Criteria		Professional Qualification and Work Experience	Independence criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as a Remuneration Committee Member
Convener	Jen-Hong Cheng	For disclosure of the professional qualifications of directors and supervisors and the information on the independence of independent directors, please refer to Page 10~13.		0
Committee Member	Hsu-Feng Ho			0
Committee Member	Mao-Chun Wang			0

(2) Nomination Committee Operations

(a) The Nominating Committee consists of three committee members, with the term of office from March 12, 2026 to May 29, 2026. In the future, meetings will be held once a year in accordance with the organizational regulations of the Nominating Committee.

(V) Implementation of the Code of Best Practice for the Promotion of Sustainable Development and the Circumstances and Reasons for Differences from the Code of Practice for the Sustainable Development of Listed Companies

Promoted Items	Implementation			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary	
I. Has the Company established a governance structure that promotes sustainable development, and set up a dedicated (part-time) dedicated unit to promote the sustainable development, and the Board of Directors authorized the senior management to handle the situation, and the Board of Directors supervised the promotion status?	✓		The Company entrusts members of the relevant units of the general management office to form the Sustainable Development Team, which is responsible for promoting and handling various sustainable development activities. It is planned to report the progress of the 2024 greenhouse gas verification to the Board of Directors in 2025.The board will continue to supervise the implementation of the Company's sustainable development to ensure that the Company pays attention to the factors of environment, society, and corporate governance while pursuing sustainable operation and profitability.	No significant differences
II. Does the Company conduct risk assessment of environmental, social and corporate governance issues related to the Company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?	✓		1. The Company has formulated the Code of Practice for Sustainable Development and follows the ISO9001, 14001 and 45001 standard provisions to fulfill its corporate social responsibility, implement the regulations in the code, and disclose the code on the MOPS and company websites. 2. Based on the ISO regulations, a significant risk identification analysis process has been established. Through the procedures of collection, review, sorting, identification, and confirmation, major sustainability issues and their associated risks are identified, and relevant management strategies are formulated. The Company sets boundaries of risk assessment and risk management policies or strategies for material topics, with the key summary as follows: (1) Major Environmental Issues: The Company has identified the risks of climate change and evaluated the relevant response measures for climate change, such as water shortage in the dry season and power restrictions in the summer. Water and electricity management processes have been established, including the regulations for water restriction and water supply interruption at the head office and factory levels, and the standard procedures for emergency power supply	No significant differences

<table>
<tr><th rowspan="2">Promoted Items</th><th colspan="3">Implementation</th><th rowspan="2">Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>priorities, etc.
(2) Material Social Issues:
The improvement of the occupational health and safety management system is prioritized, and the existing occupational health and safety management measures and regulations are continuously revised. The company has passed the ISO45001: 2018 Occupational Health and Safety Management System Certification, and through education and advocacy, the employees’ awareness and capabilities on safety and health have been enhanced. Supervisors at all levels on the field regularly review the behavior and working environment of employees and cooperative factory personnel in order to reduce exposure risk factors for employees.
(3) Material corporate governance issues:
To avoid violation due to the failure to respond promptly when external laws and regulations are updated, the Company has established systematic rules for the identification and management of laws and regulations.</td><td></td></tr>
<tr><td>III. Environmental Issues
(I) Does the Company establish proper environmental management systems based on the characteristics of their industries?</td><td>✓</td><td></td><td>The environmental policy of the Company is “full employee participation, valuing resources, and protecting the environment,” and “environmental protection and management rules” are stipulated to implement environmental protection. In addition, the Company has passed the ISO14001:2015 Environmental Management System Certification, regularly collects information on the Company’s operating environment, establishes environmental management objectives, regularly reviews its effectiveness, and takes measures for improvement. The implementation of environmental protection, waste reduction, quantity reduction, pollution prevention, and zero accidents is also in place.</td><td>No significant differences</td></tr>
<tr><td>(II) Has the Company committed to improve the energy efficiency and use the renewable materials with low impact on the</td><td>✓</td><td></td><td>The Company enhances the recirculation and reuse of water, electricity and other resources, installs water and electricity saving equipment, and implements reduction, resource classification,</td><td>No significant differences</td></tr>
</table>

<table>
<tr><th rowspan="2">Promoted Items</th><th colspan="3">Implementation</th><th rowspan="2">Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td>environment?</td><td></td><td></td><td>reclamation, reuse and proper disposal. It periodically promotes and advocates environmental protection concepts in quarterly publications to reduce the impact on the environment and effective energy.</td><td></td></tr>
<tr><td>(III) Does the Company evaluate the potential risks and chances of climate change at present and in the future and take response measures?</td><td>✓</td><td></td><td>The Company has established environment, safety, and health policies and sets environment, safety and health objectives annually, employing dedicated environmental management personnel. The Company has also received ISO14001:2015 certification. Through ISO internal auditors, the Company regularly controls and manages environmental issues, analyzes potential risks and opportunities related to climate change at present and in the future, and adopts climate-related issue mitigation assessments.
The Company constantly pays attention to and timely adjusts the air conditioning temperature of its office environment, while practicing energy conservation and carbon reduction. The general temperature increase caused by climate change indirectly increases the Company’s load on air conditioning equipment. During maintenance, the need for replacement is also reviewed, and the replacement of existing equipment is planned in advance to deal with the increase in carbon emissions and the decline in equipment performance, and green energy low-carbon products are purchased as much as possible.</td><td>No significant differences</td></tr>
<tr><td>(IV) Does the Company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?</td><td>✓</td><td></td><td>The Company itself recorded GHG emissions in 2025, and the related information is disclosed as follows:
Quantity of GHG emissions
<table>
<tr><th>Item/Year</th><th>2024</th><th>2025</th></tr>
<tr><td>Direct emissions</td><td>11,246.4557 tons CO2e tCO2e</td><td>6,896.2969 tons CO2e tCO2e</td></tr>
<tr><td>Indirect emissions</td><td>3,362.2705 tons CO2e tCO2e</td><td>3,690.7750 tons CO2e tCO2e</td></tr>
</table>
The Company’s actions related to energy conservation, carbon reduction and water resource protection are as follows:
1. More environmentally friendly and fuel-efficient models are purchased to replace old business tractor vehicles regularly, so as to reduce waste gas emissions and fuel consumption.
2. Gas stations provide account customers with the ability to download electronic invoices,</td><td>No significant differences</td></tr>
</table>

Promoted Items	Implementation			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary	
			reducing paper usage. 3. New vehicle washing machines that reduces the water consumption will be installed in the gas stations. 4. Accessible toilets that have been constructed in accordance with the law in gas stations shall be progressively updated with water-saving faucets. 5. Replacement of LED lighting at each gas stations to reduce power consumption. 6. Virtual meetings will be held in various locations to cut business trips and reduce exhaust emissions and oil consumption. 7. Staff members are encouraged to turn off lights and computers when leaving the office or during the lunch break.	
IV. Social Issues (I) Does the Company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights	✓		The Company is committed to fulfilling corporate social responsibility, safeguarding the basic human rights of all colleagues, customers, and stakeholders. The Company recognizes and supports the UN's Universal Declaration of Human Rights, respects internationally recognized human rights standards, ensuring zero violations to basic human rights and treats all employees with dignity and respect. The Company establishes the Prevention and management procedures for unlawful harm while performing duties, with the Occupational Safety Office as the main responsible unit, applicable to all employees of the Company and its Subsidiaries. The consultation and complaint channels for unlawful workplace intrusions are as follows: Complaint hotline Tel: (02)2959-9611 Fax: 2959-9411 The dedicated complaint mailbox is located at: 1F., No. 1-2, Sec. 1, Minsheng Rd., Banqiao Dist., New Taipei City. Dedicated grievance email: hr.special@slc.com.tw. The Company strictly complies with the labor laws and regulations and has full personnel management rules, which have been announced in public to protect the legitimate rights and interests of employees. Also allocated pension expense, there is an employee welfare committee, and all employees enjoy the same benefit measures.	No significant differences

Promoted Items	Implementation			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary	
(II) Has the Company established and offered proper employee benefits (including compensation, leave, and other benefits) and reflected the business performance or results in employee compensation appropriately?	✓		The Company values employee rights by establishing workplace diversity and promoting gender equality, and implements corporate social responsibility to ensure the recruitment, retention, and encouragement of human resources, in order to achieve the goal of sustainable operation. The Company has established salary management methods. Salaries are determined based on the differences in employees' job nature, working conditions, work environment, and required skills, referring to average salary standards in the market and organizational structure. The Company's benefit system is as follows: 1. Leave: Annual leaves are granted in accordance with the Labor Standards Act, as well as holiday leaves in line with government announcements. 2. Insurance: The Company's employees enjoy labor insurance, health insurance, new labor pension contribution, and group insurance. 3. Bonus: Three festival bonuses (Dragon Boat Festival, Mid-Autumn Festival, Year-end), employee dividends, and employee stock ownership trust. 4. Others: Annual check-ups for employees, employee travel, scholarships for employees' children, birthday gifts, maternity congratulation funds, wedding allowances for employees (including their children), funeral rites for family members of the employees, emergency assistance, subsidies for further education, accident / disaster relief, medical assistance for employees and their family members, uniform distribution, condolences, and other comprehensive and sound welfare items. 5. According to Article 19 of the Articles of Incorporation, the Company shall allocate no less than 1% of the pre tax profit for the current period before deducting the employees' remuneration. But the Company shall reserve a portion of profit to make up for accumulated losses, if any. Employees' compensation may be distributed in shares or cash, and the counterparty to whom shares or cash are distributed as employees' compensation may include the employees of	No significant differences

Promoted Items	Implementation			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary	
			its controlled or subordinate companies that meet certain criteria.	
(III) Does the Company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	✓		The Company provides a safe and healthy working environment for its employees, establishes an occupational health and safety management unit and personnel, and formulates safety and health management plans, management regulations, and safety and health work rules in accordance with the relevant occupational health and safety laws and regulations. In addition to providing annual health checks, employee group insurance, employee lactation rooms, and on-site physician consultation services related to work health, the Company also conducts occupational health and safety education and training for new employees upon arrival and annually. The Company also conducts regular checks on the safety of equipment and facilities to ensure the safety of personnel, appoints a fire management person to manage autonomous fire equipment checks, and arranges for outsourced quarterly inspections of drinking water. In 2025, there were no major occupational disasters in the factory area. The zero-disaster goal in the factory area will continue to be promoted. At the same time, professional capabilities for occupational safety and protection are strengthened and the responsibilities of related professional personnel are implemented according to the law.	No significant differences
(IV) Does the Company provide its employees with career development and training sessions?	✓		The Company recruits outstanding talents in the industry and pays attention to the career development of each talent. It has a dedicated vocational training unit, which defines the employee career development training sessions according to the relevant indicators. This allows each employee to proceed towards their ideal position and provides various learning channels to help employees effectively improve their abilities to meet the job competencies required by their ideal positions.	No significant differences
(V) Does the Company comply with relevant laws, regulations and international standards, and formulate relevant consumer or customer rights protection policies and appeal procedures for issues such as customer	✓		The Company itself established the personal data protection management policy on November 10, 2025, with the risk control department as the responsible authority. This policy applies to the Company's collection, processing, or use of personal data-related operations and all its personnel, including outsourced service vendors,	No significant differences

Promoted Items	Implementation			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary	
health and safety, customer privacy, marketing and labeling of products and services?			all branches, subsidiaries, customers, and suppliers. In order to strengthen all employees' compliance with regulations and enhance their compliance capabilities, The Company itself held an online learning course and test on "Personal Data Protection" from October 13, 2025, to October 24, 2025; there were 1,015 participants and 754 completed it. The average score is 98.32 points. The Company's official website includes a contact window responsible for customer inquiries or complaints, with major issues being discussed and promptly addressed in executive meetings. • Customer communication URL: https://w3.slc.com.tw/contact • Customer complaint hotline: 0800-051566 • Customer communication email address: service@slc.com.tw	
(VI) Has the Company established the supplier management policies requesting suppliers to comply with laws and regulations related to environmental protection, occupational safety and health or labor rights and supervised their compliance?	✓		Approved by resolution of the Board of Directors during the 20th meeting of the 15th term (2026/03/12), "QP002 Supplier Management Procedure" To implement corporate sustainable development, suppliers should follow the principles related to Environmental Protection, Social Responsibility, and Corporate Governance (ESG). Suppliers shall commit to and comply with the following commitments: 1. Comply with relevant environmental protection laws and regulations, and there must be no significant pollution or illegal emissions. 2. Child labor or forced labor must not be used. 3. Comply with relevant occupational safety and health regulations. 4. There should be no acts of discrimination, harassment, or violations of human rights. 5. Establish anti-bribery and anti-corruption systems. 6. Properly protect The Company's trade secrets and personal data. 7. The procurement unit may, depending on the risk level of the product or service, require suppliers to sign the "Supplier Sustainable Development Commitment." 8. If a supplier is found to have committed a	No significant differences

Promoted Items	Implementation			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary	
			major violation of ESG principles, the Company may, depending on the severity of the situation, request a Deadline for improvement, suspend cooperation, or terminate cooperation.	
V. Does the Company adopt internationally widely recognized standards or guidelines when producing corporate social responsibility reports and other reports that disclose non-financial information of the Company? Has the Company received assurance or certification of the aforesaid reports from a third party accreditation institution?	✓		The Company is expected to compile the sustainability report for 2024 in 2025, to implement corporate governance, sustainable environment development and maintenance. The agenda of social welfare and other topics are carried out in accordance with the spirit and regulations of the Code of Best Practice for the Promotion of Sustainable Development, and will receive assurance or certification of opinion from a third party verification institution.	No significant differences

VI. If the Company has its own rules for the sustainable development in accordance with the Code of Best Practice for the Promotion of Sustainable Development, please clarify the difference between its operation and the rules. The Company has completed the establishment of sustainable development practices. Daily operations are implemented separately according to governance, sustainable environment, social welfare, and corporate sustainable information disclosure, and are promoted by various working groups in accordance with the established rules. The implementation status matches the established rules; there is no difference.

VII. Other important information assists to understand what drives sustainable development execution:

1. The Company, in order to reduce supply chain management risks and enhance the effectiveness of self-safety control, and to be in line with international trends and customer trust, introduced the relevant control measures of the Quality Enterprise Safety Certification (AEO). It received approval from the Keelung Customs, Customs Administration, Ministry of Finance in June 2016 and was awarded the AEO certificate. The Company has been maintaining the certificate's renewal operations every three years, upholding high standards of supply chain safety.
2. In order to improve the safety mechanism for the transportation of chemical products, the Company passed the European Road Transport Quality Safety Assessment System (RSQAS) in June 2016, effectively improving the Company's transportation management system.
3. For transportation drivers, the Company requires that preventive measures such as alcohol testing and blood pressure measurement be carried out before driving the vehicle, and that GPS, vehicle image recorders and other equipment be used to understand the driving dynamics of vehicles, and strengthen control over personnel and vehicles to reduce the occurrence of traffic accidents.
4. In order to undertake the transportation business of Formosa Plastics Group, the Company strengthened its ability in corporate governance, driver training and vehicle maintenance through the assessment of the "Road Transport Quality and Safety Assessment System" (SQAS) of the Group to achieve the purpose of win-win in both transportation services and transportation safety.
5. The Company cooperates with the of Environmental Protection Department in the control of diesel vehicle smoke exhaust. Each area's transportation departments sign a vehicle self-management report with the local environmental protection bureau, and conduct regular checks on the smoke exhaust of their business vehicles in accordance with the regulations, implementing the goals of environmental protection and sustainable corporate development.
6. The Company has set up a driving safety bonus system for its transportation drivers, and provided incentives for driving within a certain period of time without traffic violations and accidents, so as to shape good driving habits.
7. The Company uses the driver management system supervised by the Ministry of Transportation to periodically check the driver violation of its own drivers on a monthly basis, and strengthen the follow-up education and control of drivers with abnormalities.

<table>
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<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td colspan="5">8. For the gas recovery equipment of the gas stations, the gas recovery rate shall be tested every three months, which is prevail over the statutory provisions. The employees are trained to refuel in accordance with the provisions of the Five Don'ts & Five Does. The Company is awarded the Outstanding Unit of the Air Pollution Detection of the Environmental Protection Agency.
9. The Company introduced the ISO 9001 Quality Management System, the ISO 14001 Environmental Management System, and the ISO 45001 Safety and Health Management System. Every year, the Company conducts an external audit by the British Standards Institute (BSI) to ensure that the quality and safety objectives are achieved, and continuously strives to protect the environment, improve personnel, equipment and the potential risks of the environment, and promote the competitive advantage based on corporate social responsibility.
10. The Company has set up the Security Department under the General Operation Office to implement a Company-wide safety and health policy of "All Employees Participation, Safety First, Disaster Zeroing" and the environmental policy of "All Employees Participation, Valuing Resources, Protecting the Environment", to ensure the personal safety of employees, improve the awareness and performance of employees, so as to achieve the goal of sustainable operation of the Company.
11. Together with Cheng Loong Co., Ltd., the Company itself established the 34th “paper library” at the Dasha Village and Anli Village Citizen Activity Centers in Shengang District, Taichung City, with a donation amounting to 18,900 NTD. This initiative will integrate schools and the community to promote collaborative learning, reading, and diverse courses, fostering community interaction and lifelong learning. The Company itself will continue to work with local governments and schools to promote environmental reading practices and the concept of sustainable education in the future.
12. Actively fulfilling corporate social responsibility for sustainable development, giving back to the society with practical actions, supporting the protection of the right to work of indigenous peoples. As of 2026, the company has a total of 63 indigenous employees, providing long-term stable job opportunities, promoting employment of indigenous peoples, and realizing the concept of a prosperous and good society. Awarded the honor of 2023 Authorities (Institution) and Manufacturers Who Employ Indigenous Peoples Excessively Award.</td></tr>
</table>

Climate-Related Information of TWSE/TPEx Listed Companies

<table>
<tr><th>Item</th><th>Implementation</th></tr>
<tr><td>1. Describe the supervision and governance of the board and management level towards climate-related risks and opportunities.</td><td>(I) The Company’s Board of Directors is the highest governance body for climate-related issues, responsible for overseeing and managing climate-related risks and opportunities, while promoting the Company’s overall climate issue strategies.
(II) The Board of Directors has established the ESG Sustainable Development Task Force, divided into the Corporate Governance Group, Environmental Sustainability Group, Social Welfare Group, and Sustainable Development Information Management Group. Each group member executes their specific tasks following the directions of the President, demonstrating the Company’s emphasis on climate governance.</td></tr>
<tr><td>2. Describe how the identified climate risks and opportunities affect the Company’s business, strategy, and finance (short-term, medium-term, long-term).</td><td>
<table>
<tr><th>Schedule</th><th>Short-term (2030)</th><th>The medium-term (2040)</th><th>Long-term (2050)</th></tr>
<tr><td>Goal</td><td>1. A phased goal to reduce the Quantity of GHG emissions by 30% compared to the baseline year of 2024.
2. Strengthen the integration of carbon reduction goals into the daily operations and management of each unit.
3. In terms of supply chain management, promote the green transformation of the industry chain.</td><td>1. Plan to achieve a mid-term goal to reduce the Quantity of GHG emissions by 50%.
2. Strengthen waste reduction and resource reuse mechanisms.
3. Enhance the integration of carbon reduction actions with business strategy.</td><td>1. Achieving carbon neutrality is a long-term development goal.
2. Improve information transparency and external credibility.</td></tr>
<tr><td>Implementation Plan</td><td>1. With a focus on "Promoting Low-Carbon Operations," measures such as fleet upgrades, green energy integration, and energy efficiency management are implemented to gradually reduce carbon emission intensity during operations.
2. Formulate data backfill processes and systems.
3. Encourage partners to jointly promote environmental responsibility.</td><td>1. Systematic transformation of the operational structure and energy use model includes increasing the proportion of low-carbon vehicles, enhancing the use of renewable energy, and gradually incorporating major suppliers into carbon emission management and evaluation mechanisms.
2. Collaborate with qualified recycling and processing vendors to improve resource recovery rates; promote employee education and training to strengthen classification and reduction awareness.
3. Continuously improve the carbon management system and gradually incorporate carbon cost considerations into investment and operational decision-making processes.</td><td>1. In addition to continuously reducing direct and indirect greenhouse gas emissions, unavoidable residual emissions will be addressed through legally compliant carbon offset mechanisms and technological innovations.
2. Evaluate the implementation of carbon capture, energy recovery, or other low-carbon technologies, strengthen carbon information disclosure and acquire external verification mechanisms.</td></tr>
</table>
</td></tr>
<tr><td>3. Describe the impact of extreme weather events and transition actions on finance.</td><td>1. Abnormal climate and natural disasters such as typhoons, floods, droughts, as well as other extreme weather conditions, may lead to operational interruption. The impact on finance includes: revenue loss; increased costs.
2. Transition Risk
(1) Risks associated with carbon reduction policies and regulations.
(2) Regulation of corporate carbon footprints and GHG emission quantity.
(3) During procurement, it is necessary to evaluate whether the supply chain complies with relevant policies and regulations. The impact on finance is: Increased costs.</td></tr>
</table>

Item	Implementation
4. Explain how the identification, assessment, and management process of climate risks is integrated into the overall risk management system.	The Company's Board of Directors is the highest governance body for climate-related matters, responsible for overseeing and managing climate-related risks and opportunities. The overall climate strategy of the Company is led and implemented by the President. The Governance Team, Environmental Sustainability Team, Social Welfare Group, and Sustainable Development Information Management Group are responsible for managing the specific tasks by their members. The entire company, from top to bottom, participates in the implementation and monitoring of the effects of the annual sustainable development plan and projects, in addition to tracking GHG emissions, water usage, and total weight of waste. Corresponding energy-saving and carbon reduction, greenhouse gas reduction, water reduction, or other waste management policies are formulated and promoted to minimize the impact of the Company’s operations on climate change.
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and main financial impacts used should be explained.	In accordance with the Task Force on Climate-Related Financial Disclosures guidelines, climate scenario analysis is used when evaluating climate-related risks and opportunities. Adopting the guidelines of the Intergovernmental Panel on Climate Change (IPCC) established by the United Nations. Adopting the most serious situations faced by two risk types: transitional and physical. Transformation scenario: The Company’s internal target for carbon neutrality in 2050, that is, RCP1.9. (Increase by 1.5 Celsius degrees). Physical scenario: RCP8.5 (Increase by 4 Celsius degrees). Time parameters: Short-term 2030; medium-term 2040; long-term 2050. The analysis items are as follows: Transitional risks: Policy and regulatory risks, technological risks, market risks, and reputation risks. Physical risks: Immediate risks and long-term risks. Opportunities: Resource efficiency, energy sources, products and services, market, and resilience. The quantified financial impact is divided into 5 levels. Level 1 affects revenues below NT$100 million, and Level 5 affects revenues above NT$700 million. Tools used: including the IPCC Sixth Assessment Report on Climate Change, the National Science and Technology Center for Disaster Reduction 3D Hazard Potential Map, TCCIP Climate Atlas.
6. If there is a transition plan to cope with climate-related risks, the Company shall provide instructions for the content of the plan, as well as the indicators and objectives used to identify and manage physical and transitional risks.	Based on its operational characteristics, energy usage patterns, and industry risk scenarios, the Company itself will plan medium to long-term directions for promoting carbon reduction and energy saving. This will serve as a reference for operational adjustment and resource allocation to respond to potential climate risks and transformation needs.
7. If internal carbon pricing is used as a planning tool, the foundation of price setting should be explained.	Future plans will be included in the evaluation.
8. If climate-related goals are set, the related activities, the scope of GHG emissions, the planning schedule, and the annual progress should be explained. If carbon offset or renewable energy certificates (RECs) are used to achieve relevant objectives, the	Based on its operational characteristics, energy usage patterns, and industry risk scenarios, the Company itself will plan medium to long-term directions for promoting carbon reduction and energy saving. This will serve as a reference for operational adjustment and resource allocation to respond to potential climate risks and transformation needs.

Item	Implementation
source and the number of the offset carbon volume or the number of renewable energy certificates (RECs) should be stated.	
9. The inventory and verification of greenhouse gas and the reduction targets, strategies, and specific action plans are separately filled in 1-1.	Please refer to 1-1 for the confirmed situation of GHG emissions Quantity in 2025.

Table 1-1 Greenhouse gas inventory and assurance status of the Company in the most recent two years

1-1-1 Greenhouse gas inventory information

Describe the greenhouse gas emissions over the past two years in terms of total emissions (metric tons of CO2e), emission intensity (metric tons of CO2e per NT$ million), and the scope of data coverage.

The Company implemented the greenhouse gas inventory operations for the year before 2025, with a total emission of 14,608.7262 tons CO2e; and implemented the greenhouse gas inventory operations for the year before 2026, with a total emission of 10,587.0719 tons CO2e. The data coverage includes all business operations of the parent company.

1-1-2 Greenhouse gas assurance information

Describe the greenhouse gas assurance for the most recent two years up to the annual report publication date, including the scope of assurance, assurance provider, assurance standards, and assurance opinion.

The Company obtained third-party verification and assurance for its 2023 greenhouse gas inventory in 2024. Starting in 2025, third-party assurance or certification of the content of the previous year's Sustainability Report will begin.

Table 1-2 GHG reduction goals, strategies, and specific action plans.

State the baseline year for GHG reduction and its data, the reduction goals, strategies, and specific action plans, as well as the achievement of the reduction goals.

The Company itself uses 2024 as the baseline for greenhouse gas reduction; its related carbon reduction goals, strategies, and specific action plans are as follows:

Types of Carbon Reduction	Implementation contents and current status	Expected Outcomes and Continuous Advancement Direction
Digitalization and Paper Reduction Measures	Fully promote electronic approvals, cloud-based document systems, and simplified internal processes to reduce the need for paper and printers, replacing traditional paper forms and reports with digital statistics.	Continue to promote paperless administrative operations and report review processes, integrating ESG to deepen internal data integration and certification functionality.
Low-carbon commuting and transportation management	Encourage employees to use public transportation, share official vehicles for business trips, and offer applications for remote work and flexible working hours.	Actively promote green transportation behaviors, and in the future, commuting carbon emissions will be included as an internal carbon inventory tracking indicator.
Third-party Verification and Continuous Improvement	Conduct internal energy audits annually to ensure transparency and traceability of carbon management information and continuously disclose the results of energy-saving actions as a foundation for institutionalizing sustainable governance.	Completed the first assurance report in 2027 as a foundational practice for future sustainable management disclosure models.

(VI) Ethical Corporate Management and Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
I. Establishment of ethical corporate management policies and programs				
(I) Has the Company established the integrity management policies approved by the Board of Directors and specified in its rules and external documents the ethical corporate management policies and practices and the commitment of the board of directors and senior management to rigorous and thorough implementation of such policies?	✓		The Company has established the Procedures for Ethical Management and Guidelines for Conduct approved by the board, and disclosed the Company's ethical corporate management policies in internal regulations, brochures, company website, and annual report.	No significant differences yet
(II) Has the Company established a risk assessment mechanism against unethical conduct, analyze and assess on a regular basis business activities within its business scope which are at a higher risk of being involved in unethical conduct, and establish prevention programs accordingly A prevention program against unethical conduct, which shall at least include the preventive measures specified in Paragraph 2, Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies"?	✓		The Company has established the Procedures for Ethical Management and Guidelines for Conduct and the Code of Ethical Conduct to regulate the standard operating procedures and conduct guidelines for all stakeholders in relation to best practice. The Company has established relevant programs for the prevention of bad practice, covering at least the precautionary measures in each of the paragraphs of Article 7 (2) of the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies. For the program, it has at least included the preventive measures specified in Paragraph 2, Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies."	No significant differences yet
(III) Has the Company specified in its prevention programs the operating procedures, guidelines, punishments for violations, and a grievance system and implemented them and reviewed the prevention programs on a regular basis?	✓		The Company has clearly stipulated the relevant operational procedures, appeal system and other relevant provisions in the Procedures for Ethical Management and Guidelines for Conduct and the Director Code of Conduct regulations, and has disclosed them on the Company's website. The Company will review and revise the disclosed regulations in due time, depending on the revision of the positive and negative decrees and the practical needs, so as to implement the prevention of dishonest behavior. To effectively confirm whether the Company's internal operation processes are conducted according to the law, an audit department is legally established, and irregular internal control audits are conducted each year based on the	No significant differences yet

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
			internal control operating procedures set by the Company, as a way to establish a mutual supervision mechanism.	
II. Fulfillment of Integrity Management (I) Does the Company evaluate business partners' ethical records and include ethics-related clauses in business contracts?	✓		In accordance with the Procedures for Ethical Management and Guidelines for Conduct, the Company, when entering into contracts with customers and suppliers, both parties' rights and obligations are detailed in the contract, and terms of good practice are clearly defined.	No significant differences yet
(II) Does the Company establish an exclusively (or concurrently) dedicated unit supervised by the Board to be in charge of corporate integrity and regularly report the implementation of the ethical corporate management policies and prevention programs against unethical conduct to it?	✓		The Company has designated the Corporate Governance and Integrity Office as the dedicated unit for integrity management. Based on its functions and scope of duties, the unit is responsible for promoting a culture of integrity through the formulation of regulations, implementation of training programs, establishment of complaint channels, and assessment of integrity-related risks to ensure the effective implementation of the Code of Ethical Conduct and reports to the Board of Directors at least once a year. The report on the fulfillment of integrity management for 2025 was submitted on May 07, 2026. The status of promoting integrity management in the year 2025 is as follows: 1. Promoting Ethical Management with Suppliers: The Company itself, when signing contracts with suppliers, always clearly defines the terms of good practice in accordance with the Procedures for Ethical Management and Guidelines for Conduct. 2. Education and Training Implementation Results: The Company itself conducted an online workshop on ethical management and regulatory compliance from July 21 to August 1, 2025. Through videos and case studies, the workshop aimed to promote awareness among employees on important considerations in business execution. 3. Whistleblowing Channel for Ethical Management: The Company itself, in accordance with the Procedures for Ethical Management and Guidelines for Conduct, has established a whistleblowing mailbox and hotline. In 2025, there were no reports.	No significant differences yet

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
(III) Does the Company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?	✓		1. The Company has specified in the Regulations Governing Procedure for Board of Directors Meetings that if a director has an interest in the proposals on the agenda of the Board of Directors that involves himself or a legal entity on his behalf, he should disclose the significant content of the interest. If there is a risk of harming the Company's interests, he may not participate in discussions and voting, and should recuse himself during discussions and votes, and may not exercise voting rights on behalf of other directors. 2. The Company has explicitly stated in its personnel management rules that employees must strictly comply with the guidelines for conflict of interest avoidance, proactively report issues of ethical concern such as conflicts of interest, and has set related non-competition clauses to prevent conflicts of interest. 3. The Company has a 0800 grievance line and a feedback mailbox on the Company website to accept reports of illegal situations.	No significant differences yet
(IV) Has the Company established effective systems for both accounting and internal control to facilitate ethical corporate management, based on the results of assessment of the risk of involvement in unethical conduct, devise relevant audit plans and audit the compliance with the prevention programs accordingly or entrusted a CPA to conduct the audit?	✓		1. The company's accounting system is all set in accordance with the requirements of laws and regulations. The certifying CPAs also conduct reviews or audits on the Company's financial statements every quarter and issue reports. 2. The Company's internal audit unit periodically reviews compliance with the aforementioned system and prepares audit reports for submission to the Board of Directors. No internal control deficiencies related to breaches of ethical management have been identified.	No significant differences yet
(V) Does the Company regularly hold internal and external educational trainings on operational integrity?	✓		All directors and senior executives of the Company completed six hours of training in 2025. The corporate governance officer completed 12 hours of continued tenure training, while the Audit Executive, Accounting Executive, and their deputies each completed 12 hours of training. Each quarter, the Company promotes relevant regulations through newsletters and conducts training programs to enhance employees' awareness of legal compliance, thereby reducing the risk of legal violations in business activities. Training is conducted from the top down, based	No significant differences yet

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
			on the Code of Conduct for Senior Executives, to reinforce the Company's integrity management policy.	
III. Operation of the integrity channel (I) Has the Company established a concrete whistleblowing and rewarding system, and set up accessible methods for whistleblowers, and designate appropriate and dedicated personnel to investigate the accused?	✓		The Company has set up a designated section for stakeholders on its website. When the rights of stakeholders, such as shareholders, customers, suppliers, and employees are infringed, they can raise a grievance to the Company.	No significant differences yet
(II) Has the Company established the standard operating procedures for investigating reported misconduct, follow-up measures to be adopted after the investigation, and related confidentiality mechanisms?	✓		The Company has established standard operating procedures for investigating reported misconduct and has confidentiality agreements in place.	
(III) Does the Company provide proper whistleblower protection?	✓		The Company has established the Procedures for Ethical Management and Guidelines for Conduct and relevant regulations to guarantee the anonymity of the whistleblower and protect the whistleblower from inappropriate disposal due to the whistleblowing incident.	
IV. Strengthening information disclosure Does the Company disclose the ethical corporate management policies and the results of its implementation on the Company website and MOPS?	✓		The Company discloses the "Procedures for Ethical Management and Guidelines for Conduct" on its official website and the Market Observation Post System (MOPS). It strictly adheres to its responsibilities regarding information disclosure and complies with relevant regulations to enhance information transparency.	No significant differences yet
V. Where the Company has stipulated its own ethical corporate management best practices according to the Principles for Ethical Corporate Management of TWES/TPEx Listed Companies please describe any differences between the prescribed best practices and the actual activities taken by the Company: The Company's Procedures for Ethical Management and Guidelines for Conduct have been disclosed on the Company website, and there is no significant difference between its actual implementation status and the guidelines.				
VI. Other important information that facilitate the understanding of the implementation of the Company's best practice: (such as review and amendment of the Company's best practice) In addition to complying with legal requirements, the Company incorporates the principles of ethical business conduct into its daily operations and management practices, requiring business partners to implement and adhere to these principles.				

(VII) Other material information that can enhance the understanding of the state of corporate governance at the Company:

1. Material information from the Company has all been announced on the MOPS pursuant to regulations from the competent authority.
2. The Company itself continues to strengthen the Implementation of Corporate Governance. The Company's official website (https://w3.slc.com.tw/) has a dedicated "Corporate Governance" section that explains the Implementation of Corporate Governance and the effectiveness of its promotion.

(VIII) Implementation of Internal Control

1. Please refer to the relevant path on the Market Observation Post System for the Internal control system statement:
   Market Observation Post System → Single Company → Corporate Governance → Company Regulations / Internal Control → Internal Control System Statement Announcement. URL: https://mops.twse.com.tw/mops/#/web/t06sg20

(IX) Major resolutions of the shareholders' meeting and the board of directors for the most recent fiscal year and up to the printing date of the annual report:

1. Major resolutions of the shareholders' meeting

Date of the meeting	Matters to be resolved	Resolution	Implementation
2025.06.18	The Company's approved final accounts for 2024	The case was approved as per the vote of the attending shareholders. For: 82,745,007 votes (including 5,739,268 votes cast electronically), accounting for 99.08% of the total voting rights; Against: 256,598 votes (including 242,598 votes cast electronically), accounting for 0.31% of the total voting rights; Abstained: 512,399 votes (including 512,399 votes cast electronically), accounting for 0.61% of the total voting rights; Invalid: 0 votes, representing 0% of the total voting rights.	Relevant statements and books have been filed with the competent authority for future reference, announcement and declaration in accordance with the Company Law and other relevant laws and regulations.
	The Company's earnings distribution plan for 2024	The case was approved as per the vote of the attending shareholders. For: 82,823,049 votes (including 5,817,310 votes cast electronically), accounting for 99.17% of the total voting rights; Against: 282,792 votes (including 268,792 votes cast electronically), accounting for 0.34% of the total voting rights; Abstained: 408,163 votes (including 408,163 votes cast electronically), accounting for 0.49% of the total voting rights; Invalid: 0 votes, representing 0% of the total voting rights.	It is determined that July 16, 2025 is the date of ex dividend and August 8, 2025 is the date of cash dividend distribution. The cash dividend is NT$0.3 per share, with a total amount of NT$41,184,548.
	Amendments to part of the Articles of Incorporation of the Company	The case was approved as per the vote of the attending shareholders. For: 82,812,952 votes (including 5,807,213 votes cast electronically), accounting for 99.18% of the total voting rights; Against: 281,017 votes (including 281,017 votes cast electronically), accounting for 0.34% of the total voting rights; Abstained: 406,035 votes (including 406,035 votes cast electronically), accounting for 0.49% of the total voting rights; Invalid: 0 votes, representing 0% of the total voting rights.	The Company has amended part of the Articles of Incorporation in accordance with the resolution of the shareholders' meeting.

2. Major Resolutions of Board of Directors

Board Meeting Date	Content of motion	Items of opposition, reservation, or significant suggestions by the independent directors.	Board of Directors Resolutions	The Company's response to independent directors' opinions
12th meeting; 15th term 2025.03.14	Discussed Items: (1) The Company's self-compiled financial report for 2024. (2) Proposed the application of comprehensive credit line and commercial promissory note line with relevant financial institutions. (3) Proposal to acquire right-of-use assets for related parties.	No objection	Approved by all attending directors	None.
13th meeting; 15th term 2025.03.31	Discussed Items: (1) 2024 Employee remuneration distribution plan. (2) 2024 Parent Company Only Financial Statements, Consolidated Financial Report, and Business Report. (3) Proposed the application of comprehensive credit line and commercial promissory note line with relevant financial institutions. (4) The Company proposed amendments to the Internal Control System for Stock Affairs Units. (5) The Company proposed to issue a statement of the internal control system for 2024. (6) The Company's earnings distribution plan for 2024. (7) The Company was set to discuss the time, venue and convening of the 2025 Annual Shareholder Meeting.	No objection	(1) Except for directors who abstained from participating in the discussion and voting, the acting chairperson Yao-Ming Huang consulted the remaining attending directors and independent directors, who agreed to approve the proposal. (2) ~ (7) Approved by all attending directors	None.
14th meeting; 15th term 2025.05.14	Discussed Items: (1) 2025 Q1 Consolidated Financial Report. (2) The Company itself proposed amendments to the Internal Control System. (3) The reinvested subsidiary provides an endorsement/guarantee for the parent company. (4) The Company intends to apply for comprehensive credit lines to financial institutions.	No objection	Approved by all attending directors	None.

Board Meeting Date	Content of motion	Items of opposition, reservation, or significant suggestions by the independent directors.	Board of Directors Resolutions	The Company's response to independent directors' opinions
15th meeting; 15th term 2025.06.18	Discussed Items: (1) Scheduled the ex-dividend date for cash dividend distribution for 2024 Year. (2) The Company itself plans to replace certified CPAs starting from the second quarter of 2025 and evaluate their independence (assessing their independence using Audit Quality Indicators (AQIs)). (3) The Company intends to apply for comprehensive credit lines to financial institutions. (4) Authorized the Chairman with full authority to make decisions regarding the leasing and termination of gas station properties. (5) The Company itself intends to assess whether the accounts receivable of its major subsidiary are of a lending nature.	No objection	Approved by all attending directors	None.
16th meeting; 15th term 2025.08.13	Discussed Items: (1) 2025 Q2 Consolidated Financial Report. (2) The Company duty adjustments for related executives. (3) The Company intends to apply for comprehensive credit lines to financial institutions. (4) The Company's Sustainability Report for 2024.	No objection	Approved by all attending directors	None.
17th meeting; 15th term 2025.11.10	Discussed Items: (1) 2025 Q3 Consolidated Financial Report. (2) The Company itself 2026 Audit Plan. (3) The Company proposed amendments to the Internal Control System for Stock Affairs Units. (4) The Company itself proposes to amend and establish various management regulations. (5) The Company itself proposes to amend and establish regulations related to personal data	No objection	Approved by all attending directors	None.

Board Meeting Date	Content of motion	Items of opposition, reservation, or significant suggestions by the independent directors.	Board of Directors Resolutions	The Company's response to independent directors' opinions
	processing. (6) The Company intends to apply for comprehensive credit lines to financial institutions. (7) The Company itself acting spokesperson position adjustment. (8) The Company proposed donation to the Cheng Huotien Charity Foundation.			
18th meeting; 15th term 2025.12.29	Discussed Items: (1) The Company itself 2026 Annual Operating Plan and Budget. (2) The Company's CPA compensation plan. (3) The year-end bonus plan for the Company's managers for the year 2025. (4) The Company intends to apply for comprehensive credit lines to financial institutions. (5) The Company itself intends to invest in the establishment of an overseas subsidiary. (6) The Company proposed amendments to the Internal Control System for Stock Affairs Units. (7) The Company itself plans to establish a functional committee. (8) The Company itself proposes to amend and establish various management regulations. (Including the "Intellectual Property Rights Operation Management Measures") (9) The Company itself proposes to add regulations related to personal data processing.	No objection	(1) ~ (2), (4) ~ (9) Approved by all attending directors (3) Except for directors who abstained from participating in the discussion and voting, the acting chairperson Yao-Ming Huang consulted the remaining attending directors and independent directors, who agreed to approve the proposal.	None.
19th meeting; 15th term 2026.01.27	Discussed Items: (1) The Company intends to apply for comprehensive credit lines to financial institutions. (2) The Company's organizational structure. (3) The Company's managerial personnel appointment and changes plan. (4) The Company itself proposes to	No objection	(1) ~ (2), (4) Approved by all attending directors (3) Except for directors who abstained from participating in the discussion and voting, the acting chairperson Yao-	None.

Board Meeting Date	Content of motion	Items of opposition, reservation, or significant suggestions by the independent directors.	Board of Directors Resolutions	The Company’s response to independent directors’ opinions
	amend and establish various management regulations.		Ming Huang consulted the remaining attending directors and independent directors, who agreed to approve the proposal.	
20th meeting of the 15th term 2026.03.12	Discussed Items: (1) 2025 Employee remuneration distribution plan. (2) 2024 Parent Company Only Financial Statements, Consolidated Financial Report, and Business Report. (3) The case of using the statutory surplus reserve to cover the deficit for the Company in the year 2025. (4) The Company's capital surplus cash dividend distribution plan for the year 2025. (5) The Company issued an internal control system statement for the year 2025. (6) Amendments to part of the Articles of Incorporation of the Company. (7) The Company proposes to abolish and re-establish the "Endorsement and Guarantee Procedures." (8) The Company itself proposes to abolish and re-establish the "Procedures for Lending Funds to Others." (9) The Company itself proposes to abolish and re-establish the "Procedures for Acquiring or Disposing of Assets." (10) The Company itself's 16th term Board of Directors re-election (including independent directors). (11) Proposed removal of the non-compete restrictions for newly-appointed directors and their juridical representatives. (12) The Company has amended part of the Practical Standards for Sustainable Development.	No objection	(2) ~ (19), Approved by all attending directors (1) Except for directors who abstained from participating in the discussion and voting, the acting chairperson Yao-Ming Huang consulted the remaining attending directors and independent directors, who agreed to approve the proposal.	None.

Board Meeting Date	Content of motion	Items of opposition, reservation, or significant suggestions by the independent directors.	Board of Directors Resolutions	The Company's response to independent directors' opinions
	(13) The Company was set to discuss the time, venue and convening of the 2026 Annual Shareholder Meeting. (14) The Company intends to apply for comprehensive credit lines to financial institutions. (15) The Company itself intends to adjust the internal organizational structure. (16) The Company itself plans to establish a nominating committee. (17) The Company itself plans to adjust the duties of related executives. (18) The Company itself proposes to amend and establish various management regulations. (19) The Company itself proposes to revise regulations related to personal data processing.			

3. Major resolutions of the Audit Committee

Date of the audit committee meeting	Content of motion	Matters referred to in Article 14-5 of the Securities and Exchange Act	Board of Directors Resolutions	The Company's response to independent directors' opinions
14th meeting; 3rd term 2025.05.14	Discussed Items: (1) 2025 Q1 Consolidated Financial Report. (2) The Company itself proposed amendments to the Internal Control System. (3) The reinvested subsidiary provides an endorsement/guarantee for the parent company. (4) The Company intends to apply for comprehensive credit lines to financial institutions.	✓	Approved by all attending directors	None.
15th meeting; 3rd term 2025.06.18	Discussed Items: (1) The Company itself plans to replace certified CPAs starting from the second quarter of 2025 and evaluate their independence (assessing their independence using Audit Quality Indicators (AQIs)). (2) The Company intends to apply for comprehensive credit lines to financial	✓	Approved by all attending directors	None.

Date of the audit committee meeting	Content of motion	Matters referred to in Article 14-5 of the Securities and Exchange Act	Board of Directors Resolutions	The Company's response to independent directors' opinions
	institutions. (3) Authorized the Chairman with full authority to make decisions regarding the leasing and termination of gas station properties. (4) The Company itself intends to assess whether the accounts receivable of its major subsidiary are of a lending nature.			
16th meeting; 3rd term 2025.08.13	Discussed Items: (1) 2025 Q2 Consolidated Financial Report. (2) The Company duty adjustments for related executives. (3) The Company intends to apply for comprehensive credit lines to financial institutions.	✓ ✓	Approved by all attending directors	None.
17th meeting; 3rd term 2025.11.10	Discussed Items: (1) 2025 Q2 Consolidated Financial Report. (2) The Company itself 2026 Audit Plan. (3) The Company proposed amendments to the Internal Control System for Stock Affairs Units. (4) The Company itself proposes to amend and establish various management regulations. (5) The Company itself proposes to amend and establish regulations related to personal data processing. (6) The Company intends to apply for comprehensive credit lines to financial institutions. (7) The Company itself acting spokesperson position adjustment.	✓	Approved by all attending directors	None.
18th meeting; 3rd term 2025.12.29	Discussed Items: (1) The Company's CPA compensation plan. (2) The Company intends to apply for comprehensive credit lines to financial institutions. (3) The Company itself intends to invest in the establishment of an overseas subsidiary. (4) The Company proposed amendments to the Internal Control System for Stock Affairs Units. (5) The Company itself proposes to amend and establish various management regulations. (6) The Company itself proposes to add regulations related to personal data processing.	✓	Approved by all attending directors	None.

Date of the audit committee meeting	Content of motion	Matters referred to in Article 14-5 of the Securities and Exchange Act	Board of Directors Resolutions	The Company’s response to independent directors’ opinions
19th meeting; 3rd term 2026.01.27	Discussed Items: (1) The Company intends to apply for comprehensive credit lines to financial institutions. (2) The Company's managerial personnel appointment and changes plan. (3) The Company itself proposes to amend and establish various management regulations.		Approved by all attending directors	None.
20th meeting; 3rd term 2026.03.12	Discussed Items: (1) 2025 Parent Company Only Financial Statements, Consolidated Financial Report, and Business Report. (2) The Company issued an internal control system statement for the year 2025. (3) The Company proposes to abolish and re-establish the "Endorsement and Guarantee Procedures." (4) The Company itself proposes to abolish and re-establish the "Procedures for Lending Funds to Others." (5) The Company itself proposes to abolish and re-establish the "Procedures for Acquiring or Disposing of Assets." (6) The Company has amended part of the Practical Standards for Sustainable Development. (7) The Company intends to apply for comprehensive credit lines to financial institutions. (8) The Company itself plans to adjust the duties of related executives. (9) The Company itself proposes to amend and establish various management regulations. (10) The Company itself proposes to revise regulations related to personal data processing.	✓ ✓ ✓ ✓ ✓	Approved by all attending directors	None.

4. Major resolutions of the remuneration committee

Date of the remuneration committee meeting(s)	Content of motion	Items of opposition, reservation, or significant suggestions by the independent directors.	Board of Directors Resolutions	The Company's response to independent directors' opinions
8th meeting; 5th term 2025.12.29	Discussed Items: (1) The year-end bonus plan for the Company's managers for the year 2025.	No objection	Approved by all attending directors	None.
10th meeting of the 5th term 2026.03.12	Discussed Items: (1) 2025 Employee remuneration distribution plan.	No objection	Approved by all attending directors	None.

(X) For the most recent year and up to the date of the annual report printing, where a director or supervisor has different opinions on an important resolution adopted by the board of directors and has a record or written statement, state the main content: None.

III. Information Regarding the Company's Audit Fee and Independence

Unit: NT$1,000

Accounting Firm	Name of CPA	Audit period	Audit fee	Non-audit fee	Total	Remark
KPMG Taiwan	Charming Mei	2025/1/1-2025/12/31	4,520	30	4,550	
	Yang-Lun Kuo					

Note: Non-audit fee is provided for the audit and analysis of full-time employees who are not in charge of the position, NT $ 30,000.

(I) Where the proportion of non audit fees paid to the endorsing CPAs, the firm to which the endorsing accountant belongs and its Affiliates accounts for more than one fourth of the audit fees: as explained in the above table.

(II) Where the CPA firm is changed and the audit fee paid in the year of change is lower than that in the year before the change: No.

(III) Audit fees decreased by more than 15% compared with the previous year: None.

IV. Replacement of CPA

(I) About the predecessor CPA

Date of Replacement	2025.06.18		
Reason for replacement and explanation	Internal reassignment within the CPA firm		
The explanation pertains to the termination or non-acceptance of the engagement by either the client or the CPA	Party situation	CPA	Client
	Voluntary termination of engagement	—	—
	Refusal to accept (or continue) engagement	✓	—
Types of audit opinions other than unqualified issued in the most recent two years and their reasons	None		
Whether there were any disagreements with the issuer	Yes	—	Accounting principles or practices
		—	Disclosure in financial reporting
		—	Scope or procedures of the audit
		—	Others
	None	✓	
	Description: N/A		
Other disclosure matters (Disclosure under Paragraph 10, Subparagraph 6, Item 1, Clauses 4–7 of the Regulations)	None		

(II) Regarding the successor auditor

Accounting Firm	KPMG Taiwan
Name of CPA	Yang-Lun Kuo
Date of Appointment	2025.06.18
Consultations and outcomes regarding specific accounting treatments or principles and the potential audit opinion on financial reports prior to engagement	—
Written opinion of the successor CPA on matters of disagreement with the predecessor CPA	—

(III) Response from the predecessor auditor regarding the matters specified in Article 10, Paragraph 6, Subparagraphs 1 and 2-3 of this regulation: None.

V. The Company's chairman, president, or any managerial officer in charge of finance or accounting matters has in the most recent year held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm: None.

VI. Any transfer of equity interests and/or pledge of or change in equity interests by a director, managerial officer, or shareholder with a stake of more than ten percent

(I) Changes in equity: Please refer to the Market Observation Post System > Single Company > Changes in Equity / Securities Issuance > Major Shareholders of Directors and Supervisors. Shares / Pledge / Transfer > Director & Supervisor shareholding balance details > Director & Supervisor shareholding balance
https://mops.twse.com.tw/mops/#/web/stapap1

(II) Information on the counterparty of the equity transfer as a related party: None.

(III) Information on the counterparty of the equity pledge as a related party: None.

VII. Information on Concerned Relationship of Top Ten Major Shareholders

2026.04.20

Name	Current Shareholding		Spouse’s/Minor’s shareholding		Shareholding by nominee arrangement		Title or name and relationships of the 10 largest shareholders where they are related parties, spouses, or relatives within the second degree of kinship Title or name and relationships		Remark
	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Name (or individual’s name)	Relationship	
Cheng Loong Corporation Representative: Cheng Jen-Ming	12,690,010	9.24	—	—	—	—	Shine Far Co., Ltd. Sun Favorite Co. Ltd.	Legal Director of Cheng Loong Legal Director of Cheng Loong	
Shine Far Co., Ltd. Representative: Cheng-Lung Cheng	8,367,944	6.10	—	—	—	—	Cheng Loong Corporation Shine Far Construction Co., Ltd. Cheng Loong Investment Co., Ltd. Sun Favorite Co. Ltd.	Shan-Fa is the Representative: Cheng-Lung Cheng of Cheng Loong. Chairman is the same person. Chairman is the same person. Chairman is the same person.	
Chiung-Miao Yeh	8,186,000	5.96	—	—	—	—	—	—	
Shine Far Construction Co., Ltd. Representative: Cheng-Lung Cheng	6,743,227	4.91	—	—	—	—	Shine Far Co., Ltd. Cheng Loong Investment Co., Ltd. Sun Favorite Co. Ltd.	Chairman is the same person. Chairman is the same person. Chairman is the same person.	
Jen-Ming Cheng	6,552,421	4.77	—	—	—	—	Cheng Loong Corporation Shine Far Co., Ltd. Shine Far Construction Co., Ltd. Cheng Loong Investment Co., Ltd.	Chairman Director Director Representative of the juridical director	

Name	Current Shareholding		Spouse’s/Minor’s shareholding		Shareholding by nominee arrangement		Title or name and relationships of the 10 largest shareholders where they are related parties, spouses, or relatives within the second degree of kinship Title or name and relationships		Remark
	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Name (or individual’s name)	Relationship	
							Sun Favorite Co. Ltd.		
Cheng Loong Investment Co., Ltd. Representative: Cheng-Lung Cheng	4,871,034	3.55	—	—	—	—	Cheng Loong Corporation	Representative of Cheng-Lung Cheng for the Investments	
Jen-Hong Cheng	4,328,876	3.15	—	—	—	—	Shine Far Co., Ltd. Shine Far Construction Co., Ltd. Sun Favorite Co. Ltd.	Director Director Director	
Sun Favorite Co. Ltd. Representative: Cheng-Lung Cheng	1,906,697	1.39	—	—	—	—	Shine Far Co., Ltd. Shine Far Construction Co., Ltd. Cheng Loong Investment Co., Ltd.	Chairman is the same person. Chairman is the same person. Chairman is the same person.	
Representative: Cheng-Lung Cheng, Jen Yun Co., Ltd.	1,430,586	1.04	—	—	—	—	Shine Far Co., Ltd. Shine Far Construction Co., Ltd. Cheng Loong Investment Co., Ltd. Sun Favorite Co. Ltd.	Chairman is the same person. Chairman is the same person. Chairman is the same person. Chairman is the same person.	
Shan-Loong Investment Co., Ltd. Representative: Jen-Hong Cheng	1,353,454	0.99	—	—	—	—	—	—	

VIII. Consolidated Shareholding Percentage

2025.12.31

Reinvestment business (Note)	By Company		Investments by the directors, managers, and companies directly or indirectly controlled by the Company		Consolidated Investment	
	Shares	Shareholding (%)	Shares	Shareholding (%)	Shares	Shareholding (%)
Shan-Loong Investment Co., Ltd.	40,000,000	100.00	—	—	40,000,000	100.00
Cheng Loong Corporation	19,376,137	1.75	49,346,065	4.45	68,722,202	6.20
Shan－Loong International Holdings Co.,LTD	10,047,000	100.00	—	—	10,047,000	100.00
GemTech Optoelectronics Corp.	3,644,000	19.29	—	—	3,644,000	19.29
Ko Loong Industry Co., Ltd.	2,134,000	20.92	—	—	2,134,000	20.92
Cheng Loong Investment Co., Ltd.	600,000	4.62	1,200,000	9.23	1,800,000	13.85
Shan-Loong International & Customs Broker Co., Ltd.	13,100,000	100.00	—	—	13,100,000	100.00
Shan-Loong Automobile Co., Ltd.	27,000,000	100.00	—	—	27,000,000	100.00
Shine Far Co., Ltd.	269,752	0.87	474,100	1.53	743,852	2.40
Yueh Loong Co., Ltd.	323,278	10.78	28,586	0.95	351,864	11.73

Note: The Company's long-term investment.

Chapter 3. Capital Overview

I. Capital and Shares, Corporate Bonds, Preferred Shares, Depositary Receipts Abroad, Employee Stock Option Certificates, Restricted Employee Rights New Shares, Status of Issuance of New Shares in Connection with Mergers and Acquisitions.

(I) Source of capital

1. The Type of Stock Issued by the Company in the Most Recent Year and up to the Date of Publication of the Annual Report

Year and Month	Issue price (NT$)	Authorized capital		Paid-in capital		Remark		
		Shares (thousand shares)	Amount (NT $1,000)	Shares (thousand shares)	Amount (NT $1,000)	Source of capital	Capital increased by assets other than cash	Others
2023	10	150,000	1,500,000	137,282	1,372,818	No capital increase or decrease in this year.	None	—
April 2026								

Unit: (in thousands)

Type of Stock	Authorized capital			Remark
	Issued shares	Unissued shares	Total	
Common stock	137,282	12,718	150,000	Listed company shares

(II) List of Major Shareholders

2026.04.20

Shares Name of Major Shareholders	Shares (Number of Shares)	Shareholding (%)
Cheng Loong Corporation	12,690,010	9.24
Shine Far Co., Ltd	8,367,944	6.10
Chiung-Miao Yeh	8,186,000	5.96
Shine Far Construction Co., Ltd.	6,743,227	4.91
Jen-Ming Cheng	6,552,421	4.77
Cheng Loong Investment Co., Ltd.	4,871,034	3.55
Jen-Hong Cheng	4,328,876	3.15
Sun Favorite Co., Ltd.	1,906,697	1.39
Jen Yun Co., Ltd.	1,430,586	1.04
Shan-Loong Investment Co., Ltd.	1,353,454	0.99

(III) Dividend Policy and Implementation Status

The Company's industrial can be combined with national economic growth, and its life cycle is in the stage of stable growth. On the basis of the Company's future capital needs and long-term financial planning, as well as the shareholders' needs for cash inflow, if the Company has any surplus after the final accounts of each year, in addition to paying profit-making enterprise income tax according to law and making up for the losses of previous years, it shall first allocate 10% of the legal reserve for the balance and special reserve for the amount of shareholder's equity deduction in the current year, and allocate more than 30% of the rest to shareholders, of which the cash dividends shall not be less than 10% of the total dividends. However, if the cash dividend per share is less than NT $ 0.1, it will not be paid, but a stock dividend. If there is a reduction in shareholders' equity accumulated in the previous year or occurred in the current year but the after tax surplus of the current year is insufficient to be set aside, a special surplus reserve of the same amount shall be set aside from the accumulated undistributed surplus of the previous year and deducted before allocation and distribution. If the dividend and bonus per share are less than NT $0.5, the surplus distribution in the preceding paragraph may be exempted. The Company proposed cash dividend of NT $0.3 per share of dividend distribution for 2025 and is pending for resolution of the Annual Shareholders' Meeting.

(IV) The impact of the free allotment proposed at the Shareholders' Meeting on the Company's operating performance and earnings per share

There is no proposed allotment of stock dividends in this year, so it is not applicable.

(V) Remuneration for employees and Directors

1. The number or scope of the remuneration of employees and Directors contained in the Company's Articles of Incorporation:

   According to Article 19 of the Articles of Incorporation, the Company shall allocate no less than 1% of the pre tax profit for the current period before deducting the employee's remuneration.

   If the Company itself has a pre-tax profit for the current year, it shall allocate no less than 1% for the adjustment of salaries or distribution of remuneration to grassroots employees. The junior employees mentioned above are non-managerial personnel whose salary levels are below the salary level defined for junior employees in the "SME Employee Salary Increase and Expense Deduction Regulations." But the Company shall reserve a portion of profit to make up for accumulated losses, if any.

   Employees' compensation may be distributed in shares or cash, and the counterparty to whom shares or cash are distributed as employees' compensation may include the employees of its controlled or subordinate companies that meet certain criteria. The allocation and ration of Employee remuneration must be approved by the Board of Directors in a meeting attended by more than two-thirds of all Board members, where half of the attending Directors approve. The remuneration resolution shall be reported in the Annual Shareholders' Meeting. Where the Board of Directors has adopted a resolution in the preceding paragraph to pay remuneration to employees in the form of shares, it may adopt the same resolution to issue new shares or buy its own shares.

2. The basis for estimating the amount of employee and director remuneration listed in the valuation, the basis for calculating the number of employee remuneration distributed by shares, and the accounting treatment when the actual amount of distribution differs from the estimated amount.

   (1) The basis for estimating the amount of employee remuneration listed in the valuation, the basis for calculating the number of employee remuneration distributed by shares, and the accounting treatment when the actual amount of distribution differs from the

estimated amount:
The basis of the valuation is based on the actual operating results of the current year, in accordance with the provisions of the Articles of Incorporation and taking into account the actual distribution situation of previous years. However, if there is a difference between the amount of distribution decided by the subsequent Shareholders' Meeting and the estimated amount, it shall be regarded as a change in accounting estimation and listed as the profit and loss of the actual distribution year.

(2) The basis for the valuation of directors' remuneration amounts and the basis for the calculation of the number of shares distributed by shares: not applicable.

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

(1) The amount of employee remuneration and directors' remuneration distributed in cash or shares. If there is any discrepancy between that amount and the estimated figure for the fiscal year these expenses are recognized, the discrepancy, its cause, and the status of treatment shall be disclosed:
The remuneration for employees proposed by the Board of Directors: cash of NT $0; the remuneration for Directors: NT $0.

(2) The amount of employee remuneration to be paid in stocks and its ratio in the current individual or separate financial report in terms of net profit after tax and total employee remuneration: The Company didn't pay any employee remuneration in stocks.

4. The actual distribution of remuneration of employees and directors in the previous year:
The actual distribution of remuneration to employees and directors of the Company in the previous year did not differ from the recognized amount. Employee Compensation: None. Directors' remuneration: None.

(VI) Repurchase of shares of the Company: None.

(VII) Status of Corporate Bonds: None.

(VIII) Status of Preferred Stocks: None.

(IX) Issuance of GDR/ADR: None.

(X) Employee Stock Options None.

(XI) Issuance of New Restricted Employee Shares: None.

(XII) Status of Issuance of New Shares in Connection with Mergers and Acquisitions: None.

II. Finance Plans and Implementation: None.

Chapter 4. Operational Overview

I. Business Activities

(I) Business Scope

1. Major business of the Company
   - (1) G101061 Automobile Cargo Transportation Business.
   - (2) G101081 Automobile Container Transport.
   - (3) CD01030 Automobiles and Parts Manufacturing.
   - (4) JA01010 Automotive Repair and Maintenance.
   - (5) F114010 Wholesale of Automobiles.
   - (6) F114030 Wholesale of Motor Vehicle Parts and Supplies.
   - (7) F214010 Retail Sale of Automobiles.
   - (8) F214030 Retail Sale of Motor Vehicle Parts and Supplies.
   - (9) G801010 Warehousing and Storage.
   - (10) F112010 Wholesale of Gasoline and Diesel Fuel.
   - (11) F112040 Wholesale of Petrochemical Fuel Products.
   - (12) F212011 Gas Stations.
   - (13) F212050 Retail Sale of Petroleum Products.
   - (14) J101090 Waste Disposal.
   - (15) J101030 Waste clean-up.
   - (16) E599010 Pipe Lines Construction.
   - (17) F107170 Wholesale of Industrial Catalyst.
   - (18) F113100 Wholesale of Pollution Controlling Equipment.
   - (19) F213100 Retail Sale of Pollution Controlling Equipment.
   - (20) F401010 International Trade.
   - (21) I103060 Management Consulting Services.
   - (22) I301010 Information Software Services.
   - (23) I301020 Data Processing Services.
   - (24) J101040 Waste management.
   - (25) J101050 Environmental Testing Services.
   - (26) J101060 Wastewater (Sewage) Treatment.
   - (27) JA02051 Weights and Measuring Instruments Repair.
   - (28) F113060 Wholesale of Measuring Instruments.
   - (29) F213050 Retail Sale of Metrological Instruments.
   - (30) F401181 Measuring Instruments Import.
   - (31) C801010 Basic Chemical Industry.
   - (32) ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

2. Operating Percentage (2025)

Main Business Activities	% of turnover
Automobile Transportation	21%
Gas Stations	79%
Total	100%

3. Main products and services

The Company is engaged in container transportation, bulk transportation, dangerous goods transportation, oil transportation, vehicle sales, automotive repair and maintenance, vehicle inspection, and gas station businesses.

(II) Development status of the industry

1. Overview of the Gas Stations

According to the Oil Price Information Management and Analysis System of Bureau of Energy, Ministry of Economic Affairs, from 2021 to 2025, the total number of gas stations in the past five years is as follows:

Year	2021	2022	2023	2024	2025
Number of stations	2,508	2,484	2,519	2,517	2,501

Top 10 Gas Station Turnover in the Past Five Years

TOP10	**2020**	**2021**	**2022**	**2023**	**2024**
1	CPC Taiwan	CPC Taiwan	CPC Taiwan	CPC Taiwan	CPC Taiwan
2	National Gas Stations	National Gas Stations	National Gas Stations	National Gas Stations	National Gas Stations
3	Taisun Petrochemical	Taisun Petrochemical	Taisun Petrochemical	Taisun Petrochemical	Taisun Petrochemical
4	Shan-Loong Transportation Co., Ltd.	Shan-Loong Transportation Co., Ltd.	Shan-Loong Transportation Co., Ltd.	Shan-Loong Transportation Co., Ltd.	Formosa Industry
5	Formosa Industry	Uni-President Advanced Materials Corporation	Formosa Industry	Formosa Industry	Uni-President Advanced Materials Corporation
6	Uni-President Advanced Materials Corporation	Taiwan Sugar Corporation	Uni-President Advanced Materials Corporation	Uni-President Advanced Materials Corporation	Shan-Loong Transportation Co., Ltd.
7	Taiwan Sugar Corporation	Taipei International	Taiwan Sugar Corporation	Taiwan Sugar Corporation	Taiwan Sugar Corporation
8	Taipei International	Best Star	Taipei International	Taipei International	Taipei International
9	TaiDa Gas Station	Formosa Industry	Evergreen International	Evergreen International	Evergreen International
10	Evergreen International	TaiDa Gas Station	Songshan Gas Station	Songshan Gas Station	Songshan Gas Station

The Company's Oil Products Division is situated in the downstream of the oil market. The gas station industry, supplying gasoline, diesel retail, exquisite hand car wash, automobile routine inspection, and environmental testing services among others, caters to the domestic demand and is seen as an industry related to people's livelihood. Compared to other industries, this sector has been relatively stable. However, in recent years, due to the increasing saturation of gas stations in Taiwan, with the total number of stations hovering around 2500±20 over the past five years, it has become difficult to find locations with growth potential. There is intense competition among group-affiliated gas stations for lease renewals and new station leases. In addition, rising rent and land acquisition costs, increases in minimum wage, and labor shortages have all driven up operating costs, requiring more flexible management. As the global energy transition accelerates, with the growing popularity of electric vehicles, the development of renewable energy, and the emergence of new energy types, gas station operators will need to continuously adjust their operational strategies.

The development of electric vehicles is becoming increasingly mature. According to the International Energy Agency (IEA), the number of electric vehicles in the world was only 17,000 in 2010, and by 2023, the number had grown to 13.6 million. The number of electric vehicles worldwide is expected to reach 250 million by 2030. The European Union plans to ban the sale of new gasoline and diesel vehicles by 2035, and the Taiwanese government’s decision to ban the sale of fuel vehicles by 2040 have led to significant market changes for gas station operators in Taiwan.

Due to changes in the broader environment, the Company is guiding core business clients through transformation aligned with government policies. To address labor shortages, it has integrated systems including a membership app, prepayment, and license plate recognition, becoming a pioneer in vertical information integration. With flexible marketing, a user-friendly semi self-service fueling system, multiple payment options, and a dedicated environmental inspection team, the Company enhances the customer experience and ensures equipment safety. All systems are now cloud-based, enabling agility in a shifting market and setting a new benchmark in the industry.

2. Overview of Automobile Freight

In 2024, Taiwan’s industrial production grew by 11.45% year-on-year, with the manufacturing sector expanding by 11.93%, and imports and exports increasing by 9.85%. Driven by overall economic growth, Taiwan’s automotive freight industry showed modest growth in operational performance in 2024 compared to the same period in 2023. From January to October, the cumulative freight volume increased by 0.43% year-on-year, reaching 421.27 million metric tons. In addition, benefiting from a 1.11% increase in ton-kilometers to 27.907 billion ton-kilometers, the continued growth in medium- and long-distance transport demand drove a 2.73% increase in transportation revenue, reaching NT$160.247 billion.

On the other hand, international crude oil prices fell to USD 74.24 per barrel, leading to a corresponding decline in domestic diesel prices. Since 2024, fuel costs have been lower compared to the same period in 2023, helping the industry maintain stable annual profitability and easing operational pressures.

(III) Technology and R&D Overview

The New Business Development Division focuses on land freight and energy sales, dedicated to integrating digital technology into daily operations. Through the following core strategies, we continue to enhance the company's digital resilience:

- Zero Trust architecture: By integrating multi-factor authentication mechanisms, it optimizes internal information security and access control, effectively implementing the information security architecture design.
- Full Cloud Adoption: Abandon traditional on-premises setups and leverage the high scalability of cloud platforms to address system bottlenecks, ensuring 24/7 continuous operation of services.
- Technical Integration and Efficiency: Accelerate application deployment through pre-integrated cloud services, saving operational manpower while ensuring data security. In the future, the Company will further promote the technological integration of "transportation and refueling businesses," enhancing administrative efficiency internally and establishing a fast and agile customer service ecosystem externally.
- Software Productization: Effectively productize existing information systems to provide diverse usage environments and project integration for businesses, thereby increasing the company's profit diversification.
- Integration of operational systems and customer-end services: Continue to deepen the autonomous operation and data-driven management of self-service gas stations and car wash services. Simultaneously, invest in the development and module integration of a comprehensive operational management system (including CMS, PMS, FMS), and optimize the corporate membership service platform to enhance the end customer experience and innovate operational models through digital technology.
- Internal Process Automation and Paperless Operations: Fully promote Enterprise Resource Planning (ERP) and Transportation Management System (TMS) enhancements to enhance logistics scheduling and decision-making accuracy. Introduce automation Robotic Process Automation (RPA) technology for repetitive administrative tasks, and fully transition the internal electronic approval system to the cloud collaboration platform to achieve paperless and real-time process management.
- Information security and infrastructure enhancement: In pursuit of the goal of continuing to build a Zero Trust environment, further implement Identity and Access Management mechanisms, integrate Single Sign-On (SSO) and Multi-Factor Authentication (MFA) to strengthen internal access control. Simultaneously, bolster the information security inspection mechanisms in application development processes, network traffic monitoring, and endpoint security to ensure high stability across various digital operational systems both in the cloud and on-premises.

In the future, the Company will continue to utilize the latest information technology and business intelligence analysis to integrate the transportation and refueling businesses more deeply. This will provide employees with a better user experience and decision-making efficiency internally, and offer customers faster and more convenient quality services externally.

(IV) Long-term and Short-term Development Plan

1. Short-term:

(1) Comprehensive revenue growth:

Shanlong Officially Launches "Smart Gas Station" Concept: Shanlong PayApp: Popularized QR code payment, combined with a license plate recognition system, to achieve a digital experience of "no need for card carrying, no need for advance payment." Fast fueling mode: Automatically integrates payment and electronic invoices via the app, significantly reducing commercial vehicle dwell time and increasing turnover rate. Fully transition to smart gas stations, and keep data in the clouds. Enhance the competitiveness of oil products, combined with one-stop shipping, warehousing, and logistics services for large corporate customers. Improve service quality to create higher gross profit.

(2) Implement information system management:

In 2024, the Company implemented two major systems: a fuel management system for the fuel business and a transportation management system (TMS) for the logistics business. The initial focus of the Transportation Management System (TMS) is to optimize existing transportation operations and enhance standardized management. This includes establishing transportation fleet information, strengthening the order management mechanism, managing key cargo information, and optimizing rate settings to ensure more accurate and efficient operational processes. The management team is able to monitor real-time operational performance, make the most effective strategic decisions, and maintain full control over the Company’s operations.

(3) Creating a new cycle of benefits:

Spreads roots down to the end of the supply chain, focusing on the peripheral demands of suppliers starting with vehicles, such as vehicles, diesel, warranty, tires, financing, etc., to create extra economic benefits while in addition to strengthening collaboration ties.

(4) Activate assets:

To enhance the operational efficiency and profitability of the transportation business, the Company has phased out idle and high-maintenance tractors, semi-trailers, and related operational equipment. This measure reduces non-productive expenditures, optimizes resource allocation, and improves overall operational performance.

(5) Personnel training:

The Company has actively established key functional teams, including order management, dispatch, and drivers. Through direct communication, hierarchical authorization, and skill development, the professional capabilities of each role are strengthened. This fosters an efficient collaboration mechanism to enhance overall operational efficiency and service quality.

2. Long-term:

(1) In terms of oil products: The continual expansion of domestic business venues ensures the Company's leading position in the diesel market. In terms of transportation, the integration of shipping, warehousing, and logistics services enhances overall operating efficiency and steadily increases profits.

(2) Streamlined and efficient operations, horizontal integration and reduction of supplier quantity, combined with the introduction of a new management system in each division, reduce excessive operating costs and redundant expenses, so that human resources can be used most efficiently to achieve the highest per capita output value.

(3) Sustainable operation and resource integration are employed to create circular benefits and address vehicle-related needs for suppliers, such as vehicles, diesel, warranty, tires, etc., which can all bring additional economic benefits and strengthen collaboration ties.

(4) Activate and own assets, utilize and create the use value of idle assets and non-operating income, replace and newly purchased more effective equipment, and replace the rental cost of leased assets with the interest expense of purchased assets to achieve expense assetization.

(5) Informational real-time management: Based on hierarchical advanced data dashboards set up for each business unit, quantitative management indicators are established to provide real-time operational performance and various data for precise budget management, gaining comprehensive control of the Company's operation.

II. Market and Sales Overview

(I) Market Analysis

1. The Company primarily provides a comprehensive transportation supply chain service, including import and export container transport, domestic transport within Taiwan (flatbed and bulk cargo), and logistics warehousing, as well as fuel sales services through gas stations.

2. With liberal competition in the domestic oil market, price reduction and promotion, and the rise of the rental cost of gas stations, the gas-station business has entered into an era of low profits. The gas station operators have changed their marketing strategies, strengthened the alliance of different industries, and issued joint gas cards to create more revenue. At present, CPC still owns the highest shares in the domestic gas station industry. In terms of oil brands, the top ones are CPC and Formosa Petrochemical Corporation. Since the first Shan-Loong gas station was established in 1998, through continuous efforts, the Company has 74 gas stations now, which are located all over Taiwan. The oil distribution volume and market share are growing steadily. The inventory value loss due to falling oil price, originally caused by oil price fluctuation, is unaffordable to ordinary gas station channels. Because of the uncertainty, the Company has implemented inventory management to cope with positive & negative impacts from oil price fluctuations.

The Company has engaged in transportation services for a long time. From the initial freight and container transportation to the current logistics warehousing and shipping customs declaration, the Company provides one-stop services of customs declaration, cargo handling, and transportation. The Company has obtained the ISO14001 certification, and the scope of certification includes automobile repair and gas station businesses in addition to the existing transportation and logistics businesses.

3. Competitive niches, favorable and unfavorable factors for future development, response measures

   (1) Award History

      A. The Company has strict self-requirements for quality, and has passed ISO 9001 International Quality Management System Verification, SQAS Road Transportation Safety and Quality Evaluation System Verification, ISO 14001 International Environmental Management System Verification, OHSAS18001 Occupational Safety and Health Evaluation System Verification and TTQS Training Quality Talent Development Quality Management System Appraisal for the 2018 Bronze Medal.

      B. The Winner of World Magazine's Top 2000 Survey 2018: 89th in the Service Industry

      C. In 2019, the Company passed the annual assessment of the Road Transportation Safety Quality Assessment System (SQAS) of the General Management Office of Formosa Plastics Co., Ltd. and won the seventh place in the warehousing and cargo industry of "Taiwan's Large Enterprise Ranking Top 5000".

      D. In 2020, the Company's Environmental Remediation Lab passed the Qualification Permit of the Environmental Inspection and Measurement Organization, and Shan-Loong Customs Declaration, the subsidiary, also won the recognition of Excellent Customs Declaration.

      E. 2021: Honored by the National Taxation Bureau with the Excellent Operator Award.

      F. 2023: Passed the annual SQAS review held by the Formosa Plastics General Management Office.

   (2) Favorable factors

      A. The Company has operational sites in the northern, central, and southern regions of Taiwan, enabling the provision of wide-ranging and timely transportation services to customers. By enhancing vehicle capacity, optimizing dispatch mechanisms, and improving vehicle utilization rates, the Company further increases transportation efficiency, achieves more effective trip operations, and strengthens overall operational performance.

      B. Gas stations are located throughout the province, providing transportation oil for the same industry is also better for customer base development than other operators. By careful evaluation, the Company establishes operation locations on the basis of profit priority.

(3) Unfavorable Factors

In recent years, rising raw material prices, along with increased procurement and labor costs, have led to higher operating expenses. In addition, the increasingly volatile global geopolitical landscape, along with major international trends such as net-zero carbon reduction and digital transformation, requires additional capital investment to replace or install new equipment in response to external changes.

(4) Response Measures

In response to the advent of the AI era, the transportation industry must also embrace intelligent operations management. Going forward, efforts will focus on strengthening the digital infrastructure of logistics and transportation services, promoting the implementation of smart fleet management systems and the application of IoT technologies to enhance overall transport efficiency.

(II) Important Uses of the Main Products and the Production Process

1. Container transportation: the Company is specialized in import and export container transportation, from the terminal container yards to the customer factories, cooperate with the dispatching yard and hanging container operation in each district, integrate the transportation network all over the province and provide high-quality services.
2. Bulk transportation: the Company is engaged in carrying raw materials and finished goods, including flat and dump trucks as well as dumping operations, providing professional services for in-island transportation.
3. Dangerous goods transportation: the Company provides chemical tanks and various dangerous goods transportation services, and passed the SQAS European Transportation Safety and Quality Assessment Certification (Chemical Storage and Transportation).
4. Oil transportation: the Company has built new oil tank trucks to carry the transportation For CPC Oil and Formosa Plastic Oil, expanding the new business.
5. Automobile repair and inspection: Auto repair plants are established in northern, central and southern Taiwan, and inspection services are launched, too.

   In addition, each of Shan-Loong’s automobiles is equipped with advanced equipment such as GPS, image recording DVRs, etc., which provides multiple protection to achieve missions for customers.
6. The gas station business: Shan-Loong has set up direct-operated gas stations on all major transportation routes and nearby densely populated areas to provide consumers with high-quality oil products and services. The Company focuses on “pure, adequate, satisfactory, and safe” oil services for customers.

(III) Supply of Primary Raw Materials

The Company's oil products are mainly for gas station operations. The oil products are from two major domestic suppliers, CPC and Formosa Plastics, both of which have signed supply contracts. The supplies are in good condition.

(IV) List of customers who accounted for more than 10% of total sales in the last two years

1. Information of major suppliers in the most recent two fiscal years

Unit: NT$ Thousands

	2024				2025			
Item	Name	Amount	Percentage in annual net purchase %	Relationship with the Issuer	Name	Amount	Percentage in annual net purchase %	Relationship with the Issuer
1	CPC	6,124,105	76.45	None	CPC	4,364,777	74.16	None
2	Formosa Petrochemical	1,886,563	23.55	None	Formosa Petrochemical	1,520,744	25.84	None
Net purchase		8,010,668	100.00		Net purchase	5,885,521	100.00	

2. The major customers in the most recent two fiscal years

Unit: NT$ Thousands

	2024				2025			
Item	Name	Amount	Percentage in total net sales %	Relationship with the Issuer	Name	Amount	Percentage in total net sales %	Relationship with the Issuer
1	Cheng Loong and its subsidiaries, etc.	1,623,275	14.97	The company is a legal entity director of the Company	Cheng Loong and its subsidiaries, etc.	1,275,030	15.59	The company is a legal entity director of the Company
2	Jong Long Co., Ltd.	24,633	0.23	The company is a de facto related party of the Company.	Jong Long Co., Ltd.	0	0	The company is a de facto related party of the Company.
3	Jie Long Transportation Co., Ltd.	5,260	0.05	The company is a de facto related party of the Company.	Jie Long Transportation Co., Ltd.	0	0	The company is a de facto related party of the Company.
4	Others	9,192,646	84.79	—	Others	6,904,892	84.41	—
Net sales		10,841,809	100.00	—	Net sales	8,179,922	100.00	—

3. The reasons for the increase or decrease: None.

III. Employee Profile

Number of Employees, Average Years of Services, Average Age and Employee Academic Background in the Previous Two Years Before the Publication of the Annual Report

Year		2024	2025	Current year as of April 20, 2026
Number of employees	Management staff	82	74	73
	Administrative Staff	421	255	203
	Field Staff	1,022	698	655
	Total	1,525	1,027	931
Average Age		37.23	37.23	37.24
Average year of services		6.12	6.12	6.6
% Education	PhD	—	0.10%	0.11%
	Master	1.05%	3.12%	3.11%
	University	51.54%	46.74%	46.62%
	High school	35.67%	42.26%	42.21%
	Below high school	11.74%	7.79%	7.95%

IV. Environmental Protection Expenditures

(I) Losses in recent years and up to the date of the publication of the annual report due to environmental pollution: None.

(II) Response Measures

The Company's occupational safety office and environmental protection department are responsible for dealing with the requirements of various environmental protection laws and regulations. The fuel dispenser is equipped with an oil and gas recovery system to reduce the oil and gas at the gas station as well as reduce the concentration of harmful substances. The company regularly monitors the soil gas of the gas stations and the liquid tightness of the oil basin of the fuel dispenser and sets up sewage treatment and recovery equipment for the car washing machine, which can effectively prevent the pollution of air, soil and water.

The Company has passed the ISO-14001 International Environmental Management System (EMS) certification and ISO-45001 Occupational Safety and Health Management System certification. In response to global climate change, it has developed climate change adaptation strategies to reduce and manage greenhouse gas emissions. The Company is committed to generational justice, environmental justice, and just transition, protecting the earth, fulfilling the shared responsibility of safeguarding the global environment, maintaining public interest, jointly enhancing the quality of life, and ensuring sustainable national development.

V. Labor Relations

(I) The Company's employee benefits for studying, training, pension systems and its implementation status as well as labor agreements and measures for preserving employee rights and interests.

1. Employee Benefits Measures and Implementation Situation

The Company attaches considerable importance to the welfare of its employees, and has established an employee welfare committee in accordance with the regulations. The variety of welfare measures for employees include wedding ceremonies, funeral services, birthday celebrations, travel and recreation, and accident and disaster relief, as well as medical assistance for employees' families. There are also measures such as recognition events for outstanding employees, maternity congratulations, disability compensation for work-related injuries, labor insurance, winter and summer uniforms, and scholarships for employee's children.

2. Employee development, training and implementation

The Company has a training department, which is responsible for arranging the Company's education and training plan. Regardless of the new personnel, administrators, operators and supervisors, they participate in further training on schedule.

3. Retirement system and implementation

The Company's pension plan is handled in accordance with the relevant provisions of the Labor Standards Act. The Company makes defined contributions to its pension fund account at the Bank of Taiwan that provides pensions for employees upon retirement. Actuaries are also appointed every year to perform actuarial pension calculation. The new system of retirement was implemented since July 1, 2005. Under the new system, the Company allocates at least 6% of each employee's (who select the new system) monthly wages to the labor pension personal account.

4. Situation of Labor and Management Relations

All rules and regulations regarding labor and management of the Company are in accordance with the Labor Standard Act. Various meetings are held to understand employees' opinions as a reference for improvement, and the welfare system is used to stabilize employees' lives and establish relatively harmonious labor and management relations.

5. Measures to safeguard the rights and interests of employees

The Company passed the OHSAS18001 Occupational Safety and Health Assessment System verification in 2006.

The Company has well-established management rules that specify the rights and obligations of colleagues and the items of benefits, and the specialized personnel unit regularly reviews and revises the benefits in order to safeguard the rights and interests of all employees.

(II) The Company's employee education and training planning and implementation for 2025

In 2025, employee education and training continued to be guided by the Company's annual business goals, strengthening employees' professional knowledge and strictly implementing regulatory compliance. This Year, the emphasis was particularly placed on "grassroots leadership" and "digital learning transformation," significantly improving the coverage rate of training and organizational efficiency through diversified course offerings. The main training content and execution results were as follows:

1. Operational management competency training:

   To hold 5 business management courses for senior and middle-level supervisors, with a total of 23 participant instances and 69 total hours. An investment of NT$42,200 was made to enhance the management team's strategic planning and decision-making execution.

2. Core professional competency training:

   Provided 12 professional skills training sessions for Intermediate, Grassroots Colleagues, with a total of 15 participant instances and 64.5 training hours. An investment of NT$17,000 was made to solidify core business knowledge.

3. Grass-roots management functions training:

   To strengthen the core of the organization, specialized training was planned for mid-level and grassroots management colleagues, with a total of 9 sessions, 43 participants, and an accumulated 164.5 training hours. The focus of this training is to enhance the team management and execution effectiveness of grassroots supervisors.

4. Topic-based functional training:

   A total of 57 specialized skills training sessions were offered to frontline staff and managerial personnel, with 894 participant instances and a total of 1,932 hours. An investment of NT$355,000 effectively strengthened professional application capabilities in specific fields.

5. Regulatory and certification training:

   For grassroots, drivers, and gas workers, 121 training sessions related to regulations and certifications were conducted, with 234 participant instances and a total of 2,093 hours. An investment of NT$4,446,180 was made to ensure operational safety and compliance.

6. Promotion of Digital Learning Functions:

   This Year, digital learning was actively promoted, with 8 online training sessions held for mid-level and grassroots colleagues, reaching 8,654 participant instances and accumulating 2,937.3 hours. Through the digital learning platform, the learning coverage rate for all employees has been significantly improved.

   Overall, in 2025, the Company conducted a total of 212 training sessions, with 9,863 participants and a cumulative training duration of 7,260.3 hours. The total training expenditure amounted to NT$4,860,380. By rooting in grassroots management and the comprehensive introduction of digital learning, the Company demonstrates its strong emphasis on talent development.

Statistics of the Company’s Employee Education and Training for Year 2025

Functional Category	Target	Course	Total	Total hours	Total Fee
Operational management function	Senior and middle-level supervisors	5	23	69.0	42,200
Core Professional Functions	Intermediate, Grassroots Colleagues	12	15	64.5	17,000
Grass-roots management functions	Mid-level, grass-roots management colleagues	9	43	164.5	—
Functions by Assignment	Grassroots, management colleagues	57	894	1,932.0	355,000
Regulatory Certificate Functions	Grassroots, Drivers, Gas Workers	121	234	2,093.0	4,446,180
Digital Learning Functions	Intermediate, Grassroots Colleagues	8	8,654	2,937.3	—
Total		212	9,863	7,260.3	4,860,380

(III) Protective Measures for Working Environment and Personal Safety of Employees

Achievements in Occupational Safety Management

- The Company itself implements the "Yearly Occupational Safety Audit Plan," under the leadership of each unit supervisor, combining on-site inspections and safety report data to accurately identify various deficiencies. All improvement items are included in the quarterly tracking and management of the Safety and Health Committee to ensure the implementation of occupational safety and health care, and to achieve rolling revisions.

- In 2025, there were a total of 7 occupational accidents, including 1 major occupational accident. The frequency rate (FR) of disabling injuries for occupational accidents this year is 3.77, the severity rate (SR) is 68, and the comprehensive injury index (FSI) is 0.50 (commuting traffic accidents are not included in this year's calculation). Although there is a reduction compared to the Year 2024, the figures remain relatively high. It demonstrates the need to strengthen employees' safety awareness regarding occupational accident prevention.

- In terms of safety and health inspections, labor inspection agencies in various counties and cities conduct unscheduled occupational safety inspections at gas stations. There were a total of 6 deficiencies, primarily regarding the lack of labeling for chemical hazards and the maximum operating pressure of air compressors not being indicated. After the Field Staff cooperated in making improvements, reports were submitted to the labor inspection agencies for case closure.

- The Company is committed to providing a safe and healthy working environment for its employees. To this end, an occupational safety office has been established to coordinate and promote various initiatives, and the Company has obtained ISO 45001 certification (Certificate valid from December 21, 2023, to December 20, 2026, with recertification required after three years). Utilize various management practices to provide employees with a safe and hygienic working environment, conducting regular inspections of relevant equipment to prevent occupational accidents.

- To ensure the safety and health of employees, safety and health work rules are established. In accordance with the quality policy of "economical, quick, and responsible," and the safety and health policy of "full participation of employees, safety first, and disaster zeroing," the

Company continuously promotes safety and health management activities. The Company strives to create a good working environment and provide employees with a safe, comfortable, and healthy operational environment.

- In response to the industrial characteristics of gas stations and transportation operations, The Company itself establishes and implements the following safety and health regulations and management measures to comprehensively protect the personal safety of employees:
  1. Implement the safety and health management system.
  2. Strengthen transportation and on-site operational safety.
  3. Promote occupational safety and health education and training.
  4. Implement employee health protection. (Including: illegal infringement, overload, ergonomic hazards, maternity protection).
  5. Establish occupational injury and accident investigation handling procedures.
  6. The Company itself regularly holds on-the-job health examinations for employees, providing health education information, personalized health guidance, and follow-up examinations.
  7. Conduct regular monitoring of the work environment (office area).

(IV) The loss caused by labor and management disputes (including labor inspection results in violation of the labor standards, the date of disciplinary action, disciplinary action number, disciplinary action in violation of laws and regulations, content of violation of laws and regulations, content of disciplinary action), during the latest year and up to the printing date of this annual report. The Company shall also disclose the estimated amount of current and future events and the measures to be taken, and if it cannot be reasonably estimated, it shall state the fact that it cannot be reasonably estimated.

Date of Punishment	Number of Punishment	Violation of the Provisions of the Law	Violation of the Content of the Law	Content of the Punishment
2025.05.23	Fu Shou Lao Zi Zi No. 1140123444	Article 38 (4) of the Labor Standards Act	Failure to pay wages for unused special leave.	Penalty of NT $20,000
2025.05.23	Fu Shou Lao Zi Zi No. 1140123420	Article 35 of the Labor Standards Act	The worker continued to work for four hours without having at least the required 30-minute rest.	Penalty of NT $20,000
2025.05.23	Fu Shou Lao Zi Zi No. 1140123399	Article 22 (2) of the Labor Standards Act	Wages not fully paid directly to the worker	Penalty of NT $20,000

Response Measures

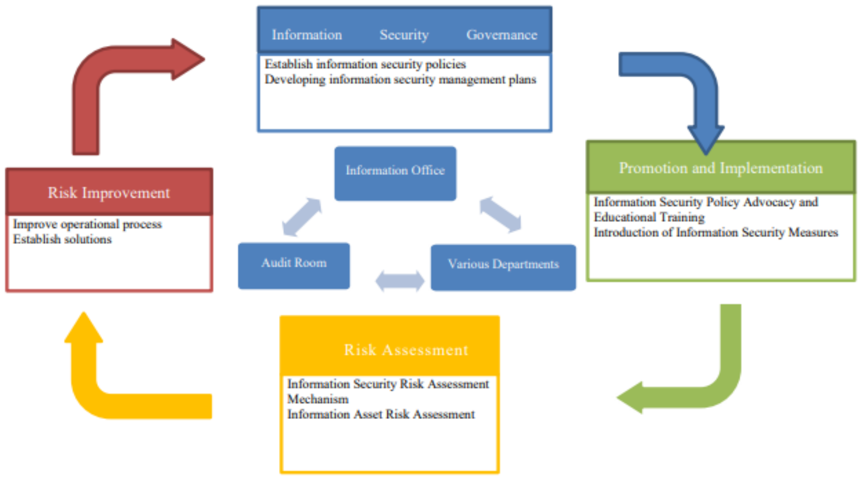
1. Shan-Loong has always pay attention to the welfare and interests of employees and actively promoted the relationship between labor and management. It has indeed established working rules and various management regulations in accordance with the Labor Standard Act and relevant laws and regulations. So far, the maintenance of employee rights and interests are good. It is expected that the two parties will continue to maintain their labor relations with good communication and interaction.

2. The Company has a HR department specializing in labor standard matters, and the estimated amount that may occur in the future is 0.

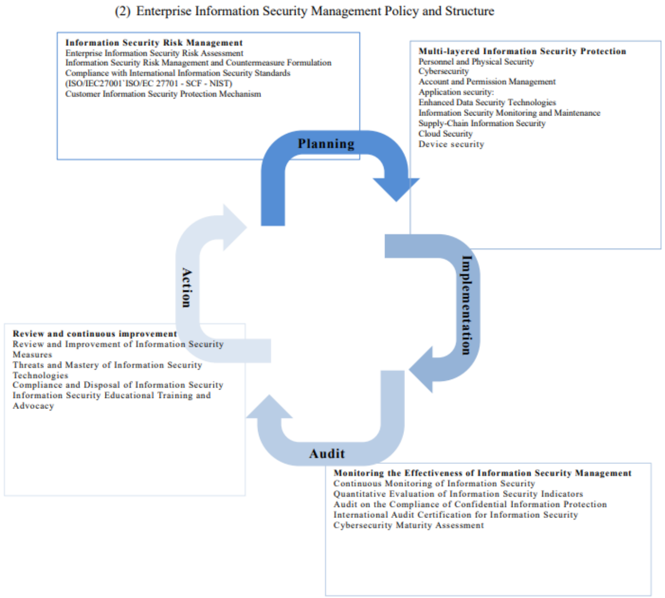
VI. Information Security Management

(I) Information security management strategy and structure:

1. Information Technology Security Risk Management Framework
   - (1) The information security authority of the Company shall be the information office, including one information director and one information supervisor, along with a number of information professionals. They are responsible for formulating internal information security policy, planning and implementing information security operations, and promoting and implementing information security policy. The implementation status of the Company’s information security governance is regularly reported to the chairman meeting after being summarized by the highest executive in enterprise information. The most recent report date is December 29, 2025.
   - (2) The audit room of the Company is the supervision unit for information security supervision. The top supervisor of the audit room is an observer who holds quarterly meetings to review and resolve information security and information protection policies and policies, and implement the effectiveness of information security management measures to reduce internal information security risks.
   - (3) Organizational operating model - Adopt PDCA (Plan-Do-Check-Act) cycle management to ensure that reliability goals are achieved and continuously improved.
2. Information Security Policy and Specific Management Proposals
   - (1) The Company's information security management mechanism examines the applicability and protection measures of information security policies in accordance with the management cycle mechanism of Plan-Do-Check-Act (PDCA). Its policies include the following three aspects:
     - A. System specifications: formulate the Company's information security management system to regulate the work behavior of personnel.
     - B. Science and technology application: the construction of information security management equipment, the implementation of information security management measures.
     - C. Personnel training: Conduct information security education and training to enhance the awareness of all colleagues.



(2) Enterprise Information Security Management Policy and Structure



(3) Specific management plan

A. Cybersecurity:

a. Implement advanced technologies for scanning computers and system and software updates.

b. Enhance network firewalls and network control mechanisms to prevent lateral spread of computer viruses across devices and zones.

B. Device security:

a. Establish an anti-virus mechanism to prevent computers containing malware from entering the Company.

b. Implement endpoint antivirus measures based on computer types to enhance malicious behavior detection.

C. Application Security:

  a. Develop a development process application security checklist, assessment criteria, and improvement objectives

  b. Continuously strengthen application security controls and integrate them into development processes and platforms.

D. Enhanced Data Security Technologies:

  a. Use advanced data protection tools to strengthen document confidentiality classification and data protection with data labels.

  b. Document and data encryption controls and effective tracking.

  c. Outgoing mail control.

E. Educational Training and Advocacy:

  a. Enhance employees' awareness of email social engineering attacks and perform phishing email defense detection.

  b. Organize employee recognition exercises to improve employees' awareness of safety.

F. Cybersecurity Attack Simulation Exercise:

  a. Entrust an external professional vendor to run the Company's cyberattack simulation drill.

  b. Integrate objective results and threat intelligence of third-party verification, conduct risk assessment, and review and enhance.

(4) Investing in security management resources

In response to the trend of digital transformation in enterprises and to further generate new forms of cloud business collaboration models, the overall planning for three major aspects, computer room safety, account and access management, and device security is carried out as follows:

A. Computer room safety: a new generation of computer room, strengthen the integration of fire protection and environmental control system, the use of integrated environmental control system characteristics, the power, air conditioning, temperature and fire integration in it, to effectively monitor the condition of the computer room.

B. Account and access management: Build a single sign-on (SSO) authentication solution, authenticate system accounts through one-time user authentication, log into multiple application systems or websites with access management policies, and fully implement multi-factor authentication (MFA) mechanisms to significantly enhance the security of internal access.

C. Device security: Set up Endpoint Security software to conduct antivirus monitoring and intercept threats for all types of hosts, carry out application activity monitoring, network monitoring, assess the overall system health, and report detection and status information, in order to protect the hosts from intrusions and provide protection.

In addition, to reduce the risk of system vulnerabilities, the Company also conducts vulnerability scans on important hosts such as the transportation management system (TMS) to fix high- and medium-risk vulnerabilities, thus reducing the risk of hackers infiltrating the system through these loopholes. At the same time, an automatic backup and backup mechanism is established for the important host system and data to ensure that personnel can restore the operation of the system smoothly in the event of a disaster.

(II) Communications Security Risks and Response Measures:

The Company has established comprehensive network and computer-related security measures, but cannot guarantee that its computer systems that control or maintain important corporate functions such as company operations and accounting can completely avoid cyberattacks from any third-party systems that paralyze systems. These cyberattacks illegally hack into a company's internal network system, carrying out activities such as disrupting the Company's operations and damaging the Company's reputation. In the event of a serious cyberattack, the Company may lose important data, and some operations may be shut down. The Company continuously reviews and evaluates its information security policies and procedures, utilizing cybersecurity technologies for monitoring and analysis to ensure the adequacy and security of its systems. However, it cannot guarantee immunity from emerging risks and attacks amid the rapidly evolving landscape of information security threats. Cyberattacks may also attempt to steal trade secrets and other confidential information, such as proprietary information of customers or other stakeholders, as well as personal information of company employees. Malicious hackers may also attempt to introduce computer viruses, destructive software, or ransomware into the Company's network systems to disrupt operations, extort or blackmail the Company, gain control of its computer systems, or spy on confidential information. These attacks may result in the Company's liability to compensate customers for losses incurred as a result of delays or disruptions to orders; or to implement remediation and improvement measures at substantial expense to strengthen the Company's cybersecurity systems; or may result in the Company incurring significant legal liability in connection with legal cases or regulatory investigations resulting from the disclosure of confidential information of company employees, customers, or third parties. In addition, the Company needs to share sensitive information with some of the third-party vendors it employs to provide the Company's services in order to enable it to provide the relevant services. Although the Company requires third-party service providers to comply with confidentiality and/or cybersecurity requirements in their service contracts, it cannot guarantee that each third-party service provider will strictly abide by these obligations. Internal network systems and external cloud computing networks (such as servers) maintained by the above-mentioned service providers and/or their contractors are also at risk of cyberattacks. Failure by the Company or its service providers to resolve the technical issues arising from these cyberattacks in a timely manner, or to ensure the data integrity and availability of the Company (and its customers or other third parties), or to control the computer systems of the Company or its service providers, may seriously undermine the Company's commitment to its customers and other stakeholders, and the Company's operating results, financial condition, prospects and reputation may also be materially and adversely affected.

(III) Major information security incidents:

The Company itself had no major information security incidents in the 2025 Year and up to the date of publication of the annual report. In the relevant information security reports, it is found that some users' computers are infected by computer viruses or that these users clicked on unsafe links. The endpoint protection software blocked or deleted these threats as soon as such an incident takes place, and therefore no losses were incurred. Moving forward, the Company will continue to strengthen its network firewalls and network controls to prevent the lateral spread of computer viruses across hosts and zones. Furthermore, relevant procedures to enhance the use of information technology for data protection are also underway. The Company has allocated appropriate additional budgets to enhance information technology security, but there is still no guarantee that the Company will be entirely protected from malware attacks.

VII. Important Contracts

Type of Contract	Party	Contract Duration	Main content	Restrictions
Oil Contract	CPC	2021.08.01~2028.07.31	Automobile Gas Station Supply Alliance Contract	None
Oil Contract	Formosa Plastics	2021.08.01~2028.07.31	Purchase and Sales Contract of Oil Products for Gas Station	None

Chapter 5. Evaluation of Financial Status and Operating Results Review and Risk Matters

I. Financial Status

Units: NT$ Thousand; %

Year / Item	2025	2024	Difference	
			Amount	%
Current Assets	2,431,173	2,280,458	150,715	6.61
Property, plant, and equipment	3,605,789	3,833,599	(227,810)	(5.94)
Intangible assets	142,508	165,058	(22,550)	(13.66)
Other non-current assets	170,246	209,350	(39,104)	(18.68)
Total asset value	8,407,571	8,849,349	(441,778)	(4.99)
Current liabilities	3,322,690	2,891,388	431,302	14.92
Non-current liabilities	2,400,749	2,072,948	327,801	15.81
Total liabilities	5,723,439	4,964,336	759,103	15.29
Capital stock	1,372,818	1,372,818	—	—
Capital surplus	589,896	589,490	406	0.07
Retained earnings	300,503	1,231,327	(930,824)	(75.60)
Other equity interest	396,313	516,033	(119,720)	(3.20)
Treasury stock	(31,863)	(31,863)	—	—
Equity attributable to shareholders of the parent company	2,627,667	3,677,805	(1,050,138)	(28.55)
Non-controlling Interests	56,465	207,208	(150,743)	(72.75)
Total equity	2,684,132	3,885,013	(1,200,881)	(30.91)

Explanation of major changes: (changes in previous and subsequent periods up to 20% and the amount of changes up to NT $10 million)

(I) Retained earnings, equity attributable to shareholders of the parent company, non-controlling interests, total equity: Decrease in retained earnings: Due to a comprehensive loss for the current year, retained earnings decreased accordingly.

II. Financial Performance

Units: NT$ Thousand; %

Year Item	2025	2024	Increase (Decrease) Amount	Percentage change （%）
Operating revenue	8,179,922	10,841,809	(2,661,887)	(24.55)
Operating costs	7,613,104	10,074,105	(2,461,001)	(0.24)
Gross profit	566,818	767,704	(200,886)	(0.26)
Operational expenses	1,372,639	1,305,177	(67,462)	(0.05)
Net operating profit	(805,821)	(537,473)	(268,348)	(0.50)
Non-operating revenue and expenses	(22,014)	76,450	(98,464)	(1.29)
Net income before tax	(827,835)	(461,023)	(366,812)	(0.80)
Income tax expenses	12,469	(14,456)	26,925	1.86
Net profit for the period	(840,304)	(446,567)	(393,737)	(0.88)
Other comprehensive income (loss)	(175,906)	(678,109)	502,203	0.74
Total comprehensive income for the period	(1,016,210)	(1,124,676)	108,466	0.10

(If the increase or decrease amounts to 20%, and the change amounts to NT $10 million, please analyze and explain)

(I) Decrease in Revenue: This was mainly due to The Company itself replacing fuel dispensers starting in September 2024 and switching to entirely self-service sales, which resulted in a decline in revenue.

III. Analysis of Cash Flow

(I) Analysis Instructions of Cash Flow Changes in the Most Recent Fiscal Year

Year Item	2025	2024	Percentage of Increase (Decrease)%
Cash Flow Ratio	-5.49%	-31.56%	82.6
Cash flow adequacy ratio	81.91%	114.01%	-28.16
Cash re-investment ratio	-3.96%	-16.40%	75.85

If the increase or decrease ratio changes by more than 20%, the analysis and explanation are as follows:

1. Increase in cash flow ratio: This was mainly due to a significant decrease or a shift to net outflow in cash flows from operating activities, along with an increase in current liabilities.
2. Increase in cash re-investment ratio: This is mainly due to the decrease in net cash flow from operating activities.

(II) Analysis of the Cash Flow Difference of the Next Year:

Unit: In Thousands of New Taiwan Dollars

Cash balance at the beginning of the period	Annual net cash flow from operating activities	Annual cash outflow	Ending cash balance amount	Remedy for cash inadequacy	
				Investment plan	Financing plan
1,655,633	370,000	350,000	1,675,633	—	—

1. Cash Flow Analysis for the Year of the current year:
   (1) Operating activities: Based on the development direction of the Company's main business, the sales and profits are stable, and the cash flow of operating activities is expected to increase in the next year.
   (2) Investment activities: it is expected to increase investment in fixed assets, distribute cash dividends and other activities.
2. Remedy action for estimated cash inadequacy: Not applicable.

IV. Major Capital Expenditures and Impact on Financial and Business in the most recent year: None.

V. Investment policy in the past year, the main reasons for profit/loss, improvement plan, and investment plan for the upcoming fiscal year: There are no other reinvestment plans for the Company in the most recent fiscal year.

VI. Risk Analysis and Assessment for the Most Recent Fiscal Year and as of the Publication Date of the Annual Report:

(I) Effects of Changes in Interest Rates, Foreign Exchange Rates and Inflation on Corporate Finance, and Future Measures:

Recently, interest rates have been relatively low and stable, having no significant impact on the company's cost of capital. The company currently has ample funds with no funding gap and continues to maintain good relationships with banks, which is expected to facilitate positive interactions in future business transactions with the banking sector.

In terms of exchange rates, the Group does not engage in derivative transactions and instead adopts a natural hedging approach to mitigate exchange rate risks. It maintains a certain ratio of foreign currency positions within a controllable range to avoid losses. The Group also continuously monitors exchange rate fluctuations and takes appropriate measures to reduce the risk of exchange rate volatility.

Additionally, as the government closely monitors macroeconomic inflation risks and price fluctuations, there is no significant concern about inflation.

1. Interest rate changes: The Company's Financial Status and Financial Performance are good, and it has ample working capital. Maintaining good long-term relationships with financial institutions, the Company has a sound financial standing and excellent creditworthiness. Expected future interest rate changes will have no significant impact on the Company's profits and losses.
2. Exchange rate fluctuations: The Company itself primarily focuses on domestic transportation and petroleum sales, with its main sales targets being the general public and business firms. As a result, exchange rate fluctuations have no significant impact on the

Company. The finance department of the Company's Finance and Accounting Division also keeps abreast of exchange rate market information and can take specific measures when necessary to avoid risks arising from exchange rate fluctuations.

3. Inflation: The Company itself primarily engages in domestic transportation and petroleum sales and has not yet experienced any impact on costs and profits due to inflation, hence there is no significant concern about inflation.

(II) The policies to engage in high-risk, highly-leverage investments, lending, endorsements and guarantees, and the transactions of financial derivative products, the main reasons for gains and losses, and the future countermeasures:

1. Neither the Company nor its subsidiaries are engaged in high-risk and high-profile investments but operation of its business.

2. For endorsements and guarantees and fund loans to others engaged by the Company and its subsidiaries due to business needs, in addition to careful evaluation, and in accordance with the relevant laws and regulations of the FSC and the provisions of the "operating procedures for endorsements and guarantees" and "operating procedures for fund loans to others" formulated by the Company, the Company shall timely and correctly announce all information.

(III) Future R&D Projects and Estimated R&D Expenditure

In the coming year, The Company will focus on "energy saving, intelligence, automation, and digitalization" as its core driving forces. In addition to replacing existing equipment, the Company will comprehensively deepen technological upgrades and operational optimization. The specific investment layout is as follows:

1. Smart energy retail and experience upgrade
   - Self-service gas station operation system data-driven: Independently develop gas station operation systems and hardware, optimize operational processes through big data analysis, enhance market responsiveness and customer interaction experience, and ensure stable profit momentum.
   - Next-generation car wash service integration: Promote the deep integration of hardware and software for self-service car wash machines to improve equipment performance and operational convenience, and consolidate market competitiveness through innovative operational models.
2. Digital management of core businesses and membership operation
   - Intelligent Transportation CMS System: Develop a highly integrated CMS system to enhance the transportation business unit's precise management of "vehicles, personnel, and assets."
   - Corporate Membership Value Enhancement: Introduce an intelligent self-management system that provides digital tools such as fuel consumption monitoring, safety controls, and personalized settings for corporate clients, to build brand loyalty through smart services.

3. Operational process automation and digital resilience.

   - Enhancement of TMS Transportation Management: Comprehensively optimize dispatch monitoring, real-time logistics tracking, and route planning to achieve minimized transportation costs and optimized resource allocation.
   - Automation of IT Services and Security Protection: Integrating AI Chatbot and JIRA to create an intelligent repair request and IT service management system.
   - Deepen the intelligence of the PMS (Fuel Management System) to ensure efficient and convenient services.
   - Promoting DevSecOps and shifting security left in the development process to integrate security defenses into the development cycle, reduce maintenance costs, and build enterprise resilience.

4. Productization of research and development results

   - Effectively productize existing operational systems, providing various businesses with references and usage, thereby diversifying the company's profit base.

5. Digitalization of business operations and services

   - Deepen the autonomous operation model of self-service gas stations and optimize the integration of hardware and software for next-generation self-service car wash machines; continue to invest in the development of a comprehensive operational management system (including CMS, PMS, FMS), and introduce a next-generation corporate membership management system to enhance customer experience and brand loyalty through data analytics.

6. Internal process automation and decision support

   - Comprehensively optimize Enterprise Resource Planning (ERP) and Transportation Management System (TMS) to enhance logistics scheduling and decision-making accuracy. Implement automation (RPA) technology for administrative tasks, and transition the internal electronic approval system to a cloud collaboration platform to achieve paperless and real-time processes. Simultaneously, establish a data lake and a Business Intelligence (BI) platform to support decision accuracy and optimize manpower and IT service management efficiency.

7. Information Security and Infrastructure Upgrades

   - Enhance network traffic monitoring and endpoint security, implement Identity and Access Management (IAM) while integrating Multi-Factor Authentication (MFA) and Single Sign-On (SSO); Promote shifting security left and replace outdated hardware equipment, concurrently strengthen surveillance system configurations at stations to ensure high stability and security of various digital operational systems and facilities.

(IV) Effects of and Response to Changes in Policies and Regulations Relating to Corporate Finance and Business:

Important policy and legal changes at home and abroad in the most recent year had no significant impact on the Company's financial business. Look forward to the future, the Company will collect relevant information from time to time and discuss necessary countermeasures to meet the needs of the Company's operation.

(V) Effects of and Response to Changes in Technology (including information security risks) and the Industry Relating to Corporate Finance and Business:

The company's business items are mainly land transportation and gas station services. The competitiveness of the industry mainly depends on the quality of transportation equipment, oil product quality, operators' proficiency, and service attitude. There was no significant impact on the Company's financial and business due to major technological changes in the most recent year (2025 Year). The Company itself will also continue to promote digital transformation and upgrade information security protection to proactively respond to potential future technological change risks.

(VI) The Impact of Changes in Corporate Image on Corporate Risk Management, and the Company’s Response Measures:

The Company has always adhered to the principles of professionalism and integrity, emphasizing corporate image and risk control, and there are currently no foreseeable crises.

(VII) Expected Benefits and Risks Relating to Merger and Acquisition Plans and Response Measures:

The Company has no plans for mergers and acquisitions in the most recent year and up to the date of publication of the annual report.

(VIII) Expected benefits and risks relating to plant expansion plans and response measures:

The Company has no plans to expand its premises in the most recent year and up to the date of publication of the annual report.

(IX) The risk and future mitigation efforts to risks associated with purchase concentration and sales concentration:

1. In terms of Purchase

   The Company’s main oil suppliers are CPC Oil and Formosa Plastics, the two major domestic oil factories, with no risk of concentrated inventory.

2. In terms of sales

   The Company’s main sales targets are general consumers and business firms, with no specific targets, hence there is no risk of sales concentration.

(X) Impacts, risks, and response measures resulting from major equity transfer or replacement of directors, or substantial shareholders holding more than 10% of the Company’s shares: None.

(XI) Impact, risk, and response measures related to any change in the administrative authority towards the Company's operations: None.

(XII) Litigation or Non-litigation Events: None.

(XIII) Other significant matters and response measures:

1. Evaluation and response measures for information security risks:

   The Company has an information office, which is responsible for hardware and software development, as well as information security and monitoring. At the end of each year, it evaluates information security risks and proposes an information management plan for the following year. The policy covers the following aspects:

- Prevent computer viruses and hacker intrusions: Fully deploy endpoint protection software and robust firewall mechanisms, and implement Identity and Access Management (IAM) to strengthen permission control. Information personnel monitor the operation of the system and server room daily, regularly perform vulnerability scans and patches on core systems, and back up data to the cloud weekly for external backup to prevent data damage caused by major disasters.
- Prevent information leakage: Strictly enforce employee-specific system account permission management and regular password changes, and fully implement device management (prohibit unauthorized external storage devices). All personnel sign confidentiality agreements, and information security risk education and training is conducted regularly. In addition, the Management Measures for the Handling of Significant Information has been established to create a mechanism for handling and disclosing significant internal information. This prevents improper disclosure of confidential information and ensures the consistency of information released externally.
- Internal audit operation: The Information Security Operation Cycle, an internal audit item in the Company, is conducted yearly to ensure that the control of passwords, the safety of files and equipment, data center management, and data backup management are thoroughly audited. Up until the 2025 Year, the audit results did not show any anomalies, and the results were reported to the Board of Directors.

2. Organization and Operation of Risk Management:

(1) Risk Management Policies and Procedures

The Company itself has newly updated the contents of the "Risk Management Policies and Procedures" in 2025, considering the overall scale, business characteristics, risk nature, and operational activities of the Company and its subsidiaries for revisions. The contents cover the following goals and principles:

- Goal:
  - ■ Ensure the realization of the company's strategy and operational goals.
  - ■ Enhancement of management efficiency and decision quality;
  - ■ Provide reliable information to support governance and management;
  - ■ Effectively allocate resources and strengthen corporate resilience. Risk Management Objectives
- Principle:
  - ■ Integration: Regard risk management as part of all activities.
  - ■ Structured and comprehensive: Promote risk management in a structured and comprehensive manner to obtain consistent and comparable results.
  - ■ Customization: Develop an appropriate risk management framework and processes based on the company's environment, scale, business characteristics, risk nature, and operational activities.
  - ■ Inclusivity: Consider the needs and expectations of stakeholders, and enhance and fulfill stakeholder expectations regarding corporate risk

    - management. Understand and meet stakeholders' expectations.
    - Dynamics: Appropriately and timely predict, monitor, grasp, and respond to changes in the internal and external environments of the enterprise.
    - Effective use of information: Based on historical, current information, and future trends as the foundation for building risk management, and providing information in a timely and clear manner for stakeholder reference.
    - Personnel and Culture: Enhance the emphasis of governance and management units on risk management, and improve the overall risk awareness and culture of the enterprise through a comprehensive risk management training mechanism for personnel at all levels, considering risk management as part of corporate governance and daily operations.
    - Continuous Improvement: Continuously enhance risk management and related operational processes through learning and experience.

(2) The organizational structure and responsibilities of risk management are as follows:

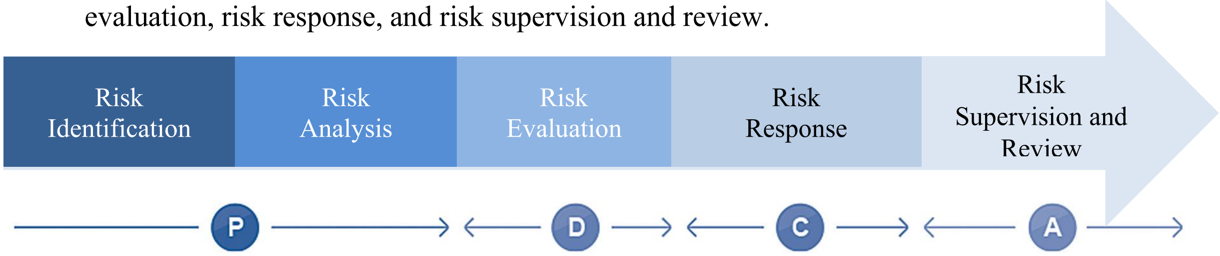
- Responsibilities of the Board of Directors: The Board of Directors is the highest governing body for risk management and its responsibilities are as follows:
    - Approve the risk management policies, procedures, and framework.
    - Ensure that the operational strategy direction aligns with the Risk Management Policies and Procedures.
    - Supervise the effective operation of the risk management mechanism.
    - Provide the necessary resources to support risk management.
- Responsibilities of the Risk Management Committee:
    - Review the Risk Management Policies and Procedures.
    - Approve risk appetite and risk rating.
    - Supervise the implementation of risk management operations.
    - Report the Risk Management Operation and Implementation to the Board of Directors at least once a year.
- Responsibilities of the Risk Management Promotion and Implementation Unit:
    - Develop risk policies, procedures, and framework.
    - Establish standards for risk identification, analysis, evaluation, and response.
    - Coordinate risk information from various departments and compile a risk report.
    - Coordinate cross-departmental risk management related operations.
    - Promote risk management education and training.
- The responsibilities of each unit within the organizational structure:

    - ■ Responsible for the risk identification, analysis, evaluation, and response of this department's operations.
    - ■ Regularly provide the necessary risk information to the Risk Management Promotion Unit.
    - ■ Implement the related control processes of risk management.
- ● The operational management meeting: This refers to an executive meeting or operational meeting presided over by the CEO or president, which is responsible for carrying out the risk assessments of various plans and projects initiated by the control team.
- ● The financial unit: A fund coordination unit independent from each business department, responsible for handling the financial operations of each business unit and reporting on investments assessments.
- ● The audit unit: An independent department under the chairman meeting, which is responsible for internal controls and internal auditing, as well as supervising and providing methods and procedures to ensure the Company conducts effective operational risk management.
- ● The business unit: The supervisor of the business unit bears the responsibility for frontline risk management, and is responsible for analyzing and monitoring the relevant risks within their own unit, while ensuring that risk control mechanisms and procedures can be effectively implemented.

  The president oversees the execution status of each department and reports to the chairman meeting.

3. Risk Management Process and Operation

The Company’s risk management process includes risk identification, risk analysis, risk evaluation, risk response, and risk supervision and review.



4. Risk Reporting and Disclosure

(1) Risk Documentation: Information, analysis data, control measures, and reports from the risk management process should be completely recorded and retained for auditing purposes.

(2) Risk Reporting: The Risk Management Promotion Unit should regularly integrate risk information from various units to form reports submitted to the Risk Management Committee and the Board of Directors.

(3) Information Disclosure: The Company itself should disclose the following information on the company's website or the Market Observation Post System (MOPS): Risk Management Policies and Procedures; Organizational Structure of Risk Governance; Implementation Status of Risk Management and the report date.

VII. Other important items: None.

Chapter 6. Special Disclosures

I. Summary of Affiliated Companies: The information required to be disclosed has been revealed on the Market Observation Post System of the Taiwan Stock Exchange. Please refer to the Special Section for the Three Reports of Affiliated Companies (https://mopsov.twse.com.tw/mops/web/t57sb01_q10).

II. Handling of Private Placement Securities: None.

III. Other Necessary Statements: None.

Chapter 7. Significant factors

In the recent year and up to the date of the printing of the annual report, Article 36.3.2 “any matter which has had a significant impact on shareholders’ rights or the price for the securities”: None.

Sanlong

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

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ISO 9001
品質管理系統
ISO 14001
環境管理系統
ISO 45001
職業安全與衛生管理系統

Authorized Economic Operator
TAIWAN
TWAEO

鄭人豪